COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

96TH GENERAL ASSEMBLY

BILL NO:	**HB 5873, as amended by SA 3**	May 20, 2010
SPONSOR(S):	Flider – Black, et al. (Link)	
SYSTEM(S):	Downstate Police, Downstate Fire, Chicago Police, Chicago Fire, Illinois Municipal Retirement Fund (SLEP)	

FISCAL IMPACT: *Please refer to the tables on pages 10 and 11.*

SUBJECT MATTER: HB 5873, as amended by SA 3, amends the Downstate Police, Downstate Fire, Chicago Police, Chicago Fire, and IMRF Articles of the Illinois Pension Code to make various changes concerning retirement benefits for new employees. In addition, HB 5873, as amended, provides a change in the current funding plan for Downstate Police and Downstate Fire pension funds to provide for a rolling amortization of the unfunded liability over a 30 year period.

FISCAL IMPACT: *Please refer to the tables on pages 10 and 11.*

COMMENT:

List of Additional Permitted Investments for Pension Funds with New Assets of $10 Million or More

HB 5873, as amended by SA 3, provides that a Downstate Police or Downstate Fire pension fund that has net assets of at least $10,000,000 and has appointed an investment adviser is allowed to invest an additional portion of its assets in common and preferred stocks, mutual funds, and corporate bonds. In order to do this, the following requirements must be met:

For Stocks:

1. The common stocks must be listed on a national securities exchange or board of trade (as defined in the Federal Securities Exchange Act of 1934) or quoted in the National Association of Securities Dealers Automated Quotation System National Market System.
2. The securities must be of a corporation in existence for at least 5 years.
3. The market value of stock in any one corporation may not exceed 5% of the cash and invested assets of the pension fund, and the investments in the stock of any one corporation may not exceed 5% of the total outstanding stock of that corporation.

4. The straight preferred stocks or convertible preferred stocks must be issued or guaranteed by a corporation whose common stock qualifies for investment by the board.

For Mutual Funds:

1. The mutual fund must be managed by an investment company registered under the Federal Investment Company Act of 1940 and also registered under the Illinois Securities Law of 1953.
2. The mutual fund must have been in operation for at least 5 years.
3. The mutual fund must have total net assets of $250,000,000 or more.
4. The mutual fund must be comprised of a diversified portfolio of common or preferred stocks, bonds, or money market instruments.

For Corporate Bonds Managed through an Investment Adviser:

1. All corporate bonds must be rated as investment grade by one of the 2 largest rating services at the time of purchase.
2. Any securities subsequently downgraded below investment grade must be liquidated from the portfolio within 90 days after the downgrade by the manager.

HB 5873, as amended SA 3, states that a pension fund's total investment in said items must not exceed 50% (effective July 1, 2011) and 55% (effective July 1, 2012) of the market value of the pension fund's net present assets stated in its most recent annual report on file with the Department of Insurance. Also, all pension funds investing in stocks, mutual funds, or corporate bonds must electronically file with the Division any reports of its investment activities.

CGFA Investment Pool / Normal Cost Study

HB 5873, as amended by SA 3, provides that the Commission on Government Forecasting and Accountability must conduct a study on the feasibility of (1) the creation of an investment pool to supplement and enhance the investment opportunities available to boards of trustees of the Downstate Police and Downstate Fire pension funds, and (2) enacting a contribution cost-share component where employing municipalities and members of Downstate Police and Downstate Fire pension funds each contribute 50% of the normal cost of the defined-benefit plan. The study is to include an analysis on any cost or cost savings associated with establishing an investment pool and transferring assets for management under the investment pool. The Commission must issue the report on its findings on or before December 31, 2011.

