

**VILLAGE OF PALM SPRINGS GENERAL EMPLOYEES' PENSION FUND**  
**MINUTES OF MEETING HELD**  
**February 25, 2011**

The meeting was called to order at 9:31 A.M. at the Conference Room on the First Floor of Village Hall in Palm Springs, Florida. Those persons present were:

**TRUSTEES**

Virginia Walton  
Patrick Rothenburg  
Rebecca Morse  
Patti Waller  
Vicki Van Fossen

**OTHERS**

Bonni Jensen, Fund Counsel  
Margie Adcock, Administrator  
Chad Little, Actuary

**ACTUARY REPORT**

Chad Little appeared before the Board. He presented the Actuarial Valuation as of October 1, 2010. He stated that this is the first year where they will recognize the closure of the Plan, where new hires were put into FRS, and where others transferred into FRS. He stated that the total minimum funding requirement as a dollar cost is less, but as a percentage of payroll it is higher. The total minimum funding requirement is \$875,999 or 28.6% versus last year, which was \$1,052,790, or 22.8%. He reviewed the funded ratio noting it increased from 77.1% to 86%. He stated that no changes were made to the investment assumption. He stated that the Board would have to change the investment assumption at some point in the future. For now, he suggested that they leave it at 8%. When Participants start to move closer to retirement, the Board will need to gradually ratchet the investment return down and shift to a more conservative allocation.

Mr. Little reviewed the participant data. He noted that the actual salary increase of 3.5% did not meet the salary assumption of 6.1%, so there was an actuarial gain. He stated that there was no COLA paid, which caused an actuarial gain. He stated that the market return on assets was 8.19% versus the expected return of 8%. Mr. Little stated that he did make a change to the cost method. He changed from a level percentage of pay method to a level dollar amount method. He reviewed the historical asset values from 1995 to 2010. The actuarial value is about \$1 million more than the market value. He reviewed the historical investment returns. The present value of benefits as of October 1, 2010 was \$18,663,336. The unfunded accrued liability as of October 1, 2010 was \$2,128,148. He reviewed the reconciliation of change in the required contribution rate. There was discussion on SB 1130 and other proposed legislative amendments. It was noted that they would not affect this Plan, but could possibly affect those employees in FRS. A motion was made, seconded and carried 5-0 to accept the Actuarial Valuation as of October 1, 2010.

**OTHER BUSINESS**

There being no further business, the meeting was adjourned.

Respectfully submitted,

Patrick Rothenburg, Secretary