

Retiree Health Trust Fund (RHTF) Status and Budget, updated April 04,2013, City and County of San Francisco Controller's Office

| | FY 2008-09 | FY 2009-10 | FY 2010-11 | FY 2011-12 | FY 2012-13 | | | FY 2013-14 | FY 2014-15 |
|--|----------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenues | Actuals | Actuals | Actual | Actuals | Budget | Year-to-Date | Projection | Budget Proposal | Budget Proposal |
| Starting Fund Balance | | 323,483 | 3,194,672 | 8,541,521 | 17,634,021 | 17,851,560 | 17,851,560 | 31,012,407 | 47,501,543 |
| 2% Employee Contribution (1) | 214,928 | 1,903,374 | 3,518,030 | 6,140,559 | 6,660,000 | 6,049,791 | 8,785,151 | 11,000,000 | 14,000,000 |
| 1% Employer Contribution (1) | 107,464 | 951,919 | 1,773,184 | 3,070,242 | 3,330,000 | 3,024,859 | 4,392,576 | 5,500,000 | 7,000,000 |
| Interest Earned (2) | 1,091 | 15,896 | 55,635 | 144,127 | 180,000 | 128,750 | 205,620 | 281,636 | 451,544 |
| Total Revenue | 323,483 | 3,194,672 | 8,541,521 | 17,896,449 | 27,804,021 | 27,054,960 | 31,234,907 | 47,794,043 | 68,953,087 |
| Expenditures | | | | | | | | | |
| External Audit / Report | - | - | - | | 25,000 | | 25,000 | 25,000 | 25,000 |
| City Attorney-legal expenses for trust setup & ongoing costs | - | - | - | 37,903 | 40,000 | 23,476 | 40,000 | 40,000 | 40,000 |
| Investment Manager and Custodian expenses | - | - | - | - | 125,000 | | 125,000 | 125,000 | 125,000 |
| Retirement Board Administrative Support | - | - | - | | 12,500 | 5,368 | 12,500 | 12,500 | 12,500 |
| Education / Training | - | - | - | 6,985 | 20,000 | | 20,000 | 20,000 | 20,000 |
| Board Election (3) | 60,000 | - | - | | | | - | 70,000 | - |
| Total Expenditures | 60,000 | - | | 44,888 | 222,500 | 28,844 | 222,500 | 292,500 | 222,500 |
| Ending Fund Balance | 263,483 | 3,194,672 | 8,541,521 | 17,851,560 | 27,581,521 | 27,026,116 | 31,012,407 | 47,501,543 | 68,730,587 |

Assumptions

(1) For FY12-13, revenue forecast assumption has adjusted to 1.74% monthly growth in contributions from April to June 2013 based on actual from July 2012 to March 2013. This represents FY12-13 annual growth rate at 42%. For FY13-14 and FY 14-15, revenue forecast is based on projected % or total salaries contributing to RHCTF at approximately 19.8% and 25% respectively.

(2) projected interest earnings for FY12-13 extrapolated from year to date. For FY13-14 and FY14-15, the pool interest rate projection is based on FY12-13 6 month report, assumption of 0.72% and 0.78% respectively.

(3) Elections are held once every five years; the next one is scheduled for May 2014 with estimated cost of \$70,000. There may be another election if a board member retires/leaves before May 2014 but this cost is not budgeted.

