



February 28, 2011

Mr. Shawn Boyle  
Finance and Administrative Services Director  
City of Winter Springs  
1126 East State Road 434  
Winter Springs, Florida 32708

**Re: City of Winter Springs Defined Benefit Plan Actuarial Valuation**

Dear Shawn:

As requested, we are pleased to enclose eleven (11) copies of the October 1, 2010 Actuarial Valuation Report for the City of Winter Springs Defined Benefit Plan.

We appreciate the opportunity to work with the City on this important project.

As you are aware, a copy of the Report should be filed with the State at the following address upon approval by the Board.

Mr. Douglas E. Beckendorf, A.S.A.  
Bureau of Local Retirement Services  
Division of Retirement  
Building 8  
Post Office Box 9000  
Tallahassee, Florida 32315-9000

Ms. Patricia Shoemaker  
Office of Municipal Police Officers'  
& Firefighters' Pension Fund  
Building 8  
Post Office Box 3010  
Tallahassee, Florida 32315-3010

If you should have any questions concerning the above, please do not hesitate to contact us.

Sincerest regards,

Lawrence F. Wilson, A.S.A.  
Senior Consultant and Actuary

Enclosures



**CITY OF WINTER SPRINGS  
DEFINED BENEFIT PLAN**

*ACTUARIAL VALUATION AS OF OCTOBER 1, 2010*

This Valuation Determines the Annual Contribution for the Plan Year October 1, 2011 through September 30, 2012 to be Paid in Plan Year October 1, 2011 to September 30, 2012

February 28, 2011



**City of Winter Springs  
Defined Benefit Plan**

|                          |
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February 28, 2011

Board of Trustees  
c/o Mr. Shawn Boyle  
Finance and Administrative Services Director  
City of Winter Springs Defined Benefit Plan  
1126 East State Road 434  
Winter Springs, Florida 32708

Dear Board Members:

### **October 1, 2010 Actuarial Valuation**

We are pleased to present our October 1, 2010 Actuarial Valuation for the City of Winter Springs Defined Benefit Plan (Plan). The purpose of this report is to indicate appropriate contribution levels, comment on the actuarial stability of the Plan and to satisfy State requirements. The Board of Trustees has retained Gabriel, Roeder, Smith and Company (GRS) to prepare an annual actuarial valuation under Section 3.02 of the Plan.

This report consists of this commentary, detailed Tables I through XV and the State Required Exhibit on Table XVI. The Tables contain basic Plan cost figures plus significant details on the benefits, liabilities and experience of the Plan. We suggest you thoroughly review the report at your convenience and contact us with any questions that may arise.

### **Retirement Plan Costs**

Our Actuarial Valuation develops the required minimum Plan payment for the plan year beginning October 1, 2011 under the Florida Protection of Public Employee Retirement Benefits Act. The minimum payment consists of payment of annual normal costs including amortization of the components of the unfunded actuarial accrued liability over various periods as prescribed by law. The minimum payment is **28.1% of covered payroll (\$2,891,785)**. The figure in parentheses is the Plan cost expressed as a dollar amount based on projected covered annual payroll for fiscal year beginning October 1, 2011 (\$10,304,054).

This total cost is to be met by member, County and City contributions. We anticipate member contributions will be **2.7% of covered payroll** for fiscal year ending September 30, 2012 (**\$274,861**). The resulting minimum required County and City contribution is **25.4% of covered payroll** for fiscal year ending September 30, 2012 (**\$2,616,924**).

### **Changes in Actuarial Assumptions, Methods and Plan Benefits**

The Plan provisions are unchanged from the previous actuarial valuation. Plan provisions are summarized on Table IX.

The actuarial assumptions and methods are unchanged from the previous actuarial valuation. The actuarial assumptions and methods are outlined on Table X.

### **Comparison of October 1, 2009 and October 1, 2010 Valuation Results**

Table II of our report provides information of a comparative nature. The left columns of the Table indicate the costs as calculated for October 1, 2009. The right columns indicate the costs as calculated for October 1, 2010.

Comparing the left and right columns of Table II shows the effect of Plan experience during the year. The number of active participants decreased by approximately 5% while covered payroll decreased by approximately 4%. Total normal cost decreased as a dollar amount but increased as a percentage of covered payroll. The unfunded actuarial accrued liability also decreased as a dollar amount but increased as a percentage of covered payroll. Similarly, the net County and City minimum funding requirement decreased as a dollar amount but increased as a percentage of covered payroll.

The value of vested accrued benefits exceeds Plan assets, resulting in a Vested Benefit Security Ratio (VBSR) of 65.8% which is an increase from 61.2% as of the October 1, 2009 Actuarial Valuation. The VBSR is measured on a market value basis.

### **Plan Experience**

The Plan experienced an actuarial gain in the amount of \$521,732 this year. This indicates actual overall Plan experience was more favorable than expected.

Table XV (salary, turnover and investment yield) provides figures on recent Plan experience. Salary experience indicates actual salary increases averaged approximately 0.9% for General Employees and 2.8% for Firefighters and Police Officers for the Plan Year ended September 30, 2010. Salary experience was generally a source of actuarial gain.

Employee turnover this year was 120% of the assumed turnover for General Employees and 170% of the assumed turnover for Firefighters and Police Officers. Employee turnover was generally an additional source of actuarial gain.

The actuarial value investment return of 7.3% was less than the investment return assumption of 8.0%. Investment return was an offsetting source of actuarial loss during the year. The three and five year average annual actuarial value investment returns are 6.9% and 9.1% respectively. The one, three and five year average annual market value returns are 12.0%, -1.6% and 3.3%, respectively.

**Member Census and Financial Data**

The City submitted the Member census data used for this actuarial valuation to us. This information contains name, Social Security number, date of birth, date of hire, October 1, 2010 rate of pay, actual salary paid and member contributions for the previous year. Dates of termination and retirement are provided where applicable. The Board updated information on inactive participants including retirees, beneficiaries and vested terminees.

We used financial information concerning Plan assets as provided by the City. We do not audit the Member census data and asset information that is provided to us. However, we perform certain reasonableness checks and on this basis we believe that the information that we received is reliable.

**Summary**

In our opinion the benefits provided for under the current Plan will be sufficiently funded through the payment of the amount as indicated in this and future Actuarial Valuation reports. We will continue to update you on the future payment requirements for the Plan through our actuarial reports. These reports will also continue to monitor the future experience of the Plan.

The undersigned are Members of the American Academy of Actuaries and meet the qualification standards of the American Academy of Actuaries to render the actuarial opinions contained in this report. We are available to respond to any questions with regards to matters covered in this report.

Very truly yours,



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Lawrence F. Wilson, A.S.A.  
Senior Consultant and Actuary



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Peter N. Strong, A.S.A.  
Consultant and Actuary

**City of Winter Springs  
Defined Benefit Plan**

**Summary of Retirement Plan Costs as of October 1, 2010**

|  | <b><u>Cost<br/>Data</u></b> | <b><u>% of<br/>Payroll</u></b> |
|--|-----------------------------|--------------------------------|
| A. Participant Data Summary (Table III)  |                             |                                |
| 1. Active Employees  | 210                         | N/A                            |
| 2. Terminated Vested   | 98                          | N/A                            |
| 3. Receiving Benefits (including DROPs)  | 51                          | N/A                            |
| 4. Total Annual Payroll of Active Employees  | \$ 10,304,054               | 100.0%                         |
| B. Total Normal Costs  |                             |                                |
| 1. Age Retirement Benefits   | \$ 955,879                  | 9.3%                           |
| 2. Termination Benefits  | 181,751                     | 1.8%                           |
| 3. Death Benefits  | 28,671                      | 0.3%                           |
| 4. Disability Benefits   | 10,249                      | 0.1%                           |
| 5. Estimated Expenses  | 178,530                     | 1.7%                           |
| 6. Total Annual Normal Costs   | <u>\$ 1,355,080</u>         | 13.2%                          |
| C. Total Actuarial Accrued Liability   |                             |                                |
| 1. Age Retirement Benefits Active Employees  | \$ 23,977,256               | 232.7%                         |
| 2. Termination Benefits Active Employees   | 1,099,474                   | 10.7%                          |
| 3. Death Benefits Active Employees   | 728,853                     | 7.1%                           |
| 4. Disability Benefits Active Employees  | 1,017,614                   | 9.9%                           |
| 5. Retired or Terminated Vested Participants<br>Receiving Benefits (including DROPs) | 9,015,908                   | 87.5%                          |
| 6. Terminated Vested Participants Entitled to<br>Future Benefits                     | 2,994,167                   | 29.1%                          |
| 7. Deceased Participants Whose Beneficiaries<br>are Receiving Benefits               | 1,483,443                   | 14.4%                          |
| 8. Disabled Participants Receiving Benefits  | 0                           | 0.0%                           |
| 9. Miscellaneous Liability (Refunds in Process)                                      | 14,732                      | 0.1%                           |
| 10. Total Actuarial Accrued Liability  | <u>\$ 40,331,447</u>        | 391.4%                         |
| D. Assets (Table V)  |                             |                                |
| 1. Actuarial Value of Assets   | \$ 23,887,446               | 231.8%                         |
| 2. Market Value of Assets  | \$ 21,017,997               | 204.0%                         |
| E. Unfunded Actuarial Accrued Liability<br>(C. - D.1.)                               | \$ 16,444,001               | 159.6%                         |



