

Projected Changes in Fund Balances - Fund 655 Pension - General Members

This fund accounts for the accumulation of resources used to pay retirement benefits to the City's General Employees. The City's contribution represents the amount required to maintain the actuarial soundness of the plan as calculated annually using an investment-return assumption of 8%.

	2010-11 Actual	2011-12 Actual	2012-13 Budget	2013-14 Budget	% of Total	% Change from 2012-13
Beginning Balance	\$ 115,239,001	111,628,109	128,082,287	137,952,319	-	-
Revenues/Sources						
Investment Income	1,625,520	21,100,797	12,064,000	10,516,000	60.4%	(12.8%)
Miscellaneous Revenues	3,570,754	3,985,040	6,931,032	6,908,908	39.6%	(0.3%)
Total Revenues	5,196,274	25,085,838	18,995,032	17,424,908	100.0%	(8.3%)
Expenditures/Uses						
General Government Service	8,807,166	8,631,660	9,125,000	9,087,000	100.0%	(0.4%)
Total Expenditures	8,807,166	8,631,661	9,125,000	9,087,000	100.0%	(0.4%)
Excess (Deficit)	(3,610,892)	16,454,177	9,870,032	8,337,908		
Transfers In	-	-	-	-		
Transfers Out	-	-	-	-		
Ending Balance	\$ 111,628,109	128,082,287	137,952,319	146,290,227		
Percent Change	-	14.7%	7.7%	6.0%		

Note(s):

Effective July 1, 2010, the General Employees Pension Plan was frozen for all collective bargaining unit members, and no additional benefits are being accrued for those employees. New members are no longer allowed to participate in the Plan, though they can participate in a 401(k) plan.

The Fiscal Year 2010-11 fund balance declined by \$3.6 million as investment returns dropped from \$11.4 million in 2009-10 to \$1.6 million in 2010-11.

The fund balance in 2011-12 increased by \$16.5 million. Investment returns exceeded those of the previous year by \$19.5 million. Furthermore, pension expense was less in the later year (\$0.2 million).

For 2012-13, investment earnings of \$12.1 million, City contributions of \$6.7 million, and \$0.2 million of employee contributions are expected to be offset by \$9.1 million of expenses, increasing the fund balance by \$9.9 million.

The surplus projected for 2013-14 is budgeted to be \$8.3 million, \$1.5 million less than the prior year's due primarily to an expected decline of that amount in investment returns.