CGFA Study on Financial Condition of All Downstate Police and Downstate Fire Funds

HB 5873, as amended by SA 3, states that the Commission on Government Forecasting and Accountability will conduct a study of all Downstate Police and Downstate Fire pension funds and report its finding to the General Assembly on or before January 1, 2012. The study must include, but not be limited to, the following:

1. fund balances;
2. historical employer contribution rates for each fund;
3. the actuarial formulas used as a basis for employer contributions, including the actual assumed rate of return for each year, for each fund;
4. available contribution funding sources;
5. the impact of any revenue limitations caused by PTELL and employer home rule or non-home rule status; and

6. existing statutory funding compliance procedures and funding enforcement mechanisms for all municipal pension funds.

State Enforcement of Employer Contributions

HB 5873, as amended by SA 3, provides in the absence of a statutory alternative enacted prior to January 1, 2015 to ensure that public employers comply with this Act by making statutorily required pension contributions, if any participating municipality or participating instrumentality fails to transmit to the pension fund contributions required of it or contributions collected by it from its participating employees within 90 days after the payment of such contributions is due, then the fund, after giving notice to the municipality or instrumentality, may certify to the State Comptroller the amounts of the delinquent payments, and the Comptroller must deduct the amounts from any grants of State funds to the municipality or instrumentality involved and must pay the amount that has been deducted to the pension fund. If State funds from which said deductions may be made are not available, then the pension fund may proceed against the municipality or instrumentality to recover the amounts of the delinquent payments in the appropriate circuit court.

In addition, HB 5873, as amended SA 3, provides that beginning January 1, 2015, the city council or the board of trustees of any municipality must not make a contribution to the pension fund in its jurisdiction less than the amount recommended by the enrolled actuary of the Department of Insurance if the unfunded liability exceeds the assets in the fund as determined by the most recent actuarial valuation.

Examinations and Investigations

Currently, the Public Pension Division of IDFPR makes periodic examinations and investigations of all pension funds established under the Illinois Pension Code. Under HB 5873, as amended SA 3, the trustees of the pension fund or the corporate authorities of the municipality that established and administers the fund may, not more than once every year, request the Division to perform a special examination of the fund. For conducting this special examination, the Division must first review the most recent audit of the fund, all relevant actuarial reports relating to the fund, all investment information pertaining to the fund's performance, and any comprehensive annual financial reports issued by the municipality. Once the review is completed, the Division must issue a report detailing the funding level of the fund, the causes of any under-funding, the statutorily required employer annual contribution amount as determined by an enrolled actuary, the actual contribution amount made by the employer, and the difference between the statutorily required employer contribution and the actual employer contribution. This special examination must begin within 90 days after receiving the request and the report must be issued within 180 days after beginning the special examination.

Pension Formula Applicable to New Hires in Downstate Police Pension Funds

Currently, a police officer of a Downstate Police Pension Fund who is age 50 or older with 20 or more years of creditable service and who is no longer in service as a police officer, receives a pension of ½ the salary attached to the rank held by the officer on the last day of service or for one year prior to the last day, whichever is greater. The pension is increased by 2.5% of such salary for each additional year over 20 years of service through 30 years of service, to a maximum of 75% of such salary.

For any Downstate police officer who first becomes a Downstate police officer on or after January 1, 2011, HB 5873, as amended by SA 3, increases the retirement age to 55 with

10 years of service, and provides a pension of 2.5% of the police officer's final average salary for each of the first 20 years of service plus 2.2% of final average salary for each additional year of service over 20 years of service through 30 years of service, to a maximum of 72% of final average salary. Under HB 5873, as amended by SA 3, final average salary is obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. In addition, HB 5873, as amended by SA 3, provides a reduced benefit option of ¼ of 1% per month reduction for Downstate police officers who retire at age 50 with 10 years of service.

Increase in Pensions for Downstate Police Pension Funds

Currently, the monthly pension of a police officer is increased by 3% of the originally granted pension for each full month that has elapsed since the pension began, and by an additional 3% of the pension then payable in every January after. HB 5873, as amended by SA 3, provides that the monthly pension of a police officer who first becomes a member in a Downstate Police pension fund on or after January 1, 2011 shall be increased on the January 1 after the police officer attains age 57 and each January 1 after by 3% or the annual increase in the consumer price index for the preceding calendar year, whichever is less, of the originally granted pension. HB 5873, as amended by SA 3, clarifies that if the increase in the consumer price index for the preceding calendar year is zero or if there is a decrease, then the pension shall not be increased.