**City of Winter Springs  
Defined Benefit Plan**

**Summary of Retirement Plan Costs as of October 1, 2010**

|   | <b><u>Cost<br/>Data</u></b> | <b><u>% of<br/>Payroll</u></b> |
|---|-----------------------------|--------------------------------|
| F. Minimum Required Contribution  |                             |                                |
| 1. Total Normal Cost (including expenses)   | \$ 1,355,080                | 13.2%                          |
| 2. Amortization of Unfunded Liability   | 1,405,371                   | 13.6%                          |
| 3. Interest Adjustment  | <u>131,334</u>              | 1.3%                           |
| 4. Total Payment  | \$ 2,891,785                | 28.1%                          |
| G. Expected payroll of active employees for 2011/2012 year  | \$ 10,304,054               | 100.0%                         |
| H. Contribution Sources (percent of expected 2011/2012 payroll)                                   |                             |                                |
| 1. County and City  | \$ 2,616,924                | 25.4%                          |
| 2. Member   | <u>274,861</u>              | 2.7%                           |
| 3. Total required contribution  | \$ 2,891,785                | 28.1%                          |
| I. Actuarial Gains (Losses)   | \$ 521,732                  | 5.1%                           |
| J. Actuarial Present Value of Vested Accrued Benefits   |                             |                                |
| 1. Retired, Terminated Vested, Beneficiaries<br>and Disabled Receiving Benefits (including DROPs) | \$ 10,499,351               | 101.9%                         |
| 2. Terminated Vested Participants Entitled to<br>Future Benefits and Miscellaneous                | 3,008,899                   | 29.2%                          |
| 3. Active Participants Entitled to Future Benefits  | <u>18,427,116</u>           | 178.8%                         |
| 4. Total Actuarial Present Value of Vested<br>Accrued Benefits                                    | \$ 31,935,366               | 309.9%                         |
| K. Unfunded Actuarial Present Value of Vested<br>Accrued Benefits (J. - D.2., not less than zero) | \$ 10,917,369               | 106.0%                         |
| L. Vested Benefit Security Ratio (D.2. ÷ J.)  | 65.8%                       | N/A                            |

**City of Winter Springs  
Defined Benefit Plan**

**Comparison of Cost Data of October 1, 2009 and October 1, 2010 Valuations**

|   | October 1, 2009 |                      | October 1, 2010 |                      |
|---|-----------------|----------------------|-----------------|----------------------|
|   | Cost<br>Data    | % of<br>Compensation | Cost<br>Data    | % of<br>Compensation |
| A. Participants                             |                 |                      |                 |                      |
| 1. Active Employees                         | 221             | N/A                  | 210             | N/A                  |
| 2. Terminated Vested                        | 92              | N/A                  | 98              | N/A                  |
| 3. Receiving Benefits                       | 41              | N/A                  | 51              | N/A                  |
| 4. Total Annual Payroll of Active Employees | \$ 10,752,720   | 100.0%               | \$ 10,304,054   | 100.0%               |
| B. Total Normal Costs                       | \$ 1,356,965    | 12.6%                | \$ 1,355,080    | 13.2%                |
| C. Actuarial Accrued Liability              | \$ 37,651,017   | 350.2%               | \$ 40,331,447   | 391.4%               |
| D. Present Value of Future Benefits         | \$ 48,530,001   | 451.3%               | \$ 50,696,997   | 492.0%               |
| E. Actuarial Value of Assets                | \$ 20,788,655   | 193.3%               | \$ 23,887,446   | 231.8%               |
| F. Market Value of Assets                   | \$ 17,323,879   | 161.1%               | \$ 21,017,997   | 204.0%               |
| G. Unfunded Actuarial Accrued Liability     | \$ 16,862,362   | 156.8%               | \$ 16,444,001   | 159.6%               |
| H. County and City Minimum Funding Payment  | \$ 2,627,659    | 24.4%                | \$ 2,616,924    | 25.4%                |
| I. Vested Benefit Security Ratio            | 61.2%           | N/A                  | 65.8%           | N/A                  |

**Table III**

**City of Winter Springs  
Defined Benefit Plan**

**Characteristics of Participants in  
Actuarial Valuation as of October 1, 2010**

A. Active Plan Participants Summary

|  |               |
|--|---------------|
| 1. Active participants fully vested          | 126           |
| 2. Active participants partially vested      | 60            |
| 3. Active participants non-vested            | 24            |
| 4. Total active participants                 | <u>210</u>    |
| 5. Annual rate of pay of active participants | \$ 10,304,054 |

B. Retired and Terminated Vested Participant Summary

|   |    |
|---|----|
| 1. Retired or terminated vested participants receiving benefits (including DROPs) | 42 |
| 2. Terminated vested participants entitled to future benefits                     | 98 |
| 3. Deceased participants whose beneficiaries are receiving benefits               | 9  |
| 4. Disabled participants receiving benefits                                       | 0  |

C. Projected Annual Retirement Benefits

|  |            |
|--|------------|
| 1. Retired or terminated vested receiving benefits (including DROPs) | \$ 865,510 |
| 2. Terminated vested entitled to future benefits                     | \$ 753,917 |
| 3. Beneficiaries of deceased participants                            | \$ 139,313 |
| 4. Disabled participants   | \$ 0       |

**Table IV**

**City of Winter Springs  
Defined Benefit Plan**

**Statement of Assets as of October 1, 2010**

| <u>Assets</u>                       | <u>Market Value</u> |
|-------------------------------------|---------------------|
| A. <u>Cash and Cash Equivalents</u> | \$ 2,617,038        |
| B. <u>General Investments</u>       |                     |
| 1. Common Stocks                    | \$ 13,363,209       |
| 2. Bonds                            | 4,953,986           |
| C. <u>Receivables</u>               |                     |
| 1. Accrued Interest                 | \$ 0                |
| 2. Member Contributions Receivable  | 83,764              |
| 3. Accounts Receivable              | 0                   |
| D. <u>Payables</u>                  |                     |
| 1. Accounts Payable                 | \$ 0                |
| 2. Due to Broker                    | 0                   |
| E. <u>Plan Assets</u>               |                     |
| (A + B + C - D)                     | \$ 21,017,997       |

**Table V**

**City of Winter Springs  
Defined Benefit Plan**

**Reconciliation of Plan Assets**

|   |                     |               |
|---|---------------------|---------------|
| A. <u>Total Market Value of Assets as of October 1, 2009</u>    |                     | \$ 17,323,879 |
| B. <u>Receipts During Period</u>                                |                     |               |
| 1. Contributions  |                     |               |
| a. Member   | \$ 284,866          |               |
| b. City and County  | 2,311,058           |               |
| c. Total  | <u>\$ 2,595,924</u> |               |
| 2. Investment Income  |                     |               |
| a. Interest and dividends                                       | \$ 163,009          |               |
| b. Realized gains/(losses)                                      | 747,897             |               |
| c. Unrealized gains/(losses)                                    | 1,252,339           |               |
| d. Net investment income  | <u>\$ 2,163,245</u> |               |
| 3. Total receipts during period                                 |                     | \$ 4,759,169  |
| C. <u>Disbursements During Period</u>                           |                     |               |
| 1. Pension payments   | \$ 864,364          |               |
| 2. Contribution refunds   | 22,157              |               |
| 3. Administrative expenses                                      | 178,530             |               |
| 4. Total disbursements during period                            | <u></u>             | \$ 1,065,051  |
| D. <u>Total Market Value of Assets as of September 30, 2010</u> |                     | \$ 21,017,997 |

**City of Winter Springs  
Defined Benefit Plan**

**Development of Actuarial Value of Assets as of September 30**

|  | <u>2010</u>      | <u>2011</u>      | <u>2012</u>        | <u>2013</u>      | <u>2014</u>      |
|--|------------------|------------------|--------------------|------------------|------------------|
| A. Preliminary total actuarial value from prior year               | \$ 21,409,499    |                  |                    |                  |                  |
| B. Market value beginning of year                                  | 17,323,879       |                  |                    |                  |                  |
| C. Market value end of year  | 21,017,997       |                  |                    |                  |                  |
| D. Non-investment net cash flow                                    | 1,530,873        |                  |                    |                  |                  |
| E. Investment return   | 2,163,245        |                  |                    |                  |                  |
| F. Phased-in recognition of investment return:                     |                  |                  |                    |                  |                  |
| 1. Current year  | (251,629)        |                  |                    |                  |                  |
| 2. First prior year  | (191,179)        | (251,629)        |                    |                  |                  |
| 3. Second prior year   | (885,152)        | (191,179)        | (251,629)          |                  |                  |
| 4. Third prior year  | 480,905          | (885,152)        | (191,179)          | (251,629)        |                  |
| 5. Fourth prior year   | 346,984          | 480,907          | (885,153)          | (191,178)        | (251,628)        |
| 6. Total phased-in recognition of investment return                | <u>(500,071)</u> | <u>(847,053)</u> | <u>(1,327,961)</u> | <u>(442,807)</u> | <u>(251,628)</u> |
| G. Total actuarial value end of year                               |                  |                  |                    |                  |                  |
| 1. Preliminary total actuarial value end of year                   | 23,887,446       |                  |                    |                  |                  |
| 2. Upper corridor limit: 120% of C.                                | 25,221,596       |                  |                    |                  |                  |
| 3. Lower corridor limit: 80% of C.                                 | 16,814,398       |                  |                    |                  |                  |
| 4. Total actuarial value end of year:                              |                  |                  |                    |                  |                  |
| G.1., not more than G.2., nor less than G.3.                       | 23,887,446       |                  |                    |                  |                  |
| H. Difference between total market value and total actuarial value | (2,869,449)      |                  |                    |                  |                  |
| I. Actuarial value rate of return                                  | 7.3%             |                  |                    |                  |                  |
| J. Market value rate of return                                     | 12.0%            |                  |                    |                  |                  |