Retiree Health Trust Fund Budget Supporting Data

| | | | | | | | | | | | | | | | Total Projected Employer Contribution | Total Projected Employee Contribution | Total Projected Contribution | Total Contribution Growth by Year |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--|--|--|------------------------------------|--|
| FY 2012-13 SubObj 01502 (Actual data from July to December) | | | | | | | | | | | | | | | | | | |
| | Jul-12 | Aug-12 | Sep-12 | Oct-12 | Nov-12 | Dec-12 | Jan-13 | Feb-13 | Mar-13 | Apr-13 | May-13 | Jun-13 | FY 12-13 | | | | | |
| # of Pay Period | 1.5 | 2 | 2 | 3 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3.6 | 26.1 | | | | | |
| 01502 RETIREE HEALTH CARE - CITY MATCH | 226,999 | 319,661 | 314,618 | 477,885 | 333,945 | 328,202 | 333,000 | 343,330 | 346,589 | 352,617 | 358,750 | 656,980 | | 4,392,576 | 8,785,151 | 13,177,727 | 43% | |
| City Match Amt/per pay period | 151,333 | 159,830 | 157,309 | 159,295 | 166,972 | 164,101 | 166,500 | 171,665 | 173,295 | 176,308 | 179,375 | 182,494 | | | | | | |
| Growth Rate | 44.29% | 5.62% | -1.58% | 1.26% | 4.82% | -1.72% | 1.46% | 3.10% | 0.95% | 1.74% | 1.74% | 1.74% | 1.74% | | | | | |
| Base salary for employees covered by RHCTF | 22,699,919 | 31,966,050 | 31,461,823 | 47,788,471 | 33,394,453 | 32,820,245 | 33,300,008 | 34,333,044 | 34,658,918 | 35,261,694 | 35,874,953 | 65,697,979 | 439,257,556 | | | | | |
| Total CCSF salaries paid | 155,049,700 | 216,089,944 | 210,571,620 | 319,933,866 | 218,558,619 | 207,926,410 | 210,718,529 | 211,436,597 | 210,978,708 | 211,566,513 | 212,047,613 | 382,315,234 | ##### | | | | | 36% |
| % Total Salaries contributing to RHCTF | 14.64% | 14.79% | 14.94% | 14.94% | 15.28% | 15.78% | 15.80% | 16.24% | 16.43% | 16.67% | 16.92% | 17.18% | 15.87% | | | | | |
| Growth Rate | | 1.04% | 1.00% | -0.03% | 2.29% | 3.31% | 0.12% | 2.75% | 1.17% | 1.46% | 1.51% | 1.57% | | Projected % Total Salaries contributing to RHCTF | | | | |
| | | | | | | | | | | | | | | | | | BY | 19.84% |
| | | | | | | | | | | | | | | | | | BY+1 | 23.81% |
| FY 2011-12 SubObj 01502 | | | | | | | | | | | | | | | | | | 15% |
| | Jul-11 | Aug-11 | Sep-11 | Oct-11 | Nov-11 | Dec-11 | Jan-12 | Feb-12 | Mar-12 | Apr-12 | May-12 | Jun-12 | FY 11-12 | | | | | 20% |
| # of Pay Period | 1.6 | 2 | 2 | 2 | 3 | 2 | 2 | 2 | 2 | 2 | 2 | 3.5 | 26.1 | | | | | |
| 01502 RETIREE HEALTH CARE - CITY MATCH | 157,593 | 203,560 | 204,465 | 211,931 | 333,038 | 226,466 | 229,858 | 237,146 | 245,827 | 253,934 | 399,340 | 367,084 | | 3,070,242 | 6,140,484 | 9,210,726 | | |
| City Match Amt/per pay period | 98,496 | 101,780 | 102,233 | 105,966 | 111,013 | 113,233 | 114,929 | 118,573 | 122,914 | 126,967 | 199,670 | 104,881 | | | | | | |
| Growth Rate | 10.45% | 3.33% | 0.44% | 3.65% | 4.76% | 2.00% | 1.50% | 3.17% | 3.66% | 3.30% | 3.30% | 3.30% | 2.95% | | | | | 73% |
| Base salary for employees covered by RHCTF | 15,759,300 | 20,356,000 | 20,446,500 | 21,193,100 | 33,303,800 | 22,646,600 | 22,985,800 | 23,714,600 | 24,582,700 | 25,393,400 | 39,934,000 | 36,708,400 | 307,024,200 | | | | | |
