



May 22, 2015

Via EMAIL

Mr. Alan Holmes, Chairman  
City of Winter Haven  
General Employees Pension Plan  
PO Box 2277  
Winter Haven, FL 33883-2277

Re: City of Winter Haven General Employees' Pension Plan

Dear Al:

Enclosed is the Exhibit "B", which is based upon the October 1, 2014 Actuarial Valuation for attachment to the Summary Plan Description for the above referenced retirement program.

If you have any questions, please let us know.

Sincerely,

*Mary Jean Gloudeman*

Mary Jean Gloudeman

Enclosure

cc: Lee Dehner w/Enclosure

CITY OF WINTER HAVEN  
GENERAL EMPLOYEES' PENSION PLAN

EXHIBIT "B"

A. Participant Data	New Assum. <u>10/1/2014</u>	Prior Assum. <u>10/1/2014</u>	Prior Assum. <u>10/1/2013</u>
Number Included			
Actives	245	245	257
Service Retirees	149	149	142
Beneficiaries	26	26	23
Terminated Vested	87	87	88
Disability Retirees	12	12	12
DROP Retirees	18	18	16
Total	<u>537</u>	<u>537</u>	<u>538</u>
Total Annual Payroll	10,136,685	10,136,685	10,759,102
Payroll Under Assumed Ret. Age	9,864,027	9,864,027	10,448,820
Annual Rate of Payments to:			
Service Retirees	2,772,161	2,772,161	2,618,085
Beneficiaries	300,093	300,093	276,157
Terminated Vested	256,651	256,651	273,364
Disability Retirees	159,619	159,619	158,825
DROP Retirees	500,785	500,785	418,809
 B. Assets			
Actuarial Value <sup>1</sup>	50,642,882	50,642,882	44,888,748
Market Value <sup>1</sup>	54,770,698	54,770,698	48,185,166
 C. Liabilities			
Present Value of Benefits			
Active Members			
Retirement Benefits	33,065,777	32,582,451	33,070,400
Disability Benefits	1,370,597	1,351,614	1,415,927
Death Benefits	239,499	237,083	251,146
Vested Benefits	1,470,863	1,442,531	1,483,721
Refund of Contributions	1,248,011	1,245,113	1,369,171
Service Retirees	27,728,775	27,518,427	26,327,688
Beneficiaries	2,945,264	2,922,084	2,729,738
Terminated Vested	1,920,660	1,899,602	1,942,597
Disability Retirees	1,616,038	1,603,260	1,623,572
DROP Retirees <sup>1</sup>	6,909,946	6,860,223	5,509,558
Total	<u>78,515,430</u>	<u>77,662,388</u>	<u>75,723,518</u>

C. Liabilities - (Continued)	New Assum. <u>10/1/2014</u>	Prior Assum. <u>10/1/2014</u>	Prior Assum. <u>10/1/2013</u>
Present Value of Future Salaries	56,754,172	56,502,893	60,189,197
Present Value of Future Member Cont.	5,391,646	5,367,775	5,717,974
Normal Cost (Entry Age Normal)			
Retirement Benefits	760,425	743,791	787,635
Disability Benefits	67,037	65,995	68,909
Death Benefits	9,261	9,143	9,731
Vested Benefits	70,523	68,837	72,314
Refund of Contributions	228,941	228,542	241,159
Total Normal Cost	<u>1,136,187</u>	<u>1,116,308</u>	<u>1,179,748</u>
Present Value of Future Normal Costs	5,601,979	5,467,593	5,823,552
Actuarial Accrued Liability			
Retirement Benefits	29,035,420	28,663,633	28,898,631
Disability Benefits	1,031,978	1,020,228	1,061,606
Death Benefits	191,755	190,268	200,660
Vested Benefits	1,055,967	1,039,455	1,063,308
Refund of Contributions	477,648	477,615	542,608
Inactives <sup>1</sup>	41,120,683	40,803,596	38,133,153
Total Accrued Liability	<u>72,913,451</u>	<u>72,194,795</u>	<u>69,899,966</u>
Unfunded Actuarial Accrued Liability	22,270,569	21,551,913	25,011,218
D. Actuarial Present Value of Accrued Benefits			
Vested Accrued Benefits			
Inactives <sup>1</sup>	41,120,683	40,803,596	38,133,153
Actives	14,821,730	14,575,803	14,507,931
Member Contributions	6,929,390	6,929,390	6,873,346
Total	<u>62,871,803</u>	<u>62,308,789</u>	<u>59,514,430</u>
Non-vested Accrued Benefits	<u>1,978,218</u>	<u>1,942,113</u>	<u>1,838,344</u>
Total Present Value Accrued Benefits	64,850,021	64,250,902	61,352,774
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	0	
Assumption Changes	599,119	0	
New Accrued Benefits	0	1,990,332	
Benefits Paid	0	(3,789,392)	
Interest	0	4,697,188	
Other	0	0	
Total:	<u>599,119</u>	<u>2,898,128</u>	

Valuation Date Applicable to Fiscal Year Ending	New Assum. 10/1/2014 <u>9/30/2016</u>	Prior Assum. 10/1/2014 <u>9/30/2016</u>	Prior Assum. 10/1/2013 <u>9/30/2015</u>
<b>E. Pension Cost</b>			
Normal Cost (with interest) % of Projected Annual Payroll <sup>2</sup>	11.97	11.76	11.74
Administrative Expense (with interest) % of Projected Annual Payroll <sup>2</sup>	0.44	0.44	0.42
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 28 years (with interest) (as of 10/1/14) % of Projected Annual Payroll <sup>2</sup>	35.23	34.66	34.72
Total Required Contribution % of Projected Annual Payroll <sup>2</sup>	47.64	46.86	46.88
Expected Member Contributions % of Projected Annual Payroll <sup>2</sup>	9.50	9.50	9.50
Expected City Contribution % of Projected Annual Payroll <sup>2</sup>	38.14	37.36	37.38

**F. Past Contributions**

Plan Years Ending:	<u>9/30/2014</u>
Total Required Contribution	5,088,420
City Requirement	4,120,458
Actual Contributions Made:	
Members	967,961
City	<u>4,120,458</u>
Total	5,088,419

G. Net Actuarial Gain (Loss) 1,388,992

<sup>1</sup> The asset values and liabilities for DROP Members include accumulated DROP Balances as of 9/30/13 and 9/30/14.

<sup>2</sup> Contributions developed as of 10/1/14 are expressed as a percentage of Projected Annual Payroll at 10/1/14 of \$9,864,027.