Table VI

**City of Winter Springs  
Defined Benefit Plan**

**Actuarial Gains (Losses) for  
Plan Year Ending September 30, 2010**

A. Derivation of Actuarial Gain (Loss)

|   |               |
|---|---------------|
| 1. City and County net normal cost  | \$ 1,072,113  |
| 2. Unfunded actuarial accrued liability   | 16,862,362    |
| 3. City and County contributions previous year  | 2,311,058     |
| 4. Interest on:   |               |
| (a) City and County net normal cost   | \$ 85,769     |
| (b) Unfunded actuarial accrued liability  | 1,348,989     |
| (c) City and County contributions   | 92,442        |
| (d) Net total: (a) + (b) - (c)  | \$ 1,342,316  |
| 5. Expected unfunded actuarial accrued liability current year:<br>(1. + 2. - 3. + 4.) | \$ 16,965,733 |
| 6. Actual unfunded actuarial accrued liability current year                           | 16,444,001    |
| 7. Actuarial gain (loss): (5. - 6.)   | \$ 521,732    |

B. Approximate Portion of Gain (Loss)

Due to Investments

|  |               |
|--|---------------|
| 1. Actuarial value of assets previous year                                 | \$ 20,788,655 |
| 2. Contributions during period   | 2,595,924     |
| 3. Benefits and administrative expenses during period                      | 1,065,051     |
| 4. Expected appreciation for period  | 1,724,327     |
| 5. Expected actuarial value of assets current year:<br>(1. + 2. - 3. + 4.) | \$ 24,043,855 |
| 6. Actual actuarial value of assets current year                           | \$ 23,887,446 |
| 7. Approximate investment gain (loss): (6. - 5.)                           | \$ (156,409)  |

C. Approximate Portion of Gain (Loss)

Due to Liabilities: A. - B.

\$ 678,141

**City of Winter Springs  
Defined Benefit Plan**

**Amortization of Unfunded Actuarial Accrued Liability**

A. Unfunded Actuarial Accrued Liability

| <u>Date</u>     | <u>Unfunded<br/>Liability</u> | <u>Amortization<br/>Payment</u> |
|-----------------|-------------------------------|---------------------------------|
| October 1, 2010 | \$ 16,444,001                 | \$ 1,405,371                    |
| October 1, 2011 | \$ 16,241,720                 | \$ 1,405,371                    |
| October 1, 2012 | \$ 16,023,257                 | \$ 1,405,371                    |
| October 1, 2013 | \$ 15,787,317                 | \$ 1,405,371                    |
| October 1, 2014 | \$ 15,532,502                 | \$ 1,405,371                    |
| ...             |                               |                                 |
| ...             |                               |                                 |
| October 1, 2040 | \$ 0                          | \$ 0                            |

B. Covered Payroll History\*

| <u>Date</u>                       | <u>Covered<br/>Payroll</u> | <u>Annual<br/>Increase</u> |
|-----------------------------------|----------------------------|----------------------------|
| October 1, 2010                   | \$ 10,304,054              | (4.2%)                     |
| October 1, 2009                   | \$ 10,752,720              | (0.1%)                     |
| October 1, 2008                   | \$ 10,767,596              | (3.8%)                     |
| October 1, 2007                   | \$ 11,190,013              | 6.7%                       |
| October 1, 2006                   | \$ 10,489,087              | 8.6%                       |
| October 1, 2005                   | \$ 9,659,446               | 7.5%                       |
| October 1, 2004                   | \$ 8,982,189               | 11.0%                      |
| October 1, 2003                   | \$ 8,094,829               | 22.9%                      |
| October 1, 2002                   | \$ 6,586,077               | 0.3%                       |
| October 1, 2001                   | \$ 6,569,263               | N/A                        |
| Nine Year Average Annual Increase |                            | 5.1%                       |

\* Information prior to October 1, 2008 as reported by prior actuary.



Table VIII

**City of Winter Springs  
Defined Benefit Plan**

**Accounting Disclosure Exhibit**

|  | <b>10/01/2009</b> | <b>10/01/2010</b> |
|--|-------------------|-------------------|
| <b>I. <u>Number of Plan Members</u></b>  |                   |                   |
| a. Retirees and beneficiaries receiving benefits   | 41                | 51                |
| b. Terminated plan members entitled to but not yet receiving benefits                                  | 92                | 98                |
| c. Active plan members   | 221               | 210               |
| d. Total   | 354               | 359               |
| <br><b>II. <u>Financial Accounting Standards Board Allocation as of October 1, 2010</u></b>            |                   |                   |
| <b>A. <u>Statement of Accumulated Plan Benefits</u></b>  |                   |                   |
| 1. Actuarial present value of accumulated vested plan benefits   |                   |                   |
| a. Participants currently receiving benefits   | \$ 8,258,162      | \$ 10,499,351     |
| b. Other participants  | 20,065,675        | 21,436,015        |
| c. Total   | \$ 28,323,837     | \$ 31,935,366     |
| 2. Actuarial present value of accumulated non-vested plan benefits                                     | \$ 489,901        | \$ 427,010        |
| 3. Total actuarial present value of accumulated plan benefits  | \$ 28,813,738     | \$ 32,362,376     |
| <b>B. <u>Statement of Change in Accumulated Plan Benefits</u></b>                                      |                   |                   |
| 1. Actuarial present value of accumulated plan benefits as of October 1, 2009                          |                   | \$ 28,813,738     |
| 2. Increase (decrease) during year attributable to:  |                   |                   |
| a. Plan amendment  |                   | \$ 0              |
| b. Change in actuarial assumptions   |                   | 0                 |
| c. Benefits paid including refunds   |                   | (886,521)         |
| d. Other, including benefits accumulated, increase for interest due to decrease in the discount period |                   | 4,435,159         |
| e. Net increase  |                   | \$ 3,548,638      |
| 3. Actuarial present value of accumulated plan benefits as of October 1, 2010                          |                   | \$ 32,362,376     |
| <b>C. <u>Significant Matters Affecting Calculations</u></b>  |                   |                   |
| 1. Assumed rate of return used in determining actuarial present values                                 |                   | 8.0%              |
| 2. Change in plan provisions   |                   | None.             |
| 3. Change in actuarial assumptions   |                   | None.             |

**City of Winter Springs  
Defined Benefit Plan**

**Accounting Disclosure Exhibit**

III. Annual Pension Cost For the Current Year and Related Information:

Contribution rates:

|         |       |
|---------|-------|
| City    | 24.4% |
| Members | 2.7%  |

Actuarial valuation date                      October 1, 2010

Annual pension cost                              \$            2,627,713

Contributions made                                To be determined

Actuarial cost method                              Entry Age Normal

Amortization method                                Level percent, closed

Remaining amortization period                    30 years

Asset valuation method                              5 year smoothed market

Actuarial assumptions:

|                              |             |
|------------------------------|-------------|
| Investment rate of return *  | 8.0%        |
| Projected salary increases * | 3.0% - 7.5% |

\* Includes expected inflation at 3.0%

**City of Winter Springs  
Defined Benefit Plan**

**Accounting Disclosure Exhibit**

IV. Historical Trend Information\*

A. Schedule of Employer Costs (GASB No. 25)

| <u>Fiscal Year<br/>Ended</u> | <u>Annual Required<br/>Contribution (ARC)</u> | <u>Percentage of<br/>ARC Contributed</u> |
|------------------------------|---|--|
| 09/30/2005                   | \$ 1,424,101                                  | 89%                                      |
| 09/30/2006                   | \$ 1,564,228                                  | 96%                                      |
| 09/30/2007                   | \$ 1,807,722                                  | 102%                                     |
| 09/30/2008                   | \$ 2,005,100                                  | 100%                                     |
| 09/30/2009                   | \$ 1,781,651                                  | 100%                                     |
| 09/30/2010                   | \$ 2,311,058                                  | 100%                                     |

B. Schedule of Employer Costs (GASB No. 27)

| <u>Fiscal Year<br/>Ended</u> | <u>Annual Pension<br/>Cost (APC)</u> | <u>Percentage of<br/>APC Contributed</u> | <u>Net Pension<br/>Obligation/(Asset)</u> |
|------------------------------|--------------------------------------|--|---|
| 09/30/2005                   | \$ 1,410,081                         | 89%                                      | \$ (25,791)                               |
| 09/30/2006                   | \$ 1,562,165                         | 96%                                      | \$ 31,354                                 |
| 09/30/2007                   | \$ 1,810,230                         | 102%                                     | \$ (1,563)                                |
| 09/30/2008                   | \$ 2,004,975                         | 100%                                     | \$ (5,673)                                |
| 09/30/2009                   | \$ 1,781,197                         | 100%                                     | \$ (5,673)                                |
| 09/30/2010                   | \$ 2,311,108                         | 100%                                     | \$ (5,623)                                |

V. Annual Pension Cost and Net Pension Asset

| <u>Fiscal Year Ended</u>            | <u>9/30/2010</u>      | <u>Projected<br/>9/30/2011</u> |
|-------------------------------------|-----------------------|--------------------------------|
| Annual Required Contribution (ARC)  | \$ 2,311,058 *        | \$ 2,627,659                   |
| Interest on Net Pension Asset (NPA) | (454)                 | (450)                          |
| Adjustment to ARC                   | 504                   | 504                            |
| APC                                 | <u>\$ 2,311,108</u>   | <u>\$ 2,627,713</u>            |
| City Contributions                  | <u>\$ (2,311,058)</u> |                                |
| (Increase) Decrease in NPA          | \$ 50                 |                                |
| NPA (beginning of year)             | (5,673)               |                                |
| NPA (end of year)                   | \$ (5,623)            |                                |

\* Percent of pay applied to covered payroll - 2009-2010 fiscal year.

