

**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
AMALGAMATED TRANSIT UNION PENSION PLAN
(A COMPONENT UNIT OF THE SANTA CLARA VALLEY
TRANSPORTATION AUTHORITY)**

**INDEPENDENT AUDITOR'S REPORT,
MANAGEMENT'S DISCUSSION AND ANALYSIS,
BASIC FINANCIAL STATEMENTS
AND
REQUIRED SUPPLEMENTARY INFORMATION**

FOR FISCAL YEARS ENDED JUNE 30, 2012 AND 2011

**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
AMALGAMATED TRANSIT UNION PENSION PLAN**

June 30, 2012 and 2011

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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Directors
Santa Clara Valley Transportation Authority
Amalgamated Transit Union Pension Plan
San Jose, California

We have audited the accompanying basic financial statements of the Santa Clara Valley Transportation Authority Amalgamated Transit Union Pension Plan (the Plan), a component unit of the Santa Clara Valley Transportation Authority (VTA), as of and for the fiscal years ended June 30, 2012 and 2011, as listed in the table of contents. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

As discussed in Note 2, the Financial Statements referred to above present only the Plan and do not purport to, and do not present the financial position of the Santa Clara Valley Transportation Authority as of June 30, 2012 and June 30, 2011 and the changes in its financial position for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets of the Plan as of June 30, 2012 and 2011, and the changes in net assets for the fiscal years then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America requires that the management's discussion and analysis and the schedule of funding progress be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Vavrinek Trine Day + Co. LLP

Palo Alto, California
October 15, 2012

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**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
AMALGAMATED TRANSIT UNION PENSION PLAN**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEARS ENDED JUNE 30, 2012 and 2011**

This section provides an overview and analysis of the financial activities of Santa Clara Valley Transportation Authority Amalgamated Transit Union Pension Plan (Plan) for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our financial statements.

FINANCIAL HIGHLIGHTS

The net assets of Plan at the close of fiscal year 2012 are \$376,724,135 (net assets held in trust for pension benefits). All of the net assets are available to meet the Plan's ongoing obligations to Plan participants and beneficiaries. Net assets at the close of fiscal year 2011 were \$377,076,976.

The Plan's funding objective is to meet long-term benefit obligations through contributions and investment income. As of January 1, 2012, the date of the Plan's last actuarial valuation, the funded ratio for the Plan was approximately 72%. In general, there is approximately \$0.72 of actuarial assets to cover each dollar of actuarial liability.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following discussion and analysis are intended to serve as an introduction to the Plan's financial statements, which comprise these components:

1. Statement of Plan Net Assets
2. Statement of Changes in Plan Net Assets
3. Notes to the Basic Financial Statements

Please note, however, that this report also contains other supplementary information in addition to the basic financial statements themselves.

The Statement of Plan Net Assets is a snapshot of account balances at year-end. It indicates the assets available for future payments to retirees and any current liabilities that are owed at this time.

The Statement of Changes in Plan Net Assets, on the other hand, provides a view of current year additions to and deductions from the Plan. Both statements are in compliance with Governmental Accounting Standard Board Statements (GASB Pronouncements 34 and 50). These pronouncements require certain disclosures and require the state and local governments to report using the full accrual method of accounting. The Plan complies with all material requirements of these pronouncements.

The Statement of Plan Net Assets and the Statement of Changes in Plan Net Assets report information about the Plan's activities. These statements include all assets and liabilities, using the full accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. All investment gains and losses are shown at trade date. In addition, both realized and unrealized gains and losses are shown on investments.

**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
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**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEARS ENDED JUNE 30, 2012 and 2011**

These two statements report the Plan's net assets held in trust for pension benefits. Net assets, the difference between assets and liabilities, measure the Plan's financial position. Over time, increases and decreases in the Plan's net assets indicate whether its financial health is improving or deteriorating. Other factors, such as market conditions, should also be considered in measuring the Plan's overall financial position.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements. (See notes to Financial Statements on pages 7-12 of this report).

OTHER INFORMATION

In addition to the financial statements and accompanying notes, this report presents certain required supplementary information related to the Plan's progress in funding its obligations to provide pension benefits to its members.