Survivor Annuities for Downstate Police Pension Funds

Currently, upon the death of a police officer entitled to a pension, the surviving spouse is entitled to the pension to which the police officer was then entitled. HB 5873, as amended by SA 3, provides that for a police officer who first becomes a police officer for a Downstate Police pension fund on or after January 1, 2011, the survivor annuities would be set at 66 2/3% of the police officer's earned pension at the date of death. Under HB 5873, as amended by SA 3, the survivor annuity will be increased on the January 1 after commencement of the annuity and each January following by 3% or the annual increase in the consumer price index for the preceding calendar year, whichever is less, of the originally granted pension. If the increase in the consumer price index for the preceding calendar year is zero or if there is a decrease, then the pension will not be increased.

Pensions Formula Applicable to New Hires in Downstate Fire Pension Funds

Currently, a member of a Downstate Fire Pension Fund who is age 50 or older with 20 or more years of creditable service and who is no longer in service as a firefighter, receives a monthly pension of ½ the salary attached to the rank held by the firefighter at the date of retirement. The monthly pension is increased by 1/12 of 2.5% of such salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such monthly salary.

HB 5873, as amended by SA 3, increases the retirement age to 55 with 10 years of service, and provides a pension of 2.5% of the firefighter's final average salary for each of the first 20 years of service plus 1/12 of 2.2% of final average salary for each additional month over 20 years of service through 30 years of service, to a maximum of 72% of final average salary. Under HB 5873, as amended by SA 3, final average salary is obtained by dividing the total salary of the firefighter during the 48 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. In addition, HB 5873, as amended by SA 3, provides a reduced benefit option of ¼ of 1% per month reduction for Downstate firefighters who retire at age 50 with 10 years of service.

Increase in Pensions for Downstate Fire Pension Funds

Currently, the monthly pension of a firefighter is increased upon either the first of the month following the first anniversary of the date of retirement if the firefighter is 55 years of age or over, or upon the first day of the month following the attainment of age 55 if it occurs after the first anniversary of retirement, by 1/12 of 3% of the originally granted pension for each full month that has elapsed since the pension began, and by an additional 3% of the pension then payable in every following January. HB 5873, as amended by SA 3, provides that the monthly pension of a firefighter who first becomes a firefighter for a Downstate Fire pension fund on or after January 1, 2011 shall be increased on the January 1 after the police officer attains age 57 and each January 1 after by 3% or the annual increase in the consumer price index for the preceding calendar year, whichever is less, of the originally granted pension. HB 5873, as amended by SA 3, clarifies that if the increase in the consumer price index for the preceding calendar year is zero or if there is a decrease, then the pension shall not be increased.

Survivor Annuities for Downstate Fire Pension Funds

Currently, upon the death of a firefighter entitled to a pension, the surviving spouse is entitled to the monthly pension to which the firefighter was then entitled. HB 5873, as amended by SA 3, provides that for a firefighter who first becomes a firefighter for a Downstate Fire pension fund on or after January 1, 2011, the survivor annuities would be set at 66 2/3% of the firefighter's earned pension at the date of death. Under HB 5873, as amended by SA 3, the survivor annuity will be increased on the January 1 after commencement of the annuity and each January following by 3% or the annual increase in the consumer price index for the preceding calendar year, whichever is less, of the originally granted pension. If the increase in the consumer price index for the preceding calendar year is zero or if there is a decrease, then the pension will not be increased.