**Table VIII  
(Cont'd)**

**City of Winter Springs  
Defined Benefit Plan**

**Schedule of Funding Progress  
(Dollar Amounts in Thousands)**

VI. Schedule of Funding Progress<sup>1</sup>

| Actuarial<br>Valuation Date | Actuarial<br>Value of Assets<br>(a) | Actuarial Accrued<br>Liability (EAN <sup>2</sup> )<br>(AAL)<br>(b) | Unfunded<br>AAL<br>(UAAL)<br>(b - a) | Funded<br>Ratio<br>(a/b) | Payroll<br>(c) | UAAL as a<br>Percentage of<br>Payroll<br>((b-a)/c) |
|-----------------------------|-------------------------------------|--|--------------------------------------|--------------------------|----------------|--|
| 10/01/2005                  | \$ 9,716                            | \$ 13,178  | \$ 3,462                             | 73.7%                    | \$ 9,659       | 35.8%  |
| 10/01/2006                  | \$ 11,951                           | \$ 16,043  | \$ 4,092                             | 74.5%                    | \$ 10,489      | 39.0%  |
| 10/01/2007                  | \$ 15,527                           | \$ 20,114  | \$ 4,587                             | 77.2%                    | \$ 11,190      | 41.0%  |
| 10/01/2008                  | \$ 18,747                           | \$ 32,414  | \$ 13,667                            | 57.8%                    | \$ 10,768      | 126.9%   |
| 10/01/2009                  | \$ 20,789                           | \$ 37,651  | \$ 16,862                            | 55.2%                    | \$ 10,753      | 156.8%   |
| 10/01/2010                  | \$ 23,887                           | \$ 40,331  | \$ 16,444                            | 59.2%                    | \$ 10,304      | 159.6%   |

<sup>1</sup> Information prior to October 1, 2008 as reported by prior actuary.

<sup>2</sup> Frozen Initial Liability prior to change in method as of October 1, 2008.

**City of Winter Springs  
Defined Benefit Plan**

**Outline of Principal Provisions of the Retirement Plan**

A. Effective Date

Plan adopted as a Money Purchase Floor Offset plan on October 1, 1997. Plan amended and restated as a Defined Benefit Plan effective October 1, 2000. Plan most recently amended by Resolution 2007-20 effective April 23, 2007.

B. Eligibility Requirements

Employees working 30 or more hours per week are eligible to join the Plan on the first day of the month following completion of six (6) months of service.

C. Accrual Service

Years of Accrual Service are any Plan Years during which an Employee completes at least 1,000 hours of service, including years of service completed prior to participation in the Plan.

D. Total Compensation

Wages, salaries and other amounts received (whether or not paid in cash) for personal services actually rendered in the course of employment. This includes but is not limited to commissions, overtime pay and bonuses.

E. Final Average Compensation

Average earnings during the three (3) highest consecutive compensation periods during employment with the City.

F. Normal Retirement

1. Eligibility:

- (a) Attainment of age 65; or
- (b) Completion of 30 years of service and determined to be disabled under the City's long term disability insurance policy.

2. Benefit:

3.00% times Final Average Compensation multiplied by Accrual Service, up to a maximum of 30 years.

City of Winter Springs  
Defined Benefit Plan

**Outline of Principal Provisions of the Retirement Plan**

G. Early Retirement

1. Eligibility:

- (a) Attainment of age 55 and completion of ten (10) years of service; or
- (b) Completion of 25 years of service.

2. Benefit:

Benefit accrued to date of early retirement, actuarially reduced for each year early retirement benefit commencement precedes age 55.

H. Late Retirement

1. Eligibility:

Continued employment beyond Normal Retirement Date.

2. Benefit:

Greater of (a) and (b):

- (a) Accrued benefit calculated as for Normal Retirement based upon service and pay at Late Retirement Date.
- (b) Actuarially increased benefit as of Late Retirement Date.

I. Disability Retirement

1. Eligibility:

Completion of 30 years of service and determined to be disabled under the City's long term disability insurance policy.

2. Benefit:

3.00% times Final Average Compensation multiplied by Accrual Service.

J. Death Benefit

Beneficiary entitled to a monthly benefit supported by the present value of the non-forfeitable accrued benefit at the time of the participant's death. If death occurs after actual retirement, the beneficiary receives whatever is payable under the form of benefit option elected.

**City of Winter Springs  
Defined Benefit Plan**

**Outline of Principal Provisions of the Retirement Plan**

K. Participant Contributions

Three percent (3%) of compensation for General Employees and Police Officers.

L. Vested Benefit Upon Termination

100% vested in required participant contributions. Participant contributions made after October 1, 2000 are included in the deferred vested benefit payable at normal or early retirement date.

Upon termination of service prior to normal or early retirement date a participant shall be entitled to a benefit payable at normal or early retirement date calculated as for normal retirement. Based on pay and service at date of termination multiplied by a percentage from the following table.

| <u>Years of Service</u> | <u>Vested Percentage</u> |
|-------------------------|--------------------------|
| Less Than 3             | 0%                       |
| 3                       | 20%                      |
| 4                       | 40%                      |
| 5                       | 60%                      |
| 6                       | 80%                      |
| 7                       | 100%                     |

M. Normal Form of Payment of Retirement Income

Monthly benefit payable for life.

Other Options

Actuarially equivalent joint and survivor at 50%, 75%, 100%; or ten (10) years certain and life.

N. Changes Since Previous Valuation

None.

**City of Winter Springs  
Defined Benefit Plan**

**Actuarial Assumptions and Actuarial Cost Methods  
Used in the Valuation**

A. Mortality

For healthy General Employee participants, the RP-2000 Combined Mortality Table was used with separate rates for males and females and fully generational mortality improvements projected to each future decrement date.

For healthy Firefighter and Police Officer participants, the RP-2000 Combined Mortality Table with Blue Collar Adjustment was used with separate rates for males and females and fully generational mortality improvements projected to each future decrement date.

For disabled participants, the RP-2000 Combined Disabled Mortality Table was used with separate rates for males and females and fully generational mortality improvements projected to each future decrement date.

B. Investment Return

8.0%, compounded annually, net of investment expenses.

C. Allowances for Expenses or Contingencies

Prior year's actual administrative expenses are included in Normal Cost.

D. Salary Increase Factors

Current salary is assumed to increase at a rate based on the table below per year until retirement.

| <u>Service</u>    | <u>General Employees</u> | <u>Firefighters and Police Officers</u> |
|-------------------|--------------------------|---|
| Less than 5 years | 6.5%                     | 7.5%                                    |
| 5 - 9 years       | 5.5%                     | 5.5%                                    |
| 10 - 14 years     | 4.5%                     | 5.5%                                    |
| 15+ years         | 3.0%                     | 3.5%                                    |



City of Winter Springs  
Defined Benefit Plan

Actuarial Assumptions and Actuarial Cost Methods  
Used in the Valuation

E. Employee Withdrawal Rates

1. Withdrawal rates for male General Employees were used in accordance with the following illustrative example:

| <u>Withdrawal Rates per 100 Employees</u> |                |          |          |          |          |          |          |          |          |          |            |
|---|----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|------------|
| <u>Age</u>                                | <u>Service</u> |          |          |          |          |          |          |          |          |          |            |
|   | <u>0</u>       | <u>1</u> | <u>2</u> | <u>3</u> | <u>4</u> | <u>5</u> | <u>6</u> | <u>7</u> | <u>8</u> | <u>9</u> | <u>10+</u> |
| 20  | 32.8           | 25.4     | 22.7     | 18.4     | 15.8     | 11.7     | 11.1     | 11.1     | 11.0     | 10.0     | 9.8        |
| 25  | 27.2           | 18.5     | 17.2     | 14.6     | 12.7     | 9.7      | 8.5      | 8.4      | 7.7      | 6.3      | 6.2        |
| 30  | 25.8           | 15.4     | 14.0     | 13.2     | 11.8     | 8.8      | 7.8      | 7.1      | 6.4      | 5.5      | 4.7        |
| 35  | 25.8           | 14.3     | 12.8     | 12.6     | 10.9     | 8.5      | 7.5      | 6.8      | 6.2      | 5.3      | 4.2        |
| 40  | 24.4           | 12.6     | 12.0     | 10.7     | 9.0      | 7.4      | 6.7      | 6.2      | 5.8      | 5.3      | 3.0        |
| 45  | 24.4           | 12.5     | 11.6     | 10.3     | 8.8      | 6.8      | 6.5      | 6.0      | 5.1      | 5.1      | 2.7        |
| 50  | 23.4           | 12.2     | 10.7     | 9.4      | 7.9      | 6.0      | 5.5      | 5.3      | 4.6      | 4.6      | 3.0        |
| 55  | 27.4           | 12.2     | 10.7     | 9.3      | 7.8      | 6.8      | 5.4      | 5.2      | 4.4      | 4.3      | 4.5        |
| 60  | 27.4           | 12.2     | 10.7     | 9.3      | 7.8      | 6.8      | 5.4      | 5.1      | 4.3      | 4.2      | 5.3        |
| 65  | 27.4           | 12.2     | 10.7     | 9.3      | 7.8      | 6.8      | 5.4      | 5.1      | 4.3      | 4.2      | 3.7        |

