

Figure 1: Rolling NPO Calculation for the City of San Diego

NPO Calculations for the City of San Diego
From 2005 to 2006

Added 2005 / 2006 to Prior schedule. Revised ARC

| Description | Source/Formula | For the Fiscal Year Ended June 30, | | | | | | | | | | | | | | | | | | | | | |
|---|---|------------------------------------|------------|------------|------------|------------|------------|------------|------------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|--------------|--------------|------------|-------|
| | | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | | | |
| Step A: Compute Annual Required Contributions: | | | | | | | | | | | | | | | | | | | | | | | |
| 1a Annual Required Contribution (ARC) | J. Esuchanko | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 19,105 | \$ 25,565 | \$ 31,184 | \$ 35,905 | \$ 42,608 | \$ 44,590 | \$ 48,950 | \$ 54,331 | \$ 60,205 | \$ 80,450 | \$ 121,512 | \$ 160,536 | \$ 155,861 | |
| 1b Adjustment for Corbett | J. Esuchanko | | | | | | | | | | | | | | | | | \$ 4,409 | \$ 4,938 | \$ 5,149 | \$ 5,748 | \$ 4,576 | |
| Conversion from BOY to EOY Corbett ARC | Adjustment for Corbett X 1.08 | | | | | | | | | | | | | | | | | | 4,762 | 5,333 | 5,561 | 6,208 | 4,942 |
| 1c Adjusted ARC | Computed | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 19,105 | \$ 25,565 | \$ 31,184 | \$ 35,905 | \$ 42,608 | \$ 44,590 | \$ 48,950 | \$ 54,331 | \$ 64,967 | \$ 85,783 | \$ 127,073 | \$ 166,744 | \$ 160,803 | |
| Step B: Calculation of Annual Pension Cost (Adjusted ARC + Interest on Beginning Net Pension Obligation - ARC Adjustment): | | | | | | | | | | | | | | | | | | | | | | | |
| 2a Calculation of Interest on Net Pension Obligation (NPO): | | | | | | | | | | | | | | | | | | | | | | | |
| 2b Beginning of Year NPO | Prior Years Ending NPO | \$ - | \$ 915 | \$ 2,006 | \$ 3,570 | \$ 5,570 | \$ (3,041) | \$ (8,758) | \$ (8,050) | \$ 4,401 | \$ 15,172 | \$ 28,392 | \$ 45,191 | \$ 61,649 | \$ 78,395 | \$ 104,392 | \$ 129,930 | \$ 158,558 | \$ 218,053 | \$ 264,060 | \$ 264,060 | | |
| 2c Interest Rate | Interest rate per actuarial assumptions | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | | |
| 2d Interest on NPO | Beginning of Year NPO x Interest Rate | \$ - | \$ 73 | \$ 160 | \$ 286 | \$ 446 | \$ (243) | \$ (701) | \$ (644) | \$ 352 | \$ 1,214 | \$ 2,271 | \$ 3,615 | \$ 4,932 | \$ 6,272 | \$ 8,351 | \$ 10,394 | \$ 12,685 | \$ 17,444 | \$ 21,125 | \$ 21,125 | | |
| Beginning of Year NPO (Original) | | | | | | | | | | | | | | | | | | | | | | | |
| 3a Calculator | Prior Years Ending NPO | \$ - | \$ 915 | \$ 2,006 | \$ 3,570 | \$ 5,570 | \$ (3,041) | \$ (8,758) | \$ (8,050) | \$ 4,401 | \$ 15,172 | \$ 28,392 | \$ 45,191 | \$ 61,649 | \$ 78,395 | \$ 104,392 | \$ 129,930 | \$ 158,558 | \$ 218,053 | \$ 264,060 | \$ 264,060 | | |
| 3b Amortization Factor | J. Esuchanko; 30 year closed amortization period | 10.58 | 9.81 | 9.02 | 8.21 | 7.38 | 21.80 | 20.10 | 19.64 | 18.18 | 17.75 | 17.32 | 16.86 | 16.02 | 15.56 | 15.09 | 14.60 | 14.08 | 13.55 | 18.47 | 18.47 | | |
