



Santa Barbara County Employees' Retirement System

**GASB 74/75 Report
as of June 30, 2018**

Produced by Cheiron

November 2018

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November 27, 2018

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, 2018 MEASUREMENT DATE**

SECTION I – BOARD SUMMARY

Highlights

The measurement date for the Santa Barbara County Employees' Retirement System Postemployment Healthcare Plan ("Plan") is June 30, 2018. Measurements are based on the fair value of assets as of June 30, 2018 and the Total OPEB Liability (TOL) as of the valuation date, June 30, 2017, updated to June 30, 2018. To the best of our knowledge, 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.

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

Table I-1			
Summary of Results			
	Measurement Date		
	6/30/2018	6/30/2017	
Net OPEB Liability	\$ 126,686,023	\$ 135,939,868	
Deferred Outflows	(371,284)	(57,196)	
Deferred Inflows	<u>6,735,856</u>	<u>1,258,343</u>	
Net Impact on Statement of Net Position	\$ 133,050,595	\$ 137,141,015	
OPEB Expense (\$ Amount)	\$ 9,456,375	\$ 11,205,258	
OPEB Expense (% of Payroll)	2.75%	3.30%	

The Net OPEB liability (NOL) aggregated across all participating employers decreased approximately \$9 million during the measurement period, primarily due to changes in discount rates between the beginning and end of the year and experience gains in the Net OPEB Liability.

Plan changes are recognized immediately, and investment gains and losses are recognized in the OPEB expense over five years. Changes in NOL due to actuarial gains and losses as well as assumption changes are recognized over the average remaining service life (including inactives), determined at the beginning of each measurement period. The average remaining service life differs by employer. Unrecognized amounts are reported as deferred inflows and deferred outflows.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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SECTION I – BOARD SUMMARY

As of the end of the reporting year, the County and other participating employers would report a Net OPEB liability of \$126,686,023, Deferred Outflows of \$371,284 and Deferred Inflows of \$6,735,856 related to the Plan. Consequently, the net impact on the aggregate of participating employers' Statements of Net Position due to the Plan would be \$133,050,595 at the end of the measurement year. In addition, any contributions between the measurement date and the employers' reporting date 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, 2018, the annual OPEB expense for all participating employers is \$9,456,375, or 2.75% of covered payroll. This amount is not related to the participating employers' contributions to the Plan (\$13,546,795), 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 (\$133,050,595 – \$137,141,015 + \$13,546,795). 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.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

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
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

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 2017	June, 30 2018
Santa Barbara County	7.00%	7.00%
Air Pollution Control District	7.00%	7.00%
Courts	3.61%	7.00%
Carpinteria Cemetery	3.58%	3.87%
Goleta Cemetery	3.58%	3.87%
Santa Maria Cemetery	3.58%	3.87%
SB County Assoc. of Govts	3.58%	3.87%
Summerland Sanitary	3.58%	3.87%
Carpinteria-Summerland FPO	3.58%	3.87%

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, 2018 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, the Air Pollution Control District, and the Courts, 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, 2018 is 7.00%.

Appendix D shows the details of these calculations.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

SECTION IV – PROJECTION OF TOTAL OPEB LIABILITY

The Total OPEB Liability (TOL) at the end of the measurement year is measured as of the valuation date, June 30, 2017, and projected to the measurement date, June 30, 2018. Because the TOL shown in the prior report was measured as of June 30, 2016 and projected to June 30, 2017, it will not match the amounts measured as of June 30, 2017 that are shown in this exhibit. In addition, the amounts shown in this exhibit as of June 30, 2017 are measured using different assumptions, including discount rates.

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, 6/30/2017			
Actives	\$ 51,044,700	\$ 44,184,477	\$ 38,494,888
Deferred Vested	8,368,597	7,126,174	6,141,726
Retirees	<u>99,904,001</u>	<u>91,852,724</u>	<u>84,929,800</u>
Total	\$ 159,317,298	\$ 143,163,375	\$ 129,566,414
Service Cost	2,504,923	1,966,853	1,557,023
Benefit Payments	(9,038,934)	(9,038,934)	(9,038,934)
Interest	9,219,732	9,649,999	9,958,496
Total OPEB Liability, 6/30/2018	\$ 162,003,019	\$ 145,741,293	\$ 132,043,000

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

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, 2018.