| Total CCSF salaries paid | 157,863,665 | 199,786,733 | 201,204,246 | 201,024,880 | 303,976,084 | 198,044,401 | 201,496,535 | 197,273,763 | 200,738,118 | 198,596,257 | 301,549,198 | 270,524,061 | ##### | | | | | |
| % Total Salaries contributing to RHCTF | 9.98% | 10.19% | 10.16% | 10.54% | 10.96% | 11.44% | 11.41% | 12.02% | 12.25% | 12.79% | 13.24% | 13.57% | 11.66% | | | | | 66% |
| FY 2010-11 SubObj 01502 | | | | | | | | | | | | | | | | | | |
| | Jul-10 | Aug-10 | Sep-10 | Oct-10 | Nov-10 | Dec-10 | Jan-11 | Feb-11 | Mar-11 | Apr-11 | May-11 | Jun-11 | FY 10-11 | | | | | |
| # of Pay Period | 1.7 | 2 | 2 | 2 | 2 | 3 | 2 | 2 | 2 | 2 | 2 | 3.4 | 26.1 | | | | | |
| 01502 RETIREE HEALTH CARE - CITY MATCH | 88,416 | 108,178 | 110,194 | 111,521 | 119,993 | 186,685 | 132,343 | 144,912 | 149,346 | 153,675 | 162,147 | 303,208 | | 1,770,618 | 3,541,236 | 5,311,854 | | |
| City Match Amt/per pay period | 52,009 | 54,089 | 55,097 | 55,761 | 59,997 | 62,228 | 66,172 | 72,456 | 74,673 | 76,838 | 81,074 | 89,179 | | | | | | |
| Growth Rate | | 4.00% | 1.86% | 1.20% | 7.60% | 3.72% | 6.34% | 9.50% | 3.06% | 2.90% | 5.51% | 10.00% | 6.08% | | | | | |
| Base salary for employees covered by RHCTF | 8,841,600 | 10,817,800 | 11,019,400 | 11,152,100 | 11,999,300 | 18,668,500 | 13,234,300 | 14,491,200 | 14,934,600 | 15,367,500 | 16,214,700 | 30,320,800 | 177,061,800 | | | | | |
| Total CCSF salaries paid | 167,395,929 | 196,578,054 | 194,041,383 | 191,186,001 | 192,107,087 | 289,499,918 | 195,147,389 | 190,848,435 | 191,115,506 | 190,546,679 | 191,193,494 | 337,124,287 | ##### | | | | | |
| % Total Salaries contributing to RHCTF | 5.28% | 5.50% | 5.68% | 5.83% | 6.25% | 6.45% | 6.78% | 7.59% | 7.81% | 8.06% | 8.48% | 8.99% | 7.01% | | | | | |
| | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | Total Interest | |
| FY 2012-13 Interest (Actual data from July to August) | | | | | | | | | | | | | | | | | | |
| | Jul-12 | Aug-12 | Sep-12 | Oct-12 | Nov-12 | Dec-12 | Jan-13 | Feb-13 | Mar-13 | Apr-13 | May-13 | Jun-13 | FY 12-13 | | | | | |
| 300 INTEREST & INVESTMENT INCOME | 17,336 | 13,844 | 15,438 | 13,585 | 17,982 | 12,997 | 20,022 | 17,547 | 18,191 | 18,859 | 19,551 | 20,269 | | 205,620 | | | | |
| Growth Rate | | -20.15% | 11.51% | -12.00% | 32.37% | -27.72% | 54.05% | -12.37% | 3.67% | 3.67% | 3.67% | 3.67% | | | | | | |
| | | | | | | | | | | | | | | | | | | |
| FY 2011-12 Interest Actual | | | | | | | | | | | | | | | | | | |
| | Jul-11 | Aug-11 | Sep-11 | Oct-11 | Nov-11 | Dec-11 | Jan-12 | Feb-12 | Mar-12 | Apr-12 | May-12 | Jun-12 | | | | | | |
| 300 INTEREST & INVESTMENT INCOME | 7,346 | 8,032 | 8,972 | 9,829 | 11,258 | 12,617 | 10,732 | 12,424 | 15,478 | 13,662 | 22,675 | 11,102 | | 144,127 | | | 2.71% | |
| Growth Rate | | 9.34% | 11.70% | 9.55% | 14.54% | 12.07% | -14.94% | 15.77% | 24.58% | -11.73% | 65.97% | -51.04% | 7.80% | | | | | |
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