Implementation of "Rolling Amortization" for Downstate Police and Downstate Fire Pension Funds

Currently, the boards of the Downstate Police and Downstate Fire pension funds maintain reserves to insure the payment of all obligations incurred. Each reserve is equal to the estimated total actuarial requirements of the fund. If a pension fund has as reserve of less than the accrued liabilities of the fund, the board of the pension fund, in making its annual report to the city council or board of trustees of the municipality, must designate the amount, calculated as a level percentage of payroll, needed annually to insure the accumulation of the reserve to the level of the fund's accrued liabilities over a period of 40 years from July 1, 1993 for pension funds then in operation, or from the date of establishment in the case of a fund created any time after, so that the necessary reserves will be attained over such a period. HB 5873, as amended by SA 3, provides that any unfunded liability that exists in the fund on July 1, 2010 may be amortized over a period of 30 years from July 1, 2010. Additionally, any unfunded liability created after July 1, 2010 may be amortized over a period of 30 years from July 1 of the calendar year in which the unfunded liability is created.

Payment of Benefits when Funds are Insufficient (Downstate Police)

Currently, any police officer and any eligible surviving spouse, child or children, or dependent parent of the officer to whom the board has ordered benefits to be paid, receive a yearly benefit payable in 12 equal monthly installments (which equal the aggregate amount to which they are entitled). If at any time there is not sufficient money in the fund to pay the benefits required, the city council or board of trustees of the municipality are to make every legal effort to replenish the fund so that all beneficiaries may receive the amounts to which they are entitled. If insufficient funds still remain, the beneficiaries are to be paid pro rata from the funds that are available, but no allowance or order of the board will be held to create any liability against the municipality, but only against the pension fund. HB 5873, as amended by SA 3, states that beneficiaries are no longer to be paid pro rata from the available funds if there is not sufficient money in the fund to pay the benefits they are entitled.

Annual Report by the Pension Board

Currently, the pension board reports annually to the city council or board of trustees of the municipality on the condition of the pension fund at the end of its most recently completed fiscal year. The municipality is authorized to publish the report. Under HB 5873, as amended by SA 3, upon issuing the report to the municipality, the pension board must also provide all necessary information to the Department of Insurance. The Department must compile the submitted information on an annual basis into a comprehensive report and must make this report available to the General Assembly and the Governor on paper or in electronic form before September 1, 2011 and before September 1 of each subsequent year.

Widows' Annuities for Chicago Police

Currently, if a deceased police officer was an active police officer at the time of his or her death and had at least 1.5 years of creditable service, the widow's annuity is the greater of (a) 30% of the annual maximum salary attached to the classified civil service position of a first class patrolman at the time of his or her death, or (b) 50% of the retirement annuity the deceased police officer would have been eligible to receive if he or she had retired from service on the day before his or her death. This annuity is fixed at the time of the police officer's death and does not increase. HB 5873, as amended by SA 3, provides that if a deceased police officer was an active police officer at the time of his or her death and had at least 1.5 years of creditable service as of January 1, 2011, the widow's annuity must be the greater of (a) 30% of the annual maximum salary attached to the classified civil service position of a first class patrolman at the time of his or her death, or (b) 66 2/3% of the retirement annuity the deceased police officer would have been eligible to receive if he or she had retired from service on the day before his or her death. This annuity is fixed at the time of the police officer's death and does not increase. This annuity is not limited to the maximum dollar amount in effect for widows' annuities at the time of the police officer's death.

Automatic Increase in Annuity for Chicago Police

Currently, a police officer who retires from service with at least 20 years of service credit will, upon either the first of the month following the first anniversary of his or her date of retirement if he or she is age 60 (age 55 if born before January 1, 1955) or over on that anniversary date, or upon the first of the month following his or her attainment of age 60 (age 55 if born before January 1, 1955) if it occurs after the first anniversary of his or her retirement date, have his or her then fixed and payable monthly annuity increased by 1.5% and then increased by an additional 1.5% in January of each year after up to a maximum of 30%. Under HB 5873, as amended by SA 3, beginning January 1, 2011 for police officers born on or after January 1, 1955, such increases will be 3% and will not be subject to the 30% maximum increase.