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	\$ 149,927,581	\$ 13,987,713	\$ 135,939,868	
Changes for the year:				
Service cost	2,131,503		2,131,503	
Interest	9,758,548		9,758,548	
Changes of benefits	0		0	
Differences between expected and actual experience	(3,296,255)		(3,296,255)	
Changes of assumptions	(3,741,151)		(3,741,151)	
Contributions - employer		13,546,795	(13,546,795)	
Contributions - member		0	0	
Net investment income		988,350	(988,350)	
Benefit payments	(9,038,934)	(9,038,934)	0	
Administrative expense		(428,654)	428,654	
Net changes	<u>(4,186,288)</u>	<u>5,067,557</u>	<u>(9,253,845)</u>	
Balance at end of current year	<u>\$ 145,741,293</u>	<u>\$ 19,055,270</u>	<u>\$ 126,686,023</u>	

During the measurement year, the NOL decreased by approximately \$9 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 \$14 million.

There were no changes in benefits during the year. There were changes to the discount rate assumptions for some employers effective during the measurement year, which decreased the NOL by approximately \$4 million. There were actuarial experience gains during the year of approximately \$3 million.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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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. Because the discount rate does not affect the measurement of assets, the percentage change in the NOL can be very significant for a relatively small change in the discount rate. 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% Decrease	Baseline Discount Rate	1% Increase
Total OPEB Liability	\$ 162,003,019	\$ 145,741,293	\$ 132,043,000
Plan Fiduciary Net Position	<u>19,055,270</u>	<u>19,055,270</u>	<u>19,055,270</u>
Net OPEB Liability	<u>\$ 142,947,749</u>	<u>\$ 126,686,023</u>	<u>\$ 112,987,730</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	11.8%	13.1%	14.4%

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 9% 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 that are 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 schedule below shows the changes in NOL and related ratios required by GASB for the two years since implementation. 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 2018	FYE 2017
<u>Total OPEB Liability</u>		
Service cost (BOY)	\$ 2,131,503	\$ 2,353,134
Interest (includes interest on service cost)	9,758,548	9,513,986
Changes of benefit terms	0	0
Differences between expected and actual experience	(3,296,255)	0
Changes of assumptions	(3,741,151)	(1,560,300)
Benefit payments, including refunds of member contributions	(9,038,934)	(8,985,415)
Net change in total OPEB liability	\$ (4,186,288)	\$ 1,321,405
Total OPEB liability - beginning	<u>149,927,581</u>	<u>148,606,176</u>
Total OPEB liability - ending	<u>\$ 145,741,293</u>	<u>\$ 149,927,581</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - employer	\$ 13,546,795	\$ 14,639,554
Contributions - member	0	0
Net investment income	988,350	682,671
Benefit payments, including refunds of member contributions	(9,038,934)	(8,985,415)
Administrative expense	(428,654)	(379,961)
Net change in plan fiduciary net position	\$ 5,067,557	\$ 5,956,849
Plan fiduciary net position - beginning	<u>13,987,713</u>	<u>8,030,864</u>
Plan fiduciary net position - ending	<u>\$ 19,055,270</u>	<u>\$ 13,987,713</u>
Net OPEB liability - ending	<u>\$ 126,686,023</u>	<u>\$ 135,939,868</u>
Plan fiduciary net position as a percentage of the total OPEB liability	13.07%	9.33%
Covered payroll	\$ 343,917,692	\$ 339,732,772
Net OPEB liability as a percentage of covered payroll	36.84%	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
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