FINANCIAL ANALYSIS

As previously noted, net assets may serve over time as a useful indication of the Plan's financial position. The assets of the Plan exceeded its liabilities at the close of fiscal year 2012. Despite fluctuations in the equity markets, the Plan's board and actuary concur that the Plan remains in a financial position to meet its obligations to the plan participants and beneficiaries with a 72% funded ratio as of the last actuarial valuation.

(Table 1)

Statement of Plan Net Assets

	June 30,		
	2012	2011	2010
Assets			
Investments at fair value	\$ 375,917,760	\$ 376,357,452	\$ 316,522,821
Other assets	1,181,246	1,048,539	1,124,943
Total Assets	377,099,006	377,405,991	317,647,764
Liabilities			
Current liabilities	374,871	329,015	253,752
Net Assets	\$ 376,724,135	\$ 377,076,976	\$ 317,394,012

For the year ended June 30, 2012, the Plan's total net assets held in trust for pension benefits decreased by \$352,841 or 0.09% as a result of a depreciation in the fair market value of investments. The Plan's liabilities rose by \$45,856 due primarily to the increase in outstanding accounts payable.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEARS ENDED JUNE 30, 2012 and 2011**

(Table 2)

Additions to Plan Net Assets

	June 30,		
	2012	2011	2010
Contributions	\$ 19,148,113	\$ 17,807,109	\$ 17,905,290
Net investment income	5,692,923	65,493,799	38,939,519
Total Additions	\$ 24,841,036	\$ 83,300,908	\$ 56,844,809

VTA contributions decreased from 2010 to 2011 but increased from 2011 to 2012 due to the increase in the covered payroll base. Of the total contributions, \$29,645 was put in by ATU for its staff. Investment income was posted in 2010, 2011 and 2012, net of related investment expense.

(Table 3)

Deductions to Plan Net Assets

	June 30,		
	2012	2011	2010
Distributions to participants	\$ 24,955,992	\$ 23,391,640	\$ 22,042,987
Administrative expenses	237,885	226,304	209,523
Total Deductions	\$ 25,193,877	\$ 23,617,944	\$ 22,252,510

The distributions to participants have steadily risen due to the growing number of retirees and beneficiaries receiving benefits while administrative expenses rose due mainly to the increase in actuarial, audit and retirement evaluation fees.

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**STATEMENTS OF PLAN NET ASSETS
AS OF JUNE 30, 2012 and 2011**

ASSETS	2012	2011
Investments		
Domestic equity securities	\$ 91,710,951	\$ 101,947,141
Corporate obligations	55,142,654	45,566,331
U.S. Government agency	50,644,912	58,793,029
US Treasury obligations	16,687,931	15,977,751
Money market	5,164,498	1,902,153
Pooled cash and investment with VTA Enterprise	3,076,229	1,013,118
Mutual funds	153,490,585	151,157,929
Total investments	375,917,760	376,357,452
Receivables	1,181,246	1,048,539
TOTAL ASSETS	377,099,006	377,405,991
 LIABILITIES		
Accounts payable	374,871	329,015
 NET ASSETS		
Held in trust for pension benefits	\$ 376,724,135	\$ 377,076,976

See accompanying notes to the basic financial statements

**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
AMALGAMATED TRANSIT UNION PENSION PLAN**

**STATEMENTS OF CHANGES IN PLAN NET ASSETS
FOR FISCAL YEARS ENDED JUNE 30, 2012 and 2011**

	2012	2011
ADDITIONS:		
Contributions	\$ 19,148,113	\$ 17,807,109
Net investment income:		
Net appreciation (depreciation) on investments	(8,137,416)	48,858,255
Investment earnings	15,606,264	18,237,034
Investment expense	(1,775,925)	(1,601,490)
Total net investment income	5,692,923	65,493,799
TOTAL ADDITIONS	24,841,036	83,300,908
 DEDUCTIONS		
Distributions to participants	24,955,992	23,391,640
Administrative expenses	237,885	226,304
TOTAL DEDUCTIONS	25,193,877	23,617,944
INCREASE (DECREASE) IN PLAN ASSETS	(352,841)	59,682,964
 NET ASSETS		
Beginning of year	377,076,976	317,394,012
End of year	\$ 376,724,135	\$ 377,076,976

