

April 3, 2017

Ms. Patti McLauchlin
Administrator, City of Key West
Employees' Retirement Plan
City of Key West
P.O. Box 1409
Key West, Florida 33041

**Re: City of Key West Employees' Retirement Plan
Electronic Reporting Portal
Compliance with Part VII of Chapter 112, F.S.**

Dear Patti:

On January 20, 2017 the Florida Division of Retirement, Bureau of Local Retirement Systems issued a Memorandum to all Board of Trustee Members, Plan Actuaries, Plan Administrators and Other Interested Parties to announce the activation of their new online reporting portal for pension plans subject to the reporting and disclosure requirements of Chapters 175 and 185, and Part VII of Chapter 112, Florida Statutes. In subsequent conversations with the Division of Retirement (Division) we have been informed the Division considers this to be a requirement which is currently in effect and this information is to be prepared and uploaded by the actuary. They understand this new reporting will result in startup and on-going fees to be paid by the Boards.

Additional Disclosure Requirements

This new reporting is intended to capture all of the actuarial information as well as the financial information and key census data summaries which are required to be included in the actuarial valuation report, plus some additional calculations / information the Division now requires. Consequently, compliance requires creating a comprehensive electronic file containing 137 fields of required information in the format stipulated by the Division.

The electronic reporting replaces the current requirement to send a copy of the actuarial valuation report to the Division after it has been approved by the Board.

Effective Dates and Fees

The electronic reporting requirement became effective with the Division's January 20th announcement, and it is our understanding that it applies to the 2016 valuation reports which are currently being issued and approved. Our startup fee to prepare and file the information summarized above will be \$1,000 - \$1,250. Our ongoing fee in subsequent years will be \$400 - \$500.

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

Sincerest regards,

A handwritten signature in black ink, appearing to read "L. F. Wilson". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

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