SECTION VI – GASB 75 REPORTING INFORMATION

We understand the employers that participate in the Plan have elected to use the measurement date as of the beginning of the fiscal year for their reporting under GASB 75. As a result, the schedules in this section will be used for the employers for their FYE 2019 reporting, and the schedules from our prior report will be used for the employers FYE 2018 financial 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	2.0
Courts	6.0
Carpinteria Cemetery	6.0
Goleta Cemetery	2.0
Santa Maria Cemetery	5.0
SB County Assoc. of Govts	4.0
Summerland Sanitary	9.0
Carpinteria-Summerland FPO	4.0

During the year, there was a net experience gain of approximately \$3.3 million for all employers combined. Approximately \$800,000 of that gain was recognized as a decrease in OPEB expense in the current year. The remaining amount will be recognized over the next eight years. However, the amount recognized in each year is not identical because each employer has a different recognition period. The majority of the experience gain will be recognized over the following three years; the largest employer, Santa Barbara County, has a four-year recognition period. There were no unrecognized gains or losses from prior years. The unrecognized current experience gain results in a net deferred inflow of resources as of June 30, 2018 of approximately \$2.5 million, which consists of a \$2.7 million deferred inflow of resources for those employers with unrecognized gains and a \$0.2 million deferred outflow of resources for those employers with unrecognized losses.

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

During the measurement year, there was a gain resulting from changes to the assumptions of \$3.7 million. Approximately \$635,000 of that gain was recognized as a decrease in OPEB expense in the current year. The remaining amount will be recognized over the next eight years. Similar to the experience gain, the majority of the current year assumption gain will be phased in over the next three years. Unrecognized gains from prior years were approximately \$1.2 million, of which \$310,000 was recognized as a decrease in OPEB expense in the current year. The unrecognized changes in liabilities due to changes in the assumptions for all years' results in a deferred inflow of resources as of June 30, 2018 of approximately \$4.0 million.

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 for all employers combined. During the measurement year, there was a net investment loss of approximately \$131,000. Approximately \$26,000 of that loss was recognized in the current year and an identical amount will be recognized in each of the next four years. The unrecognized investment loss from last year is approximately \$49,000 of which \$12,000 was recognized as an increase in OPEB expense in the current year. The combination of the unrecognized current and prior investment gains and losses results in a deferred outflow of resources as of June 30, 2018 of approximately \$142,000, which consists of a \$28,000 deferred inflow of resources for those employers with unrecognized gains and a \$170,000 deferred outflow of resources for those employers with unrecognized losses.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

SECTION VI – GASB 75 REPORTING INFORMATION

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, 2018 Measurement Date			
Employer	Source		
	Experience	Assumption Changes	Investment Return
Santa Barbara County	\$ 0	\$ 0	\$ 76,387
Air Pollution Control District	3,455	0	0
Courts	64,275	0	93,376
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	133,792	0	0
Total	\$ 201,521	\$ 0	\$ 169,763

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

**Table VI-3
Schedule of Employers' Deferred Inflows at June 30, 2018
Measurement Date**

Employer	Experience	Assumption Changes	Investment Return
Santa Barbara County	\$ 2,592,119	\$ 0	\$ 0
Air Pollution Control District	0	0	28,267
Courts	0	3,753,454	0
Carpinteria Cemetery	27	7,715	0
Goleta Cemetery	14,915	1,867	0
Santa Maria Cemetery	397	36,859	0
SB County Assoc. of Govts	50,694	70,579	0
Summerland Sanitary	4,066	17,092	0
Carpinteria-Summerland FPO	0	157,807	0
Total	\$ 2,662,217	\$ 4,045,372	\$ 28,267

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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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, 2018**

Employer	Recognition for Measurement Year Ending					
	2019	2020	2021	2022	2023	Thereafter
Santa Barbara County	\$ (843,545)	\$ (843,545)	\$ (843,545)	\$ 14,903	\$ 0	0
Air Pollution Control District	(4,138)	(7,593)	(7,594)	(5,487)	0	0
Courts	(750,438)	(750,438)	(750,437)	(759,143)	(585,348)	0
Carpinteria Cemetery	(1,548)	(1,548)	(1,548)	(1,548)	(1,548)	0
Goleta Cemetery	(16,781)	0	0	0	0	0
Santa Maria Cemetery	(11,391)	(11,391)	(11,391)	(3,084)	0	0
SB County Assoc. of Govts	(40,424)	(40,424)	(40,424)	0	0	0
Summerland Sanitary	(3,529)	(3,529)	(3,529)	(3,529)	(3,529)	(1,171)
Carpinteria-Summerland FPO	(64,871)	20,428	20,428	(0)	0	0
Total	\$ (1,736,665)	\$ (1,638,040)	\$ (1,638,041)	\$ (757,888)	\$ (590,425)	(1,171)

