§ 318. Guaranty. a. The latest employers of the different members shall be obligated for:

1. Regular interest charges payable, and special interest, if any, and

2. The creation and maintenance of reserves in the pension accumulation fund, and

3. The maintenance of annuity reserves and pensions reserves, and

4. The payment of all pensions, annuities, retirement allowances, refunds and any other benefits, and

5. The expenses of the police and fire retirement system, as provided for or granted under the provisions of this article. In the case of employer contributions required to be made for prior service allowed pursuant to paragraph three of subdivision b of section three hundred forty-one of this article, the provisions of such paragraph three shall govern.

b. Except as otherwise provided pursuant to this article, all income, interest and dividends derived from deposits and investments authorized by this article shall be used for the payment of such obligations.