2. Withdrawal rates for female General Employees were used in accordance with the following illustrative example:

| <u>Withdrawal Rates per 100 Employees</u> |                |          |          |          |          |          |          |          |          |          |            |
|---|----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|------------|
| <u>Age</u>                                | <u>Service</u> |          |          |          |          |          |          |          |          |          |            |
|   | <u>0</u>       | <u>1</u> | <u>2</u> | <u>3</u> | <u>4</u> | <u>5</u> | <u>6</u> | <u>7</u> | <u>8</u> | <u>9</u> | <u>10+</u> |
| 20  | 30.3           | 25.8     | 22.1     | 17.4     | 15.4     | 13.5     | 11.4     | 11.3     | 10.5     | 10.2     | 11.6       |
| 25  | 26.6           | 19.8     | 17.1     | 13.0     | 12.9     | 10.7     | 9.7      | 9.2      | 7.8      | 7.1      | 5.3        |
| 30  | 25.4           | 16.9     | 14.5     | 11.6     | 11.3     | 9.4      | 8.7      | 8.1      | 7.1      | 6.5      | 5.4        |
| 35  | 25.4           | 15.9     | 13.5     | 11.2     | 10.9     | 9.0      | 8.0      | 7.8      | 6.8      | 6.2      | 4.6        |
| 40  | 24.4           | 14.0     | 12.1     | 10.0     | 9.1      | 7.0      | 6.5      | 6.3      | 6.1      | 5.0      | 3.3        |
| 45  | 24.4           | 13.9     | 11.9     | 9.8      | 8.8      | 6.7      | 6.5      | 6.1      | 5.8      | 4.7      | 3.0        |
| 50  | 23.2           | 13.4     | 11.0     | 8.8      | 8.4      | 6.2      | 5.9      | 5.5      | 5.5      | 4.6      | 3.0        |
| 55  | 23.2           | 13.4     | 11.0     | 8.7      | 8.3      | 6.1      | 5.8      | 5.4      | 5.4      | 4.5      | 3.0        |
| 60  | 23.2           | 13.4     | 11.0     | 8.7      | 8.3      | 6.1      | 5.8      | 5.4      | 5.4      | 4.5      | 3.0        |
| 65  | 23.2           | 13.4     | 11.0     | 8.7      | 8.3      | 6.1      | 5.8      | 5.4      | 5.4      | 4.5      | 3.0        |

The withdrawal assumptions are the withdrawal assumptions used in the July 1, 2010 Florida Retirement System (FRS) Actuarial Valuation.

City of Winter Springs  
Defined Benefit Plan

Actuarial Assumptions and Actuarial Cost Methods  
Used in the Valuation

E. Employee Withdrawal Rates (continued)

3. Withdrawal rates for male Firefighters and Police Officers were used in accordance with the following illustrative example:

| Age | <u>Withdrawal Rates per 100 Employees</u> |      |     |     |     |     |     |     |     |     |     |
|-----|---|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|     | Service                                   |      |     |     |     |     |     |     |     |     |     |
|     | 0   | 1    | 2   | 3   | 4   | 5   | 6   | 7   | 8   | 9   | 10+ |
| 20  | 21.4                                      | 10.3 | 8.6 | 8.4 | 7.5 | 5.3 | 5.2 | 3.1 | 2.9 | 2.6 | 2.3 |
| 25  | 20.6                                      | 9.8  | 8.1 | 7.9 | 7.0 | 5.3 | 5.2 | 3.1 | 2.9 | 2.6 | 2.3 |
| 30  | 20.6                                      | 9.5  | 7.7 | 7.5 | 6.7 | 5.3 | 5.2 | 3.1 | 2.9 | 2.6 | 2.1 |
| 35  | 20.6                                      | 8.8  | 7.4 | 7.2 | 6.5 | 5.3 | 5.1 | 3.1 | 2.9 | 2.6 | 2.0 |
| 40  | 20.6                                      | 8.0  | 6.8 | 6.7 | 6.0 | 4.8 | 4.6 | 3.1 | 2.9 | 2.6 | 1.9 |
| 45  | 20.6                                      | 7.3  | 6.0 | 6.0 | 5.5 | 4.3 | 4.1 | 3.1 | 2.9 | 2.6 | 1.8 |
| 50  | 20.6                                      | 6.5  | 5.3 | 5.3 | 5.0 | 3.8 | 3.6 | 3.1 | 2.9 | 2.6 | 1.8 |
| 55  | 20.6                                      | 5.8  | 4.7 | 4.7 | 4.6 | 3.3 | 3.2 | 3.1 | 2.9 | 2.6 | 1.8 |
| 60  | 20.6                                      | 5.3  | 4.7 | 4.7 | 4.6 | 3.3 | 3.2 | 3.1 | 2.9 | 2.6 | 1.8 |
| 65  | 20.6                                      | 5.3  | 4.7 | 4.7 | 4.6 | 3.3 | 3.2 | 3.1 | 2.9 | 2.6 | 1.8 |

4. Withdrawal rates for female Firefighters and Police Officers were used in accordance with the following illustrative example:

| Age | <u>Withdrawal Rates per 100 Employees</u> |      |      |      |     |     |     |     |     |     |     |
|-----|---|------|------|------|-----|-----|-----|-----|-----|-----|-----|
|     | Service                                   |      |      |      |     |     |     |     |     |     |     |
|     | 0   | 1    | 2    | 3    | 4   | 5   | 6   | 7   | 8   | 9   | 10+ |
| 20  | 21.3                                      | 15.5 | 12.3 | 10.3 | 9.7 | 6.1 | 5.9 | 5.0 | 4.2 | 4.2 | 1.9 |
| 25  | 21.3                                      | 14.2 | 11.6 | 9.8  | 9.2 | 6.1 | 5.9 | 5.0 | 4.2 | 4.2 | 1.9 |
| 30  | 21.3                                      | 13.2 | 10.6 | 9.3  | 8.7 | 6.1 | 5.9 | 5.0 | 4.2 | 4.2 | 1.7 |
| 35  | 21.3                                      | 12.2 | 9.6  | 8.8  | 8.4 | 6.1 | 5.9 | 5.0 | 4.2 | 4.1 | 1.5 |
| 40  | 21.3                                      | 11.2 | 8.6  | 8.3  | 7.6 | 6.1 | 5.9 | 5.0 | 4.1 | 4.1 | 2.5 |
| 45  | 21.3                                      | 10.2 | 7.6  | 7.6  | 7.0 | 6.1 | 5.9 | 5.0 | 4.1 | 4.1 | 2.5 |
| 50  | 21.3                                      | 9.2  | 6.6  | 6.6  | 6.4 | 6.1 | 5.9 | 5.0 | 4.1 | 4.0 | 1.6 |
| 55  | 21.3                                      | 8.4  | 5.8  | 5.6  | 5.4 | 5.3 | 5.1 | 5.0 | 4.1 | 4.0 | 4.0 |
| 60  | 21.3                                      | 8.4  | 5.8  | 5.6  | 5.4 | 5.3 | 5.1 | 5.0 | 4.1 | 4.0 | 4.0 |
| 65  | 21.3                                      | 8.4  | 5.8  | 5.6  | 5.4 | 5.3 | 5.1 | 5.0 | 4.1 | 4.0 | 4.0 |

The withdrawal assumptions are the withdrawal assumptions used in the July 1, 2010 FRS Actuarial Valuation.

**City of Winter Springs  
Defined Benefit Plan**

**Actuarial Assumptions and Actuarial Cost Methods  
Used in the Valuation**

**F. Disability Rates**

1. Line-of-duty disability rates for General Employees were used in accordance with the following illustrative example.

| <u>Age</u> | <u>Male</u> | <u>Female</u> |
|------------|-------------|---------------|
| 20         | 0.002%      | 0.000%        |
| 25         | 0.002%      | 0.001%        |
| 30         | 0.003%      | 0.001%        |
| 35         | 0.005%      | 0.003%        |
| 40         | 0.009%      | 0.005%        |
| 45         | 0.014%      | 0.008%        |
| 50         | 0.022%      | 0.010%        |
| 55         | 0.034%      | 0.016%        |
| 60         | 0.048%      | 0.022%        |
| 65         | 0.050%      | 0.020%        |

2. Non-duty disability rates for General Employees were used in accordance with the following illustrative example.

| <u>Age</u> | <u>Male</u> | <u>Female</u> |
|------------|-------------|---------------|
| 20         | 0.000%      | 0.000%        |
| 25         | 0.027%      | 0.010%        |
| 30         | 0.053%      | 0.026%        |
| 35         | 0.066%      | 0.049%        |
| 40         | 0.092%      | 0.070%        |
| 45         | 0.122%      | 0.114%        |
| 50         | 0.203%      | 0.184%        |
| 55         | 0.339%      | 0.294%        |
| 60         | 0.445%      | 0.419%        |
| 65         | 0.215%      | 0.105%        |

The disability assumptions are the disability assumptions used in the July 1, 2010 FRS Actuarial Valuation.

**City of Winter Springs  
Defined Benefit Plan**

**Actuarial Assumptions and Actuarial Cost Methods  
Used in the Valuation**

F. Disability Rates (continued)

3. Line-of-duty disability rates for Firefighters and Police Officers were used in accordance with the following illustrative example.

| <u>Age</u> | <u>Male</u> | <u>Female</u> |
|------------|-------------|---------------|
| 20         | 0.012%      | 0.008%        |
| 25         | 0.012%      | 0.008%        |
| 30         | 0.017%      | 0.016%        |
| 35         | 0.029%      | 0.037%        |
| 40         | 0.051%      | 0.068%        |
| 45         | 0.087%      | 0.106%        |
| 50         | 0.138%      | 0.153%        |
| 55         | 0.215%      | 0.152%        |
| 60         | 0.301%      | 0.151%        |
| 65         | 0.231%      | 0.143%        |

4. Non-duty disability rates for Firefighters and Police Officers were used in accordance with the following illustrative example.

| <u>Age</u> | <u>Male</u> | <u>Female</u> |
|------------|-------------|---------------|
| 20         | 0.037%      | 0.036%        |
| 25         | 0.037%      | 0.036%        |
| 30         | 0.043%      | 0.046%        |
| 35         | 0.055%      | 0.075%        |
| 40         | 0.087%      | 0.118%        |
| 45         | 0.140%      | 0.209%        |
| 50         | 0.292%      | 0.254%        |
| 55         | 0.244%      | 0.328%        |
| 60         | 0.206%      | 0.328%        |
| 65         | 0.206%      | 0.328%        |

The disability assumptions are the disability assumptions used in the July 1, 2010 FRS Actuarial Valuation.

