



Santa Barbara County Employees' Retirement System

**GASB 74/75 Report
as of June 30, 2017**

Produced by Cheiron

November 2017

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November 6, 2017

Board of Retirement
Santa Barbara County
Employees' Retirement System
3916 State Street, Suite 210
Santa Barbara, CA 93105

Dear Members of the Board:

The purpose of this report is to provide accounting and financial reporting information under Governmental Accounting Standards Board Statements No. 74 and No. 75 (GASB 74 and GASB 75) for the Santa Barbara County Employees' Retirement System Post-Employment Healthcare Plan. This information includes:

- Determination of the discount rate as of the measurement date;
- Projection of the Total OPEB Liability from the valuation date to the measurement date;
- Sensitivity of the Net OPEB liability to changes in discount rates;
- Changes in the Net OPEB Liability;
- Schedule of Employer Contributions;
- Disclosure of Deferred Inflows and Outflows; and,
- Calculation of the Annual OPEB Expense for the employers who participate in the Santa Barbara County Employees' Retirement System Post-Employment Healthcare Plan.

If you have any questions about the report or would like additional information, please let us know.

Sincerely,
Cheiron



Graham Schmidt, ASA, FCA, MAAA
Consulting Actuary



Michael W. Schionning, FSA, MAAA
Principal Consulting Actuary

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

SECTION I – BOARD SUMMARY

Highlights

This is the first report under GASB 74 and 75. The measurement date for the Santa Barbara County Employees' Retirement System Postemployment Healthcare Plan ("Plan") is June 30, 2017. Measurements are based on the fair value of assets as of June 30, 2017 and the Total OPEB Liability as of the valuation date, June 30, 2016, updated to June 30, 2017. There were no significant events between the valuation date and the measurement date. However, for many of the employers, the beginning and end of year measurements are based on different assumptions, namely different discount rates. For employers with no change in discount rate between the beginning and end of the year, the updates only include the addition of service cost and interest cost offset by actual benefit payments. For all other employers, a gain or loss due to the assumption change must also be incorporated.

Beginning of year measurements are based on the actuarial valuation as of June 30, 2016. Because the beginning and ending values are both based on the same actuarial valuation and there were no significant events, no liability gains or losses due to experience are reported this year. In future years, liability gains and losses will be reported reflecting the liability gains and losses between actuarial valuation dates as well as any significant updates during the update period.

The table below provides an aggregated summary of the key results during this measurement period.

Table I-1 Summary of Results			
	Measurement Date		
	6/30/2017	6/30/2016	
Net OPEB Liability	\$ 135,939,868	\$	140,575,312
Deferred Outflows	57,196		0
Deferred Inflows	<u>1,258,343</u>		<u>0</u>
Net Impact on Statement of Net Position	\$ 137,141,015	\$	140,575,312
OPEB Expense (\$ Amount)	\$ 11,205,258		N/A
OPEB Expense (% of Payroll)	3.30%		N/A

The Net OPEB liability (NOL) aggregated across all participating employers decreased approximately \$5 million during the measurement period, primarily due to changes in discount rates between the beginning and end of the year. Changes in NOL due to investment gains and losses are recognized in the OPEB expense over five years, beginning in the year of occurrence. Changes in NOL due to actuarial gains and losses as well as assumption changes are recognized over the average remaining service life, determined at the beginning of each measurement

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SECTION I – BOARD SUMMARY

period. The average remaining service life differs by employer. Unrecognized amounts are reported as deferred inflows and deferred outflows.

Under GASB 45, the County and other participating employers would report a Net OPEB Obligation of approximately \$106 million as of June 30, 2017. If all of the employers covered by the Plan were to elect to use June 30, 2017 as their initial measurement date under GASB 75, the Net OPEB Obligation under GASB 45 as of June 30, 2017 would be replaced with a Net OPEB Liability as of the beginning of FYE 2018 of \$140,575,000. As of the end of FYE 2018, the County and other participating employers would report a Net OPEB liability of \$135,940,000, Deferred Outflows of \$57,000 and Deferred Inflows of \$1,258,000 related to the Plan. Consequently, the net impact on the aggregate of participating employers' Statements of Net Position due to the Plan would be \$137,141,000 as of the June 30, 2017 measurement date. In addition, any contributions between the measurement date (6/30/2017) and the employers' reporting date (6/30/2018) would be reported as deferred outflows to offset the cash outflow reported. Exhibits breaking out details by employer are shown later in this report.

For the measurement year ending June 30, 2017, the annual OPEB expense for all participating employers is \$11,205,000, or 3.30% of covered payroll. This amount is not related to the participating employers' contributions to the Plan, equal to \$14,640,000, but instead represents the change in the net impact on the aggregate of the participating employers' Statements of Net Position plus the aggregate employer contributions ($\$137,141,000 - \$140,575,000 + \$14,640,000$). Volatility in OPEB expense from year-to-year is to be expected given the short recognition periods for investment gains and losses, assumption changes, and liability gains and losses. A breakdown of the components of the net OPEB expense is shown later in the report.

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SECTION II – CERTIFICATION

The purpose of this report is to provide accounting and financial reporting information under GASB No. 74 for the Postemployment Healthcare Plan provided by the Santa Barbara County Employees' Retirement System (Plan) and under GASB No. 75 for the participating employers of the Plan. This report is for the use of the Plan, the participating employers, and their auditors in preparing financial reports in accordance with applicable law and accounting requirements. This report is not appropriate for other purposes, including the measurement of funding requirements for the Plan.

In preparing our report, we relied on information, some oral and some written, supplied by the Plan. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

Future actuarial measurements may differ significantly from the current measurements due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; and, changes in plan provisions or applicable law.

To the best of our knowledge, this report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices that are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as credentialed actuaries, collectively we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

This report was prepared for the Plan for the purposes described herein and for the use by the plan auditor in completing an audit related to the matters herein. Other users of this report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

Graham Schmidt, ASA, FCA, MAAA
Consulting Actuary

Michael W. Schionning, FSA, MAAA
Principal Consulting Actuary

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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SECTION III – DETERMINATION OF DISCOUNT RATE

The discount rates used to measure the Total OPEB liability differ by employer and are outlined in the table below.

Table III-1 GASB Discount Rate by Employer		
Employer	June, 30 2016	June, 30 2017
Santa Barbara County	7.00%	7.00%
Air Pollution Control District	7.00%	7.00%
Courts	2.85%	3.61%
Carpinteria Cemetery	2.85%	3.58%
Goleta Cemetery	2.85%	3.58%
Santa Maria Cemetery	2.85%	3.58%
SB County Assoc. of Govts	2.85%	3.58%
Summerland Sanitary	2.85%	3.58%
Carpinteria-Summerland FPO	2.85%	3.58%

The projection of cash flows used to determine the discount rates above assume that employer contributions to the Plan will continue based on their current funding policies. All employers aside from the County of Santa Barbara and the Air Pollution Control District follow a pay-as-you-go contribution policy. The Courts made a one-time contribution toward OPEB liabilities for the fiscal year ended June 30, 2017, but remain on a pay-as-you-go contribution policy. The funding policy for the County of Santa Barbara indicates that the County will make minimum annual contributions to the Plan of 4% of total pensionable payroll for all County employees participating in the SBCERS 401(a) pension plan. The funding policy for the Air Pollution Control District is to contribute the maximum allowable 401(h) contribution, which is 25% of the annual contribution to the 401(a) pension plan (other than contributions to fund past service credits).

For all employers using a pay-as-you-go plan other than the Courts, the discount rate used at the June 30, 2017 measurement date is equal to the applicable rate of the 20-year obligation bond as described by the GASB statements.

- For the County of Santa Barbara and the Air Pollution Control District, the Plan's fiduciary net position was projected to be available to make projected future benefit payments for current members for all future years. Consequently, the single equivalent rate used to determine the Total OPEB Liability as of June 30, 2016 and June 30, 2017 is 7.00%.
- For the Courts, the Plan's fiduciary net position was not projected to be available to make projected future benefit payments for current members for any year after the year ending June 30, 2019. Therefore, the single equivalent rate used to determine the Total OPEB Liability for the Courts as of June 30, 2016, prior to their contribution to the Plan, was the pay-as-you go rate of 2.85%. As of June 30, 2017 the rate is 3.61%

Appendix D shows the details of these calculations.

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SECTION IV – PROJECTION OF TOTAL OPEB LIABILITY

The Total OPEB Liability (TOL) at the beginning of the measurement year is measured as of the valuation date, June 30, 2016. The TOL at the end of the measurement year is measured as of the valuation date, June 30, 2016, and projected to the measurement date, June 30, 2017. In future years, both the beginning and end of year TOL will be measured as of the valuation date one year prior and projected to the appropriate measurement date. The table below shows the projection of the TOL at discount rates equal to the rate used for disclosure and plus and minus one percent from that rate.

Table IV-1 Projection of Total OPEB Liability from Valuation to Measurement Date			
Discount Rate	-1%	Baseline	+1%
Valuation Total OPEB Liability, 6/30/2016			
Actives	\$ 55,206,240	\$ 47,687,143	\$ 41,462,739
Deferred Vested	8,833,434	7,519,374	6,480,640
Retirees	<u>100,059,623</u>	<u>91,862,227</u>	<u>84,828,438</u>
Total	\$ 164,099,297	\$ 147,068,744	\$ 132,771,817
Service Cost	2,894,507	2,267,965	1,791,857
Benefit Payments	(8,985,415)	(8,985,415)	(8,985,415)
Interest	9,104,908	9,576,288	9,912,414
Total OPEB Liability, 6/30/2017	\$ 167,113,297	\$ 149,927,581	\$ 135,490,673

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SECTION V – GASB 74 REPORTING INFORMATION

The table below shows the changes in the Total OPEB liability (TOL), the Plan Fiduciary Net Position (i.e., fair value of Plan assets) (FNP), and the Net OPEB liability (NOL) during the measurement period ending on June 30, 2017.

This schedule is not required to be included in the Notes of the Plan's financial statements under GASB 74, although a similar schedule is required for each employer's financial statements under GASB 75. However, we have included this aggregated schedule to provide additional information to the Plan regarding the combined obligations of the employers.

Table V-1 Change in Net OPEB Liability				
	Increase (Decrease)			
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	
Balance at end of prior year	\$ 148,606,176	\$ 8,030,864	\$ 140,575,312	
Changes for the year:				
Service cost	2,353,134		2,353,134	
Interest	9,513,986		9,513,986	
Changes of benefits	0		0	
Differences between expected and actual experience	0		0	
Changes of assumptions	(1,560,300)		(1,560,300)	
Contributions - employer		14,639,554	(14,639,554)	
Contributions - member		0	0	
Net investment income		682,671	(682,671)	
Benefit payments	(8,985,415)	(8,985,415)	0	
Administrative expense		(379,961)	379,961	
Net changes	<u>1,321,405</u>	<u>5,956,849</u>	<u>(4,635,444)</u>	
Balance at end of current year	<u>\$ 149,927,581</u>	<u>\$ 13,987,713</u>	<u>\$ 135,939,868</u>	

During the measurement year, the NOL decreased by approximately \$5 million. The service cost and interest cost increased the NOL by approximately \$12 million while contributions plus investment income offset by administrative expenses decreased the NOL by approximately \$15 million.

There were no changes in benefits during the year. There were changes to discount rate assumptions during the measurement year, which decreased the NOL by approximately \$2 million. Because the beginning and ending values are based on the same actuarial valuation and there were no significant events, no liability gains or losses during the year due to experience are reported.

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SECTION V – GASB 74 REPORTING INFORMATION

Changes in the discount rate affect the measurement of the TOL. Lower discount rates produce a higher TOL and higher discount rates produce a lower TOL. The table below shows the sensitivity of the NOL to the discount rate.

