



Actuarial Office
 P.O. Box 942709
 Sacramento, CA 94229-2709
 Telecommunications Device for the Deaf - (916) 795-3240
 (888) CalPERS (225-7377) FAX (916) 795-2744

October 2007

ACTUARIAL VALUATION REPORT

MISCELLANEOUS PLAN OF THE CITY OF PALM SPRINGS (EMPLOYER # 355)
Annual Valuation Report as of June 30, 2006

Dear Employer,

Enclosed please find a copy of the June 30, 2006 actuarial valuation report of your pension plan. This report contains important actuarial information about your pension plan at CalPERS. Your CalPERS staff actuary is available to discuss the report with you.

Changes Since the Prior Year's Valuation

There may be changes specific to your plan such as contract amendments and funding changes. There are no other material changes since the prior valuation.

Future Contribution Rates

The exhibit below displays the required employer contribution rate and Superfunded status for 2008/2009 along with an estimate of the contribution rate and the probable Superfunded status for 2009/2010. The estimated rate for 2009/2010 is based solely on a projection of the investment return for fiscal 2006/2007, namely 18.5%. Please disregard any projections that we may have provided to you in the past.

Fiscal Year	Employer Contribution Rate	Superfunded?
2008/2009	14.421%	NO
2009/2010	14.0% (projected)	NO

+ 8%

Member contributions (whether paid by the employer or the employee) are in addition to the above rates.

The estimate for 2009/2010 also assumes that there are no future amendments and no liability gains or losses (such as from larger than expected pay increases, more retirements than expected, etc.). **This is a very important assumption because these gains and losses do occur and can have a significant effect on your contribution rate.** Even for the largest plans, such gains and losses often cause a change in the employer's contribution rate by one or two percent, even larger in some less common instances. These gains and losses cannot be predicted in advance so the projected employer contribution rate for 2009/2010 is just an estimate. Your actual rate for 2009/2010 will be provided in next year's report.

We are very busy preparing actuarial valuations for other public agencies and expect to complete all such valuations by the end of October. We understand that you might have a number of questions about these results. While we are very interested in discussing these results with your agency, in the interest of allowing us to give every public agency their result, we ask that, if at all possible, you wait until after October 31 to contact us with questions. If you have questions, please call (888) CalPERS (225-7377).

Sincerely,

Ronald L. Seeling, Ph.D., FCA, ASA, MAAA
 Enrolled Actuary
 Chief Actuary, CalPERS



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October 2007

**SAFETY PLAN OF THE CITY OF PALM SPRINGS (EMPLOYER # 355)
 Annual Valuation Report as of June 30, 2006**

Dear Employer,

Enclosed please find a copy of the June 30, 2006 actuarial valuation report of your pension plan. This report contains important actuarial information about your pension plan at CalPERS. Your CalPERS staff actuary is available to discuss the report with you.

Changes Since the Prior Year's Valuation

There may be changes specific to your plan such as contract amendments and funding changes. There are no other material changes since the prior valuation.

Future Contribution Rates

The exhibit below displays the required employer contribution rate and Superfunded status for 2008/2009 along with an estimate of the contribution rate and the probable Superfunded status for 2009/2010. The estimated rate for 2009/2010 is based solely on a projection of the investment return for fiscal 2006/2007, namely 18.5%. Please disregard any projections that we may have provided to you in the past.

Fiscal Year	Employer Contribution Rate	Superfunded?
2008/2009	22.844%	NO
2009/2010	21.9% (projected)	NO

+9%

Member contributions (whether paid by the employer or the employee) are in addition to the above rates.

The estimate for 2009/2010 also assumes that there are no future amendments and no liability gains or losses (such as from larger than expected pay increases, more retirements than expected, etc.). **This is a very important assumption because these gains and losses do occur and can have a significant effect on your contribution rate.** Even for the largest plans, such gains and losses often cause a change in the employer's contribution rate by one or two percent, even larger in some less common instances. These gains and losses cannot be predicted in advance so the projected employer contribution rate for 2009/2010 is just an estimate. Your actual rate for 2009/2010 will be provided in next year's report.

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