

City of Kent
Firemen's Relief & Pension Trust Fund
Executive Summary
September, 2015

Cash & Investments – September 30, 2015

- On page 1, under Cash & Investments, please note that the balance in Cash in Checking and LGIP has decreased since the same period in 2014, and there has been a corresponding increase in Investments. The listing of investments is in the chart on the same page. It shows the Checking and LGIP (Local Government Investment Pool) balances first, followed by the longer term investments and their maturities.
- The pie chart on this page shows each investment in relation to the total investment. Fico Strips are Financing Corporation government securities that pay interest at maturity.

Statement of Revenues and Expenses – September 30, 2015

- The Fire Insurance Premium Tax of \$219,032 was received in May. The state payment has been increasing over the last four years, up from \$178,899 in 2014. The Fire Insurance Premium Tax is a tax levied by the state on net fire insurance premiums. The tax rate has not changed in many years, so the increase we are seeing is due to an increase in these state tax receipts.
- Pension costs for the year to date are \$118,295. Pension costs represent the difference between what firefighters would have received under the city pension vs. their current LEOFF pension benefits.
- Health insurance costs are set by the actuarial. For 2015 the total annual health insurance cost will be \$226,000. This is unchanged since 2014. These costs are a portion of the cost of health insurance and long-term care insurance costs that are paid by the City.



**CITY OF KENT
FIREMEN'S RELIEF & PENSION TRUST FUND
FINANCIAL REPORT
SEPTEMBER, 2015**

MANAGEMENT REPORTS

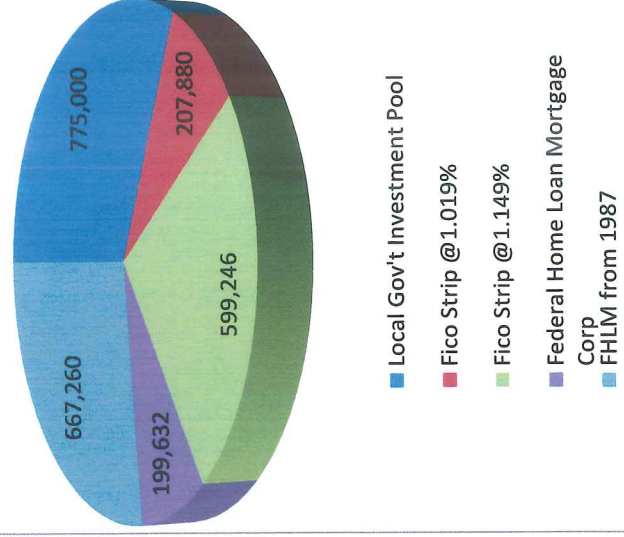
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|---|---|
| Cash and Investments as of September 30, 2015 5 year comparison and breakdown of current investments | 1 |
| Statement of Revenues and Expenditures for the Nine Months Ended September 30, 2015 | 2 |

City of Kent
Firemen's Relief & Pension Trust Fund #620
Cash & Investments
September 30, 2015
Five Year Comparison

| | 9/30/11 | 9/30/12 | 9/30/13 | 9/30/14 | 9/30/15 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Cash & Investments | | | | | |
| Cash in Checking & LGIP | \$ 1,617,811 | \$ 2,288,891 | \$ 2,127,306 | \$ 1,944,313 | \$ 776,372 |
| Investments, at Cost | 1,262,765 | 521,137 | 565,977 | 614,535 | 1,674,018 |
| TOTAL CASH & INVESTMENTS | \$ 2,880,576 | \$ 2,810,028 | \$ 2,693,283 | \$ 2,558,848 | \$ 2,450,390 |
| | 56.16% | 81.45% | 78.99% | 75.98% | 31.68% |
| | 43.84% | 18.55% | 21.01% | 24.02% | 68.32% |
| | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| LIABILITIES AND RETAINED EARNINGS | | | | | |
| Accrued Expenses | \$ 5,035 | \$ 5,426 | \$ 5,025 | \$ 5,937 | \$ 6,471 |
| Held in trust for Pension Benefits | 2,875,541 | 2,804,602 | 2,688,258 | 2,552,911 | 2,443,919 |
| TOTAL LIABILITIES & RETAINED EARNINGS | \$ 2,880,576 | \$ 2,810,028 | \$ 2,693,283 | \$ 2,558,848 | \$ 2,450,390 |
| | 99.83% | 99.81% | 99.81% | 99.77% | 99.74% |
| | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

**CITY OF KENT
FIREMEN'S RELIEF AND PENSION FUND INVESTMENTS
SEPTEMBER 30, 2015**

| Purchase Date | Security Description | Yield | Maturity | Investment Total |
|---------------|-----------------------------|--------|-----------|------------------|
| 09/30/15 | Cash in Checking | 0.000% | | 1,372 |
| 09/30/15 | Local Gov't Investment Pool | 0.176% | Overnight | 775,000 |
| 03/31/15 | Fico Strip | 1.019% | 02/08/18 | 207,880 |
| 03/31/15 | Fico Strip | 1.149% | 05/11/18 | 599,246 |
| 03/31/15 | Federal Home Loan Mortgage | 1.661% | 11/21/19 | 199,632 |
| 04/10/87 | Federal Home Loan Mortgage | 8.508% | 11/29/19 | 667,260 |
| | | | | 2,450,390 |



City of Kent
 Firemen's Relief and Pension Trust Fund #620
 Statement of Revenues and Expenses
 For the Nine Months Ended September 30, 2015
 Five Year Comparison

| | 9/30/11 | 9/30/12 | 9/30/13 | 9/30/14 | 9/30/15 |
|------------------------------|--------------------|---------------------|--------------------|---------------------|--------------------|
| OPERATING REVENUES | | | | | |
| Interest Income | \$ 2,654 | \$ 6,352 | \$ 2,599 | \$ 1,482 | \$ 1,699 |
| Fire Insurance Premium Tax | 151,337 | 145,792 | 155,012 | 178,899 | 219,032 |
| TOTAL REVENUES | \$ 153,992 | \$ 152,144 | \$ 157,611 | \$ 180,382 | \$ 220,731 |
| | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| OPERATING EXPENSES | | | | | |
| Pension Payments to Retirees | 91,308 | 100,393 | 94,000 | 107,706 | 118,295 |
| Health Insurance | 150,000 | 147,750 | 147,750 | 169,500 | 169,500 |
| Actuarial Study | | 7,825 | | 8,325 | 3,000 |
| TOTAL EXPENSES | 241,308 | 255,968 | 241,750 | 285,531 | 290,795 |
| | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| NET INCOME (LOSS) | \$ (87,316) | \$ (103,823) | \$ (84,139) | \$ (105,149) | \$ (70,064) |