

Table IV-5b

		Budget 12/13	PROJ ACTUALS 12/13	Final Budget 13/14	14/15	15/16	16/17	17/18	18/19	19/20	
GENERAL FUND BALANCE, BEGINNING OF YEAR		3,461,395	3,470,603	2,712,508	1,186,805	(1,222,650)	(4,101,465)	(6,878,272)	(9,542,493)	(12,083,011)	
CAPITAL FUND, BEGINNING OF YEAR		3,077,205	3,046,705	3,047,367	3,033,055	3,580,061	4,168,458	3,680,052	4,259,740	4,938,707	
COMBINED FUND BALANCE, BEGINNING OF YEAR		6,538,600	6,517,308	5,759,875	4,219,860	2,357,411	66,992	(3,198,220)	(5,282,753)	(7,144,304)	
PERCENT OF OPERATING RESERVES		35.18%	33.52%	27.89%	16.69%	9.44%	0.75%				
ANNUAL GENERAL FUND (SURPLUS/DEFICIT)		(804,805)	(758,095)	(1,525,703)	(2,409,455)	(2,878,815)	(2,776,807)	(2,664,221)	(2,540,518)	(2,405,143)	
GENERAL FUND REVENUES											
1	PROPERTY TAX	5.00%	16,411,317	16,303,951	17,274,037	18,137,739	19,044,626	19,996,857	20,996,700	22,046,535	23,148,862
				-0.654%	5.950%	5.000%	5.000%	5.000%	5.000%	5.000%	5.000%
7	PARCEL TAX	0.330%	1,070,438	1,069,288	1,074,036	1,077,580	1,081,136	1,084,704	1,088,284	1,091,875	1,095,478
				-0.107%	0.444%	0.330%	0.330%	0.330%	0.330%	0.330%	0.330%
2	USE OF MONEY & PROPERTY	2.00% over \$0 4.00% over \$2mm	750	769	2,700	23,736	0	0	0	0	0
3	INTERGOVERNMENTAL REVENUE (includes SAFER grant)		356,026	370,490	837,443	837,443	302,870	305,899	308,958	312,048	315,168
				4.063%	126.037%	0.000%	-63.834%	1.000%	1.000%	1.000%	1.000%
4	CHARGES FOR SERVICES	2.62%	74,387	90,357	103,870	106,591	109,384	112,250	115,191	118,209	121,306
				21.469%	14.955%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
5/16	AMBULANCE FEES (net)	2.62%	854,310	916,811	955,423	980,455	1,006,143	1,032,504	1,059,556	1,087,316	1,115,804
5	Gross fees	2.62%	911,750	967,538	1,019,661	1,046,376	1,073,791	1,101,925	1,130,795	1,160,422	1,190,825
16	Expenses	2.62%	57,440	50,727	64,238	65,921	67,648	69,421	71,239	73,106	75,021
				7.316%	4.212%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
6	OTHER REVENUE	2.620%	27,000	324,033	32,000	32,838	33,699	34,582	35,488	36,417	37,372
				7.316%	4.212%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
	TOTAL REVENUES		18,794,228	19,075,699	20,279,509	21,196,383	21,577,858	22,566,796	23,604,176	24,692,400	25,833,989
GENERAL FUND EXPENDITURES											
8	REGULAR SALARIES	2.62%	7,650,756	7,497,071	7,994,876	8,204,342	8,419,296	8,639,881	8,866,246	9,098,542	9,336,923
				-2.009%	6.640%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
9	TEMPORARY SALARIES	2.62%	184,440	228,767	210,240	215,748	221,401	227,202	233,154	239,263	245,532
				24.033%	-8.099%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
10	OVERTIME	2.62%	1,263,000	2,421,630	1,500,000	1,539,300	1,579,630	1,621,016	1,663,487	1,707,070	1,751,795
