

# Required Supplementary Information



Required  
Supplementary Information

## Ventura Regional Sanitation District

Comprehensive Annual Financial Report  
For the Fiscal Year Ended  
June 30, 2017 and June 30, 2016



**REQUIRED SUPPLEMENTARY INFORMATION**



**VENTURA REGIONAL SANITATION DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
FISCAL YEAR ENDED JUNE 30, 2017**

**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	2016-17	2015-16	2014-15
<b>TOTAL PENSION LIABILITY</b>			
Service Cost	\$ 141,501	\$ 137,380	\$ 160,741
Interest	614,981	585,486	547,331
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	-	-	-
Net Investment Income	-	(207,599)	-
Changes of Assumptions or Inputs	642,798	332,945	-
Benefit Payments, Including Refunds of Employee Contributions	(329,592)	(282,451)	(248,094)
<b>Net Change in Total Pension Liability</b>	<b>1,069,688</b>	<b>565,761</b>	<b>459,978</b>
<b>Total Pension Liability - Beginning</b>	<b>8,805,952</b>	<b>8,240,191</b>	<b>7,780,213</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 9,875,640</b>	<b>\$ 8,805,952</b>	<b>\$ 8,240,191</b>
<b>PLAN FIDUCIARY NET POSITION</b>			
Contributions - Employer	\$ 417,249	\$ 376,419	\$ 394,281
Contributions - Employee	26,725	29,566	30,728
Net Investment Income	508,099	(1,218)	111,586
Benefit Payments, Including Refunds of Employee Contributions	(329,592)	(282,451)	(248,094)
Administrative Expenses	(35,759)	(35,294)	(38,944)
<b>Net Change in Fiduciary Net Position</b>	<b>586,722</b>	<b>87,022</b>	<b>249,557</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>4,973,354</b>	<b>4,886,332</b>	<b>4,636,775</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 5,560,076</b>	<b>\$ 4,973,354</b>	<b>\$ 4,886,332</b>
<b>Plan Net Pension Liability - Ending (a) - (b)</b>	<b>\$ 4,315,564</b>	<b>\$ 3,832,598</b>	<b>\$ 3,353,859</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>56.30%</b>	<b>56.48%</b>	<b>59.30%</b>
<b>Covered-Employee Payroll</b>	<b>\$ 2,843,429</b>	<b>\$ 3,397,512</b>	<b>\$ 3,072,800</b>
<b>Plan Net Pension Liability as a Percentage of Covered-Employee Payroll</b>	<b>151.77%</b>	<b>112.81%</b>	<b>109.15%</b>

\* Measurement period 2014-15 (fiscal year 2015) was the 1st year of implementation, therefore, only three 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 any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in Assumptions: The current year change in the discount rate from 7.00% to 6.50% was made based on a change in assumptions relating to the expected rate of return on plan assets.

**VENTURA REGIONAL SANITATION DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
FISCAL YEAR ENDED JUNE 30, 2017**

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

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*Schedule of Plan Contributions - Last 10 Years\**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency/ (Excess)	Covered- Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
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%
2016-17	\$ 502,927	\$ 417,249	\$ 85,678	\$ 2,843,429	14.67%

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

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2016-17 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, 2017**

**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 <sup>(1)</sup>	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%
6/30/2016	0.478%	\$ 5,090,253	\$ 5,194,000	98.00%	80.47%

(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%
2016-17	\$ 901,879	\$ 857,714	\$ 44,165	\$ 5,194,000	16.51%

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

Change in Assumptions: There were no changes in assumptions.