**City of Winter Springs  
Defined Benefit Plan**

**Actuarial Assumptions and Actuarial Cost Methods  
Used in the Valuation**

G. Assumed Retirement Age

Retirement rates were used in accordance with the following tables.

1. For members with less than ten (10) years of service:

| <u>Age</u>   | <u>General Employees</u> | <u>Firefighters and Police Officers</u> |
|--------------|--------------------------|---|
| Under 65     | 0%                       | 0%                                      |
| 65 and above | 100%                     | 100%                                    |

2. For members with ten (10) or more years, but less than twenty-five (25) years of service:

| <u>Age</u>   | <u>General Employees</u> | <u>Firefighters and Police Officers</u> |
|--------------|--------------------------|---|
| 55 - 64      | 10%                      | 20%                                     |
| 65 and above | 100%                     | 100%                                    |

3. For members with twenty-five (25) or more years of service:

| <u>Age</u>   | <u>General Employees</u> | <u>Firefighters and Police Officers</u> |
|--------------|--------------------------|---|
| Under 55     | 2%                       | 5%                                      |
| 55           | 25%                      | 50%                                     |
| 56 - 64      | 5%                       | 20%                                     |
| 65 and above | 100%                     | 100%                                    |

City of Winter Springs  
Defined Benefit Plan

Actuarial Assumptions and Actuarial Cost Methods  
Used in the Valuation

H. Marital Assumptions

1. 100% of active members are assumed to be married.
2. Females are assumed to be three (3) years younger than their male spouses.

I. Interest on Future Participant Contributions

3.75%, compounded annually.

J. Asset Valuation Method

The method used for determining the actuarial value of assets phases in the deviation between the expected and actual return on assets at the rate of 20% per year. The actuarial value of assets will be further adjusted to the extent necessary to fall within the corridor whose lower limit is 80% of the fair market value of plan assets and whose upper limit is 120% of the fair market value of plan assets - adjusted for equation of balance October 1, 2010.

K. Cost Method

Normal Retirement, Termination, Disability, and Death Benefits: Entry Age Normal Cost Method

Under this method the normal cost for each active employee is the amount which is calculated to be a level percentage of pay that would be required annually from his entry age to his assumed retirement age to fund his estimated benefits, assuming the Fund had always been in effect. The normal cost for the Fund is the sum of such amounts for all employees. The actuarial accrued liability as of any valuation date for each active employee or inactive employee who is eligible to receive benefits under the Fund is the excess of the actuarial present value of estimated future benefits over the actuarial present value of current and future normal costs. The unfunded actuarial accrued liability as of any valuation date is the excess of the actuarial accrued liability over the assets of the Fund.

L. Changes Since Previous Valuation

None.

Table XI

**City of Winter Springs  
Defined Benefit Plan  
Distribution by Attained Age Groups  
and Service Groups as of October 1, 2010**

**Firefighters**

| <u>Attained<br/>Age Group</u> | -----COMPLETED YEARS OF SERVICE----- |            |              |                   |              |                   |                      | <u>Total</u> |
|-------------------------------|--------------------------------------|------------|--------------|-------------------|--------------|-------------------|----------------------|--------------|
|                               | <u>0-4</u>                           | <u>5-9</u> | <u>10-14</u> | <u>15-19</u>      | <u>20-24</u> | <u>25-29</u>      | <u>30 &amp; Over</u> |              |
| Under 25                      | -                                    | -          | -            | -                 | -            | -                 | -                    | 0            |
| 25-29                         | -                                    | -          | -            | -                 | -            | -                 | -                    | 0            |
| 30-34                         | -                                    | -          | 1            | -                 | -            | -                 | -                    | 1            |
| 35-39                         | -                                    | -          | -            | -                 | -            | -                 | -                    | 0            |
| 40-44                         | -                                    | -          | 1            | 1                 | -            | -                 | -                    | 2            |
| 45-49                         | -                                    | -          | -            | 1                 | 3            | 2                 | -                    | 6            |
| 50-54                         | -                                    | -          | 1            | 1                 | 2            | -                 | 3                    | 7            |
| 55-59                         | -                                    | -          | -            | -                 | -            | -                 | -                    | 0            |
| 60-64                         | -                                    | -          | -            | -                 | -            | -                 | -                    | 0            |
| 65 & Over                     | -                                    | -          | -            | -                 | -            | -                 | -                    | 0            |
| <b>TOTAL</b>                  | <b>0</b>                             | <b>0</b>   | <b>3</b>     | <b>3</b>          | <b>5</b>     | <b>2</b>          | <b>3</b>             | <b>16</b>    |
|                               |                                      |            |              | <u>10/01/2009</u> |              | <u>10/01/2010</u> |                      |              |
|                               |                                      |            |              | 47.04 years       |              | 47.86 years       |                      |              |
|                               |                                      |            |              | 27.39 years       |              | 26.61 years       |                      |              |
|                               |                                      |            |              | \$ 73,980         |              | \$ 71,376         |                      |              |
|                               |                                      |            |              | 0.0%              |              | 0.0%              |                      |              |

**Table XI  
(Cont'd)**

**City of Winter Springs  
Defined Benefit Plan  
Distribution by Attained Age Groups  
and Service Groups as of October 1, 2010**

**General Employees**

| <u>Attained<br/>Age Group</u> | -----COMPLETED YEARS OF SERVICE----- |            |              |              |              |              |                      | <u>Total</u> |
|-------------------------------|--------------------------------------|------------|--------------|--------------|--------------|--------------|----------------------|--------------|
|                               | <u>0-4</u>                           | <u>5-9</u> | <u>10-14</u> | <u>15-19</u> | <u>20-24</u> | <u>25-29</u> | <u>30 &amp; Over</u> |              |
| Under 25                      | 4                                    | -          | -            | -            | -            | -            | -                    | 4            |
| 25-29                         | 5                                    | 3          | -            | -            | -            | -            | -                    | 8            |
| 30-34                         | 4                                    | 5          | 3            | -            | -            | -            | -                    | 12           |
| 35-39                         | 6                                    | 8          | 2            | 3            | -            | -            | -                    | 19           |
| 40-44                         | 3                                    | 2          | 2            | -            | -            | -            | -                    | 7            |
| 45-49                         | 7                                    | 7          | 3            | 2            | 3            | 1            | -                    | 23           |
| 50-54                         | 1                                    | 8          | 2            | 5            | 6            | 1            | -                    | 23           |
| 55-59                         | 2                                    | 5          | -            | -            | 2            | 3            | 1                    | 13           |
| 60-64                         | 2                                    | 3          | 5            | 1            | -            | -            | -                    | 11           |
| 65 & Over                     | -                                    | 1          | 2            | -            | 1            | -            | -                    | 4            |
| <b>TOTAL</b>                  | <b>34</b>                            | <b>42</b>  | <b>19</b>    | <b>11</b>    | <b>12</b>    | <b>5</b>     | <b>1</b>             | <b>124</b>   |

|                      |                   |                   |
|----------------------|-------------------|-------------------|
|                      | <u>10/01/2009</u> | <u>10/01/2010</u> |
| Average Attained Age | 45.64 years       | 45.67 years       |
| Average Hire Age     | 36.41 years       | 35.98 years       |
| Average Pay          | \$ 42,934         | \$ 42,858         |
| Percent Female       | 35.6%             | 36.3%             |



**Table XI  
(Cont'd)**

**City of Winter Springs  
Defined Benefit Plan  
Distribution by Attained Age Groups  
and Service Groups as of October 1, 2010**

**Police Officers**

| <u>Attained<br/>Age Group</u> | -----COMPLETED YEARS OF SERVICE----- |            |              |              |              |              |                      | <u>Total</u> |
|-------------------------------|--------------------------------------|------------|--------------|--------------|--------------|--------------|----------------------|--------------|
|                               | <u>0-4</u>                           | <u>5-9</u> | <u>10-14</u> | <u>15-19</u> | <u>20-24</u> | <u>25-29</u> | <u>30 &amp; Over</u> |              |
| Under 25                      | 5                                    | -          | -            | -            | -            | -            | -                    | 5            |
| 25-29                         | 4                                    | 5          | -            | -            | -            | -            | -                    | 9            |
| 30-34                         | 3                                    | 8          | 2            | -            | -            | -            | -                    | 13           |
| 35-39                         | 4                                    | 1          | 5            | 3            | -            | -            | -                    | 13           |
| 40-44                         | 1                                    | 1          | 5            | 2            | 2            | -            | -                    | 11           |
| 45-49                         | -                                    | 1          | 4            | -            | 1            | 1            | -                    | 7            |
| 50-54                         | 1                                    | 1          | -            | -            | 2            | 2            | -                    | 6            |
| 55-59                         | -                                    | 1          | 1            | -            | 2            | -            | -                    | 4            |
| 60-64                         | -                                    | -          | 2            | -            | -            | -            | -                    | 2            |
| 65 & Over                     | -                                    | -          | -            | -            | -            | -            | -                    | 0            |
| <b>TOTAL</b>                  | <b>18</b>                            | <b>18</b>  | <b>19</b>    | <b>5</b>     | <b>7</b>     | <b>3</b>     | <b>0</b>             | <b>70</b>    |

|                      |                   |                   |
|----------------------|-------------------|-------------------|
|                      | <u>10/01/2009</u> | <u>10/01/2010</u> |
| Average Attained Age | 38.78 years       | 38.88 years       |
| Average Hire Age     | 29.08 years       | 28.77 years       |
| Average Pay          | \$ 53,608         | \$ 54,967         |
| Percent Female       | 15.9%             | 15.7%             |

