

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

This fund accounts 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 using an investment-return assumption of 8%.

	2009-10 Actual	2010-11 Actual	2011-12 Budget	2012-13 Budget	% of Total	% Change from 2011-12
Beginning Balance	\$ 209,561,086	235,574,058	235,326,337	265,219,873	-	-
Revenues/Sources						
Investment Income	18,737,041	(4,039,092)	27,397,000	28,460,000	50.3%	3.9%
Miscellaneous Revenues	27,617,680	26,357,870	26,911,536	28,134,759	49.7%	4.5%
Total Revenues	46,354,721	22,318,778	54,308,536	56,594,759	100.0%	4.2%
Expenditures/Uses						
General Government Service	20,341,749	22,566,499	24,415,000	27,134,000	100.0%	11.1%
Total Expenditures	20,341,749	22,566,499	24,415,000	27,134,000	100.0%	11.1%
Excess (Deficit)	26,012,972	(247,721)	29,893,536	29,460,759		
Transfers In	-	-	-	-		
Transfers Out	-	-	-	-		
Ending Balance	\$ 235,574,058	235,326,337	265,219,873	294,680,632		
Percent Change	-	(0.1%)	12.7%	11.1%		

Note(s):

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

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 had a deficit of \$0.2 million due largely to a \$4.0 million loss in investment returns.

The fiscal year 2011-12 fund balance is budgeted to increase by \$29.9 million and includes \$27.4 million in investment returns.

The projected 2012-13 surplus of \$29.5 million would increase the fund balance to \$294.7 million and requires a City contribution of \$22.9 million, an increase of \$1.4 million over that of the current year.