Table V-2			
Sensitivity of Net OPEB Liability to Changes in Discount Rate			
	1%	Baseline	1%
	Decrease	Discount	Increase
		Rate	
Total OPEB Liability	\$ 167,113,297	\$ 149,927,581	\$ 135,490,673
Plan Fiduciary Net Position	<u>13,987,713</u>	<u>13,987,713</u>	<u>13,987,713</u>
Net OPEB Liability	<u>\$ 153,125,584</u>	<u>\$ 135,939,868</u>	<u>\$ 121,502,960</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	8.4%	9.3%	10.3%

As above, this schedule is not required to be included in the Notes of the Plan's financial statements under GASB 74, although a similar schedule is required for each employer's financial statements under GASB 75. However, we have included this aggregated schedule to provide additional information to the Plan regarding the sensitivity of the overall obligations of the employers to changes in the discount rate.

A one percent decrease in the discount rate increases the TOL by approximately 11% and increases the NOL by approximately 13%. A one percent increase in the discount rate decreases the TOL by approximately 10% and decreases the NOL by approximately 11%.

Since the dollar amount of the benefits provided are not expected to increase and are below the current premiums for health benefits, no trend assumptions are used in calculating the OPEB liabilities. Therefore, the results are not affected by any increase or decrease in the healthcare trend rates that may apply to the underlying benefit premiums in the future.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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SECTION V – GASB 74 REPORTING INFORMATION

The schedule below shows the changes in NOL and related ratios required to be shown by each of the employers in their Required Supplementary Information, aggregated across all employers. These schedules generally start with information as of the implementation of GASB 75, and eventually will build up to 10 years of information. The covered payroll represents actual pensionable pay during the measurement year.

Table V-3	
Schedule of Changes in Net OPEB Liability and Related Ratios	
FYE 2017	
<u>Total OPEB Liability</u>	
Service cost (BOY)	\$ 2,353,134
Interest (includes interest on service cost)	9,513,986
Changes of benefit terms	0
Differences between expected and actual experience	(0)
Changes of assumptions	(1,560,300)
Benefit payments, including refunds of member contributions	(8,985,415)
Net change in total OPEB liability	\$ 1,321,405
Total OPEB liability - beginning	148,606,176
Total OPEB liability - ending	\$ 149,927,581
<u>Plan fiduciary net position</u>	
Contributions - employer	\$ 14,639,554
Contributions - member	0
Net investment income	682,671
Benefit payments, including refunds of member contributions	(8,985,415)
Administrative expense	(379,961)
Net change in plan fiduciary net position	\$ 5,956,849
Plan fiduciary net position - beginning	8,030,864
Plan fiduciary net position - ending	\$ 13,987,713
Net OPEB liability - ending	\$ 135,939,868
Plan fiduciary net position as a percentage of the total OPEB liability	9.33%
Covered employee payroll	\$ 339,732,772
Net OPEB liability as a percentage of covered payroll	40.01%

No amount has been determined on an actuarial basis to fund the Plan, and consequently, the schedule of employer contributions is not provided.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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SECTION VI – GASB 75 REPORTING INFORMATION

Employers that participate in the Plan are not required to implement GASB 75 until their reporting date of June 30, 2018. However, the amounts reported as of June 30, 2018 can be based on either the June 30, 2017 or 2018 measurement dates. The schedules in this section are provided in the event the employers either elect to implement GASB 75 early or elect to use the 2017 measurement date for their 2018 reporting.

Because the Plan is an agent multiple employer OPEB plan, each employer participating in the Plan need only reflect OPEB liabilities, OPEB expenses, deferred outflows and deferred inflows based on their own experience in their financial statements. The impact of experience gains or losses and assumption changes on the TOL are recognized in expense over the average expected remaining service life of all active and inactive members of each employer in the Plan. As of the measurement date, this recognition period for each employer is outlined in the table below.

Table VI-1 Recognition Period by Employer	
Employer	Average Remaining Service Lifetime
Santa Barbara County	4.0
Air Pollution Control District	3.0
Courts	6.0
Carpinteria Cemetery	7.0
Goleta Cemetery	2.0
Santa Maria Cemetery	5.0
SB County Assoc. of Govts	5.0
Summerland Sanitary	7.0
Carpinteria-Summerland FPO	3.0

During the year, there were no experience gains or losses.

There were changes in the discount rate assumptions from 2016 to 2017, leading to a decrease in the TOL of approximately \$1.6 million. Approximately \$310,000 of that gain was recognized as a decrease in OPEB expense in the current year. The remaining amount will be recognized over the next six years. However, the amount recognized in each year is not identical because each employer has a different recognition period. The resulting deferred inflow of resources as of June 30, 2017 is approximately \$1.2 million due to the current year.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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SECTION VI – GASB 75 REPORTING INFORMATION

The impact of investment gains or losses is recognized over a period of five years for all plans with assets held in trust by SBCERS. During the measurement year, there was an investment loss of approximately \$61,000. Approximately \$12,000 of that loss was recognized in the current year and an identical amount will be recognized in each of the next four years, resulting in a deferred outflow of resources as of June 30, 2017 of approximately \$49,000.

The tables below summarize the current balances of deferred outflows and deferred inflows of resources related to each employer in the Plan along with the net recognition over the next five years and the total recognition thereafter, if any.

Table VI-2				
Schedule of Employers' Deferred Outflows as of June 30, 2017 Measurement Date				
Employer	Source			
	Experience	Assumption Changes	Investment Return	
Santa Barbara County	\$ 0	\$ 0	\$ 22,375	
Air Pollution Control District	0	0	0	
Courts	0	0	34,821	
Carpinteria Cemetery	0	0	0	
Goleta Cemetery	0	0	0	
Santa Maria Cemetery	0	0	0	
SB County Assoc. of Govts	0	0	0	
Summerland Sanitary	0	0	0	
Carpinteria-Summerland FPO	0	0	0	
Total	\$ 0	\$ 0	\$ 57,196	

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SECTION VI – GASB 75 REPORTING INFORMATION

**Table VI-3
Schedule of Employers' Deferred Inflows at June 30, 2017
Measurement Date**

Employer	Experience	Assumption Changes	Investment Return
Santa Barbara County	\$ 0	\$ 0	\$ 0
Air Pollution Control District	0	0	8,425
Courts	0	953,050	0
Carpinteria Cemetery	0	6,492	0
Goleta Cemetery	0	6,168	0
Santa Maria Cemetery	0	33,228	0
SB County Assoc. of Govts	0	66,233	0
Summerland Sanitary	0	14,149	0
Carpinteria-Summerland FPO	0	170,598	0
Total	\$ 0	\$ 1,249,918	\$ 8,425

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SECTION VI – GASB 75 REPORTING INFORMATION

Table VI-4							
Schedule of Employers' Recognition of Deferred Outflows and Inflows as of June 30, 2017							
Employer	Recognition for Measurement Year Ending						Thereafter
	2018	2019	2020	2021	2022		
Santa Barbara County	\$ 5,594	\$ 5,594	\$ 5,594	\$ 5,593	\$ 0	\$ 0	0
Air Pollution Control District	(2,106)	(2,106)	(2,106)	(2,107)	0	0	0
Courts	(181,905)	(181,905)	(181,905)	(181,904)	(190,610)		0
Carpinteria Cemetery	(1,082)	(1,082)	(1,082)	(1,082)	(1,082)		(1,082)
Goleta Cemetery	(6,168)	0	0	0	0		0
Santa Maria Cemetery	(8,307)	(8,307)	(8,307)	(8,307)	0		0
SB County Assoc. of Govts	(16,558)	(16,558)	(16,558)	(16,558)	0		0
Summerland Sanitary	(2,358)	(2,358)	(2,358)	(2,358)	(2,358)		(2,358)
Carpinteria-Summerland FPO	(85,299)	(85,299)	0	0	0		0
Total	\$ (298,189)	\$ (292,021)	\$ (206,722)	\$ (206,724)	\$ (194,050)	\$ (3,440)	

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SECTION VI – GASB 75 REPORTING INFORMATION

The annual OPEB expense recognized by each employer is the change in the amounts reported on the employer's Statements of Net Position that relate to the Plan and are not attributable to employer contributions. That is, it is the change in NPL plus the changes in deferred outflows and inflows plus employer contributions. The table below shows the development of this OPEB expense by employer.

**Table VI-5
Schedule of Employers' OPEB Expense for the Measurement Year Ending June 30, 2017**

Employer	Change in Employer				
	Net OPEB Liability	Total Deferred Outflows	Total Deferred Inflows	Actual Employer Contributions	Employer Total OPEB Expense
Santa Barbara County	\$ (2,061,493)	\$ 22,375	\$ (0)	\$ 12,642,216	\$ 10,558,348
Air Pollution Control District	(137,688)	0	(8,426)	162,872	33,610
Courts	(2,099,388)	34,821	(953,050)	1,651,220	470,061
Carpinteria Cemetery	(4,944)	0	(6,492)	2,347	3,895
Goleta Cemetery	(2,402)	0	(6,168)	2,645	6,411
Santa Maria Cemetery	(35,521)	0	(33,228)	17,986	15,693
SB County Assoc. of Govts	(37,071)	0	(66,233)	4,125	33,286
Summerland Sanitary	(9,671)	0	(14,149)	4,847	9,324
Carpinteria-Summerland FPO	(247,266)	0	(170,598)	151,297	74,629
Total	\$ (4,635,444)	\$ 57,196	\$ (1,258,343)	\$ 14,639,554	\$ 11,205,258

Additional schedules, by employer, are provided in Appendix E.

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APPENDIX A – MEMBERSHIP INFORMATION

The census data used to develop the Total OPEB Liability as of June 30, 2017 is the same census data used in our June 30, 2016 actuarial valuation. Please refer to the actuarial valuation report for a more complete summary of the census data.

	June 30, 2014	June 30, 2016	% Change
Active Employees*			
Count	3,707	3,346	(9.74%)
Average Age	46.8	47.4	1.28%
Average Service	13.8	14.9	7.74%
Total Payroll	\$ 282,962,944	\$ 269,244,794	(4.85%)
Count of Terminated Vested Participants	890	926	4.04%
Average Age	48.5	48.9	0.85%
Count of Retired Participants	3,246	3,247	0.03%
Average Age	69.2	69.9	1.11%
Count of Disabled Participants	240	240	0.00%
Average Age	65.5	66.8	2.02%
Count of Surviving Spouses	408	489	19.85%
Average Age	74.6	72.5	(2.80%)
Total Count of Inactive Participants	3,894	3,976	2.11%

* Active census and salary information includes only those eligible for the OPEB benefit, and as a result will not match the SBCERS pension census information for the same period.

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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

The assumptions and methodology used in developing the TOL as of June 30, 2017 are the same as those summarized in the June 30, 2016 actuarial valuation. The summary from the June 30, 2016 actuarial valuation report is repeated here for convenience.

Economic Assumptions

- 1. Expected Return on Plan Assets:** 7.00% per year
- 2. Payroll Growth Rate:** 3.00% per year
- 3. Per Person Cost Trends :** N/A

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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

Demographic Assumptions

1. Retirement Rates for active employees:

Rates of retirement are based on age and service according to the following table. The rates for Safety PEPPRA members are the same as the Safety Plan 4 rates.