| 3c Adjustment to ARC | Beginning of Year NPO / Amortization Factor | \$ - | \$ 93 | \$ 222 | \$ 435 | \$ 755 | \$ (140) | \$ (436) | \$ (410) | \$ 242 | \$ 855 | \$ 1,639 | \$ 2,680 | \$ 3,848 | \$ 5,038 | \$ 6,918 | \$ 8,899 | \$ 11,261 | \$ 16,093 | \$ 14,297 | \$ 14,297 | | |
| 4 Annual Pension Cost (APC) | ARC (1) + Interest (2) - Adjustment(3) | \$ - | \$ (20) | \$ (62) | \$ (149) | \$ (309) | \$ (104) | \$ 18,840 | \$ 25,331 | \$ 31,294 | \$ 36,264 | \$ 43,240 | \$ 45,525 | \$ 50,034 | \$ 55,564 | \$ 66,400 | \$ 87,278 | \$ 128,497 | \$ 168,096 | \$ 167,631 | \$ 167,631 | | |
| Step C: Compute NPO at End of Year (APC - Contributions Made + Beginning of Year NPO) | | | | | | | | | | | | | | | | | | | | | | | |
| Calculation of Adjusted Contributions Made: | | | | | | | | | | | | | | | | | | | | | | | |
| 5a Contributions Made | General Ledger | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 15,030 | \$ 18,029 | \$ 25,472 | \$ 28,061 | \$ 30,979 | \$ 34,467 | \$ 38,701 | \$ 43,385 | \$ 49,744 | \$ 70,100 | \$ 81,832 | \$ 130,000 | \$ 271,349 | \$ 271,349 | | |
| 5b Contributions to Health Plan | General Ledger | \$ - | \$ - | \$ - | \$ - | \$ 10,815 | \$ 9,317 | \$ 7,500 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (6,610) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 5c Contributions Made | Employer Contributions + Contributions to Health | \$ - | \$ - | \$ - | \$ - | \$ 10,815 | \$ 9,317 | \$ 22,530 | \$ 18,029 | \$ 25,472 | \$ 28,061 | \$ 30,979 | \$ 34,467 | \$ 38,701 | \$ 36,775 | \$ 49,744 | \$ 70,100 | \$ 81,832 | \$ 130,000 | \$ 271,349 | \$ 271,349 | | |
| 6 Less Health Adjustment (expense) | | \$ 915 | \$ 1,111 | \$ 1,626 | \$ 2,149 | \$ 2,513 | \$ 3,704 | \$ 4,398 | \$ 5,149 | \$ 4,949 | \$ 5,017 | \$ 4,538 | \$ 5,400 | \$ 5,413 | \$ 7,208 | \$ 8,882 | \$ 11,450 | \$ 12,830 | \$ 7,911 | \$ - | \$ - | | |
| 7 Adjusted Contributions Made | Row 5c - Row 6 | \$ (915) | \$ (1,111) | \$ (1,626) | \$ (2,149) | \$ 8,302 | \$ 5,613 | \$ 18,132 | \$ 12,880 | \$ 20,523 | \$ 23,044 | \$ 26,441 | \$ 29,067 | \$ 33,288 | \$ 29,567 | \$ 40,862 | \$ 58,650 | \$ 69,002 | \$ 122,089 | \$ 271,349 | \$ 271,349 | | |
| 8 Increase (Decrease) in NPO | Annual Pension Cost (4) less adj Contributions(7) | \$ 915 | \$ 1,091 | \$ 1,564 | \$ 2,000 | \$ (8,611) | \$ (5,717) | \$ 708 | \$ 12,451 | \$ 10,771 | \$ 13,220 | \$ 16,799 | \$ 16,458 | \$ 16,746 | \$ 25,997 | \$ 25,538 | \$ 28,628 | \$ 59,495 | \$ 46,007 | \$ (103,718) | \$ (103,718) | | |
| 9 NPO Beginning of Year | Prior Years Ending NPO | \$ - | \$ 915 | \$ 2,006 | \$ 3,570 | \$ 5,570 | \$ (3,041) | \$ (8,758) | \$ (8,050) | \$ 4,401 | \$ 15,172 | \$ 28,392 | \$ 45,191 | \$ 61,649 | \$ 78,395 | \$ 104,392 | \$ 129,930 | \$ 158,558 | \$ 218,053 | \$ 264,060 | \$ 264,060 | | |
| 10 NPO End of Year | Increase in NPO (8) + Beginning of Year NPO (9) | \$ 915 | \$ 2,006 | \$ 3,570 | \$ 5,570 | \$ (3,041) | \$ (8,758) | \$ (8,050) | \$ 4,401 | \$ 15,172 | \$ 28,392 | \$ 45,191 | \$ 61,649 | \$ 78,395 | \$ 104,392 | \$ 129,930 | \$ 158,558 | \$ 218,053 | \$ 264,060 | \$ 264,060 | \$ 160,342 | | |

Source: General Ledger
Joe Esuchenko Schedules