

Projected Changes in Fund Balances - Fund 656 Pension - Fire & Police

To account for the accumulation of resources used to pay retirement benefits to the City's Firefighters and Police Officers. The City's contribution represents the amount required to maintain the actuarial soundness of the plan.

	2008-09 Actual	2009-10 Actual	2010-11 Budget	2011-12 Budget	% of Total	% Change from 2010-11
Beginning Balance	\$ 206,914,587	209,561,086	235,574,058	261,943,796	-	-
Revenues/Sources						
Investment Income	(4,584,040)	18,737,041	22,881,000	27,397,000	50.4%	19.7%
Miscellaneous Revenues	25,111,444	27,617,680	26,359,538	26,911,536	49.6%	2.1%
Total Revenues	20,527,404	46,354,721	49,240,538	54,308,536	100.0%	10.3%
Expenditures/Uses						
General Government Service	17,880,905	20,341,749	22,870,800	24,415,000	100.0%	6.8%
Total Expenditures	17,880,905	20,341,749	22,870,800	24,415,000	100.0%	6.8%
Excess (Deficit)	2,646,499	26,012,972	26,369,738	29,893,536		
Ending Balance	\$ 209,561,086	235,574,058	261,943,796	291,837,332		
Percent Change	-	12.4%	11.2%	11.4%		

Note(s):

The Fire and Police Pension Fund, like that of General City employees, is a relatively young plan, which means that pension benefit payments are low in comparison to the contributions currently being made into the plan.

The fiscal year 2008-09 fund balance showed a modest increase of 1.3% despite continued investment losses. This was offset by an increase in City contributions of \$4.3 million.

The fiscal year 2009-10 fund balance reflected a \$26.0 million increase due to a \$23.4 million increase in investment earnings (offset by \$1.4 million of investment expenses) and a \$2.7 million increase in the City's contribution, while contributions from the State and the employees continued to decline.

The fiscal year 2010-11 fund balance is expected to increase by approximately \$26.4 million. Within that estimate are a \$4.1 million increase in investment earnings, an almost unchanged City contribution of \$21.0 million, an almost unchanged employee contribution of \$3.0 million, and a \$2.6 million increase in current benefits paid.

The fiscal year 2011-12 fund balance is expected to increase by \$29.9 million, \$3.5 million more than the increase in the prior year due mainly to an anticipated \$4.5 million increase in investment earnings and a \$1.5 million increase in investment expenses and benefit payments.