Rates of Retirement								
Age	General		General - PEPPRA		Safety			
	Svc < 30	Svc >= 30	Male	Female	Plan 4		Plan 6	
					Svc < 20	Svc >= 20	Svc < 20	Svc >= 20
< 34	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
35	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	1.00%
36	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	1.00%
37	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	1.00%
38	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	1.00%
39	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	1.00%
40	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	1.00%
41	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	1.00%
42	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	1.00%
43	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	1.00%
44	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	1.00%
45	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	1.00%
46	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	2.00%
47	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	5.00%
48	0.00%	4.00%	0.00%	0.00%	0.00%	1.00%	0.00%	5.00%
49	0.00%	4.00%	0.00%	0.00%	0.00%	3.00%	0.00%	17.00%
50	3.00%	4.00%	0.00%	0.00%	4.00%	4.00%	20.00%	25.00%
51	3.00%	4.00%	0.00%	0.00%	4.00%	4.00%	15.00%	15.00%
52	3.00%	4.00%	2.40%	1.80%	4.00%	4.00%	15.00%	20.00%
53	3.00%	4.00%	2.40%	1.80%	5.00%	5.00%	15.00%	20.00%
54	3.00%	5.00%	2.40%	5.40%	10.00%	20.00%	15.00%	30.00%
55	5.00%	10.00%	2.40%	5.40%	10.00%	35.00%	25.00%	35.00%
56	5.00%	10.00%	3.60%	5.40%	10.00%	20.00%	15.00%	25.00%
57	7.00%	10.00%	3.60%	5.40%	10.00%	25.00%	15.00%	25.00%
58	7.00%	10.00%	3.60%	5.40%	10.00%	25.00%	15.00%	25.00%
59	7.00%	10.00%	7.20%	7.20%	10.00%	25.00%	15.00%	25.00%
60	7.00%	15.00%	9.00%	9.00%	25.00%	25.00%	15.00%	25.00%
61	15.00%	30.00%	15.00%	10.80%	15.00%	25.00%	15.00%	25.00%
62	25.00%	40.00%	20.00%	20.00%	30.00%	25.00%	15.00%	25.00%
63	15.00%	40.00%	20.00%	20.00%	20.00%	30.00%	15.00%	25.00%
64	26.00%	40.00%	20.00%	20.00%	20.00%	30.00%	15.00%	25.00%
65	26.00%	40.00%	25.00%	25.00%	100.00%	100.00%	100.00%	100.00%
66	26.00%	40.00%	25.00%	25.00%				
67	26.00%	40.00%	40.00%	40.00%				
68	26.00%	40.00%	25.00%	25.00%				
69	26.00%	40.00%	25.00%	25.00%				
70	26.00%	40.00%	25.00%	25.00%				
71	26.00%	40.00%	25.00%	25.00%				
72	26.00%	40.00%	25.00%	25.00%				
73	26.00%	40.00%	25.00%	25.00%				
74	26.00%	40.00%	25.00%	25.00%				
75	100.00%	100.00%	100.00%	100.00%				

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

2. Retirement Rates for terminated vested participants:

The table below shows the assumed retirement ages for terminated vested participants.

Plan	Assumed Retirement Age
APCD 1,2 / General 5A,B,C / Plan 7 / Plan 8 (PEPRA)	58
General Plan 2	65
Safety Plan 4A,B,C, Safety Plan 8 (PEPRA)	54
Safety Plan 6A,B,C	52

3. Rates of Termination:

Sample rates of termination are show in the following table below. The 1.30% rate of termination continues for Safety PEPRA members with 20 or more years of service who are not eligible to retire.

Rates of Termination		
Service	General	Safety
0	20.00%	9.00%
1	14.00%	9.00%
2	10.00%	3.50%
3	8.00%	3.00%
4	7.00%	3.00%
5	6.00%	5.00%
6	6.00%	2.75%
7	5.00%	2.75%
8	5.00%	2.75%
9	4.50%	2.75%
10	4.50%	2.00%
11	3.50%	1.50%
12	3.50%	1.30%
13	3.00%	1.30%
14	2.50%	1.30%
15	2.50%	1.30%
16	2.50%	1.30%
17	1.50%	1.30%
18	1.50%	1.30%
19	1.50%	1.30%
20	1.50%	0.00%
21	1.50%	
22	1.50%	
23	1.50%	
24	1.50%	
25	1.50%	
26	1.50%	
27	1.50%	
28	1.50%	
29	1.50%	
30	0.00%	

** Termination rates do not apply once a member is eligible for retirement.*

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

4. Rate of Mortality:

Healthy Lives:

Mortality rates for retirees, beneficiaries, terminated vested, and reciprocals are based on the sex distinct CalPERS Healthy Annuitant Mortality Tables adjusted by 0.95 for males and 0.90 for females, with Generational improvement using Projection Scale MP-2016 from a base year of 2009.

Non-duty related mortality rates for active members are based on the sex distinct CalPERS Preretirement Non-Industrial Mortality Table, with no adjustment, with Generational improvement using Projection Scale MP-2016 from a base year of 2009. Safety members are also subject to the CalPERS Preretirement Industrial Mortality Table for duty-related deaths, with the same Generational improvements applied.

Disabled Lives:

Mortality rates for disabled retirees are based on CalPERS Industrial Disabled Annuitant Mortality, with no adjustment (Safety only), CalPERS Non-Industrial Disabled Annuitant Mortality, with no adjustment (General only), with Generational improvement using Projection Scale MP-2016 from a base year of 2009.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

5. Disability Rates:

Disability rates of active participants are shown below.

Rates of Disability				
Age	General		Safety	
	Years of Service		Years of Service	
	Less than 5	5 or More	Less than 5	5 or More
29 or less	0.004%	0.010%	0.045%	0.050%
30	0.004%	0.010%	0.054%	0.060%
31	0.004%	0.010%	0.054%	0.060%
32	0.004%	0.010%	0.054%	0.060%
33	0.004%	0.010%	0.054%	0.060%
34	0.004%	0.010%	0.054%	0.060%
35	0.004%	0.010%	0.090%	0.100%
36	0.008%	0.020%	0.090%	0.100%
37	0.008%	0.020%	0.090%	0.100%
38	0.008%	0.020%	0.090%	0.100%
39	0.008%	0.020%	0.090%	0.100%
40	0.008%	0.020%	0.117%	0.130%
41	0.008%	0.020%	0.117%	0.130%
42	0.012%	0.030%	0.117%	0.130%
43	0.016%	0.040%	0.117%	0.130%
44	0.020%	0.050%	0.117%	0.130%
45	0.024%	0.060%	0.135%	0.150%
46	0.024%	0.060%	0.162%	0.180%
47	0.024%	0.060%	0.180%	0.200%
48	0.024%	0.060%	0.225%	0.250%
49	0.024%	0.060%	0.225%	0.250%
50	0.028%	0.070%	0.252%	0.280%
51	0.028%	0.070%	0.270%	0.300%
52	0.028%	0.070%	0.450%	0.500%
53	0.028%	0.070%	0.450%	0.500%
54	0.028%	0.070%	0.450%	0.500%
55	0.040%	0.100%	0.450%	0.500%
56	0.040%	0.100%	0.450%	0.500%
57	0.040%	0.100%	0.450%	0.500%
58	0.040%	0.100%	0.450%	0.500%
59	0.040%	0.100%	0.450%	0.500%
60	0.060%	0.150%	0.720%	0.800%
61	0.060%	0.150%	0.720%	0.800%
62	0.060%	0.150%	0.720%	0.800%
63	0.060%	0.150%	0.720%	0.800%
64	0.060%	0.150%	0.720%	0.800%
65	0.060%	0.150%	0.000%	0.000%
66	0.060%	0.150%		
67	0.060%	0.150%		
68	0.060%	0.150%		
69	0.060%	0.150%		
70	0.060%	0.150%		
71	0.060%	0.150%		
72	0.060%	0.150%		
73	0.060%	0.150%		
74	0.060%	0.150%		
75	0.000%	0.000%		

40% of General disabilities and 90% of Safety disabilities where the member has five or more years of service are assumed to be service-related. All disabilities for those with less than five years of service are assumed to be service-related.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

6. Salary Increase Rate

Wage inflation component: 3.00%

Additional longevity and promotion component:

Longevity and Promotion Increases		
Service	General	Safety
0	4.75%	6.00%
1	4.00%	5.00%
2	3.25%	4.00%
3	2.50%	3.25%
4	2.00%	2.50%
5	1.50%	2.00%
6	1.25%	1.60%
7	1.00%	1.30%
8	0.90%	1.20%
9	0.80%	1.10%
10	0.78%	1.00%
11	0.75%	0.95%
12	0.70%	0.92%
13	0.65%	0.89%
14	0.60%	0.87%
15	0.55%	0.85%
16	0.50%	0.82%
17	0.48%	0.80%
18	0.46%	0.77%
19	0.44%	0.74%
20	0.42%	0.72%
21	0.40%	0.69%
22	0.38%	0.67%
23	0.36%	0.64%
24	0.34%	0.62%
25	0.32%	0.59%
26	0.30%	0.57%
27	0.28%	0.54%
28	0.26%	0.52%
29	0.25%	0.50%
30+	0.25%	0.50%

** Increases are compound rather than additive.*

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

- 7. Plan Election:** We assumed that 55% of future retirees will select a monthly subsidy for employer health plan benefits of \$15 per year of service, while 45% will select the \$4 cash benefit option.
- 8. Family Composition:** Percentage married for all active members who retire, become disabled, or die during active service is shown in the table below.

Percentage Married	
Gender	Percentage
Males	75%
Females	55%

- 9. Dependent Age:** For current retirees, actual spouse date of birth was used when available. For future retirees, male retirees are assumed to be three years older than their partner, and female retirees are assumed to be two years younger than their partner.
- 10. Married Percentage:** We assumed that future retirees will select a 60% Joint and Survivor annuity upon retirement.

Changes Since Last Valuation

The demographic assumptions were updated to be consistent with the SBCERS Pension Valuation, including the assumptions for retirement, mortality, disability, termination, and salary increases. The plan election assumption was updated to reflect current experience.

Methodology:

The Entry Age Normal actuarial funding method was used for active employees, whereby the normal cost is computed as the level annual percentage of pay required to fund the postemployment benefits between each member's date of hire and assumed retirement. The actuarial liability is the difference between the present value of future benefits and the present value of future normal cost. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

Amortization Cost

The actuarial value of the assets on hand to pay future benefits is subtracted from the *Actuarial Accrued Liability*, producing the *Unfunded Actuarial Accrued Liability*. Current contribution rates are fixed, so no specific amortization method is applied.

Actuarial Value of Plan Assets

The participating employers of the Santa Barbara County Employees' Retirement System contribute to a 401(h) account. It is assumed these assets will be used to pay for the retiree health benefits. The actuarial value of assets is equal to the market value.

Funding

The cost of the benefits provided by the Plan is currently being funded by the participating employers as shown in the chart below.

Group	Funding Policy
Santa Barbara County	4.00% of total pension plan payroll
Carpinteria Summerland FPD	Pay-as-you-go
Santa Maria Cemetery	Pay-as-you-go
Goleta Cemetery	Pay-as-you-go
SBCAG	Pay-as-you-go
Summerland Sanitary	Pay-as-you-go
Carpinteria Cemetery	Pay-as-you-go
APCD	Pre-fund 401(h) up to IRS 25% limit
Courts	Pay-as-you-go

Changes Since The Last Valuation:

None

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

APPENDIX C – SUMMARY OF PLAN PROVISIONS

Summary of Key Substantive Plan Provisions:

All actuarial calculations are based on our understanding of the statutes governing SBCERS as contained in the County Employees Retirement Law (CERL) of 1937, with provisions adopted by the County Board of Supervisors, a district Board of Directors, or the SBCERS Board, effective through June 30, 2016. The benefits are summarized briefly below. This summary does not attempt to cover all the detailed provisions of the law. The OPEB plan is an agent multiple employer plan with nine participating employers.

