

Required Supplementary Information



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Ventura Regional Sanitation District

Comprehensive Annual Financial Report
For the Fiscal Year Ended
June 30, 2016 and June 30, 2015



REQUIRED SUPPLEMENTARY INFORMATION

**VENTURA REGIONAL SANITATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
FISCAL YEAR ENDED JUNE 30, 2016**

Public Agency Retirement System (PARS) - Retirement Enhancement Plan (Group 1 & Group 2)

*Schedule of Changes in Net Pension Liability and Related Ratios - Last 10 Years**

Measurement Period	<u>2015-16</u>	<u>2014-15</u>
TOTAL PENSION LIABILITY		
Service Cost	\$ 137,380	\$ 160,741
Interest	585,486	547,331
Changes of Benefit Terms	-	-
Difference Between Expected and Actual Experience	-	-
Net Investment Income	(207,599)	-
Changes of Assumptions or Inputs	332,945	-
Benefit Payments, Including Refunds of Employee Contributions	(282,451)	(248,094)
Net Change in Total Pension Liability	565,761	459,978
Total Pension Liability - Beginning	8,240,191	7,780,213
Total Pension Liability - Ending (a)	\$ 8,805,952	\$ 8,240,191
PLAN FIDUCIARY NET POSITION		
Contributions - Employer	\$ 376,419	\$ 394,281
Contributions - Employee	29,566	30,728
Net Investment Income	(1,218)	111,586
Benefit Payments, Including Refunds of Employee Contributions	(282,451)	(248,094)
Administrative Expenses	(35,294)	(38,944)
Net Change in Fiduciary Net Position	87,022	249,557
Plan Fiduciary Net Position - Beginning	4,886,332	4,636,775
Plan Fiduciary Net Position - Ending (b)	\$ 4,973,354	\$ 4,886,332
Plan Net Pension Liability - Ending (a) - (b)	\$ 3,832,598	\$ 3,353,859
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.48%	59.30%
Covered-Employee Payroll	\$ 3,397,512	\$ 3,072,800
Plan Net Pension Liability as a Percentage of Covered-Employee Payroll	112.81%	109.15%

* Measurement period 2014-15 (fiscal year 2015) was the 1st year of implementation, therefore, only two years are presented.

Notes to Schedule:

Changes in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013. This applies for voluntary benefit changes as well as offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in Assumptions: There were no changes in assumptions.

**VENTURA REGIONAL SANITATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
FISCAL YEAR ENDED JUNE 30, 2016**

Public Agency Retirement System (PARS) - Retirement Enhancement Plan (Group 1 & Group 2)

*Schedule of Plan Contributions - Last 10 Years**

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Contributions in Relation to the Actuarially Determined Contribution</u>	<u>Contribution Deficiency/ (Excess)</u>	<u>Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered- Employee Payroll</u>
2014-15	\$ 395,604	\$ 394,281	\$ 1,323	\$ 3,072,800	12.83%
2015-16	\$ 394,507	\$ 376,419	\$ 18,088	\$ 3,397,512	11.08%

* Measurement period 2014-15 (fiscal year 2015) was the 1st year of implementation, therefore, only two years are presented.

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2015-16 were from the June 30, 2015 public agency valuations.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	Level dollar Closed period Amortization period at 06/30/2015 - 17 years Amortization growth rate equals 0.00%
Asset Valuation Method	Smoothing period - None Recognition period - None Corridor - None
Inflation	2.75%
Salary increases	3.50% - 12.20%
Payroll Growth	2.00%
Investment Rate of Return	7.00%
Retirement Age	Consistent with Non-Industrial rates used to value the Miscellaneous CalPERS Pension Plans.
Mortality	Consistent with Non-Industrial rates used to value the Miscellaneous CalPERS Pension Plans.

**VENTURA REGIONAL SANITATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
FISCAL YEAR ENDED JUNE 30, 2016**

Ventura County Employees' Retirement Association (VCERA)

*Schedule of the District's Proportionate Share of the Plan's Net Pension Liability and Related Ratios
as of the Measurement Date - Last 10 Years**

Measurement Date	Proportion of the Net Pension Liability	Proportionate share of Net Pension Liability	Covered-employee payroll ⁽¹⁾	Proportionate share of the Net Pension Liability as a percentage of its covered employee payroll	Plan's Fiduciary Net Position as a percentage of the Total Pension Liability
6/30/2014	0.455%	\$ 2,516,758	\$ 4,758,000	52.90%	88.54%
6/30/2015	0.451%	\$ 3,853,220	\$ 4,948,000	77.87%	83.63%

(1) Covered-employee payroll represents earnable and pensionable compensation.

*Schedule of Plan Contributions - Last 10 Years**

Fiscal Year	Contractually Required Contribution	Actual Employer Contributions	Contribution (Excess)/ Deficiency	Covered Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2014-15	\$ 849,102	\$ 845,123	\$ 3,979	\$ 4,758,000	17.76%
2015-16	\$ 882,357	\$ 897,617	\$ (15,260)	\$ 4,948,000	18.14%

* Fiscal year 2014-15 was the first year of implementation, therefore, only two years are presented.

Change in Assumptions: The discount rate was changed from 7.75 percent (net of administrative expenses) to 7.50 percent to correct for an adjustment to exclude administrative expenses.

**VENTURA REGIONAL SANITATION DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS
 FISCAL YEAR ENDED JUNE 30, 2016**

Other Post Employment Benefits

Actuarial Valuation Date	Actuarial Valuation of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
7/1/2008	\$297,578	\$461,920	\$164,342	64.42%	\$5,472,250	3.00%
7/1/2011	\$640,245	\$876,665	\$236,420	73.03%	\$5,169,254	4.57%
7/1/2014	\$861,284	\$1,416,452	\$555,168	60.81%	\$3,575,455	15.53%