

# 2017 NON-COMPLIANT PARCEL REPORT

## EXHIBIT A

PARCEL	CHARGE
110 472 031	475
110 501 081	375
124 240 021	375
110 531 111	325
123 082 011	525
121 151 101	625
123 200 361	575
123 200 221	475
123 141 031	400
123 141 221	375
123 200 371	575
123 142 101	525
126 470 091	525
126 470 081	525
126 470 101	525
126 470 071	525
126 470 031	375
126 470 061	475
123 072 061	425
124 120 381	375
120 422 311	475
110 611 211	475
120 660 031	425
120 660 011	425
120 650 181	425
120 650 161	425
120 600 101	425
124 150 351	425
123 310 131	525
120 491 221	425
124 240 091	425
110 601 121	425
110 502 031	425
110 502 041	425
110 521 101	425
110 512 011	425
124 120 151	425
124 120 531	425
124 130 461	425
123 230 121	425
123 240 531	975
110 551 061	475
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SUBTOTAL	19,525.00
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110 531 111	3980 <i>Tree Removal*</i>
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TOTAL	23,505.00

## Plan's Funded Status

	<b>June 30, 2015</b>	<b>June 30, 2016</b>
1. Present Value of Projected Benefits (PVB)	\$ 72,026,348	\$ 76,127,640
2. Entry Age Normal Accrued Liability (AL)	59,048,779	63,332,462
3. Plan's Market Value of Assets (MVA)	46,324,763	47,534,192
4. Unfunded Accrued Liability (UAL) [(2) - (3)]	12,724,016	<b>15,798,270</b>
5. Funded Ratio [(3) / (2)]	78.5%	<b>75.1%</b>

This measure of funded status is an assessment of the need for future employer contributions based on the selected actuarial cost method used to fund the plan. The UAL is the present value of future employer contributions for service that has already been earned and is in addition to future normal cost contributions for active members. For a measure of funded status that is appropriate for assessing the sufficiency of plan assets to cover estimated termination liabilities, please see "Hypothetical Termination Liability" in the "Risk Analysis" section.

## Projected Employer Contributions

The table below shows projected employer contributions (before cost sharing) for the next six fiscal years. Projected results reflect the adopted changes to the discount rate described in Appendix A, "Statement of Actuarial Data, Methods and Assumptions" of the Section 2 report. The projections also assume that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period.

Fiscal Year	Required Contribution	Projected Future Employer Contributions (Assumes 7.375% Return for Fiscal Year 2016-17)					
		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Normal Cost %	20.556%	21.4%	23.2%	23.2%	23.2%	23.2%	23.2%
UAL Payment	\$828,267	\$1,067,000	\$1,255,000	\$1,483,000	\$1,678,000	\$1,809,000	\$1,919,000

Changes in the UAL due to actuarial gains or losses as well as changes in actuarial assumptions or methods are amortized using a 5-year ramp up. For more information, please see "Amortization of the Unfunded Actuarial Accrued Liability" under "Actuarial Methods" in Appendix A of Section 2. This method phases in the impact of unanticipated changes in UAL over a 5-year period and attempts to minimize employer cost volatility from year to year. As a result of this methodology, dramatic changes in the required employer contributions in any one year are less likely. However, required contributions can change gradually and significantly over the next five years. In years where there is a large increase in UAL the relatively small amortization payments during the ramp up period could result in a funded ratio that is projected to decrease initially while the contribution impact of the increase in the UAL is phased in.

Due to the adopted changes in the discount rate for the next two valuations in combination with the 5-year phase-in ramp, the increases in the required contributions are expected to continue for seven years from Fiscal Year 2018-19 through Fiscal Year 2024-25.

For projected contributions under alternate investment return scenarios, please see the "Analysis of Future Investment Return Scenarios" in the "Risk Analysis" section.