See accompanying notes to the basic financial statements

**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
AMALGAMATED TRANSIT UNION PENSION PLAN**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR FISCAL YEARS ENDED JUNE 30, 2012 and 2011**

NOTE 1 – DESCRIPTION OF THE PLAN

The following description of the Santa Clara Valley Transportation Authority Amalgamated Transit Union Pension Plan (Plan), a component unit of the Santa Clara Valley Transportation Authority (VTA), provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

A. General

The Plan is a noncontributory single-employer defined benefit pension plan covering VTA employees who are members of the Santa Clara Valley Transportation Authority Amalgamated Transit Union (ATU) and is administered by a Pension Board, consisting of three members appointed by VTA, three members appointed by the ATU, and one member jointly appointed. The membership of the Plan as of June 30 comprises the following:

	2012	2011	2010
Retirees and beneficiaries currently receiving benefits	1,065	1,020	982
Terminated vested members not yet receiving benefits	156	166	172
Active Members	1,391	1,380	1,394
TOTAL	2,612	2,566	2,548

B. Pension Benefits

Employees with 10 or more years of service are entitled to full annual pension benefits beginning at normal retirement age of 65. Employees with less than 10 years of service are entitled to a reduced annual benefit at age 65 provided the Pension Board approves of such a benefit. Employees with 15 or more years of service are entitled to full annual pension benefits beginning at age 55. The Plan permits early retirement if an employee becomes disabled after 10 or more years of service, and deferred vested retirement upon employee termination after 10 or more years of service, with benefits payable permitted at age 65. Employees may elect to receive their benefits in the form of a joint or survivor annuity. These benefit provisions and all other requirements are established by California statute and the labor agreement with the ATU.

C. Contributions to the plan

VTA contributes to the Plan at actuarially determined rates applied to eligible payroll sufficient to maintain funding of vested benefits. VTA's contributions to the Plan for the fiscal year ended June 30, 2012, were made at the amount of \$19,148,113 in accordance with actuarially determined requirements computed as of January 1, 2011. In contrast, for the fiscal year ended June 30, 2011, the contributions were made at a rate of 18.00% of payroll in accordance with the actuarially determined requirements computed as of January 1, 2010.

D. Plan Termination

In the event of plan termination, the net assets of the Plan would be allocated as prescribed in the Plan documents, generally to provide the following benefits in the order indicated:

- Retirement benefits payable to retired members (as defined) and disabled members (as defined).
- Actuarial reserves for the retirement benefits of other vested members (as defined).

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR FISCAL YEARS ENDED JUNE 30, 2012 and 2011**

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accompanying basic financial statements are presented on the accrual basis of accounting. Contributions are recognized as revenue in the period in which employee services are performed, pursuant to formal commitments as well as statutory or contractual commitments. Benefits and refunds of contributions are recognized when due and payable under the provisions of the Plan.

B. Investments

Investments are reported at fair market value. Securities traded on a national or international exchange are valued at the last reported sales price on the last business day of the fiscal year at current exchange rates. The fair market value of the investments in mutual funds of \$153,490,585 and \$151,157,929 at June 30, 2012 and 2011, respectively, were valued by the respective mutual fund management firms. Purchases and sales of securities are reflected on the trade date. Investment income is recognized as earned.

C. Net Appreciation (Depreciation) on Investments

Net appreciation (depreciation) on investments pertains to unrealized gains and losses. Unrealized appreciation (depreciation) adjusts investment carrying amounts to reflect current market values, based on quoted prices in an active market.

D. Administrative Expenses

Certain internal costs of administering the Plan are paid by the Plan. Administrative expenses for the years ended June 30, 2012 and 2011 were \$237,885 and \$226,304, respectively.

E. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR FISCAL YEARS ENDED JUNE 30, 2012 and 2011**

NOTE 3 – INVESTMENTS

The Plan has adopted an internally developed investment policy that is governed by the standards established in the California Constitution. In addition, the Plan has written investment policies regarding the type of investments that may be made specifically for the Plan and the amount, which may be invested in any one financial institution or amounts that may be invested in long-term instruments. Management believes the Plan has complied with the provisions of statutes pertaining to the types of investments held, institutions in which deposits were made, and security requirements.

