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Attachment G
Projected Redevelopment Resources
Retirement Liabilities as Enforceable Obligations
General Fund Impact

*Attachment to City
 CAO Report*

| | FY2011-12* | FY2012-13 | FY2013-14 | Total |
|--|--------------------|---------------------|---------------------|---------------------|
| Resources | | | | |
| Gross Tax Increment ¹ | 95,119,800 | 253,257,600 | 258,322,800 | 606,700,200 |
| Distribution of VARP Encumbrance ² | 97,315,200 | - | - | 97,315,200 |
| Prior Year Unencumbered Resources ³ | 85,660,800 | - | - | 85,660,800 |
| County Treasurer Loan ⁴ | - | 34,937,100 | - | 34,937,100 |
| Resources Subtotal | 278,095,800 | 288,194,700 | 258,322,800 | 789,676,200 |
| Less: Admin Fees and Pass Throughs | | | | |
| County Administrative Fees & Contractual Pass-Through: | (6,740,200) | (16,748,000) | (17,083,000) | (40,571,200) |
| AB26 Administrative Fees ⁵ | (11,414,380) | - | (7,749,700) | (19,164,080) |
| Admin Fees and Pass Throughs Subtotal | (18,154,580) | (16,748,000) | (24,832,700) | (59,735,280) |
| Resources less Admin Fees and Pass-Through | 259,941,220 | 271,446,700 | 233,490,100 | 764,878,020 |
| Less: Enforceable Obligations | | | | |
| Tax Allocation Bond Debt Service & Thrid Party Costs | (28,670,300) | (70,845,000) | (67,910,000) | (167,425,300) |
| Recognized Obligation Payment Schedule (ROPS) | (72,243,200) | (144,486,400) | (144,486,400) | (361,216,000) |
| ROPS Expenditures from Encumbrances ⁶ | 25,345,000 | 50,689,900 | 50,689,900 | 126,724,800 |
| County Treasurer Loan Repayment ⁴ | - | - | (36,683,955) | (36,683,955) |
| Retirement UAL and OPEB ⁷ | (946,300) | (103,800,000) | - | (104,746,300) |
| Lease Payments ⁸ | (1,252,200) | (3,005,200) | (3,005,200) | (7,262,600) |
| Enforceable Obligations Subtotal | (77,767,000) | (271,446,700) | (201,395,655) | (409,179,100) |
| Tax Increment Available for Distribution | 182,174,220 | - | 32,094,445 | 320,761,820 |
| City Share of Available Net Tax Increment (30.38%) | 55,344,500 | - | 9,750,300 | 65,094,800 |
| City as Successor Entity | | | | |
| AB26 Administrative Fees ⁵ | 11,414,380 | - | 7,749,700 | 19,164,080 |
| Operating Costs (Salaries, Benefits, Other Exp Costs) ⁹ | (15,015,200) | (31,699,800) | (31,699,800) | (78,414,800) |
| Operating Shortfall | (3,600,820) | (31,699,800) | (23,950,100) | (59,250,720) |
| Potential General Fund Revenue/Liability | 51,743,680 | (31,699,800) | (14,199,800) | 5,844,080 |

* FY2011-12 amounts cover the final five months of the fiscal year (February through June).

¹ Gross Tax Increment estimates based on Katz Hollis Tax projections dated November 15, 2011.

² \$97.3 million was encumbered for the expected VARP payment, which would now be unencumbered and distributed to the taxing entities.

³ Unencumbered resources included in FY2011-12 Carryover Amendment.

⁴ If insufficient funds are available to cover the Enforceable Obligations, a loan from the County Treasurer is issued to cover the shortfall. The full loan repayment is assumed in 2013-14 with an interest cost of 5%.

⁵ Calculated at 5% of Gross Tax Increment in FY2011-12 and 3% of Gross Tax Increment in FY2012-13 and FY2013-14. Administrative fees in FY2011-12 only apply to final five months of fiscal year.

⁶ Encumbered resources included in FY2011-12 Carryover Amendment.

⁷ Assumes amortized unfunded pension liability costs (\$51.8 million) and retiree healthcare liabilities (\$52 million) are classified as an enforceable obligation and paid off as a lump sum to CalPERS. If not classified as an enforceable obligation, then the City is responsible for paying for these liabilities. These pension and retirement liabilities could be substantially higher once CalPERS completes a actuarial valuation. These numbers differ from the figures in the report as they are spread over several years.