## 30-Year Amortization Schedule and Alternatives

Date	<u>Current Amortization Schedule</u>		<u>Alternate Schedules</u>			
	Balance	Payment	20 Year Amortization		15 Year Amortization	
			Balance	Payment	Balance	Payment
6/30/2018	17,030,250	828,267	17,030,250	1,273,054	17,030,250	1,549,001
6/30/2019	17,427,965	1,056,100	16,967,069	1,311,245	16,681,127	1,595,471
6/30/2020	17,618,927	1,199,451	16,859,653	1,350,583	16,258,103	1,643,335
6/30/2021	17,675,429	1,354,497	16,703,553	1,391,100	15,754,283	1,692,635
6/30/2022	17,575,436	1,470,927	16,493,955	1,432,833	15,162,221	1,743,414
6/30/2023	17,347,422	1,515,055	16,225,655	1,475,818	14,473,876	1,795,716
6/30/2024	17,056,866	1,560,506	15,893,027	1,520,093	13,680,569	1,849,588
6/30/2025	16,697,783	1,607,321	15,489,988	1,565,695	12,772,933	1,905,075
6/30/2026	16,263,708	1,655,541	15,009,972	1,612,666	11,740,861	1,962,228
6/30/2027	15,747,653	1,705,207	14,445,881	1,661,046	10,573,452	2,021,095
6/30/2028	15,142,074	1,756,363	13,790,057	1,710,878	9,258,947	2,081,727
6/30/2029	14,438,825	1,809,054	13,034,230	1,762,204	7,784,669	2,144,179
6/30/2030	13,629,111	1,863,326	12,169,475	1,815,070	6,136,949	2,208,505
6/30/2031	12,703,444	1,919,226	11,186,164	1,869,522	4,301,054	2,274,760
6/30/2032	11,651,585	1,882,337	10,073,909	1,925,608	2,261,107	2,343,003
6/30/2033	10,560,376	1,841,508	8,821,508	1,983,376		
6/30/2034	9,430,998	1,759,813	7,416,882	2,042,877		
6/30/2035	8,302,983	1,671,559	5,847,008	2,104,164		
6/30/2036	7,183,227	1,576,426	4,097,851	2,167,289		
6/30/2037	6,079,467	1,019,776	2,154,281	2,232,307		
6/30/2038	5,471,116	1,009,039				
6/30/2039	4,829,025	1,039,310				
6/30/2040	4,108,212	1,070,490				
6/30/2041	3,301,931	921,401				
6/30/2042	2,590,675	896,880				
6/30/2043	1,852,373	782,923				
6/30/2044	1,177,705	565,442				
6/30/2045	678,640	334,207				
6/30/2046	382,378	298,653				
6/30/2047	101,108	104,770				
<b>Totals</b>		<b>38,075,376</b>		<b>34,207,428</b>		<b>28,809,730</b>
<b>Interest Paid</b>		<b>21,045,125</b>		<b>17,177,177</b>		<b>11,779,480</b>
<b>Estimated Savings</b>				<b>3,867,947</b>		<b>9,265,645</b>

\* This schedule does not reflect the impact of adopted discount rate changes that will become effective beyond June 30, 2016. For Projected Employer Contributions, please see Page 5.

## LETTER OF INTENT

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Fred Allen

Acquisitions Manager

Clear Image Inc.  
4949 Windplay Drive  
Suite 100  
El Dorado Hills, Ca, 95762

Clear Image Inc.

Pursuant to our initial review of the below referenced property, please consider our intent to purchase the subject property according to the following terms and conditions:

**Property:** APN # 117-082-05-100, 5 acres located on the corner of Cypress Point Court and Golden Foothill Parkway (North of Cypress Point Court and fronting Golden Foothill Parkway to the East) in the township of El Dorado Hills in the state of California

**Purchaser:** Clear Image Inc.

**Purchase Price:** \$750,000.00 (Seven Hundred Fifty Thousand Dollars and Zero Cents)

**Contract:** Within 5 business days of acceptance of this offer by seller, seller shall present purchaser with a contract. Purchaser and seller shall make reasonable efforts to negotiate and execute the contract within 7 days from receipt of contract.

**Inspection Period:** Purchaser shall have 90 (Ninety) days from the execution of the contract and receipt of the due diligence materials to perform the inspection of the property and related documentation in order to ensure suitability of property for intended use. Seller will furnish all necessary due diligence materials to purchaser upon contract execution. This package will include the following items:

- Current lease(s) with any and all amendments
- All engineering and environmental studies in seller's possession
- Most recent survey in seller's possession
- Most recent title insurance policy in seller's possession with underlying documents
- Reciprocal easement agreement and/or covenants, conditions and restrictions agreement (if applicable)
- Copies of all service and maintenance contracts and any other agreements (if applicable)
- Most recent tax bill (if available to seller)
- All property and liability insurance certificates (if available to seller)
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If for any reason during the inspection and financial contingency periods, the purchaser does not find the property and terms suitable for its intended use, the purchaser has the right to cancel the contract.

**Financial Contingency Period:** Purchaser will have 30 days after the inspections period to meet necessary financial contingencies.

**Earnest Money** Earnest Money in the amount of \$ 30,000.00 (Thirty Thousand Dollars) will be delivered to a mutually agreed upon escrow account upon a fully executed contract. Earnest Money will be fully refundable during the inspection period. This deposit will be held in a non-interest bearing account for purchasers account and become non-refundable upon expiration of the inspection period, provided however that the purchaser has not terminated the contract. All deposits paid shall be applied to the purchase price. An additional \$970,000.00 (Nine hundred Seventy Thousand Dollars) will be delivered to the escrow account within one (1) business day of expiration of the Financial Contingency period. All deposits paid shall be applied to the purchase price.

**Closing Costs:** Purchaser and seller to pay closing costs applicable to that which is standard and customary for the county in which the property is located. Purchaser and seller to pay their own respective attorney's fees.

**1031 Exchange:** Purchaser and seller acknowledge that both parties may intend to sell and purchase the Property under the provisions of an Internal Revenue Service Section 1031 Tax Deferred Exchange. Purchaser and seller agree to cooperate in executing any document required by such an Exchange provided that each party incurs no additional cost or liability due to such an Exchange.

**Expiration:** This Letter of Intent shall be valid until 5:00 p.m. PST on the 30th of July, 2017 , at which time it shall become null and void.

This letter/proposal is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only. The parties agree that this letter/proposal is not intended to create any agreement or obligation by either party to negotiate a definitive lease/contract and imposes no duty on either party to continue negotiations. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred herein unless and until a definitive agreement has been fully executed and delivered by the parties.

**Purchaser:**  
Agreed and Accepted : *Benny Wilkins*  
Print Name: Benny Wilkins  
Date: 7-20-2017

**Seller:**  
Agreed and Accepted : \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Date: \_\_\_\_\_