HB 5873, as amended by SA 3, provides that for a police officer who first becomes a Chicago police officer on or after January 1, 2011, the annuity to which the surviving spouse, children, or parents are entitled must be in the amount of 66 2/3% of the police officer's earned annuity at the date of death. In addition, under HB 5873, as amended by SA 3, the monthly annuity of a survivor of a police officer who first becomes a Chicago police officer on or after January 1, 2011 shall be increased on the January 1 after commencement of the annuity and each January 1 thereafter by 3% or the annual increase in the consumer price index for the preceding calendar year, whichever is less, of the originally granted annuity. If the increase in the consumer price index for the preceding calendar year is zero or there is a decrease, then the annuity will not be increased.

Pension Formula Applicable to New Hires for Chicago Police

HB 5873, as amended, creates a new Section concerning pension provisions applicable to a person who first becomes a Chicago police officer on or after January 1, 2011. Under HB 5873, as amended by SA 3, a Chicago police officer who withdraws from service at age 55 or older with 20 or more years of creditable service will receive an annuity of 2.5% of the police officer's final average salary for each of the first 20 years of service plus 2.2% of final average salary for each completed year of service or fraction of years of service over 20. The annuity of a police officer who is retiring after attaining age 50 with 10 or more years of creditable service will be reduced by ¼ of 1% for each month that the police officer's age is below age 55. The maximum pension is 72% of final average salary. Final average salary is obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. HB 5873, as amended by SA 3, provides automatic increases in annuity beginning on the January 1 after the police officer reaches age 57 and each January 1 following.

Survivor Annuities for Chicago Police

Additionally, HB 5873, as amended by SA 3, provides that for a police officer who first becomes a Chicago police officer on or after January 1, 2011, the annuity to which the surviving spouse, children, or parents are entitled must be in the amount of 66 2/3% of the police officer's earned annuity at the date of death. The monthly survivor's annuity will be increased on the January 1 after commencement of the annuity and then on each January 1 after by 3% or the annual increase in the consumer price index for the preceding calendar year, whichever is less, of the originally granted pension. HB 5873, as amended by SA 3, clarifies that if the increase in the consumer price index for the preceding calendar year is zero or there is a decrease, then the annuity will not be increased.

Widows' Annuity for Chicago Fire

Currently, the widow of a firefighter who dies while receiving a retirement annuity or while an active firefighter with at least 1.5 years of creditable service may elect to have the annuity be the greater of (a) 30% of the salary attached to the rank of the first class firefighter in the classified career service at the time of the firefighter's death, or (b) 50% of the retirement annuity the deceased firefighter would have been eligible to receive if he or she had retired from service on the day before his or her death. HB 5873, as amended by SA 3, provides that the widow of a firefighter who dies while receiving a retirement annuity or while an active firefighter with at least 1.5 years of creditable service must, as of January 1, 2011, have the annuity be the greater of (a) 30% of the salary attached to the rank of the first class firefighter in the classified career service at the time of the firefighter's death, or (b) 66 2/3% of the retirement annuity the deceased firefighter would have been eligible to receive if he or she had retired from service on the day before his or her death.

Automatic Increase in Annuity for Chicago Fire

Currently, a firefighter qualifying for a minimum annuity who retires from service after September 1, 1959 will, upon either the first of the month following the first anniversary of his or her date of retirement if he or she is age 60 (age 55 if born before January 1, 1955) or over on that anniversary date, or upon the first of the month following his or her attainment of age 60 (age 55 if born before January 1, 1955) if it occurs after the first anniversary of his or her retirement date, have his or her then fixed and payable monthly annuity increased by 1.5% and then increased by an additional 1.5% in January of each year after up to a maximum of 30%. Under HB 5873, as amended by SA 3, beginning January 1, 2011 for firefighter who first becomes a Chicago firefighter on or after January 1, 2011, such automatic annual increases will be 3% payable upon either the first of the month following the first anniversary of his or her date of retirement if he or she is age 55 or over on that anniversary date or the first of the month following the month of his or her 55th birthday.