There have been no changes to the Plan provisions since the prior valuation.

This report does not reflect future changes in benefits, penalties, taxes, or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 related legislation and regulations.

Eligibility: Participation is based upon eligibility for pension benefits from SBCERS, and employers' election to participate in the 401(h) Subsidy/Supplement program.

Plan Participation by Employer*										
Benefit Plans	APCD 1	APCD 2	APCD 8	General 2	General 5	General 7	General 8	Safety 4	Safety 6	Safety 8
Santa Barbara County				Yes	Yes	No	No	Yes	Yes	Yes**
Carpinteria-Summerland-FPO					Yes		Yes	Yes		Yes
Santa Maria Cemetery					Yes					
Goleta Cemetery					Yes					
SB County Assoc of Govts					Yes		No			
Summerland Sanitary					Yes		Yes			
Carpinteria Cemetery					Yes					
Air Pollution Control District***	Yes	Yes	No		Yes	Yes				
Courts				Yes	Yes		Yes			
Oak Hill Cemetery					No					
Mosquito & Vector Control					No					

* Yes = Employer had members enrolled in the plan and were eligible for benefits

No = Employer had members enrolled in the plan, but they were not eligible for benefits

Empty = Employer did not have members enrolled in the Plan

** Benefits will phase out for all employees hired into Santa Barbara County Safety positions by January 16, 2017

*** Employees hired into the Air Pollution Control District after August 16, 2012 are not eligible for benefits

Benefits: Eligible members can choose a monthly subsidy for County health plan benefits of \$15 per year of service. If the monthly premium for the health plan selected is less than \$15 times the member's years of service, the subsidy is limited to the entire premium. The health plans can include coverage for eligible spouses and dependents.

If a member does not elect a County health plan, the member receives a monthly cash benefit equal to \$4 per year of service.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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APPENDIX C – SUMMARY OF PLAN PROVISIONS

If a member is eligible for a disability retirement benefit, the member can receive a monthly health plan subsidy of \$187 per month or \$15 per year of service, whichever is greater.

After the member's death, a surviving spouse is eligible to continue health plan coverage. The monthly subsidy benefit will be equal to \$15 per year of service times the survivor continuation percentage applicable for pension benefits.

SBCAG employees have a different benefit plan; active members hired on or after January 1, 2010 are ineligible for the County plan; they have a separate plan administered by SBCAG that provides benefits through CalPERS and are not part of this plan and are not included in this valuation.

Changes Since The Last Valuation:

There have been no changes to the plan provisions since the last valuation.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

APPENDIX D – DETERMINATION OF DISCOUNT RATE – SANTA BARBARA COUNTY

FYE	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments
2017	6,876,750	12,642,216	8,341,842	352,257	892,336	11,717,203	8,341,842	0
2018	11,717,203	13,136,842	8,908,815	362,825	953,198	16,535,604	8,908,815	0
2019	16,535,604	13,502,167	9,159,460	373,710	1,294,058	21,798,659	9,159,460	0
2020	21,798,659	13,878,019	9,401,287	384,921	1,666,697	27,557,167	9,401,287	0
2021	27,557,167	14,260,977	9,640,831	396,469	2,074,330	33,855,173	9,640,831	0
2022	33,855,173	14,655,562	9,894,928	408,363	2,519,615	40,727,060	9,894,928	0
2023	40,727,060	15,062,209	10,136,499	420,614	3,005,906	48,238,062	10,136,499	0
2024	48,238,062	15,480,700	10,366,982	433,232	3,537,711	56,456,258	10,366,982	0
2025	56,456,258	15,914,325	10,573,364	446,229	4,120,356	65,471,347	10,573,364	0
2026	65,471,347	16,359,939	10,770,657	459,616	4,759,496	75,360,509	10,770,657	0
2027	75,360,509	16,816,326	10,946,980	473,404	5,460,899	86,217,349	10,946,980	0
2028	86,217,349	17,288,496	11,108,893	487,606	6,231,065	98,140,412	11,108,893	0
2029	98,140,412	17,776,427	11,238,181	502,234	7,077,516	111,253,941	11,238,181	0
2030	111,253,941	18,277,864	11,358,972	517,301	8,008,042	125,663,573	11,358,972	0
2031	125,663,573	18,794,570	11,464,629	532,820	9,030,326	141,491,020	11,464,629	0
2032	141,491,020	19,327,230	11,551,814	548,805	10,153,025	158,870,656	11,551,814	0
2033	158,870,656	19,877,164	11,627,354	565,269	11,385,356	177,940,553	11,627,354	0
2034	177,940,553	20,444,140	11,668,828	582,227	12,737,747	198,871,386	11,668,828	0
2035	198,871,386	21,027,846	11,678,108	599,694	14,222,069	221,843,499	11,678,108	0
2036	221,843,499	21,629,724	11,673,393	617,685	15,850,369	247,032,514	11,673,393	0
2037	247,032,514	22,249,773	11,648,214	636,216	17,635,164	274,633,021	11,648,214	0
2038	274,633,021	22,889,770	11,603,819	655,302	19,590,091	304,853,761	11,603,819	0
2039	304,853,761	23,550,108	11,526,924	674,961	21,730,233	337,932,217	11,526,924	0
2040	337,932,217	24,232,689	11,421,739	695,210	24,072,134	374,120,090	11,421,739	0
2041	374,120,090	24,938,430	11,291,318	716,066	26,633,338	413,684,474	11,291,318	0
2042	413,684,474	25,666,985	11,131,101	737,548	29,432,687	456,915,497	11,131,101	0
2043	456,915,497	26,418,852	10,941,696	759,674	32,490,485	504,123,463	10,941,696	0
2044	504,123,463	27,194,356	10,733,452	782,464	35,828,107	555,630,011	10,733,452	0
2045	555,630,011	27,995,284	10,502,691	805,938	39,468,256	611,784,921	10,502,691	0
2046	611,784,921	28,822,441	10,240,531	830,116	43,435,749	672,972,465	10,240,531	0
2047	672,972,465	29,676,227	9,956,915	855,019	47,757,156	739,593,914	9,956,915	0
2048	739,593,914	30,557,514	9,652,965	880,670	52,460,556	812,078,348	9,652,965	0
2049	812,078,348	31,466,785	9,333,333	907,090	57,575,842	890,880,552	9,333,333	0
2050	890,880,552	32,405,016	9,001,924	934,303	63,134,746	976,484,086	9,001,924	0
2051	976,484,086	33,373,083	8,661,118	962,332	69,171,064	1,069,404,782	8,661,118	0

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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APPENDIX D – DETERMINATION OF DISCOUNT RATE – SANTA BARBARA COUNTY

FYE	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments
2052	1,069,404,782	34,370,978	8,314,535	991,202	75,720,781	1,170,190,805	8,314,535	0
2053	1,170,190,805	35,399,726	7,965,076	1,020,938	82,822,200	1,279,426,717	7,965,076	0
2054	1,279,426,717	36,459,798	7,615,881	1,051,566	90,516,151	1,397,735,220	7,615,881	0
2055	1,397,735,220	37,552,408	7,268,307	1,083,113	98,846,214	1,525,782,422	7,268,307	0
2056	1,525,782,422	38,678,095	6,924,086	1,115,606	107,858,977	1,664,279,802	6,924,086	0
2057	1,664,279,802	39,837,945	6,584,015	1,149,074	117,604,251	1,813,988,908	6,584,015	0
2058	1,813,988,908	41,032,742	6,248,949	1,183,546	128,135,342	1,975,724,497	6,248,949	0
2059	1,975,724,497	42,263,486	5,919,589	1,219,052	139,509,292	2,150,358,634	5,919,589	0
2060	2,150,358,634	43,531,269	5,596,185	1,255,624	151,787,173	2,338,825,267	5,596,185	0
2061	2,338,825,267	44,837,207	5,279,421	1,293,293	165,034,375	2,542,124,135	5,279,421	0
2062	2,542,124,135	46,182,324	4,969,721	1,332,092	179,320,900	2,761,325,546	4,969,721	0
2063	2,761,325,546	47,567,793	4,667,509	1,372,055	194,721,693	2,997,575,468	4,667,509	0
2064	2,997,575,468	48,994,827	4,373,025	1,413,217	211,317,006	3,252,101,060	4,373,025	0
2065	3,252,101,060	50,464,672	4,086,436	1,455,614	229,192,774	3,526,216,455	4,086,436	0
2066	3,526,216,455	51,978,612	3,808,124	1,499,282	248,441,017	3,821,328,678	3,808,124	0
2067	3,821,328,678	53,537,970	3,538,253	1,544,260	269,160,265	4,138,944,400	3,538,253	0
2068	4,138,944,400	55,144,110	3,277,062	1,590,588	291,456,023	4,480,676,883	3,277,062	0
2069	4,480,676,883	56,798,433	3,024,789	1,638,306	315,441,257	4,848,253,478	3,024,789	0
2070	4,848,253,478	58,502,386	2,781,709	1,687,455	341,236,921	5,243,523,621	2,781,709	0
2071	5,243,523,621	60,257,457	2,548,010	1,738,079	368,972,519	5,668,467,509	2,548,010	0
2072	5,668,467,509	62,065,181	2,323,961	1,790,221	398,786,706	6,125,205,213	2,323,961	0
2073	6,125,205,213	63,927,136	2,110,006	1,843,928	430,827,925	6,616,006,341	2,110,006	0
2074	6,616,006,341	65,844,951	1,906,489	1,899,246	465,255,092	7,143,300,649	1,906,489	0
2075	7,143,300,649	67,820,299	1,713,721	1,956,223	502,238,334	7,709,689,338	1,713,721	0
2076	7,709,689,338	69,854,908	1,531,969	2,014,910	541,959,783	8,317,957,150	1,531,969	0
2077	8,317,957,150	71,950,555	1,361,481	2,075,357	584,614,423	8,971,085,290	1,361,481	0
2078	8,971,085,290	74,109,072	1,202,459	2,137,618	630,410,993	9,672,265,278	1,202,459	0
2079	9,672,265,278	76,332,344	1,054,950	2,201,747	679,572,960	10,424,913,886	1,054,950	0
2080	10,424,913,886	78,622,314	918,911	2,267,799	732,339,564	11,232,689,054	918,911	0
2081	11,232,689,054	80,980,984	794,338	2,335,833	788,966,928	12,099,506,795	794,338	0
2082	12,099,506,795	83,410,413	681,069	2,405,908	849,729,248	13,029,559,480	681,069	0
2083	13,029,559,480	85,912,726	578,726	2,478,085	914,920,073	14,027,335,467	578,726	0
2084	14,027,335,467	88,490,108	486,898	2,552,428	984,853,677	15,097,639,926	486,898	0
2085	15,097,639,926	91,144,811	405,257	2,629,001	1,059,866,507	16,245,616,986	405,257	0
2086	16,245,616,986	93,879,155	333,386	2,707,871	1,140,318,743	17,476,773,627	333,386	0

