



**CITY OF COSTA MESA
DEPARTMENT OF FINANCE & I.T.
INTEROFFICE MEMORANDUM**

TO: CITY COUNCIL MEMBERS

THROUGH: TOM HATCH, CITY CHIEF EXECUTIVE OFFICER

FROM: BOBBY YOUNG, FINANCE AND I.T. DIRECTOR

DATE: DECEMBER 4, 2012

SUBJECT: PERS VALUATIONS & EMPLOYER RATES FOR FY 2013-14

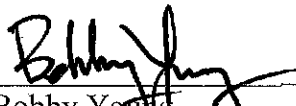
Recently, the City had received its CalPERS Annual Valuation Report as of June 30, 2011. I have attached a spreadsheet that shows the new and some historical PERS employer rates for each plan. The valuations themselves are available on the City's website under:

City Departments - Finance & I.T. Department – Pension Information

The employer payroll rates for FY 2013-14 contributions are seen on the first page of each report. Included in the Miscellaneous and Police plan valuations on page 6 and Fire plan valuation page 5, you can see how the funded status has changed from June 30, 2010. Below is a quick summary of the Actuarial and Market Value changes for each plan.

	(in millions)			
	Actuarial Value		Market Value	
	Unfunded Status @ June 30		Unfunded Status @ June 30	
	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>
Miscellaneous	\$ 43.8	\$ 51.8	\$ 77.8	\$ 70.0
Police	\$ 51.5	\$ 58.1	\$ 81.2	\$ 73.5
Fire	<u>\$ 37.3</u>	<u>\$ 40.0</u>	<u>\$ 65.8</u>	<u>\$ 52.3</u>
Total	\$ 132.6	\$ 149.9	\$ 224.8	\$ 195.8

I am also working with Joe Nation - Professor of the Practice of Public Policy Stanford Institute for Economic Policy Research, to analyze the new PERS data and make a presentation to the City Council in January 2013. His presentation will include analysis of current data and comparability with other cities. Please let me know if you have any questions in the meantime.


 Bobby Young
 Finance and I.T. Director

Attachment – New and Historical Employer PERS Rates