HB 5873, as amended by SA 3, provides that for a firefighter who first becomes a Chicago firefighter on or after January 1, 2011, the monthly annuity will be increased on the January 1 after the firefighter attains age 57 and each January 1 thereafter by 3% or the annual increase in the consumer price index for the preceding calendar year, whichever is less, of the originally granted annuity. If the increase in the consumer price index for the preceding calendar year is zero or there is a decrease, then the annuity will not be increased.

Pension Formula Applicable to New Hires for Chicago Fire

HB 5873, as amended by SA 3, creates a new Section concerning pension provisions applicable to a person who first becomes a Chicago firefighter on or after January 1, 2011. Under HB 5873, as amended by SA 3, a Chicago firefighter who withdraws from service at age 55 or older with 20 or more years of creditable service will receive an annuity of 2.5% of the firefighter's final average salary for each of the first 20 years of service plus 2.2% of final average salary for each completed year of service or fraction of years of service over 20. The annuity of a firefighter who is retiring after attaining age 50 with 10 or more years of creditable service will be reduced by ¼ of 1% for each month that the firefighter's age is below age 55. The maximum pension is 72% of final average salary. Final average salary is obtained by dividing the total salary of the firefighter during the 48 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. HB 5873, as amended by SA 3, provides automatic increases in annuity beginning on the January 1 after the firefighter reaches age 57 and each January 1 following.

Survivor Annuities for Chicago Fire

Additionally, HB 5873, as amended by SA 3, provides that for a firefighter who first becomes a Chicago firefighter on or after January 1, 2011, the annuity to which the surviving spouse, children, or parents are entitled must be in the amount of 66 2/3% of the firefighter's earned annuity at the date of death. The monthly survivor's annuity will be increased on the January 1 after commencement of the annuity and then on each January 1 after by 3% or the annual increase in the consumer price index for the preceding calendar year, whichever is less, of the originally granted pension. HB 5873, as amended by SA 3, clarifies that if the increase in the consumer price index for the preceding calendar year is zero or there is a decrease, then the annuity will not be increased.

Sheriff's Law Enforcement Employee in IMRF

HB 5873, as amended by SA 3, makes changes to the pension formula for new hires on or after January 1, 2011. Under HB 5873, as amended, a sheriff's law enforcement employee age 55 or older who has 10 or more years of creditable service in that capacity will be entitled at his or her option to receive a monthly retirement annuity for his or her service as a sheriff's law enforcement employee computed by multiplying 2.4% for each year of service by his or her final rate of earnings. In addition, the annuity of a sheriff's law enforcement employee who is retiring after age 50 with 10 or more years of creditable service will be reduced by ¼ of 1% for each month that the sheriff's law enforcement employee's age is under 55. The maximum pension is 72% of final average salary under HB 5873, as amended by SA 3.

HB 5873, as amended by SA3, states that the annuity to which the surviving spouse, children, or parents are entitled will be in the amount of 66 2/3% of the sheriff's law enforcement employee's earned annuity at the date of death, and will be increased on the January 1 after the commencement of the annuity and each January 1 thereafter by 3% or the annual increase in the consumer price index for the preceding calendar year, whichever is less, of the originally granted pension. If the increase in the consumer price index for the preceding calendar year is zero or there is a decrease, then the annuity will not be increased.