The Plan maintains all of its operating cash funds in VTA's cash and investment pool. The pool functions as a demand deposit account for the Plan, as amounts can be withdrawn at any time upon demand. VTA's management and its Board of Directors are responsible for oversight of the cash and investment pool. Information regarding the characteristics of the entire investment pool can be found in the VTA's financial statements. That report may be obtained by writing to Santa Clara Valley Transportation Authority – Fiscal Resources Division, 3331 North First Street, San Jose, California, 95134. The fair market value of the Agency's position in the cash pool is the same as the value of the cash pool shares. As of June 30, 2012 and 2011, the Plan had \$3,076,229 and \$1,013,118, respectively, in VTA's cash and investment pool.

Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Plan will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Plan's investment policy provides for the use of a custodian/trustee to invest the Plan's assets as directed by investment managers. The Plan's investment securities were held by Union Bank Trust Department, a custodial bank, at June 30, 2012 and 2011, separate from the counterparty, in the name of Santa Clara Valley Transportation Authority (VTA). VTA's securities are not part of Union Bank's assets and not attachable by any of its creditors.

Interest Rate Risk

Interest rate risk is the risk that changes in market rates will adversely affect the fair market value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market rates. One of the Plan's primary goals is to provide sufficient liquidity to meet future pension benefit payment obligation, however, the Plan does not have any policy specifically addressing interest rate risk. The Plan had a net investment of \$91,710,951 and \$101,947,141 invested in equity based securities as of June 30, 2012 and June 30, 2011, respectively, and \$153,490,585 and \$151,157,929 invested in mutual funds as of June 30, 2012 and June 30, 2011, respectively.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR FISCAL YEARS ENDED JUNE 30, 2012 and 2011**

The following table shows the time distribution for the maturity of the Plan's assets as of June 30, 2012:

Type of Investment	Fair Value	Less Than 1 Year	1-5 Years	Greater than 6 Years
Corporate Obligations	\$ 55,142,654	\$ 1,665,172	\$ 12,608,502	\$ 40,868,980
U.S. Government agency obligations	50,644,912	487,449	2,780,991	47,376,472
U.S. Treasury obligations	16,687,831	10,134,233	6,553,598	-
Money market*	5,164,498	5,164,498	-	-
Total	<u>\$ 127,639,895</u>	<u>\$ 17,451,352</u>	<u>\$ 21,943,091</u>	<u>\$ 88,245,452</u>

The following table shows the time distribution for the maturity of the Plan's assets as of June 30, 2011:

Type of Investment	Fair Value	Less Than 1 Year	1-5 Years	Greater than 6 Years
Corporate Obligations	\$ 45,566,331	\$ 304,132	\$ 9,402,277	\$ 35,859,922
U.S. Government agency obligations	58,793,029	876,462	1,885,011	56,031,556
U.S. Treasury obligations	15,977,751	14,772,831	1,204,920	-
Money market*	1,902,153	1,902,153	-	-
Total	<u>\$ 122,239,264</u>	<u>\$ 17,855,578</u>	<u>\$ 12,492,208</u>	<u>\$ 91,891,478</u>

* The time distribution for the money market funds is based on the weighted average maturity of investments comprising the funds.

The fair value of interest sensitive instruments may also be affected by the creditworthiness of the issuer, prepayment options, relative values of alternative investments, and other general market conditions. Certain fixed maturity investments have call provisions that could result in shorter maturity periods. U.S. Government agency obligations in the amount of \$50,644,912 and \$58,793,029 at June 30, 2012 and 2011, respectively, are mainly backed by mortgage pass-through securities which are sensitive to interest rate changes. Therefore, if interest rate declines, the mortgages are subject to prepayment by borrowers.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This risk is measured by the assignment of a rating by the nationally recognized statistical rating organizations. The Plan's investment policy has mitigated credit risk by prioritizing safety of principal above other investment objectives, by requiring third-party investment manager applicants to meet certain requirements, by diversifying the portfolio, and by establishing monitoring procedures.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR FISCAL YEARS ENDED JUNE 30, 2012 and 2011**