**Table XI  
(Cont'd)**

**City of Winter Springs  
Defined Benefit Plan  
Distribution by Attained Age Groups  
and Service Groups as of October 1, 2010**

**All Members**

| <u>Attained</u><br><u>Age Group</u> | -----COMPLETED YEARS OF SERVICE----- |            |              |              |              |              |                      | <u>Total</u> |
|-------------------------------------|--------------------------------------|------------|--------------|--------------|--------------|--------------|----------------------|--------------|
|                                     | <u>0-4</u>                           | <u>5-9</u> | <u>10-14</u> | <u>15-19</u> | <u>20-24</u> | <u>25-29</u> | <u>30 &amp; Over</u> |              |
| Under 25                            | 9                                    | -          | -            | -            | -            | -            | -                    | 9            |
| 25-29                               | 9                                    | 8          | -            | -            | -            | -            | -                    | 17           |
| 30-34                               | 7                                    | 13         | 6            | -            | -            | -            | -                    | 26           |
| 35-39                               | 10                                   | 9          | 7            | 6            | -            | -            | -                    | 32           |
| 40-44                               | 4                                    | 3          | 8            | 3            | 2            | -            | -                    | 20           |
| 45-49                               | 7                                    | 8          | 7            | 3            | 7            | 4            | -                    | 36           |
| 50-54                               | 2                                    | 9          | 3            | 6            | 10           | 3            | 3                    | 36           |
| 55-59                               | 2                                    | 6          | 1            | -            | 4            | 3            | 1                    | 17           |
| 60-64                               | 2                                    | 3          | 7            | 1            | -            | -            | -                    | 13           |
| 65 & Over                           | -                                    | 1          | 2            | -            | 1            | -            | -                    | 4            |
| <b>TOTAL</b>                        | <b>52</b>                            | <b>60</b>  | <b>41</b>    | <b>19</b>    | <b>24</b>    | <b>10</b>    | <b>4</b>             | <b>210</b>   |

|                      |                   |                   |
|----------------------|-------------------|-------------------|
|                      | <u>10/01/2009</u> | <u>10/01/2010</u> |
| Average Attained Age | 43.61 years       | 43.57 years       |
| Average Hire Age     | 33.43 years       | 32.86 years       |
| Average Pay          | \$ 48,655         | \$ 49,067         |
| Percent Female       | 26.7%             | 26.7%             |

Table XII

**City of Winter Springs  
Defined Benefit Plan**

**Statistics for Participants Entitled to Deferred Benefits  
and Participants Receiving Benefits**

A. Entitled to Deferred Benefits

| <b><u>Current Age<br/>Group</u></b> | <b><u>Count</u></b> | <b><u>Total<br/>Annual Benefit</u></b> | <b><u>Average<br/>Annual Benefit</u></b> |
|-------------------------------------|---------------------|--|--|
| <b>Less than 40</b>                 | 37                  | \$ 217,837                             | \$ 5,887                                 |
| 40-44                               | 19                  | 212,140                                | 11,165                                   |
| 45-49                               | 20                  | 211,255                                | 10,563                                   |
| 50-54                               | 13                  | 84,701                                 | 6,515                                    |
| 55-59                               | 4                   | 10,742                                 | 2,686                                    |
| 60-64                               | 3                   | 14,852                                 | 4,951                                    |
| 65 & Over                           | 2                   | 2,390                                  | 1,195                                    |
| <b>TOTAL</b>                        | <b>98</b>           | <b>\$ 753,917</b>                      | <b>\$ 7,693</b>                          |

B. Receiving Benefits

| <b><u>Current Age<br/>Group</u></b> | <b><u>Count</u></b> | <b><u>Total<br/>Annual Benefit</u></b> | <b><u>Average<br/>Annual Benefit</u></b> |
|-------------------------------------|---------------------|--|--|
| <b>Less than 50</b>                 | 3                   | \$ 24,124                              | \$ 8,041                                 |
| 50-54                               | 1                   | 69,549                                 | 69,549                                   |
| 55-59                               | 7                   | 193,651                                | 27,664                                   |
| 60-64                               | 16                  | 397,707                                | 24,857                                   |
| 65-69                               | 12                  | 234,563                                | 19,547                                   |
| 70-74                               | 8                   | 66,857                                 | 8,357                                    |
| 75 & Over                           | 4                   | 18,372                                 | 4,593                                    |
| <b>TOTAL</b>                        | <b>51</b>           | <b>\$ 1,004,823</b>                    | <b>\$ 19,702</b>                         |

**City of Winter Springs  
Defined Benefit Plan**

**Reconciliation of Employee Data**

A. Active Participants

|                                      |      |
|--------------------------------------|------|
| 1. Active participants previous year | 221  |
| 2. Retired during year               | (7)  |
| 3. Died during year                  | (1)  |
| 4. Disabled during year              | 0    |
| 5. Terminated non-vested during year | (3)  |
| 6. Terminated vested during year     | (13) |
| 7. New active participants           | 13   |
| 8. Out on military leave             | 0    |
| 9. Rehired during year               | 0    |
| 10. Active participants current year | 210  |

B. Participants Receiving Benefits

|   |     |
|---|-----|
| 1. Participants receiving benefits previous year                | 41  |
| 2. New retired participants                                     | 7   |
| 3. New terminated vested receiving benefits                     | 2   |
| 4. New beneficiaries receiving benefits                         | 2   |
| 5. Died or ceased payment during year                           | (1) |
| 6. Retired or terminated vested receiving benefits current year | 51  |

C. Terminated Vested Participants Entitled to Future Benefits

|   |     |
|---|-----|
| 1. Terminated vested entitled previous year | 92  |
| 2. Died during year                         | 0   |
| 3. Commenced receiving benefits during year | (2) |
| 4. New terminated vested                    | 13  |
| 5. Terminated vested paid lump sum          | (5) |
| 6. Rehired                                  | 0   |
| 7. Adjustment                               | 0   |
| 8. Terminated vested entitled current year  | 98  |

**City of Winter Springs  
Defined Benefit Plan**

**Projected Retirement Benefits**

| <b><u>Fiscal Year</u></b> | <b><u>Projected Total<br/>Annual Payout</u></b> |
|---------------------------|---|
| 2011                      | \$ 1,116,494                                    |
| 2012                      | \$ 1,367,441                                    |
| 2013                      | \$ 1,559,881                                    |
| 2014                      | \$ 1,809,282                                    |
| 2015                      | \$ 2,067,386                                    |
| 2016                      | \$ 2,325,497                                    |
| 2017                      | \$ 2,628,099                                    |
| 2018                      | \$ 2,925,768                                    |
| 2019                      | \$ 3,360,872                                    |
| 2020                      | \$ 3,624,834                                    |

The above projected payout of Plan benefits during the next ten years is based on assumptions involving all decrements. Actual payouts may differ from the above estimates depending upon the death, salary and retirement experience of the Plan. However, since the projected payment is recomputed each valuation date, there is an automatic correction to the extent that actual experience varies from expected experience.

**Table XV**

**City of Winter Springs  
Defined Benefit Plan**

**Summary of Transaction Information<sup>1</sup>**

| Year<br>Ending | Benefits<br>Paid <sup>2</sup> | Administrative<br>Expenses | Employee<br>Contributions | City<br>Contributions <sup>3</sup> | Actuarial<br>Value |
|----------------|-------------------------------|----------------------------|---------------------------|------------------------------------|--------------------|
| 09/30/2010     | \$ 886,521                    | \$ 178,530                 | \$ 284,866                | \$ 2,311,058                       | \$ 23,887,446      |
| 09/30/2009     | 617,274                       | 116,982                    | 306,420                   | 1,781,197                          | 20,788,655         |
| 09/30/2008     | 384,482                       | 70,423                     | 365,288                   | 1,663,951                          | 18,746,975         |
| 09/30/2007     | 233,953                       | 123,197                    | N/A                       | 1,843,147                          | 15,526,572         |
| 09/30/2006     | 171,697                       | 84,340                     | N/A                       | 1,505,020                          | 11,951,383         |
| 09/30/2005     | N/A                           | N/A                        | N/A                       | 1,260,627                          | 9,716,089          |
| 09/30/2004     | 140,509                       | 62,225                     | N/A                       | 1,013,379                          | 8,134,588          |
| 09/30/2003     | 138,353                       | 47,477                     | N/A                       | 903,748                            | 7,279,048          |

<sup>1</sup> Information prior to September 30, 2008 as reported by prior actuary.

<sup>2</sup> Includes refunds.

<sup>3</sup> Values prior to September 30, 2008 include Employee Contributions.

