

Pension Trust Fund

Fund 61 • Pension Trust Fund Type

FUND DESCRIPTION

The Pension Trust Fund is a non-governmental *fiduciary-type fund* that has been maintained for the benefit of employees who retired prior to the District's integration into the Oregon Public Employee Retirement System on July 1, 1981.

BUDGET SUMMARY

Expenditures	2007-08 Actual	2008-09 Actual	2009-10 Budget	2010-11 Budget
Personnel Services	\$330,571	\$340,356	\$352,306	\$363,882
Materials and Services		2,520	1,500	10,000
Ending Fund Balance	1,002,973	353,225		2,285
Total Expenditures	\$1,333,544	\$696,101	\$353,806	\$376,167

TRUST MANAGEMENT

The Board of Directors controls the Pension Plan and the investment mix policy, while the District's Fire Chief/Administrator serves as advisor to the Board and authorizes increases in benefit payments.

Day-to-day administration of the plan, including annual trust report filings with the Internal Revenue Service, investment of plan assets, and payments to retirees, are managed by the District's Finance Division. While the District has not made contributions to the plan for many years, unfavorable investment returns, coupled with the aging of the retirees, led to the District investing remaining assets in a money market type investment, and at the expected utilization of remaining assets by early 2010-11, the District will begin transferring in enough funds each month to meet remaining monthly obligations as the fund winds down.

PENSION BENEFIT

Two groups of retirees are covered under the Pension Trust Fund. One group consists of those individuals who retired prior to amending the plan in 1976. The second group is those individuals affected by the Amended and Restated Plan of 1976, and who retired on or before July 15, 1983.

The original retirement plan document stipulates that the retiree receives a benefit of sixty percent of the current salary range for the job classification held at time of retirement. Thus, their benefit increases are directly tied to raises of the existing employee group. There are four retirees under this plan and one beneficiary.

Under the 1976 Amended and Restated Plan, benefits are determined by multiplying a percent, which is the value of the number of years of completed service times two percent per year, by the final average salary. The cost of living increases for the retirees under the 1976 Amended and Restated Plan are limited to two percent per year. There are three recipients under this plan.

Administrative fees of \$10,000 are budgeted for actuarial and legal services, as well as monthly pension check and tax return preparation fees.

Pension Trust Fund

<i>Historical Data</i>			<i>Budget for Next Year 2010-11</i>			
Actual Second Preceding Year 2007-08	Actual First Preceding Year 2008-09	Revised Budget This Year 2009-10		Proposed by Budget Officer	Approved by Budget Committee	Adopted by Governing Board
			Resources			
\$1,495,041 (161,497)	\$1,002,973 (306,872)	\$353,455 351	Beginning Fund Balance (Cash Basis) or Working Capital (Accrual Basis)	\$1,964	\$1,964	\$1,964
			Earnings from Investments	351	351	351
			Transfer from Other Funds	373,852	373,852	373,852
<u>\$1,333,544</u>	<u>\$696,101</u>	<u>\$353,806</u>	Total Resources	\$376,167	\$376,167	\$376,167
			Requirements			
\$330,571	\$340,356 2,520	\$352,306 1,500	Pension Benefit Costs	\$363,882	\$363,882	\$363,882
330,571	342,876	353,806	Administrative Fees	10,000	10,000	10,000
1,002,973	353,225	0	Total Expenditures	373,882	373,882	373,882
			Unappropriated Ending Fund Balance	2,285	2,285	2,285
<u>\$1,333,544</u>	<u>\$696,101</u>	<u>\$353,806</u>	Total Requirements	\$376,167	\$376,167	\$376,167

Volunteer LOSAP Fund

Fund 63 • Pension Trust Fund Type

FUND DESCRIPTION

The Volunteer LOSAP Plan Fund was established on July 1, 1998, to account for the resources set aside for a District-managed length of service award plan for its firefighting volunteers. Since analysis indicated the District could improve benefits and lower costs over time, the District established the plan and created this fund to manage the trust assets. The District Finance Division manages trust investments and plan benefit payments to retired volunteers. Transfers to the fund are based upon actuarial recommendations. The most recent actuarial valuation was completed as of July 1, 2008. This valuation recommended annual contributions by the District of \$39,274. A new actuarial evaluation for July 1, 2010 is planned.

BUDGET SUMMARY

Expenditures	2007-08 Actual	2008-09 Actual	2009-10 Budget	2010-11 Budget
Personnel Services	\$11,150	\$44,840	\$714,266	\$764,399
Ending Fund Balance	823,021	737,935		
Total Expenditures	\$834,171	\$782,775	\$714,266	\$764,399

Volunteer LOSAP Fund

<i>Historical Data</i>			<i>Budget for Next Year 2010-11</i>			
Actual Second Preceding Year 2007-08	Actual First Preceding Year 2008-09	Adopted Budget This Year 2009-10		Proposed by Budget Officer	Approved by Budget Committee	Adopted by Governing Board
			Resources			
\$792,227	\$823,021	\$674,318	Beginning Fund Balance (Cash Basis) or			
(18,056)	(100,246)	674	Working Capital (Accrual Basis)	\$725,125	\$725,125	\$725,125
60,000	60,000	39,274	Earnings from Investments			
			Transfer from Other Funds	39,274	39,274	39,274
<u>\$834,171</u>	<u>\$782,775</u>	<u>\$714,266</u>	Total Resources	\$764,399	\$764,399	\$764,399
			Requirements			
\$11,150	\$44,840	\$714,266	Pension Benefit Costs	\$764,399	\$764,399	\$764,399
823,021	737,935		Unappropriated Ending Fund Balance			
<u>\$834,171</u>	<u>\$782,775</u>	<u>\$714,266</u>	Total Requirements	\$764,399	\$764,399	\$764,399