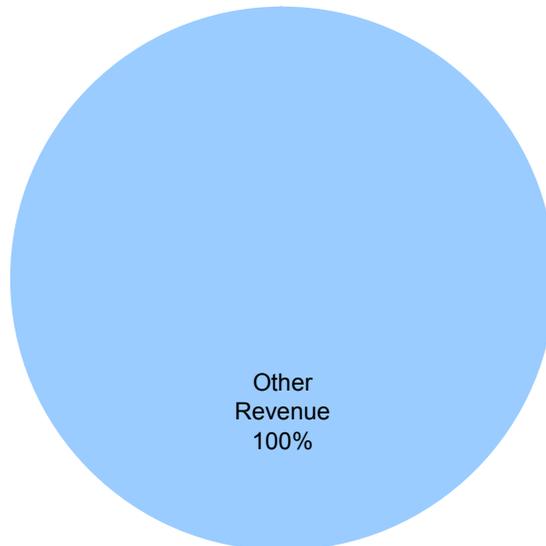


**PURPOSE**

To provide for the refinancing of existing unfunded pension obligations of the Pension Trust resulting in annual savings.

<u>Financial Summary</u>	<u>2003-04 Actual</u>	<u>2004-05 Actual</u>	<u>2005-06 Requested</u>	<u>2005-06 Recommended</u>	<u>2005-06 Adopted</u>
Revenues	\$ 4,703,147	\$ 4,787,047	\$ 5,001,295	\$ 5,001,295	\$ 7,001,295
Fund Balance Available	\$ 0	\$ 1,106,020	\$ 0	\$ 0	\$ 78,641
Cancelled Reserves	0	0	0	0	0
<b>Total Financing Sources</b>	<b>\$ 4,703,147</b>	<b>\$ 5,893,067</b>	<b>\$ 5,001,295</b>	<b>\$ 5,001,295</b>	<b>\$ 7,079,936</b>
Salary and Benefits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Services and Supplies	60,000	60,000	30,000	30,000	30,000
Other Charges	2,012,232	3,000,992	4,971,295	4,971,295	6,971,295
Fixed Assets	0	0	0	0	0
<b>Gross Expenditures</b>	<b>\$ 2,072,232</b>	<b>\$ 3,060,992</b>	<b>\$ 5,001,295</b>	<b>\$ 5,001,295</b>	<b>\$ 7,001,295</b>
Contingencies	0	0	0	0	0
New Reserves	1,524,894	2,753,435	0	0	78,641
<b>Total Financing Requirements</b>	<b>\$ 3,597,126</b>	<b>\$ 5,814,427</b>	<b>\$ 5,001,295</b>	<b>\$ 5,001,295</b>	<b>\$ 7,079,936</b>

**Source of Funds**



**COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS**

This budget unit reflects the debt service payment for Pension Obligation Bonds. The Board of Supervisors approved the use of the Pension Obligation Bonds in fiscal year 02-03. The bonds are amortized over a 30-year period, reducing the past amortization period by seven years and creating an annual savings of over \$1 million for the 30 year period.

The recommended budget includes a minimal increase in rates (.03%) charged to the covered payroll. This will generate enough funds to cover the annual debt service of approximately \$5 million.

**BOARD ADOPTED CHANGES**

None.