MDM:dkb
LRB096 19254 AMC 41353 a

Downstate Police Pension Funds
30-Year Funding Projections
Based on Reduced Benefits for Employees Hired after January 1, 2011
Rolling 30-Year Amortization of Unfunded Liability*
($ in millions)

Fiscal Year	Annual Payroll	Total Employer Contribution	Employer Contribution as a % of Payroll	Total Employee Contribution	Accrued Liabilities	Assets	Unfunded Liabilities	Funded Ratio	Reduction in Employer Contribution due to Benefit Changes
2010	$931.70	$440.80	47.31%	$92.30	$9,523.10	$5,088.30	$4,434.80	53.40%	$0.00
2011	963.2	412.8	42.86%	95.5	10,051.70	5,537.80	4,514.00	55.10%	45.6
2012	995.3	419.9	42.18%	98.6	10,592.90	5,998.40	4,594.50	56.60%	55.4
2013	1,027.30	427	41.57%	101.8	11,146.50	6,470.00	4,676.50	58.00%	65.6
2014	1,058.70	434.1	41.00%	104.9	11,712.00	6,951.90	4,760.00	59.40%	76.2
2015	1,089.60	441.1	40.49%	108	12,289.10	7,444.00	4,845.00	60.60%	87.1
2016	1,120.10	448.3	40.02%	111	12,877.40	7,945.80	4,931.60	61.70%	98.5
2017	1,149.50	455.1	39.59%	113.9	13,475.00	8,455.40	5,019.60	62.70%	110.4
2018	1,177.80	461.6	39.19%	116.7	14,079.70	8,970.40	5,109.30	63.70%	122.8
2019	1,204.50	467.8	38.84%	119.4	14,689.30	9,488.70	5,200.70	64.60%	135.9
2020	1,229.60	473.6	38.52%	121.9	15,300.90	10,007.20	5,293.60	65.40%	149.6
2021	1,253.30	479	38.22%	124.2	15,911.90	10,523.50	5,388.30	66.10%	163.9
2022	1,275.20	484	37.95%	126.4	16,519.60	11,034.80	5,484.80	66.80%	179
2023	1,295.20	488.4	37.71%	128.4	17,119.70	11,536.70	5,583.00	67.40%	194.8
2024	1,312.20	492.1	37.50%	130	17,706.40	12,023.40	5,683.10	67.90%	211.4
2025	1,325.80	494.6	37.30%	131.4	18,275.80	12,490.80	5,785.00	68.30%	228.9
2026	1,336.90	496.8	37.16%	132.5	18,824.20	12,935.40	5,888.80	68.70%	247
2027	1,345.20	498.7	37.07%	133.3	19,348.90	13,354.30	5,994.60	69.00%	266
2028	1,351.30	500.3	37.02%	133.9	19,846.90	13,744.60	6,102.40	69.30%	285.6
2029	1,355.40	501.8	37.03%	134.3	20,314.20	14,101.90	6,212.20	69.40%	306.1
2030	1,357.20	503	37.06%	134.5	20,748.20	14,424.10	6,324.20	69.50%	327.6
2031	1,357.10	504.4	37.16%	134.5	21,146.80	14,708.50	6,438.30	69.60%	350
2032	1,354.80	505.9	37.34%	134.3	21,508.20	14,953.40	6,554.80	69.50%	373
2033	1,351.90	507.6	37.55%	134	21,830.50	15,157.00	6,673.60	69.40%	397.4
2034	1,348.80	509.7	37.79%	133.7	22,112.80	15,318.00	6,794.80	69.30%	-128.4
2035	1,345.60	512.1	38.06%	133.4	22,356.10	15,437.40	6,918.70	69.10%	-243.4
2036	1,342.90	515.2	38.36%	133.1	22,560.80	15,515.40	7,045.40	68.80%	-246.7
2037	1,340.40	518.9	38.71%	132.8	22,730.10	15,555.10	7,175.00	68.40%	-250.3
2038	1,338.80	523.5	39.10%	132.7	22,866.70	15,559.10	7,307.60	68.00%	-254.5
2039	1,337.40	528.9	39.55%	132.5	22,973.40	15,530.00	7,443.40	67.60%	-259.6

* A rolling amortization period means that a plan's obligations will never be fully funded, but that a constant amortization period will be preserved from year to year.