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

APPENDIX D – DETERMINATION OF DISCOUNT RATE – SANTA BARBARA COUNTY

FYE	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments
2087	17,476,773,627	96,695,530	270,827	2,789,107	1,226,595,972	18,797,005,195	270,827	0
2088	18,797,005,195	99,596,396	217,063	2,872,780	1,319,110,965	20,212,622,713	217,063	0
2089	20,212,622,713	102,584,288	171,551	2,958,963	1,418,305,600	21,730,382,086	171,551	0
2090	21,730,382,086	105,661,816	133,608	3,047,732	1,524,652,899	23,357,515,461	133,608	0
2091	23,357,515,461	108,831,671	102,465	3,139,164	1,638,659,229	25,101,764,732	102,465	0
2092	25,101,764,732	112,096,621	77,344	3,233,339	1,760,866,642	26,971,417,312	77,344	0
2093	26,971,417,312	115,459,519	57,426	3,330,339	1,891,855,382	28,975,344,448	57,426	0
2094	28,975,344,448	118,923,305	41,940	3,430,249	2,032,246,558	31,123,042,122	41,940	0
2095	31,123,042,122	122,491,004	30,139	3,533,156	2,182,705,018	33,424,674,849	30,139	0
2096	33,424,674,849	126,165,734	21,297	3,639,151	2,343,942,407	35,891,122,542	21,297	0
2097	35,891,122,542	129,950,706	14,769	3,748,326	2,516,720,447	38,534,030,600	14,769	0
2098	38,534,030,600	133,849,228	10,049	3,860,776	2,701,854,445	41,365,863,448	10,049	0
2099	41,365,863,448	137,864,704	6,707	3,976,599	2,900,217,038	44,399,961,884	6,707	0
2100	44,399,961,884	142,000,645	4,372	4,095,897	3,112,742,214	47,650,604,475	4,372	0
2101	47,650,604,475	146,260,665	2,768	4,218,774	3,340,429,602	51,133,073,200	2,768	0
2102	51,133,073,200	150,648,485	1,692	4,345,337	3,584,349,071	54,863,723,727	1,692	0
2103	54,863,723,727	155,167,939	989	4,475,697	3,845,645,652	58,860,060,632	989	0
2104	58,860,060,632	159,822,977	553	4,609,968	4,125,544,801	63,140,817,890	553	0
2105	63,140,817,890	164,617,667	290	4,748,267	4,425,358,036	67,726,045,035	290	0
2106	67,726,045,035	169,556,197	142	4,890,715	4,746,488,965	72,637,199,341	142	0
2107	72,637,199,341	174,642,883	60	5,037,436	5,090,439,743	77,897,244,470	60	0
2108	77,897,244,470	179,882,169	22	5,188,559	5,458,817,977	83,530,756,035	22	0
2109	83,530,756,035	185,278,634	9	5,344,216	5,853,344,113	89,564,034,558	9	0
2110	89,564,034,558	190,836,993	3	5,504,542	6,275,859,346	96,025,226,352	3	0
2111	96,025,226,352	196,562,103	1	5,669,678	6,728,334,079	102,944,452,855	1	0
2112	102,944,452,855	202,458,966	0	5,839,768	7,212,876,982	110,353,949,035	0	0
2113	110,353,949,035	208,532,735	0	6,014,961	7,731,744,673	118,288,211,482	0	0
2114	118,288,211,482	214,788,717	0	6,195,410	8,287,352,091	126,784,156,880	0	0
2115	126,784,156,880	221,232,379	0	6,381,272	8,882,283,588	135,881,291,575	0	0
2116	135,881,291,575	227,869,350	0	6,572,710	9,519,304,795	145,621,893,010	0	0

Discount Rate:	7.000%	N/A
Present Value:	145,706,530	0
Total Present Value:		145,706,530
GASB Discount Rate:		7.000%

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

APPENDIX D – DETERMINATION OF DISCOUNT RATE – AIR POLLUTION CONTROL DISTRICT

FYE	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments
2017	1,154,114	162,873	91,292	5,617	93,589	1,313,666	91,292	0
2018	1,313,666	178,243	96,134	5,786	94,583	1,484,572	96,134	0
2019	1,484,572	187,545	98,578	5,960	106,776	1,674,355	98,578	0
2020	1,674,355	197,767	101,303	6,139	120,313	1,884,993	101,303	0
2021	1,884,993	215,375	103,936	6,323	135,566	2,125,676	103,936	0
2022	2,125,676	230,114	109,183	6,513	152,734	2,392,828	109,183	0
2023	2,392,828	235,836	113,509	6,708	171,476	2,679,923	113,509	0
2024	2,679,923	241,498	117,172	6,909	191,635	2,988,975	117,172	0
2025	2,988,975	247,258	119,374	7,116	213,384	3,323,127	119,374	0
2026	3,323,127	253,210	123,833	7,329	236,818	3,681,993	123,833	0
2027	3,681,993	259,020	126,486	7,549	262,040	4,069,019	126,486	0
2028	4,069,019	264,779	126,673	7,775	289,316	4,488,666	126,673	0
2029	4,488,666	270,755	126,151	8,008	318,907	4,944,169	126,151	0
2030	4,944,169	274,301	125,324	8,248	350,934	5,435,832	125,324	0
2031	5,435,832	289,739	123,921	8,495	385,921	5,979,075	123,921	0
2032	5,979,075	153,707	124,102	8,750	419,253	6,419,183	124,102	0
2033	6,419,183	144,306	122,145	9,013	449,795	6,882,126	122,145	0
2034	6,882,126	133,672	120,314	9,283	481,889	7,368,089	120,314	0
2035	7,368,089	121,892	118,857	9,561	515,542	7,877,105	118,857	0
2036	7,877,105	98,154	116,551	9,848	550,425	8,399,285	116,551	0
2037	8,399,285	93,252	115,018	10,143	586,852	8,954,228	115,018	0
2038	8,954,228	94,536	113,313	10,447	625,790	9,550,793	113,313	0
2039	9,550,793	95,915	111,901	10,760	667,635	10,191,683	111,901	0
2040	10,191,683	97,473	109,954	11,083	712,607	10,880,726	109,954	0
2041	10,880,726	99,228	109,259	11,415	760,913	11,620,193	109,259	0
2042	11,620,193	101,226	108,318	11,757	812,765	12,414,109	108,318	0
2043	12,414,109	103,288	107,271	12,110	868,434	13,266,451	107,271	0
2044	13,266,451	105,586	107,137	12,473	928,169	14,180,595	107,137	0
2045	14,180,595	107,949	105,181	12,847	992,295	15,162,811	105,181	0
2046	15,162,811	110,582	103,643	13,232	1,061,180	16,217,699	103,643	0
2047	16,217,699	113,384	101,497	13,629	1,135,179	17,351,137	101,497	0
2048	17,351,137	116,252	99,153	14,038	1,214,685	18,568,883	99,153	0
2049	18,568,883	119,397	96,940	14,459	1,300,097	19,876,978	96,940	0
2050	19,876,978	122,702	93,766	14,893	1,391,872	21,282,893	93,766	0
2051	21,282,893	126,180	90,291	15,340	1,490,510	22,793,952	90,291	0

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

APPENDIX D – DETERMINATION OF DISCOUNT RATE – AIR POLLUTION CONTROL DISTRICT

FYE	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments
2052	22,793,952	129,811	86,671	15,800	1,596,517	24,417,810	86,671	0
2053	24,417,810	133,598	83,009	16,274	1,710,427	26,162,552	83,009	0
2054	26,162,552	137,533	79,283	16,762	1,832,806	28,036,846	79,283	0
2055	28,036,846	141,612	75,507	17,265	1,964,260	30,049,945	75,507	0
2056	30,049,945	145,831	71,757	17,783	2,105,433	32,211,669	71,757	0
2057	32,211,669	150,188	68,068	18,316	2,257,012	34,532,485	68,068	0
2058	34,532,485	154,681	64,477	18,865	2,419,729	37,023,554	64,477	0
2059	37,023,554	159,315	61,010	19,431	2,594,363	39,696,790	61,010	0
2060	39,696,790	164,089	57,692	20,014	2,781,748	42,564,921	57,692	0
2061	42,564,921	169,009	54,539	20,614	2,982,774	45,641,551	54,539	0
2062	45,641,551	174,078	51,546	21,232	3,198,394	48,941,245	51,546	0
2063	48,941,245	179,300	48,726	21,869	3,429,627	52,479,576	48,726	0
2064	52,479,576	184,678	46,073	22,525	3,677,564	56,273,220	46,073	0
2065	56,273,220	190,218	43,570	23,201	3,943,373	60,340,041	43,570	0
2066	60,340,041	195,925	41,211	23,897	4,228,304	64,699,161	41,211	0
2067	64,699,161	201,802	38,990	24,614	4,533,696	69,371,055	38,990	0
2068	69,371,055	207,856	36,890	25,352	4,860,984	74,377,653	36,890	0
2069	74,377,653	214,092	34,884	26,113	5,211,703	79,742,452	34,884	0
2070	79,742,452	220,515	32,965	26,896	5,587,499	85,490,604	32,965	0
2071	85,490,604	227,130	31,112	27,703	5,990,134	91,649,054	31,112	0
2072	91,649,054	233,944	29,307	28,534	6,421,493	98,246,649	29,307	0
2073	98,246,649	240,962	27,535	29,390	6,883,598	105,314,285	27,535	0
2074	105,314,285	248,191	25,786	30,272	7,378,611	112,885,029	25,786	0
2075	112,885,029	255,637	24,051	31,180	7,908,848	120,994,283	24,051	0
2076	120,994,283	263,306	22,319	32,115	8,476,787	129,679,942	22,319	0
2077	129,679,942	271,205	20,591	33,078	9,085,081	138,982,559	20,591	0
2078	138,982,559	279,341	18,864	34,070	9,736,569	148,945,535	18,864	0
2079	148,945,535	287,722	17,150	35,092	10,434,290	159,615,305	17,150	0
2080	159,615,305	296,353	15,454	36,145	11,181,493	171,041,553	15,454	0
2081	171,041,553	305,244	13,792	37,229	11,981,656	183,277,431	13,792	0
2082	183,277,431	314,401	12,179	38,346	12,838,500	196,379,808	12,179	0
2083	196,379,808	323,833	10,630	39,496	13,756,004	210,409,519	10,630	0
2084	210,409,519	333,548	9,158	40,681	14,738,428	225,431,657	9,158	0
2085	225,431,657	343,555	7,781	41,901	15,790,328	241,515,858	7,781	0
2086	241,515,858	353,861	6,518	43,158	16,916,576	258,736,619	6,518	0

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

APPENDIX D – DETERMINATION OF DISCOUNT RATE – AIR POLLUTION CONTROL DISTRICT

FYE	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments
2087	258,736,619	364,477	5,371	44,453	18,122,390	277,173,662	5,371	0
2088	277,173,662	375,411	4,348	45,787	19,413,348	296,912,287	4,348	0
2089	296,912,287	386,674	3,456	47,161	20,795,423	318,043,767	3,456	0
2090	318,043,767	398,274	2,692	48,576	22,275,003	340,665,776	2,692	0
2091	340,665,776	410,222	2,054	50,033	23,858,927	364,882,838	2,054	0
2092	364,882,838	422,529	1,539	51,534	25,554,511	390,806,806	1,539	0
2093	390,806,806	435,205	1,130	53,080	27,369,586	418,557,386	1,130	0
2094	418,557,386	448,261	814	54,672	29,312,532	448,262,694	814	0
2095	448,262,694	461,709	574	56,312	31,392,318	480,059,835	574	0
2096	480,059,835	475,560	395	58,001	33,618,542	514,095,541	395	0
2097	514,095,541	489,827	263	59,741	36,001,477	550,526,840	263	0
2098	550,526,840	504,522	171	61,533	38,552,115	589,521,773	171	0
2099	589,521,773	519,657	105	63,379	41,282,220	631,260,166	105	0
2100	631,260,166	535,247	61	65,280	44,204,380	675,934,452	61	0
2101	675,934,452	551,304	34	67,238	47,332,066	723,750,550	34	0
2102	723,750,550	567,844	16	69,255	50,679,693	774,928,815	16	0
2103	774,928,815	584,879	8	71,333	54,262,687	829,705,041	8	0
2104	829,705,041	602,425	3	73,473	58,097,553	888,331,543	3	0
2105	888,331,543	620,498	1	75,677	62,201,954	951,078,317	1	0
2106	951,078,317	639,113	0	77,947	66,594,791	1,018,234,274	0	0
2107	1,018,234,274	658,286	0	80,285	71,296,287	1,090,108,563	0	0
2108	1,090,108,563	678,035	0	82,694	76,328,084	1,167,031,988	0	0
2109	1,167,031,988	698,376	0	85,175	81,713,338	1,249,358,526	0	0
2110	1,249,358,526	719,327	0	87,730	87,476,829	1,337,466,953	0	0
2111	1,337,466,953	740,907	0	90,362	93,645,071	1,431,762,569	0	0
2112	1,431,762,569	763,134	0	93,073	100,246,435	1,532,679,065	0	0
2113	1,532,679,065	786,028	0	95,865	107,311,282	1,640,680,510	0	0
2114	1,640,680,510	809,609	0	98,741	114,872,095	1,756,263,473	0	0
2115	1,756,263,473	833,897	0	101,703	122,963,636	1,879,959,304	0	0
2116	1,879,959,304	858,914	0	104,754	131,623,100	2,012,336,564	0	0

