

TAB 4

Foster & Foster INC.

Actuarial Consultants for Public Pension Plans

July 19, 2011

VIA EMAIL

Diane Ponder
City of Palmetto
General Employees' Retirement System
PO Box 1209
Palmetto, FL 34220

Re: Palmetto General Employees' Retirement System

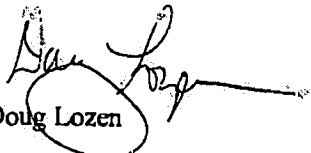
Dear Ms. Ponder,

As you are probably aware, the Governor recently signed Senate Bill 1128 which will have an impact on all local law plans in the State of Florida. In addition to curtailing the amount of retirement benefits a Member may receive, the bill also requires additional actuarial and administrative work in order to comply with the Statute. Specifically, the liabilities for the plan must now be shown using the interest rate utilized by the Florida Retirement System (7.75% currently) in addition to displaying those using the Board's assumption.

In order to comply with the new bill, we will be including the calculation of liabilities using the FRS interest rate as part of the annual valuation. The inclusion of this required addendum will incur a fee of ten percent (10%) of the valuation fee if the Board's assumed rate of return differs from the FRS rate (7.75%).

If you have any questions, concerns, or would like to talk about this further, please do not hesitate to contact us.

Sincerely,


Doug Lozen