				91.736%	-38.058%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
11	PAYROLL TAXES	2.62%	142,631	150,359	155,075	159,138	163,307	167,586	171,977	176,483	181,106
				5.418%	3.136%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
12	OTHER BENEFITS & SALARY EXPENSE	2.62%	130,349	135,524	135,302	138,847	142,485	146,218	150,049	153,980	158,014
				3.970%	-0.164%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
13	WORKERS COMPENSATION	2.62%	715,796	591,452	773,617	793,886	814,686	836,030	857,934	880,412	903,479
				-17.371%	30.800%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
14	LIFE / HEALTH INSURANCE	2.62%	1,592,487	1,552,847	1,639,886	1,682,851	1,726,942	1,772,188	1,818,619	1,866,267	1,915,163
				-2.489%	5.605%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
	Active Employees			615,070	707,719						
	Retired Employees			937,777							
17	CCCERA EMPLOYER PAYMENT	2.62%	1,491,897	1,389,350	1,709,933	1,754,733	1,800,707	1,847,886	1,896,300	1,945,983	1,996,968
				-6.874%	23.074%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
18	CCCERA UAAL FUNDING		1,125,890	1,125,890	1,527,134	3,931,983	4,059,773	4,191,715	4,327,946	4,468,604	4,613,834
				0.000%	35.638%	157.475%	3.250%	3.250%	3.250%	3.250%	3.250%
19	PENSION OBLIGATION BOND PAYMENT		2,487,498	2,487,498	2,613,203	2,738,467	2,872,509	3,014,283	3,157,877	3,307,377	3,466,608
				0.000%	5.053%	4.794%	4.895%	4.936%	4.764%	4.734%	4.814%
20	OPEB UAAL FUNDING (INTO TRUST)		0	0	0	0	138,396	288,920	458,790	645,308	846,125
				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
	S/T EMPLOYMENT EXPENDITURES		16,784,744	17,580,388	18,259,266	21,159,295	21,939,130	22,752,924	23,602,379	24,489,289	25,415,548
				4.740%	3.862%	15.883%	3.686%	3.709%	3.733%	3.758%	3.782%
15	PROGRAM EXPENSES	2.62%	1,743,851	1,748,266	1,896,846	1,946,543	1,997,543	2,049,878	2,103,585	2,158,699	2,215,257
				0.253%	8.499%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
21	TRANSFER TO CAPITAL EXPENDITURE FUND		1,070,438	505,140	1,649,100	500,000	520,000	540,800	562,432	584,929	608,326
				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
	TOTAL EXPENDITURES		19,599,033	19,833,794	21,805,212	23,605,839	24,456,673	25,343,603	26,268,396	27,232,918	28,239,132
				1.198%	9.940%	8.258%	3.604%	3.627%	3.649%	3.672%	3.695%
CAPITAL EXPENDITURE FUND											
	Beginning Balance		3,077,205	3,046,705	3,047,367	3,033,055	3,580,061	4,168,458	3,680,052	4,259,740	4,938,707
	Transfer from General Fund	4.00% an increase	1,070,438	505,140	1,649,100	500,000	520,000	540,800	562,432	584,929	608,326
				0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
	Use of Money	2.00% over \$0 4.00% over \$2mm		662	688	81,322	103,202	126,738	107,202	130,390	157,548