The following is a summary of the credit quality distribution for investments with credit exposure as a percentage of total investments at June 30, 2012 and 2011, as rated by Standard and Poor's:

Type of Investment	Rating	Percent of Portfolio	
		2012	2011
Domestic equity securities	Not Applicable	24.4%	27.1%
Corporate obligations	AAA	0.0%	0.3%
	AA	1.2%	0.7%
	A	7.0%	5.9%
	BBB	6.5%	5.2%
U.S. Agency Securities	Not Applicable	13.5%	15.6%
U.S. Treasury obligations	Not Applicable	4.4%	4.2%
Pooled cash and investment with VTA Enterprise	Not Applicable	0.8%	0.3%
Money market	Not Applicable	1.4%	0.5%
Mutual funds	Not Applicable	40.8%	40.2%
TOTAL		100.0%	100.0%

Concentration of Credit Risk

Concentration of credit risk is the risk that the failure of any one issuer would place an undue financial burden on the Plan. The Plan's investment policy mitigates the concentration of credit risk by identifying percentage ranges for different types of investments and specific targets within the percentage ranges. Disclosure of concentration of credit risk is defined as any investments with one issuer that are greater than 5% of the total Plan investments. As of June 30, 2012, the Plan had \$26,698,345 or 7.1% of total Plan investments, invested in securities issued by Federal National Mortgage Association (Fannie Mae). As of June 30, 2011, the Plan had \$40,015,830 or 10.6% of total Plan investments, invested in securities issued by Fannie Mae. Investments issued by or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools and other pooled investments are exempt from this requirement, as they are normally diversified themselves.

Custodial Credit Risks

The Plan held investments that are not registered in the name of VTA but are held in a mutual fund as follows:

Type of Investment	June 30, 2012 Amount	Percent of Portfolio	June 30, 2011 Amount	Percent of Portfolio
State Street Global Advisors				
S&P 500 Conservative Index	\$ 50,867,098	13.5%	\$ 56,068,764	14.9%
MFS Investment Management	52,343,725	13.9%	60,013,162	16.0%
UBS	35,569,210	9.5%	22,317,638	5.9%
Robeco E. M.	14,710,552	3.9%	12,758,365	3.4%
	<u>\$ 153,490,585</u>		<u>\$ 151,157,929</u>	

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR FISCAL YEARS ENDED JUNE 30, 2012 and 2011**

NOTE 4 – ANNUAL PLAN COST AND NET PLAN OBLIGATION

VTA's Annual Required Contribution (ARC) to the Plan is an amount actuarially determined in accordance with the parameters of GASB Statement 27. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed twenty years. The annual pension cost, the percentage of annual pension cost contributed to the Plan, and the net Plan obligation for fiscal years ending, June 30, 2012, 2011 and 2010 are as follows: (in thousands)

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Plan Obligation</u>
6/30/2012	\$ 19,148	100%	\$ -
6/30/2011	17,807	100%	-
6/30/2010	17,905	100%	-

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
AMALGAMATED TRANSIT UNION PENSION PLAN**

**SCHEDULE OF FUNDING PROGRESS ⁽¹⁾
AS OF JUNE 30, 2012**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2012	\$ 373,170,465	\$ 517,200,475	\$ 144,030,010	72.20%	\$ 100,376,441	143.50%
1/1/2011	368,134,113	486,770,538	118,636,425	75.60%	97,569,124	121.60%
1/1/2010	354,785,095	462,912,195	108,127,100	76.60%	102,625,557	105.40%

(1) The schedule of funding progress presents the most recent actuarial information regarding the funding progress of the plan.

**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
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**SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS
FOR JANUARY 1, 2012 VALUATION
FOR FISCAL YEAR ENDED JUNE 30, 2012**

<u>Description</u>	<u>Methods/Assumptions</u>
Valuation date	January 1, 2012
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level dollar open method
Remaining amortization period	20 years
Asset valuation method	Market value less unrecognized investment gain or losses during the prior four years, phased in at 20% per year, subject to a minimum of 80% and a maximum of 120% of market value.
Actuarial assumptions	
Investment rate of return	7.50% (7.75% for Prior Valuation)
Projected salary increases	3.5% to 15.6%, depending on service
Inflation rate	3.25%
Cost of Living	None