Discount Rate:	7.000%	N/A
Present Value:	1,565,104	0
Total Present Value:		1,565,104
GASB Discount Rate:		7.000%



**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

APPENDIX D – DETERMINATION OF DISCOUNT RATE – COURTS

FYE	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments
2017	0	1,651,220	375,556	15,566	-169	1,259,929	375,556	0
2018	1,259,929	0	397,053	16,033	73,982	920,825	397,053	0
2019	920,825	0	419,264	16,514	49,464	534,512	419,264	0
2020	534,512	0	445,167	17,009	21,513	93,849	445,167	0
2021	93,849	0	469,108	17,519	-10,174	0	0	469,108
2022	0	0	492,502	18,045	-17,567	0	0	492,502
2023	0	0	512,808	18,586	-18,284	0	0	512,808
2024	0	0	533,132	19,144	-19,003	0	0	533,132
2025	0	0	554,764	19,718	-19,767	0	0	554,764
2026	0	0	573,965	20,310	-20,448	0	0	573,965
2027	0	0	591,053	20,919	-21,057	0	0	591,053
2028	0	0	605,860	21,547	-21,588	0	0	605,860
2029	0	0	621,619	22,193	-22,152	0	0	621,619
2030	0	0	633,788	22,859	-22,594	0	0	633,788
2031	0	0	647,681	23,545	-23,096	0	0	647,681
2032	0	0	660,480	24,251	-23,560	0	0	660,480
2033	0	0	670,466	24,979	-23,929	0	0	670,466
2034	0	0	679,383	25,728	-24,262	0	0	679,383
2035	0	0	682,955	26,500	-24,411	0	0	682,955
2036	0	0	686,449	27,295	-24,559	0	0	686,449
2037	0	0	687,995	28,114	-24,640	0	0	687,995
2038	0	0	688,394	28,957	-24,683	0	0	688,394
2039	0	0	685,449	29,826	-24,611	0	0	685,449
2040	0	0	680,441	30,721	-24,470	0	0	680,441
2041	0	0	674,902	31,643	-24,311	0	0	674,902
2042	0	0	667,040	32,592	-24,073	0	0	667,040
2043	0	0	655,938	33,570	-23,725	0	0	655,938
2044	0	0	644,549	34,577	-23,367	0	0	644,549
2045	0	0	630,567	35,614	-22,922	0	0	630,567
2046	0	0	614,833	36,682	-22,417	0	0	614,833
2047	0	0	599,236	37,782	-21,919	0	0	599,236
2048	0	0	580,752	38,915	-21,322	0	0	580,752
2049	0	0	561,262	40,082	-20,691	0	0	561,262
2050	0	0	540,646	41,284	-20,023	0	0	540,646
2051	0	0	520,537	42,523	-19,374	0	0	520,537

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

APPENDIX D – DETERMINATION OF DISCOUNT RATE – COURTS

FYE	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments
2052	0	0	499,354	43,799	-18,689	0	0	499,354
2053	0	0	477,919	45,113	-17,997	0	0	477,919
2054	0	0	456,380	46,466	-17,302	0	0	456,380
2055	0	0	434,919	47,860	-16,611	0	0	434,919
2056	0	0	413,691	49,296	-15,930	0	0	413,691
2057	0	0	392,624	50,775	-15,256	0	0	392,624
2058	0	0	371,714	52,298	-14,589	0	0	371,714
2059	0	0	351,179	53,867	-13,937	0	0	351,179
2060	0	0	330,995	55,483	-13,298	0	0	330,995
2061	0	0	311,241	57,147	-12,676	0	0	311,241
2062	0	0	291,915	58,861	-12,070	0	0	291,915
2063	0	0	273,122	60,627	-11,484	0	0	273,122
2064	0	0	255,001	62,446	-10,923	0	0	255,001
2065	0	0	237,347	64,319	-10,380	0	0	237,347
2066	0	0	220,295	66,249	-9,859	0	0	220,295
2067	0	0	203,808	68,236	-9,360	0	0	203,808
2068	0	0	187,953	70,283	-8,885	0	0	187,953
2069	0	0	172,668	72,391	-8,432	0	0	172,668
2070	0	0	158,027	74,563	-8,003	0	0	158,027
2071	0	0	144,067	76,800	-7,600	0	0	144,067
2072	0	0	130,785	79,104	-7,222	0	0	130,785
2073	0	0	118,207	81,477	-6,871	0	0	118,207
2074	0	0	106,360	83,921	-6,547	0	0	106,360
2075	0	0	95,253	86,439	-6,252	0	0	95,253
2076	0	0	84,895	89,032	-5,984	0	0	84,895
2077	0	0	75,280	91,703	-5,746	0	0	75,280
2078	0	0	66,418	94,454	-5,535	0	0	66,418
2079	0	0	58,284	97,288	-5,353	0	0	58,284
2080	0	0	50,862	100,207	-5,198	0	0	50,862
2081	0	0	44,090	103,213	-5,068	0	0	44,090
2082	0	0	37,959	106,309	-4,964	0	0	37,959
2083	0	0	32,404	109,498	-4,883	0	0	32,404
2084	0	0	27,396	112,783	-4,823	0	0	27,396
2085	0	0	22,900	116,166	-4,785	0	0	22,900
2086	0	0	18,927	119,651	-4,768	0	0	18,927

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

APPENDIX D – DETERMINATION OF DISCOUNT RATE – COURTS

FYE	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments
2087	0	0	15,446	123,241	-4,772	0	0	15,446
2088	0	0	12,459	126,938	-4,796	0	0	12,459
2089	0	0	9,937	130,746	-4,841	0	0	9,937
2090	0	0	7,840	134,668	-4,903	0	0	7,840
2091	0	0	6,116	138,708	-4,983	0	0	6,116
2092	0	0	4,722	142,869	-5,078	0	0	4,722
2093	0	0	3,593	147,155	-5,187	0	0	3,593
2094	0	0	2,681	151,570	-5,307	0	0	2,681
2095	0	0	1,955	156,117	-5,439	0	0	1,955
2096	0	0	1,385	160,801	-5,580	0	0	1,385
2097	0	0	942	165,625	-5,731	0	0	942
2098	0	0	609	170,594	-5,891	0	0	609
2099	0	0	372	175,712	-6,059	0	0	372
2100	0	0	210	180,983	-6,234	0	0	210
2101	0	0	109	186,412	-6,418	0	0	109
2102	0	0	50	192,004	-6,608	0	0	50
2103	0	0	19	197,764	-6,805	0	0	19
2104	0	0	5	203,697	-7,009	0	0	5
2105	0	0	1	209,808	-7,219	0	0	1
2106	0	0	0	216,102	-7,436	0	0	0
2107	0	0	0	222,585	-7,659	0	0	0
2108	0	0	0	229,263	-7,888	0	0	0
2109	0	0	0	236,141	-8,125	0	0	0
2110	0	0	0	243,225	-8,369	0	0	0
2111	0	0	0	250,522	-8,620	0	0	0
2112	0	0	0	258,038	-8,879	0	0	0
2113	0	0	0	265,779	-9,145	0	0	0
2114	0	0	0	273,752	-9,419	0	0	0
2115	0	0	0	281,965	-9,702	0	0	0
2116	0	0	0	290,424	-9,993	0	0	0

Discount Rate:	7.000%	N/A
Present Value:	1,138,539	11,861,846
Total Present Value:		13,000,385
GASB Discount Rate:		3.606%



**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
COUNTY OF SANTA BARBARA**

Change in Net OPEB Liability - Santa Barbara County			
	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at end of prior year	\$ 131,213,905	\$ 6,876,750	\$ 124,337,155
Changes for the year:			
Service cost	1,855,911		1,855,911
Interest	8,961,805		8,961,805
Changes of benefits	0		0
Differences between expected and actual experience	0		0
Changes of assumptions	0		0
Contributions - employer		12,642,216	(12,642,216)
Contributions - member		0	0
Net investment income		589,251	(589,251)
Benefit payments	(8,341,842)	(8,341,842)	0
Administrative expense		(352,257)	352,257
Net changes	<u>2,475,874</u>	<u>4,537,368</u>	<u>(2,061,493)</u>
Balance at end of current year	<u>\$ 133,689,779</u>	<u>\$ 11,414,118</u>	<u>\$ 122,275,662</u>

Sensitivity of Net OPEB Liability to Changes in Discount Rate Santa Barbara County			
	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Total OPEB Liability	\$ 148,572,185	\$ 133,689,779	\$ 121,148,268
Plan Fiduciary Net Position	<u>11,414,118</u>	<u>11,414,118</u>	<u>11,414,118</u>
Net OPEB Liability	<u>\$ 137,158,067</u>	<u>\$ 122,275,662</u>	<u>\$ 109,734,151</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	7.7%	8.5%	9.4%

SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
COUNTY OF SANTA BARBARA**

Schedule of Changes in Net OPEB Liability and Related Ratios - Santa Barbara County	
	FYE 2017
<u>Total OPEB Liability</u>	
Service cost (BOY)	\$ 1,855,911
Interest (includes interest on service cost)	8,961,805
Changes of benefit terms	0
Differences between expected and actual experience	(0)
Changes of assumptions	0
Benefit payments, including refunds of member contributions	(8,341,842)
Net change in total OPEB liability	\$ 2,475,874
Total OPEB liability - beginning	<u>131,213,905</u>
Total OPEB liability - ending	<u><u>\$ 133,689,779</u></u>
<u>Plan fiduciary net position</u>	
Contributions - employer	\$ 12,642,216
Contributions - member	0
Net investment income	589,251
Benefit payments, including refunds of member contributions	(8,341,842)
Administrative expense	(352,257)
Net change in plan fiduciary net position	\$ 4,537,368
Plan fiduciary net position - beginning	<u>6,876,750</u>
Plan fiduciary net position - ending	<u><u>\$ 11,414,118</u></u>
Net OPEB liability - ending	<u><u>\$ 122,275,662</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	8.54%
Covered payroll	\$ 316,947,740
Net OPEB liability as a percentage of covered payroll	38.58%

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
COUNTY OF SANTA BARBARA**

Schedule of Employer Contributions - Santa Barbara County			
	FYE 2017	FYE 2016	FYE 2015
Contractually Required Employer Contribution (CREC)	\$ 12,642,216	\$ 11,394,956	\$ 9,132,822
Amount of Contribution Recognized by the OPEB Plan	<u>12,642,216</u>	<u>11,394,956</u>	<u>9,132,822</u>
Contribution Deficiency/(Excess) relative to CREC	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Payroll (Pay)	\$316,947,740	\$304,479,530	\$295,364,623
Actual Contributions as % of Pay	3.99%	3.74%	3.09%