				0.022%	0.023%	2.681%	2.883%	3.040%	2.913%	3.061%	3.190%
	Expenditures		2,542,877	505,140	1,664,100	34,316	34,806	1,155,944	89,946	36,352	205,818
	Ending Balance		1,604,766	3,047,367	3,033,055	3,580,061	4,168,458	3,680,052	4,259,740	4,938,707	5,498,764
ACTUAL AND ACTUARIAL DEBT											
22	CCCERA UAAL BALANCE, BEGINNING OF YEAR		24,381,000	24,381,000	45,045,193	46,783,835	46,243,680	45,536,574	44,646,260	43,555,168	42,244,313
	Payment				1,527,134	3,931,983	4,059,773	4,191,715	4,327,946	4,468,604	4,613,834
	Interest				3,265,776	3,391,828	3,352,667	3,301,402	3,236,854	3,157,750	3,062,713
					7.250%	7.250%	7.250%	7.250%	7.250%	7.250%	7.250%
	Principal				-1,738,642	540,155	707,106	890,314	1,091,092	1,310,855	1,551,121
	Ending Balance				46,783,835	46,243,680	45,536,574	44,646,260	43,555,168	42,244,313	40,693,192
23	PENSION OBLIGATION BOND BALANCE		24,705,000	24,705,000	23,475,000	22,050,000	20,420,000	18,565,000	16,465,000	14,105,000	11,465,000
	Payment				2,613,203	2,738,467	2,872,509	3,014,283	3,157,877	3,307,377	3,466,608
	Interest	5.22%			1,188,203	1,108,467	1,017,509	914,283	797,877	667,377	521,608
	Principal				1,425,000	1,630,000	1,855,000	2,100,000	2360000	2640000	2945000
	Ending Balance				22,050,000	20,420,000	18,565,000	16,465,000	14,105,000	11,465,000	8,520,000
24	OPEB UAAL BALANCE, BEGINNING OF YEAR		20,000,000	20,000,000	21,000,000	22,522,500	24,155,381	25,768,251	27,347,529	28,871,435	30,319,306
	Payment				0	0	138,396	288,920	458,790	645,308	846,125
	Interest	7.25%			1,522,500	1,632,881	1,751,265	1,868,198	1,982,696	2,093,179	2,198,150
	Principal				-1,522,500	-1,632,881	-1,612,870	-1,579,279	-1,523,906	-1,447,871	-1,352,024
	Ending Balance				22,522,500	24,155,381	25,768,251	27,347,529	28,871,435	30,319,306	31,671,330
					4,140,337	6,670,450	7,070,677	7,494,918	7,944,613	8,421,290	8,926,567
	TOTAL ACTUAL AND ACTUARIAL DEBT PAYMENTS	6.00% an increase			4,140,337	6,670,450	7,070,677	7,494,918	7,944,613	8,421,290	8,926,567
	TOTAL ACTUAL AND ACTUARIAL DEBT BALANCE		69,086,000	69,086,000	89,520,193	91,356,335	90,819,061	89,869,825	88,458,790	86,531,604	84,028,619
	GENERAL FUND BALANCE, END OF YEAR		2,656,590	2,712,508	1,186,805	(1,222,650)	(4,101,465)	(6,878,272)	(9,542,493)	(12,083,011)	(14,488,153)
	CAPITAL FUND BALANCE, END OF YEAR		1,604,766	3,047,367	3,033,055	3,033,055	3,580,061	4,168,458	3,680,052	4,259,740	4,938,707
	COMBINED FUND BALANCE, END OF YEAR		4,261,356	5,759,875	4,219,860	2,357,411	66,992	(3,198,220)	(5,282,753)	(7,144,304)	(8,989,390)
	COMBINED FUND BALANCE W/ ACTUARIAL DEBT		(64,824,644)	(63,326,125)	(85,300,333)	(88,998,925)	(90,752,069)	(93,068,045)	(93,741,543)	(93,675,907)	(93,018,009)

