

**APPENDIX E. CONTROLLER'S REPORT ON PENSION AND RETIREE HEALTH SUBSIDY
ANALYSIS**

Pension and Retiree Health Subsidy Analysis, FY 05-06 to FY 11-12 (projected)

Response to Civil Grand Jury Request, 5/14/09

Prepared by San Francisco Controller's Office, Budget and Analysis Division, contact: Leo Levenson, Leo.Levenson@sfgov.org

	FY 05-06 Actuals	FY 06-07 Actuals	FY 07-08 Actuals	FY 08-09 Bgt	FY 09-10 Projected	FY 10-11 Projected	FY 11-12 Projected	
SFERS Employer Contribution Rate	6.58%	6.24%	5.91%	4.99%	9.49%	11.98%	14.79%	
SFERS Employee Pick-up Rate	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	
PERS Rate	20.85%	18.82%	18.07%	17.48%	18.13%	20.62%	23.43%	
SFERS Employer Contribution Amount	All funds	116,881,079	123,777,701	125,507,816	108,442,757	206,353,849	258,727,863	317,832,675
SFERS Employee Contribution paid by CCSF (for those labor agreements where CCSF picks up the employee share)	All-funds	41,970,980	63,206,296	66,052,313	69,316,628	131,901,414	165,378,893	203,158,698
CCSF Contributions to PERS	All-Funds	158,852,059	186,983,997	191,560,129	177,759,385	338,255,263	424,106,756	520,991,373
PERS Employer Contribution	All-Funds	16,004,765	15,932,637	15,619,183	17,965,085	18,486,961	20,501,644	22,775,242
Combined Total SFERS and PERS	All-Funds	174,856,824	202,916,634	207,179,312	195,724,470	356,742,223	444,608,400	543,766,615
Retiree Health Subsidy	All-Funds	121,778,051	128,327,225	138,339,664	120,704,501	128,056,398	141,711,414	154,875,860
Retiree Health Subsidy Projected Increase (Actuarial growth)						6.67%	11.62%	10.04%
CCSF All-Funds Operating Budget	FY 05-06	FY 06-07	FY 07-08	FY 08-09				
	5,084,763,030	5,427,293,805	5,781,339,377	6,159,459,732				
CCSF Pension Contributions as % Operating Budget	3.4%	3.7%	3.6%	3.2%				
Retiree Health Subsidy as % of Operating Budget	2.4%	2.4%	2.4%	2.0%				
CCSF All-Funds Salaries Budget	1,985,798,133	2,271,780,743	2,427,935,519	2,541,186,562				
CCSF Pension Contributions as % Salaries	8.8%	8.9%	8.5%	7.7%				
Retiree Health Subsidy as % Salaries	6.1%	5.6%	5.7%	4.7%				

Notes

1. SFERS rate for FY 09-10 and forward includes estimated 3.55% attributable to Proposition B retirement enhancements passed by voters on 6/3/2008
2. "All-Funds" represents both General Fund supported costs and those of self-supporting enterprise departments such as the Airport, Port, Public Utilities Commission, etc.
3. The Retiree Health Subsidy projection for FY 10-11 to FY 11-12 based on SFERS consultant scenario provided to their Board on 1/29/09 that would accommodate a potential 20% decline in retirement assets in FY 2008-09 followed by 7.75% growth in successive years