⁸ Assumes contractual lease payments to be classified as an enforceable obligation.

⁹ Assumes current staffing levels. This figure does not include additional costs for those employees who are transferred to LACERS in 2012-13 and 2013-14.

Attachment H
Projected Redevelopment Resources
Retirement Liabilities Excluded As Enforceable Obligations
General Fund Impact

| | FY2011-12* | FY2012-13 | FY2013-14 | Total |
|--|--------------------|----------------------|---------------------|---------------------|
| Resources | | | | |
| Gross Tax Increment ¹ | 95,119,800 | 253,257,600 | 258,322,800 | 606,700,200 |
| Distribution of VARP Encumbrance ² | 97,315,200 | - | - | 97,315,200 |
| Prior Year Unencumbered Resources ³ | 85,660,800 | - | - | 85,660,800 |
| County Treasurer Loan ⁴ | - | - | - | - |
| Resources Subtotal | 278,095,800 | 253,257,600 | 258,322,800 | 789,676,200 |
| Less: Admin Fees and Pass Throughs | | | | |
| County Administrative Fees & Contractual Pass-Through | (6,740,200) | (16,748,000) | (17,083,000) | (40,571,200) |
| AB26 Administrative Fees ⁵ | (11,414,380) | (7,597,700) | (7,749,700) | (26,761,780) |
| Admin Fees and Pass Throughs Subtotal | (18,154,580) | (24,345,700) | (24,832,700) | (67,332,980) |
| Resources less Admin Fees and Pass-Through | 259,941,220 | 228,911,900 | 233,490,100 | 722,343,220 |
| Less: Enforceable Obligations | | | | |
| Tax Allocation Bond Debt Service & Thrid Party Costs | (28,670,300) | (70,845,000) | (67,910,000) | (167,425,300) |
| Recognized Obligation Payment Schedule (ROPS) | (72,243,200) | (144,486,400) | (144,486,400) | (361,216,000) |
| ROPS Expenditures from Encumbrances ⁶ | 25,345,000 | 50,689,900 | 50,689,900 | 126,724,800 |
| County Treasurer Loan Repayment ⁴ | - | - | - | - |
| Retirement UAL and OPEB ⁷ | (946,300) | - | - | (946,300) |
| Lease Payments ⁸ | (1,252,200) | (3,005,200) | (3,005,200) | (7,262,600) |
| Enforceable Obligations Subtotal | (77,767,000) | (167,646,700) | (164,711,700) | (409,179,100) |
| Tax Increment Available for Distribution | 182,174,220 | 61,265,200 | 68,778,400 | 313,164,120 |
| City Share of Available Net Tax Increment (30.38%) | 55,344,500 | 18,612,400 | 20,894,900 | 94,851,800 |
| City as Successor Entity | | | | |
| AB26 Administrative Fees ⁵ | 11,414,380 | 7,597,700 | 7,749,700 | 26,761,780 |
| Operating Costs (Salaries, Benefits, Other Exp Costs) ⁹ | (15,015,200) | (31,699,800) | (31,699,800) | (78,414,800) |
| Operating Shortfall | (3,600,820) | (24,102,100) | (23,950,100) | (51,653,020) |
| Retirement and OPEB Payment⁷ | | (103,800,000) | | |
| Potential General Fund Revenue/Liability | 51,743,680 | (109,289,700) | (3,055,200) | (60,601,220) |

* FY2011-12 amounts cover the final five months of the fiscal year (February through June).

¹ Gross Tax Increment estimates based on Katz Hollis Tax projections dated November 15, 2011.

² \$97.3 million was encumbered for the expected VARP payment, which would now be unencumbered and distributed to the taxing entities.

³ Unencumbered resources included in FY2011-12 Carryover Amendment.

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⁵ Calculated at 5% of Gross Tax Increment in FY2011-12 and 3% of Gross Tax Increment in FY2012-13 and FY2013-14. Administrative fees in FY2011-12 only apply to final five months of fiscal year.

⁶ Encumbered resources included in FY2011-12 Carryover Amendment.

⁷ Assumes amortized unfunded pension liability costs (\$51.8 million) and retiree healthcare liabilities (\$52 million) are not classified as an enforceable obligation and paid off as a lump sum to CalPERS. The City is responsible for paying for these liabilities, which could be substantially higher once CalPERS completes an actuarial valuation. These numbers differ from the figures in the report as they are spread over several years.

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