Table IV-5b

	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
GENERAL FUND BALANCE, BEGINNING OF YEAR	(14,488,153)	(16,745,673)	(18,842,727)	(20,765,861)	(22,500,985)	(24,033,360)	(25,347,575)	(26,427,528)
CAPITAL FUND, BEGINNING OF YEAR	5,498,764	6,216,490	7,003,650	7,052,913	7,967,482	8,946,487	9,993,625	3,037,582
COMBINED FUND BALANCE, BEGINNING OF YEAR	(8,989,390)	(10,529,183)	(11,839,077)	(13,712,948)	(14,533,503)	(15,086,874)	(15,353,950)	(23,389,946)
PERCENT OF OPERATING RESERVES								
ANNUAL GENERAL FUND (SURPLUS/DEFICIT)	(2,257,520)	(2,097,054)	(1,923,133)	(1,735,124)	(1,532,375)	(1,314,215)	(1,079,953)	(828,881)
GENERAL FUND REVENUES								
1 PROPERTY TAX	24,306,305	25,521,620	26,797,701	28,137,586	29,544,465	31,021,689	32,572,773	34,201,412
	5.000%	5.000%	5.000%	5.000%	5.000%	5.000%	5.000%	5.000%
7 PARCEL TAX	1,099,093	1,102,720	1,106,359	1,110,010	1,113,673	1,117,348	1,121,036	1,124,735
	0.330%	0.330%	0.330%	0.330%	0.330%	0.330%	0.330%	0.330%
2 USE OF MONEY & PROPERTY	0	0	0	0	0	0	0	0
3 INTERGOVERNMENTAL REVENUE (includes SAFER grant)	318,320	321,503	324,718	327,965	331,245	334,557	337,903	341,282
	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%	1.000%
4 CHARGES FOR SERVICES	124,484	127,746	131,093	134,527	138,052	141,669	145,381	149,190
	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
5/16 AMBULANCE FEES (net)	1,145,038	1,175,038	1,205,824	1,237,416	1,269,836	1,303,106	1,337,248	1,372,283
5 Gross fees	1,222,024	1,254,041	1,286,897	1,320,614	1,355,214	1,390,721	1,427,158	1,464,549
16 Expenses	76,987	79,004	81,074	83,198	85,378	87,615	89,910	92,266
	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
6 OTHER REVENUE	38,351	39,356	40,387	41,445	42,531	43,645	44,788	45,962
	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
TOTAL REVENUES	27,031,590	28,287,982	29,606,081	30,988,950	32,439,802	33,962,014	35,559,128	37,234,863
GENERAL FUND EXPENDITURES								
8 REGULAR SALARIES	9,581,551	9,832,587	10,090,201	10,354,564	10,625,854	10,904,251	11,189,943	11,483,119
	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
9 TEMPORARY SALARIES	251,965	258,566	265,340	272,292	279,426	286,747	294,260	301,970
	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
10 OVERTIME	1,797,692	1,844,792	1,893,125	1,942,725	1,993,625	2,045,858	2,099,459	2,154,465
	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
11 PAYROLL TAXES	185,851	190,721	195,718	200,845	206,108	211,508	217,049	222,736
	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
12 OTHER BENEFITS & SALARY EXPENSE	162,154	166,403	170,762	175,236	179,828	184,539	189,374	194,336
	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
13 WORKERS COMPENSATION	927,150	951,441	976,369	1,001,950	1,028,201	1,055,140	1,082,785	1,111,154
	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
14 LIFE / HEALTH INSURANCE	1,965,340	2,016,832	2,069,673	2,123,899	2,179,545	2,236,649	2,295,249	2,355,384
	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
Active Employees								
Retired Employees								
17 CCCERA EMPLOYER PAYMENT	2,049,289	2,102,980	2,158,078	2,214,620	2,272,643	2,332,186	2,393,289	2,455,994
	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
18 CCCERA UAAL FUNDING	4,763,784	4,918,607	5,078,461	5,243,511	5,413,925	5,589,878	5,771,549	5,959,124
	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%
19 PENSION OBLIGATION BOND PAYMENT	3,624,527	3,790,090	1,687,934					