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
AIR POLLUTION CONTROL DISTRICT**

Change in Net OPEB Liability - Air Pollution Control District			
	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at end of prior year	\$ 1,448,921	\$ 1,154,114	\$ 294,807
Changes for the year:			
Service cost	14,379		14,379
Interest	98,778		98,778
Changes of benefits	0		0
Differences between expected and actual experience	0		0
Changes of assumptions	0		0
Contributions - employer		162,872	(162,872)
Contributions - member		0	0
Net investment income		93,589	(93,589)
Benefit payments	(91,292)	(91,292)	0
Administrative expense		(5,617)	5,617
Net changes	<u>21,865</u>	<u>159,552</u>	<u>(137,688)</u>
Balance at end of current year	<u>\$ 1,470,786</u>	<u>\$ 1,313,666</u>	<u>\$ 157,119</u>

Sensitivity of Net OPEB Liability to Changes in Discount Rate Air Pollution Control District			
	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Total OPEB Liability	\$ 1,636,433	\$ 1,470,786	\$ 1,331,587
Plan Fiduciary Net Position	<u>1,313,666</u>	<u>1,313,666</u>	<u>1,313,666</u>
Net OPEB Liability	<u>\$ 322,766</u>	<u>\$ 157,119</u>	<u>\$ 17,920</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	80.3%	89.3%	98.7%

SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
AIR POLLUTION CONTROL DISTRICT**

Schedule of Changes in Net OPEB Liability and Related Ratios - Air Pollution control District	
	FYE 2017
<u>Total OPEB Liability</u>	
Service cost (BOY)	\$ 14,379
Interest (includes interest on service cost)	98,778
Changes of benefit terms	0
Differences between expected and actual experience	0
Changes of assumptions	0
Benefit payments, including refunds of member contributions	(91,292)
Net change in total OPEB liability	\$ 21,865
Total OPEB liability - beginning	1,448,921
Total OPEB liability - ending	\$ 1,470,786
<u>Plan fiduciary net position</u>	
Contributions - employer	\$ 162,872
Contributions - member	0
Net investment income	93,589
Benefit payments, including refunds of member contributions	(91,292)
Administrative expense	(5,617)
Net change in plan fiduciary net position	\$ 159,552
Plan fiduciary net position - beginning	1,154,114
Plan fiduciary net position - ending	\$ 1,313,666
Net OPEB liability - ending	\$ 157,119
OPEB liability	89.32%
Covered payroll	\$ 3,306,305
Net OPEB liability as a percentage of covered payroll	4.75%

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
AIR POLLUTION CONTROL DISTRICT**

Schedule of Employer Contributions - Air Pollution Control District			
	FYE 2017	FYE 2016	FYE 2015
Contractually Required Employer Contribution (CREC)	\$ 162,872	\$ 178,444	\$ 184,418
Amount of Contribution Recognized by the OPEB Plan	<u>162,872</u>	<u>178,444</u>	<u>184,418</u>
Contribution Deficiency/(Excess) relative to CREC	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Payroll (Pay)	\$ 3,306,305	\$ 3,336,095	\$ 3,322,884
Actual Contributions as % of Pay	4.93%	5.35%	5.55%

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
COURTS**

Change in Net OPEB Liability - Courts			
	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at end of prior year	\$ 11,390,186	\$ -	\$ 11,390,186
Changes for the year:			
Service cost	355,422		355,422
Interest	324,335		324,335
Changes of benefits	0		0
Differences between expected and actual experience	0		0
Changes of assumptions	(1,143,660)		(1,143,660)
Contributions - employer		1,651,220	(1,651,220)
Contributions - member		0	0
Net investment income		(169)	169
Benefit payments	(375,556)	(375,556)	0
Administrative expense		(15,566)	15,566
Net changes	<u>(839,459)</u>	<u>1,259,929</u>	<u>(2,099,388)</u>
Balance at end of current year	<u>\$ 10,550,727</u>	<u>\$ 1,259,929</u>	<u>\$ 9,290,798</u>

Sensitivity of Net OPEB Liability to Changes in Discount Rate Courts			
	1% Decrease 2.61%	Discount Rate 3.61%	1% Increase 4.61%
Total OPEB Liability	\$ 12,102,240	\$ 10,550,727	\$ 9,276,064
Plan Fiduciary Net Position	<u>1,259,929</u>	<u>1,259,929</u>	<u>1,259,929</u>
Net OPEB Liability	<u>\$ 10,842,311</u>	<u>\$ 9,290,798</u>	<u>\$ 8,016,135</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	10.4%	11.9%	13.6%

SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
COURTS**

Schedule of Changes in Net OPEB Liability and Related Ratios - Courts	
	FYE 2017
<u>Total OPEB Liability</u>	
Service cost (BOY)	\$ 355,422
Interest (includes interest on service cost)	324,335
Changes of benefit terms	0
Differences between expected and actual experience	(0)
Changes of assumptions	(1,143,660)
Benefit payments, including refunds of member contributions	(375,556)
Net change in total OPEB liability	\$ (839,459)
Total OPEB liability - beginning	11,390,186
Total OPEB liability - ending	\$ 10,550,727
<u>Plan fiduciary net position</u>	
Contributions - employer	\$ 1,651,220
Contributions - member	0
Net investment income	(169)
Benefit payments, including refunds of member contributions	(375,556)
Administrative expense	(15,566)
Net change in plan fiduciary net position	\$ 1,259,929
Plan fiduciary net position - beginning	-
Plan fiduciary net position - ending	\$ 1,259,929
Net OPEB liability - ending	\$ 9,290,798
OPEB liability	11.94%
Covered employee payroll	\$ 13,893,235
Net OPEB liability as a percentage of covered payroll	66.87%

Since the Courts are implementing a pay-as-you-go funding policy, no schedule of employer contributions is provided.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
CARPINTERIA CEMETERY**

Change in Net OPEB Liability - Carpinteria Cemetery				
	Increase (Decrease)			
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	
Balance at end of prior year	\$ 69,301	\$ 0	\$ 69,301	
Changes for the year:				
Service cost	2,825		2,825	
Interest	1,984		1,984	
Changes of benefits	0		0	
Differences between expected and actual experience	0		0	
Changes of assumptions	(7,574)		(7,574)	
Contributions - employer		2,347	(2,347)	
Contributions - member		0	0	
Net investment income		0	0	
Benefit payments	(2,179)	(2,179)	0	
Administrative expense		(168)	168	
Net changes	(4,944)	0	(4,944)	
Balance at end of current year	\$ 64,357	\$ 0	\$ 64,357	

Sensitivity of Net OPEB Liability to Changes in Discount Rate Carpinteria Cemetery				
	1% Decrease 2.58%	Discount Rate 3.58%	1% Increase 4.58%	
Total OPEB Liability	\$ 75,037	\$ 64,357	\$ 55,734	
Plan Fiduciary Net Position	0	0	0	
Net OPEB Liability	\$ 75,037	\$ 64,357	\$ 55,734	
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%	0.0%	0.0%	

SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
 GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
 CARPINTERIA CEMETERY**

Schedule of Changes in Net OPEB Liability and Related Ratios - Carpinteria Cemetery	
	FYE 2017
<u>Total OPEB Liability</u>	
Service cost (BOY)	\$ 2,825
Interest (includes interest on service cost)	1,984
Changes of benefit terms	0
Differences between expected and actual experience	0
Changes of assumptions	(7,574)
Benefit payments, including refunds of member contributions	(2,179)
Net change in total OPEB liability	\$ (4,944)
Total OPEB liability - beginning	69,301
Total OPEB liability - ending	\$ 64,357
<u>Plan fiduciary net position</u>	
Contributions - employer	\$ 2,347
Contributions - member	0
Net investment income	0
Benefit payments, including refunds of member contributions	(2,179)
Administrative expense	(168)
Net change in plan fiduciary net position	\$ 0
Plan fiduciary net position - beginning	0
Plan fiduciary net position - ending	\$ 0
Net OPEB liability - ending	\$ 64,357
OPEB liability	0.00%
Covered employee payroll	\$ 139,356
Net OPEB liability as a percentage of covered payroll	46.18%

Since Carpinteria Cemetery is implementing a pay-as-you-go funding policy, no schedule of employer contributions is provided.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
GOLETA CEMETERY**

Change in Net OPEB Liability - Goleta Cemetery				
	Increase (Decrease)			
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	
Balance at end of prior year	\$ 143,007	\$ 0	\$ 143,007	
Changes for the year:				
Service cost	8,231		8,231	
Interest	4,157		4,157	
Changes of benefits	0		0	
Differences between expected and actual experience	0		0	
Changes of assumptions	(12,335)		(12,335)	
Contributions - employer		2,645	(2,645)	
Contributions - member		0	0	
Net investment income		0	0	
Benefit payments	(2,455)	(2,455)	0	
Administrative expense		(190)	190	
Net changes	(2,402)	0	(2,402)	
Balance at end of current year	\$ 140,605	\$ 0	\$ 140,605	

Sensitivity of Net OPEB Liability to Changes in Discount Rate Goleta Cemetery			
	1% Decrease 2.58%	Discount Rate 3.58%	1% Increase 4.58%
Total OPEB Liability	\$ 157,899	\$ 140,605	\$ 126,064
Plan Fiduciary Net Position	0	0	0
Net OPEB Liability	\$ 157,899	\$ 140,605	\$ 126,064
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%	0.0%	0.0%

SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
GOLETA CEMETERY**

Schedule of Changes in Net OPEB Liability and Related Ratios - Goleta Cemetery	
	FYE 2017
<u>Total OPEB Liability</u>	
Service cost (BOY)	\$ 8,231
Interest (includes interest on service cost)	4,157
Changes of benefit terms	0
Differences between expected and actual experience	(0)
Changes of assumptions	(12,335)
Benefit payments, including refunds of member contributions	(2,455)
Net change in total OPEB liability	\$ (2,402)
Total OPEB liability - beginning	143,007
Total OPEB liability - ending	\$ 140,605
<u>Plan fiduciary net position</u>	
Contributions - employer	\$ 2,645
Contributions - member	0
Net investment income	0
Benefit payments, including refunds of member contributions	(2,455)
Administrative expense	(190)
Net change in plan fiduciary net position	\$ 0
Plan fiduciary net position - beginning	0
Plan fiduciary net position - ending	\$ 0
Net OPEB liability - ending	\$ 140,605
OPEB liability	0.00%
Covered employee payroll	\$ 275,831
Net OPEB liability as a percentage of covered payroll	50.98%

Since Goleta Cemetery is implementing a pay-as-you-go funding policy, no schedule of employer contributions is provided.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
SANTA MARIA CEMETERY**

Change in Net OPEB Liability - Santa Maria Cemetery				
	Increase (Decrease)			
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	
Balance at end of prior year	\$ 463,982	\$ 0	\$ 463,982	
Changes for the year:				
Service cost	10,190		10,190	
Interest	13,123		13,123	
Changes of benefits	0		0	
Differences between expected and actual experience	0		0	
Changes of assumptions	(41,535)		(41,535)	
Contributions - employer		17,986	(17,986)	
Contributions - member		0	0	
Net investment income		0	0	
Benefit payments	(17,299)	(17,299)	0	
Administrative expense		(687)	687	
Net changes	(35,521)	0	(35,521)	
Balance at end of current year	\$ 428,461	\$ 0	\$ 428,461	