Downstate Firefighters' Pension Funds
30-Year Funding Projections
Based on Reduced Benefits for Employees Hired after January 1, 2011
Rolling 30-Year Amortization of Unfunded Liability*
($ in millions)

Fiscal Year	Annual Payroll	Total Employer Contribution	Employer Contribution as a % of Payroll	Total Employee Contribution	Accrued Liabilities	Assets	Unfunded Liabilities	Funded Ratio	Reduction in Employer Contribution due to Benefit Changes
2010	$635.20	$320.90	50.52%	$60.00	$6,761.70	$3,652.90	$3,108.70	54.00%	$0.00
2011	655.9	302.1	46.06%	62	7,112.60	3,948.40	3,164.20	55.50%	31.1
2012	677.4	308.2	45.50%	64	7,473.30	4,252.60	3,220.70	56.90%	37.4
2013	697.8	314.2	45.02%	65.9	7,843.10	4,565.00	3,278.20	58.20%	44.3
2014	717.7	319.9	44.57%	67.8	8,221.40	4,884.70	3,336.70	59.40%	51.6
2015	736.9	325.5	44.17%	69.6	8,607.10	5,210.80	3,396.20	60.50%	59.5
2016	755.8	330.7	43.75%	71.4	8,999.80	5,542.90	3,456.90	61.60%	68
2017	773.7	335.9	43.42%	73.1	9,398.90	5,880.40	3,518.60	62.60%	77.2
2018	791.1	340.9	43.09%	74.8	9,803.40	6,222.00	3,581.40	63.50%	87
2019	806.9	345.5	42.82%	76.3	10,212.70	6,567.30	3,645.40	64.30%	97.6
2020	821.9	349.9	42.57%	77.7	10,625.50	6,915.00	3,710.50	65.10%	108.8
2021	836	353.9	42.33%	79	11,040.30	7,263.40	3,776.80	65.80%	120.9
2022	848.8	357.5	42.12%	80.2	11,456.00	7,611.60	3,844.40	66.40%	134
2023	860.6	360.9	41.93%	81.3	11,871.70	7,958.50	3,913.20	67.00%	147.8
2024	871.1	363.8	41.76%	82.3	12,285.90	8,302.70	3,983.20	67.60%	162.6
2025	880.5	366.4	41.62%	83.2	12,698.10	8,643.50	4,054.60	68.10%	178.5
2026	888.4	368.7	41.50%	83.9	13,106.80	8,979.40	4,127.30	68.50%	195.3
2027	895.7	370.7	41.39%	84.6	13,511.40	9,310.00	4,201.40	68.90%	213.1
2028	901.8	372.7	41.32%	85.2	13,911.40	9,634.50	4,277.00	69.30%	232
2029	906.9	374.3	41.27%	85.7	14,305.10	9,951.20	4,353.90	69.60%	252.1
2030	911	375.4	41.21%	86.1	14,691.60	10,259.20	4,432.40	69.80%	273.5
2031	913.9	376.6	41.21%	86.4	15,070.70	10,558.20	4,512.50	70.10%	296.2
2032	916	377.7	41.24%	86.6	15,442.50	10,848.30	4,594.20	70.20%	320
2033	917.5	379	41.31%	86.7	15,807.70	11,130.10	4,677.60	70.40%	345.5
2034	919	380.4	41.40%	86.8	16,166.90	11,404.10	4,762.70	70.50%	-14
2035	920	382.2	41.54%	86.9	16,521.90	11,672.10	4,849.80	70.60%	-84.7
2036	921.2	384.2	41.71%	87.1	16,874.10	11,935.20	4,938.90	70.70%	-76.3
2037	922.2	386.6	41.91%	87.2	17,225.50	12,195.30	5,030.10	70.80%	-67.7
2038	923.3	389.2	42.16%	87.3	17,578.40	12,454.80	5,123.60	70.90%	-58.7
2039	924.5	392.2	42.43%	87.4	17,935.10	12,715.80	5,219.30	70.90%	-49.4

* A rolling amortization period means that a plan's obligations will never be fully funded, but that a constant amortization period will be preserved from year to year.