	4.555%	4.568%						
20 OPEB UAAL FUNDING (INTO TRUST)	1,073,851	1,321,194	3,865,289	6,026,074	6,531,835	7,072,628	7,650,708	8,268,468
S/T EMPLOYMENT EXPENDITURES	26,383,154	27,394,213	28,450,952	29,555,718	30,710,990	31,919,384	33,183,665	34,506,749
	3.807%	3.832%	3.858%	3.883%	3.909%	3.935%	3.961%	3.987%
15 PROGRAM EXPENSES	2,273,297	2,332,857	2,393,978	2,456,700	2,521,066	2,587,118	2,654,900	2,724,459
	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%	2.620%
21 TRANSFER TO CAPITAL EXPENDITURE FUND	632,660	657,966	684,285	711,656	740,122	769,727	800,516	832,537
TOTAL EXPENDITURES	29,289,110	30,385,036	31,529,215	32,724,074	33,972,178	35,276,229	36,639,081	38,063,744
	3.718%	3.742%	3.766%	3.790%	3.814%	3.839%	3.863%	3.888%
CAPITAL EXPENDITURE FUND								
Beginning Balance	5,498,764	6,216,490	7,003,650	7,052,913	7,967,482	8,946,487	9,993,625	3,037,582
Transfer from General Fund	632,660	657,966	684,285	711,656	740,122	769,727	800,516	832,537
	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%	4.000%
Use of Money	179,951	208,660	240,146	242,117	278,699	317,859	359,745	81,503
	3.273%	3.357%	3.429%	3.433%	3.498%	3.553%	3.600%	2.683%
Expenditures	94,884	79,465	875,168	39,203	39,817	40,448	8,116,304	41,758
Ending Balance	6,216,490	7,003,650	7,052,913	7,967,482	8,946,487	9,993,625	3,037,582	3,909,864
ACTUAL AND ACTUARIAL DEBT								
22 CCCERA UAAL BALANCE, BEGINNING OF YEAR	40,693,192	38,879,665	36,779,834	34,367,911	31,616,073	28,494,313	24,970,272	21,009,068
Payment	4,763,784	4,918,607	5,078,461	5,243,511	5,413,925	5,589,878	5,771,549	5,959,124
Interest	2,950,256	2,818,776	2,666,538	2,491,674	2,292,165	2,065,838	1,810,345	1,523,157
	7.250%	7.250%	7.250%	7.250%	7.250%	7.250%	7.250%	7.250%
Principal	1,813,527	2,099,831	2,411,923	2,751,838	3,121,760	3,524,040	3,961,204	4,435,967
Ending Balance	38,879,665	36,779,834	34,367,911	31,616,073	28,494,313	24,970,272	21,009,068	16,573,101
23 PENSION OBLIGATION BOND BALANCE	8,520,000	5,255,000	1,645,000					
Payment	3,624,527	3,790,090	1,687,934					
Interest	359,527	180,090	42,934					
Principal	3265000	3610000	1645000					
Ending Balance	5,255,000	1,645,000	0					
24 OPEB UAAL BALANCE, BEGINNING OF YEAR	31,671,330	32,893,651	33,957,247	32,553,858	28,887,939	24,450,479	19,150,510	12,888,215
Payment	1,073,851	1,321,194	3,865,289	6,026,074	6,531,835	7,072,628	7,650,708	8,268,468
Interest	2,296,171	2,384,790	2,461,900	2,360,155	2,094,376	1,772,660	1,388,412	934,396
Principal	-1,222,321	-1,063,595	1,403,389	3,665,919	4,437,460	5,299,968	6,262,296	7,334,072
Ending Balance	32,893,651	33,957,247	32,553,858	28,887,939	24,450,479	19,150,510	12,888,215	5,554,143
TOTAL ACTUAL AND ACTUARIAL DEBT PAYMENTS	9,462,161	10,029,891	10,631,684	11,269,585	11,945,761	12,662,506	13,422,257	14,227,592
TOTAL ACTUAL AND ACTUARIAL DEBT BALANCE	80,884,523	77,028,316	72,382,081	66,921,769	60,504,011	52,944,792	44,120,783	33,897,283
GENERAL FUND BALANCE, END OF YEAR	(16,745,673)	(18,842,727)	(20,765,861)	(22,500,985)	(24,033,360)	(25,347,575)	(26,427,528)	(27,256,409)
CAPITAL FUND BALANCE, END OF YEAR	6,216,490	7,003,650	7,052,913	7,967,482	8,946,487	9,993,625	3,037,582	3,909,864
COMBINED FUND BALANCE, END OF YEAR	(10,529,183)	(11,839,077)	(13,712,948)	(14,533,503)	(15,086,874)	(15,353,950)	(23,389,946)	(23,346,545)
COMBINED FUND BALANCE W/ ACTUARIAL DEBT	(91,413,706)	(88,867,393)	(86,095,029)	(81,455,272)	(75,590,885)	(68,298,742)	(67,510,729)	(57,243,828)