Sensitivity of Net OPEB Liability to Changes in Discount Rate Santa Maria Cemetery				
	1% Decrease 2.58%	Discount Rate 3.58%	1% Increase 4.58%	
Total OPEB Liability	\$ 486,816	\$ 428,461	\$ 380,112	
Plan Fiduciary Net Position	0	0	0	
Net OPEB Liability	\$ 486,816	\$ 428,461	\$ 380,112	
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%	0.0%	0.0%	

SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
 SANTA MARIA CEMETERY**

Schedule of Changes in Net OPEB Liability and Related Ratios - Santa Maria Cemetery	
	FYE 2017
<u>Total OPEB Liability</u>	
Service cost (BOY)	\$ 10,190
Interest (includes interest on service cost)	13,123
Changes of benefit terms	0
Differences between expected and actual experience	(0)
Changes of assumptions	(41,535)
Benefit payments, including refunds of member contributions	(17,299)
Net change in total OPEB liability	\$ (35,521)
Total OPEB liability - beginning	463,982
Total OPEB liability - ending	\$ 428,461
<u>Plan fiduciary net position</u>	
Contributions - employer	\$ 17,986
Contributions - member	0
Net investment income	0
Benefit payments, including refunds of member contributions	(17,299)
Administrative expense	(687)
Net change in plan fiduciary net position	\$ 0
Plan fiduciary net position - beginning	0
Plan fiduciary net position - ending	\$ 0
Net OPEB liability - ending	\$ 428,461
OPEB liability	0.00%
Covered employee payroll	\$ 343,598
Net OPEB liability as a percentage of covered payroll	124.70%

Since Santa Maria Cemetery is implementing a pay-as-you-go funding policy, no schedule of employer contributions is provided.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS**

Change in Net OPEB Liability - SB County Assoc. of Govts				
	Increase (Decrease)			
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	
Balance at end of prior year	\$ 683,822	\$ 0	\$ 683,822	
Changes for the year:				
Service cost	29,502		29,502	
Interest	19,855		19,855	
Changes of benefits	0		0	
Differences between expected and actual experience	0		0	
Changes of assumptions	(82,792)		(82,792)	
Contributions - employer		4,125	(4,125)	
Contributions - member		0	0	
Net investment income		(0)	0	
Benefit payments	(3,637)	(3,637)	0	
Administrative expense		(488)	488	
Net changes	<u>(37,071)</u>	<u>0</u>	<u>(37,071)</u>	
Balance at end of current year	<u>\$ 646,751</u>	<u>\$ 0</u>	<u>\$ 646,751</u>	

Sensitivity of Net OPEB Liability to Changes in Discount Rate SB County Assoc of Govts				
	1% Decrease 2.58%	Discount Rate 3.58%	1% Increase 4.58%	
Total OPEB Liability	\$ 763,672	\$ 646,751	\$ 553,195	
Plan Fiduciary Net Position	0	0	0	
Net OPEB Liability	<u>\$ 763,672</u>	<u>\$ 646,751</u>	<u>\$ 553,195</u>	
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%	0.0%	0.0%	

SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS**

Schedule of Changes in Net OPEB Liability and Related Ratios - SB County Assoc. of Govts	
	FYE 2017
<u>Total OPEB Liability</u>	
Service cost (BOY)	\$ 29,502
Interest (includes interest on service cost)	19,855
Changes of benefit terms	0
Differences between expected and actual experience	0
Changes of assumptions	(82,792)
Benefit payments, including refunds of member contributions	(3,637)
Net change in total OPEB liability	\$ (37,071)
Total OPEB liability - beginning	683,822
Total OPEB liability - ending	\$ 646,751
<u>Plan fiduciary net position</u>	
Contributions - employer	\$ 4,125
Contributions - member	0
Net investment income	(0)
Benefit payments, including refunds of member contributions	(3,637)
Administrative expense	(488)
Net change in plan fiduciary net position	\$ 0
Plan fiduciary net position - beginning	0
Plan fiduciary net position - ending	\$ 0
Net OPEB liability - ending	\$ 646,751
OPEB liability	0.00%
Covered employee payroll	\$ 1,164,432
Net OPEB liability as a percentage of covered payroll	55.54%

Since the Santa Barbara County Association of Governments is implementing a pay-as-you-go funding policy, no schedule of employer contributions is provided.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
SUMMERLAND SANITARY**

Change in Net OPEB Liability - Summerland Sanitary			
	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at end of prior year	\$ 175,001	\$ 0	\$ 175,001
Changes for the year:			
Service cost	6,436		6,436
Interest	5,013		5,013
Changes of benefits	0		0
Differences between expected and actual experience	0		0
Changes of assumptions	(16,507)		(16,507)
Contributions - employer		4,847	(4,847)
Contributions - member		0	0
Net investment income		0	0
Benefit payments	(4,614)	(4,614)	0
Administrative expense		(233)	233
Net changes	<u>(9,671)</u>	<u>0</u>	<u>(9,671)</u>
Balance at end of current year	<u>\$ 165,330</u>	<u>\$ 0</u>	<u>\$ 165,330</u>

Sensitivity of Net OPEB Liability to Changes in Discount Rate Summerland Sanitary			
	1% Decrease 2.58%	Discount Rate 3.58%	1% Increase 4.58%
Total OPEB Liability	\$ 188,516	\$ 165,330	\$ 146,101
Plan Fiduciary Net Position	0	0	0
Net OPEB Liability	<u>\$ 188,516</u>	<u>\$ 165,330</u>	<u>\$ 146,101</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%	0.0%	0.0%

SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
 GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
 SUMMERLAND SANITARY**

Schedule of Changes in Net OPEB Liability and Related Ratios - Summerland Sanitary	
	FYE 2017
<u>Total OPEB Liability</u>	
Service cost (BOY)	\$ 6,436
Interest (includes interest on service cost)	5,013
Changes of benefit terms	0
Differences between expected and actual experience	0
Changes of assumptions	(16,507)
Benefit payments, including refunds of member contributions	(4,614)
Net change in total OPEB liability	\$ (9,671)
Total OPEB liability - beginning	175,001
Total OPEB liability - ending	\$ 165,330
<u>Plan fiduciary net position</u>	
Contributions - employer	\$ 4,847
Contributions - member	0
Net investment income	0
Benefit payments, including refunds of member contributions	(4,614)
Administrative expense	(233)
Net change in plan fiduciary net position	\$ 0
Plan fiduciary net position - beginning	0
Plan fiduciary net position - ending	\$ 0
Net OPEB liability - ending	\$ 165,330
OPEB liability	0.00%
Covered employee payroll	\$ 347,798
Net OPEB liability as a percentage of covered payroll	47.54%

Since Summerland Sanitary is implementing a pay-as-you-go funding policy, no schedule of employer contributions is provided.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE**

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
CARPINTERIA-SUMMERLAND FPO**

Change in Net OPEB Liability - Carpinteria-Summerland FPO				
	Increase (Decrease)			
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	
Balance at end of prior year	\$ 3,018,051	\$ 0	\$ 3,018,051	
Changes for the year:				
Service cost	70,238		70,238	
Interest	84,935		84,935	
Changes of benefits	0		0	
Differences between expected and actual experience	0		0	
Changes of assumptions	(255,897)		(255,897)	
Contributions - employer		151,297	(151,297)	
Contributions - member		0	0	
Net investment income		0	0	
Benefit payments	(146,542)	(146,542)	0	
Administrative expense		(4,755)	4,755	
Net changes	<u>(247,266)</u>	<u>0</u>	<u>(247,266)</u>	
Balance at end of current year	<u>\$ 2,770,785</u>	<u>\$ 0</u>	<u>\$ 2,770,785</u>	

Sensitivity of Net OPEB Liability to Changes in Discount Rate Carpinteria-Summerland FPO				
	1% Decrease 2.58%	Discount Rate 3.58%	1% Increase 4.58%	
Total OPEB Liability	\$ 3,130,501	\$ 2,770,785	\$ 2,473,547	
Plan Fiduciary Net Position	0	0	0	
Net OPEB Liability	<u>\$ 3,130,501</u>	<u>\$ 2,770,785</u>	<u>\$ 2,473,547</u>	
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%	0.0%	0.0%	

SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
 GASB 74 AND 75 REPORTING FOR JUNE 30, 2017 MEASUREMENT DATE

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
 CARPINTERIA-SUMMERLAND FPO**

Schedule of Changes in Net OPEB Liability and Related Ratios - Carpinteria-Summerland FPO	
	FYE 2017
<u>Total OPEB Liability</u>	
Service cost (BOY)	\$ 70,238
Interest (includes interest on service cost)	84,935
Changes of benefit terms	0
Differences between expected and actual experience	(0)
Changes of assumptions	(255,897)
Benefit payments, including refunds of member contributions	(146,542)
Net change in total OPEB liability	\$ (247,266)
Total OPEB liability - beginning	<u>3,018,051</u>
Total OPEB liability - ending	<u><u>\$ 2,770,785</u></u>
<u>Plan fiduciary net position</u>	
Contributions - employer	\$ 151,297
Contributions - member	0
Net investment income	0
Benefit payments, including refunds of member contributions	(146,542)
Administrative expense	(4,755)
Net change in plan fiduciary net position	\$ 0
Plan fiduciary net position - beginning	<u>0</u>
Plan fiduciary net position - ending	<u><u>\$ 0</u></u>
Net OPEB liability - ending	<u><u>\$ 2,770,785</u></u>
OPEB liability	0.00%
Covered employee payroll	\$ 3,314,478
Net OPEB liability as a percentage of covered payroll	83.60%

Since the Carpinteria-Summerland FPO is implementing a pay-as-you-go funding policy, no schedule of employer contributions is provided.

APPENDIX F – GLOSSARY OF TERMS

1. Actuarially Determined Contribution

A target or recommended contribution for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.

2. Actuarial Valuation Date

The date as of which an actuarial valuation is performed. This date may be up to 24 months prior to the measurement date and up to 30 months prior to the employer's reporting date.

3. Deferred Inflow of Resources

An acquisition of net assets by a government employer that is applicable to a future reporting period. In the context of GASB 75, these are experience gains on the total OPEB liability, assumption changes reducing the total OPEB liability, or investment gains that are recognized in future reporting periods.

4. Deferred Outflow of Resources

A consumption of net assets by a government employer that is applicable to a future reporting period. In the context of GASB 75, these are experience losses on the total OPEB liability, assumption changes increasing the total OPEB liability, or investment losses that are recognized in future reporting periods.

5. Entry Age Actuarial Cost Method

The actuarial cost method required for GASB 74 and 75 calculations. Under this method, the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit ages. The portion of this actuarial present value allocated to a valuation year is called the Service Cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future service costs is called the total OPEB liability.

6. Measurement Date

The date as of which the total OPEB liability and plan fiduciary net position are measured. The total OPEB liability may be projected from the Actuarial Valuation Date to the Measurement Date. The Measurement Date must be the same as the Reporting Date for the plan.

APPENDIX F – GLOSSARY OF TERMS

7. Net OPEB Liability

The liability of employers and nonemployer contributing entities for employees for benefits provided through a defined benefit OPEB plan. It is calculated as the total OPEB liability less the plan fiduciary net position.

8. Plan Fiduciary Net Position

The fair or Market Value of Assets.

9. Reporting Date

The last day of the plan or employer's fiscal year.

10. Service Cost

The portion of the actuarial present value of projected benefit payments that is attributed to the current period of employee service in conformity with the requirements of GASB 74 and 75. The Service Cost is the normal cost calculated under the entry age actuarial cost method.

11. Total OPEB Liability

The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service in conformity with the requirements of GASB 74 and 75. The total OPEB liability is the actuarial liability calculated under the entry age actuarial cost method.



Classic Values, Innovative Advice