**City of Winter Springs  
Defined Benefit Plan**

**Recent Compensation, Termination and Investment Return Experience**

| Valuation<br>Date | General                 |        | Police & Fire |      | General                        | Police & Fire | Investment Return          |                               |                            |
|-------------------|-------------------------|--------|---------------|------|--------------------------------|---------------|----------------------------|-------------------------------|----------------------------|
|                   | Compensation            |        |               |      | Termination                    |               | Net Market<br>Value Yield* | Net Actuarial<br>Value Yield* | Assumed Rate<br>of Return* |
|                   | % Increase / (Decrease) |        |               |      | Ratio of Actual<br>to Expected |               |                            |                               |                            |
| Actual            | Assumed                 | Actual | Assumed       |      |                                |               |                            |                               |                            |
| 10/01/2010        | 0.9%                    | 5.0%   | 2.8%          | 5.3% | 1.2                            | 1.7           | 12.0%                      | 7.3%                          | 8.0%                       |
| 10/01/2009        | 6.4%                    | 5.1%   | 11.6%         | 5.3% | 1.1                            | 1.1           | 2.1%                       | 3.5%                          | 8.0%                       |
| 10/01/2008        | 3.9%                    | 3.0%   | 5.6%          | 3.0% | 1.2                            | 3.1           | (16.8%)                    | 10.1%                         | 8.0%                       |
| 10/01/2007        | N/A                     | N/A    | N/A           | N/A  | N/A                            | N/A           | 13.8%                      | 15.4%                         | 8.0%                       |
| 10/01/2006        | N/A                     | N/A    | N/A           | N/A  | N/A                            | N/A           | 8.6%                       | 9.5%                          | 8.0%                       |
| 10/01/2005        | N/A                     | N/A    | N/A           | N/A  | N/A                            | N/A           | 11.5%                      | 4.2%                          | 8.0%                       |
| 10/01/2004        | N/A                     | N/A    | N/A           | N/A  | N/A                            | N/A           | 12.6%                      | 0.6%                          | 8.0%                       |
| Last 3 Years      | 3.7%                    | 4.4%   | 6.6%          | 4.5% | 1.2                            | 1.8           | (1.6%)                     | 6.9%                          | 8.0%                       |
| Last 5 Years      | N/A                     | N/A    | N/A           | N/A  | N/A                            | N/A           | 3.3%                       | 9.1%                          | 8.0%                       |
| Last 7 Years      | N/A                     | N/A    | N/A           | N/A  | N/A                            | N/A           | 5.7%                       | 7.1%                          | 8.0%                       |

\* Information prior to October 1, 2008 as reported by prior actuary.

**City of Winter Springs  
Defined Benefit Plan**

**Actuarial Valuation as of October 1, 2010**

**State Required Exhibit**

|   | <u>10/01/2009</u>    | <u>10/01/2010</u>    |
|---|----------------------|----------------------|
| <b>A. <u>Participant Data</u></b>   |                      |                      |
| 1. Active participants  | 221                  | 210                  |
| 2. Retired participants and beneficiaries receiving benefits  | 41                   | 51                   |
| 3. Disabled participants receiving benefits   | 0                    | 0                    |
| 4. Terminated vested participants   | 92                   | 98                   |
| 5. Annual payroll of active participants  | \$ 10,752,720        | \$ 10,304,054        |
| 6. Annual benefits payable to those currently receiving benefits  | \$ 770,775           | \$ 1,004,823         |
| <b>B. <u>Value of Assets</u></b>  |                      |                      |
| 1. Actuarial Value  | \$ 20,788,655        | \$ 23,887,446        |
| 2. Market Value   | \$ 17,323,879        | \$ 21,017,997        |
| <b>C. <u>Liabilities</u></b>  |                      |                      |
| 1. Actuarial present value of future expected benefit payments for active members                       |                      |                      |
| a. Retirement benefits  | \$ 32,584,598        | \$ 32,318,747        |
| b. Vesting benefits   | 2,924,854            | 2,778,467            |
| c. Death benefits   | 998,687              | 972,590              |
| d. Disability benefits  | 1,129,880            | 1,118,943            |
| e. Total  | <u>\$ 37,638,019</u> | <u>\$ 37,188,747</u> |
| 2. Actuarial present value of future expected benefit payments for terminated vested members            | \$ 2,611,419         | \$ 2,994,167         |
| 3. Actuarial present value of future expected benefit payments for members currently receiving benefits |                      |                      |
| a. Service retired (includes DROPs)   | \$ 6,858,478         | \$ 9,015,908         |
| b. Disability retired   | 0                    | 0                    |
| c. Beneficiaries  | 1,399,684            | 1,483,443            |
| d. Miscellaneous (Refunds in Process)   | 22,401               | 14,732               |
| e. Total  | <u>\$ 8,280,563</u>  | <u>\$ 10,514,083</u> |



**City of Winter Springs  
Defined Benefit Plan**

**Actuarial Valuation as of October 1, 2010**

**State Required Exhibit**

|  | <b>10/01/2009</b> | <b>10/01/2010</b> |
|--|-------------------|-------------------|
| 4. Total actuarial present value of future expected benefit payments | \$ 48,530,001     | \$ 50,696,997     |
| 5. Actuarial accrued liabilities                                     | \$ 37,651,017     | \$ 40,331,447     |
| 6. Unfunded actuarial accrued liabilities                            | \$ 16,862,362     | \$ 16,444,001     |
| <br><b>D. <u>Statement of Accumulated Plan Benefits</u></b>          |                   |                   |
| 1. Actuarial present value of accumulated vested benefits            |                   |                   |
| a. Participants currently receiving benefits                         | \$ 8,258,162      | \$ 10,499,351     |
| b. Other participants  | 20,065,675        | 21,436,015        |
| c. Total   | \$ 28,323,837     | \$ 31,935,366     |
| 2. Actuarial present value of accumulated non-vested plan benefits   | 489,901           | 427,010           |
| 3. Total actuarial present value of accumulated plan benefits        | \$ 28,813,738     | \$ 32,362,376     |
| <br><b>E. <u>Pension Cost</u></b>                                    |                   |                   |
| 1. Total normal cost   | \$ 1,356,965      | \$ 1,355,080      |
| 2. Payment required to amortize unfunded liability                   | 1,423,345         | 1,405,371         |
| 3. Interest adjustment   | 132,201           | 131,334           |
| 4. Total required contribution                                       | \$ 2,912,511      | \$ 2,891,785      |
| 5. Item 4 as a percentage of base payroll                            | 27.1%             | 28.1%             |
| 6. Estimated employee contributions                                  | \$ 284,852        | \$ 274,861        |
| 7. Item 6 as a percentage of base payroll                            | 2.6%              | 2.7%              |
| 8. Net amount payable by County and City                             | \$ 2,627,659      | \$ 2,616,924      |
| 9. Item 8 as a percentage of base payroll                            | 24.4%             | 25.4%             |

City of Winter Springs  
Defined Benefit Plan

Actuarial Valuation as of October 1, 2010

State Required Exhibit

|   | <u>10/01/2009</u> | <u>10/01/2010</u> |
|---|-------------------|-------------------|
| F. <u>Past Contributions (Prior Year Valuation)</u>                               |                   |                   |
| 1. Total contribution required  | \$ 2,654,388      | \$ 2,912,511      |
| 2. Actual contributions made:   |                   |                   |
| a. Members  | \$ 284,866        | N/A               |
| b. City   | 2,311,058         | N/A               |
| c. Total  | \$ 2,595,924      | N/A               |
| G. <u>Disclosure of Following Items:</u>  |                   |                   |
| 1. Actuarial present value of future salaries<br>- attained age                   | \$ 94,496,961     | \$ 90,841,906     |
| 2. Actuarial present value of future employee<br>contributions - attained age     | \$ 2,393,429      | \$ 2,321,534      |
| 3. Actuarial present value of future contributions<br>from other sources          | N/A               | N/A               |
| 4. Amount of active members' accumulated<br>contributions                         | \$ 2,101,077      | \$ 2,234,009      |
| 5. Actuarial present value of future salaries and<br>future benefits at entry age | N/A               | N/A               |
| 6. Actuarial present value of future employee<br>contributions at entry age       | N/A               | N/A               |

**Table XVI  
(Cont'd)**

**City of Winter Springs  
Defined Benefit Plan**


**State Required Exhibit**

Amortization balances are written down in proportion to amortization payments.

|            | <u>Unfunded Actuarial Accrued Liabilities</u> | <u>Current Unfunded Liabilities</u> | <u>Amortization Payment</u> | <u>Remaining Funding Period</u> |
|------------|---|-------------------------------------|-----------------------------|---------------------------------|
| 10/01/2000 | Initial                                       | 2,250,045                           | 212,196                     | 20 years                        |
| 10/01/2002 | Assumption Change                             | (28,677)                            | (2,603)                     | 22 years                        |
| 10/01/2003 | Plan Amendment                                | 180,807                             | 16,142                      | 23 years                        |
| 10/01/2004 | Plan Amendment                                | 273,310                             | 24,036                      | 24 years                        |
| 10/01/2005 | Plan Amendment                                | 564,770                             | 48,988                      | 25 years                        |
| 10/01/2006 | Plan Amendment                                | 648,009                             | 55,505                      | 26 years                        |
| 10/01/2007 | Plan Amendment                                | 661,626                             | 56,023                      | 27 years                        |
| 10/01/2008 | Plan Amendment and Assumption Change          | 2,963,908                           | 248,334                     | 28 years                        |
| 10/01/2008 | Method Change                                 | 6,624,771                           | 555,063                     | 28 years                        |
| 10/01/2009 | Actuarial Loss (Gain)                         | 2,827,164                           | 234,598                     | 29 years                        |
| 10/01/2010 | Actuarial Loss (Gain)                         | (521,732)                           | (42,911)                    | 30 years                        |
|            | <b>TOTAL</b>                                  | <b>\$ 16,444,001</b>                | <b>\$ 1,405,371</b>         |                                 |

This actuarial valuation and/or cost determination was prepared and completed by me or under my direct supervision, and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or other wise provided for in the valuation. All known events or trends which may require material increase in plan costs or required contribution rates have been taken into account in the valuation.

Enrollment Number: 08-02802  
Dated: February 28, 2011

  
\_\_\_\_\_  
Lawrence F. Wilson, A.S.A.