Table IV-5b

Notes

Table IV-5b

1) Ambulance fees net of expenses

2) Increase "use of money" income to 2% for fund balance up to \$2mm / 4% in excess of \$2mm for general and capital funds

3) Cost Inflation = 2.62% (not 1-2%)

Inflation over the past 15 years has been 2.62% (see Historical Rates tab). All expenses should inflate at this rate unless otherwise noted.

4) Tax increase = 5%.

Orinda properties now have a market value of approximately twice the assessed value. Each home that sells creates an assessed value increase of 100%

If 4% of Orinda homes sell that increases tax base 4%; other 96% of homes increase 2% for a total of 6% increase. Wilder will increase tax base 10% total - spread over 10 years is 1% per year. That adds up to 7% per year

Moraga has lagged Orinda by 1% but only accounts for 1/3 of total tax

Average over 6.5%. 5% assumption is not overly aggressive.

Since 1997 ad valorem taxes have increased an average of 5.4% including the 1.7% average in the past 5 years.

RESULT: udget in the red for 15 years with negative reserve balance growing to \$23; Total unfunded balance, including negative reserve, reduced to \$57mm by 2028.

Rev.2

1) Restates Pension UAAL to reflect actual balance as of 12/31/2012; CCCERA assumed earning rate and CCCERA scheduled payments.

2) Restates OPEB UAAL to reflect 6/30/2009 value inflated to 6/30/2013; discounted at 7.25%.

3) Funds OPEB UAAL assuming total funding for Pension Bond, Pension UAAL and OPEB UAAL increase at 6%; 1% over tax revenue increase rate.

Rationale being other expenses increase at less than tax income increase.

RESULT: maximum negative fund balance increases to \$27; net unfunded balance nearly triples to \$70mm by 2028.

Rev.1

1) Puts all revenue, including parcel taxes, into general fund

2) Reorganizes line items into employee and other costs

3) Funds capital account with levelized transfers from General Fund

RESULT: same maximum negative fund balance of \$11mm in 2022 and same net unfunded balance as 9/4/2013 MOFD base case of \$25mm by 2028.

Done 7 - Capital Fund Revenues (Parcel Tax) should be part of General Fund Revenues and a transfer from the General Fund to the Capital Fund should be made each year.

Done 15 & 21 - Program and Capital expenses are the only two non-employee expenses. Employee expenses should be sub-totaled and these two put at the bottom.

Done 16 - Ambulance Admin Fees should be netted out of Ambulance fees in the Revenue section

Done 21 - Capital Expenses - a "constant" annual funding of the capital account should be made from the general fund to fund anticipated future capital expenses and a separate capital account should be created

22 - CCCERA UAAL - Math shows payments made in advance with a 6.76% interest rate and a \$46.157mm starting balance.

CCCERA said MOFD had a \$45.045mm UAAL as of 12/31/2012

Adjusting for market value of assets this balance is actually only \$41.262mm

Done However, CCCERA currently uses UAAL to determine "required" payments (see CCCERA UAAL sheet which derives scheduled payments)

Done CCCERA uses a 7.25% interest rate

Payments would be made in arrears - balance as of 12/31/2012 is not announced until at least 6/30/2013 and 2013/14 FY payments would have a midpoint of 12/31/2013, one year in arrears.

24 - OPEB UAAL - Math shows payments made in advance with a very low variable interest rate and a \$11.892mm starting balance.

The last OPEB report (as of 6/30/2009) MOFD's OPEB unfunded liability was \$24.1mm using a 4.25% discount rate

In FY 2008/09 from which that OPEB report was based retiree medical expenses were \$685,000

Last year retiree medical expenses were \$900,000, a 30% increase.

Based on this increase, OPEB liability could be \$32mm using a 4.25% discount rate

Done This would still be \$21mm using a 7.25% discount rate or \$25mm using a 6% discount rate.

Done OPEB Payments sized such that total payments for unfunded liabilities grow at 6%, 1% above assumed tax revenue growth as inflation adjusted expenses are at least 1% below tax revenue growth