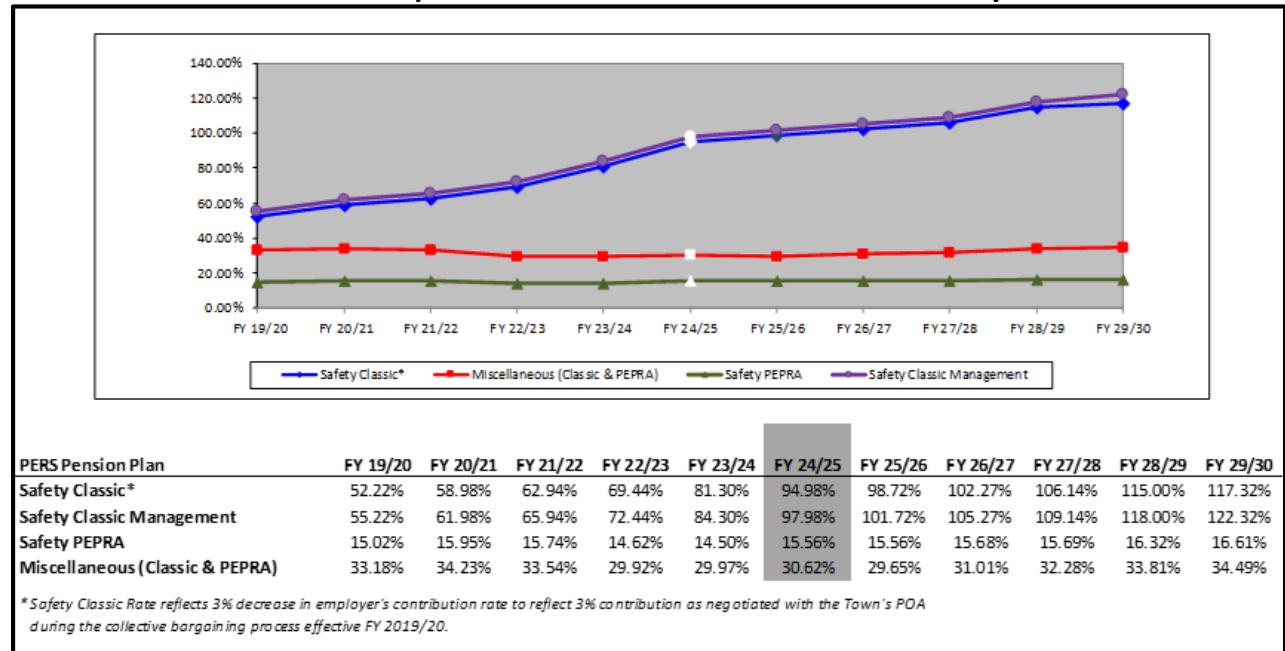


Pension Information

The Town's pension plans (Safety Plan for the Town's sworn personnel and Miscellaneous Plan for all other employees) over the past several decades, like all other CalPERS participants, have experienced unfavorable investment returns, changes in actuarial assumptions, and demographic changes which have outweighed any positive plan experiences.

Based on data from CalPERS, pension costs (included the mitigation effect of the above-mentioned Additional Discretionary Payments) are estimated to grow as demonstrated the following graph.

Actual and Proposed CalPERS Pension Rates of Covered Payroll



Beginning FY 2014/15, the unfunded pension liability was incorporated to the financial statements. In addition to our actual cost, the following chart represents the unfunded pension and OPEB liabilities. The pay down of the pension liability is mandatory and as such, it is built into the Town's future CalPERS contribution rates.

Pension Information