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
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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, 2018**

Employer	Change in Employer				
	Net OPEB Liability	Total Deferred Outflows	Total Deferred Inflows	Actual Employer Contributions	Employer Total OPEB Expense
Santa Barbara County	\$ (5,811,524)	\$ 54,012	\$ (2,592,119)	\$ 12,761,807	\$ 9,488,389
Air Pollution Control District	(200,946)	3,455	(19,841)	204,124	19,565
Courts	(3,228,453)	122,829	(2,800,404)	389,596	(161,283)
Carpinteria Cemetery	(235)	0	(1,250)	2,355	3,369
Goleta Cemetery	(25,201)	0	(10,614)	3,180	(11,407)
Santa Maria Cemetery	(7,840)	0	(4,028)	18,051	14,239
SB County Assoc. of Govts	(54,228)	0	(55,039)	5,965	6,776
Summerland Sanitary	(3,650)	0	(7,010)	4,731	8,090
Carpinteria-Summerland FPO	78,233	133,792	12,791	156,986	88,636
Total	\$ (9,253,845)	\$ 314,088	\$ (5,477,513)	\$ 13,546,795	\$ 9,456,375

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

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

APPENDIX A – MEMBERSHIP INFORMATION

The census data used to develop the Total OPEB Liability as of June 30, 2018 is the same census data used in our June 30, 2017 actuarial valuation. Please refer to the actuarial valuation report for a more complete summary of the census data.

	June 30, 2016	June 30, 2017	% Change
Active Employees¹			
Count	3,346	3,112	(6.99%)
Average Age	47.4	47.6	0.55%
Average Service	14.9	15.3	3.23%
Total Payroll	\$ 269,244,794	\$ 257,918,346	(4.21%)
Count of Terminated Vested Participants			
Average Age	926	923	(0.32%)
	48.9	48.8	(0.23%)
Count of Retired Participants			
Average Age	3,247	3,399	4.68%
	69.9	69.9	(0.04%)
Count of Disabled Participants			
Average Age	240	250	4.17%
	66.8	66.5	(0.42%)
Count of Surviving Spouses			
Average Age	489	512	4.70%
	72.5	72.8	0.40%
Total Count of Inactive Participants	3,976	4,161	4.65%

¹Active 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.

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

The assumptions and methodology used in developing the TOL as of June 30, 2018 are the same as those summarized in the June 30, 2017 actuarial valuation. The summary from the June 30, 2017 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 |

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

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 PEPRA members are the same as the Safety Plan 4 rates.

Rates of Retirement								
Age	General		General - PEPRA		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, 2018 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 ¹		
Service	General	Safety
0	20.00%	0.00%
1	14.00%	0.00%
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%	

¹ Termination rates do not apply once a member is eligible for retirement.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

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-2017 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-2017 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-2017 from a base year of 2009.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

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, 2018 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 ¹		
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%	1.10%
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%

¹ Increases are compound rather than additive .

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.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

- 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.

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
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

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, 2018 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, 2017. 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.

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 ¹										
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 ²
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 ³	Yes	Yes	No		Yes	No				
Courts				Yes	Yes		Yes			
Oak Hill Cemetery					No					
Mosquito & Vector Control					No					

¹ 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.

² Benefits were phased out for all new employees hired into Santa Barbara County Safety positions after January 16, 2017.

³ 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
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

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. However, we note that subsequent to the June 30, 2017 actuarial valuation, the OPEB Plan has been closed to all new entrants with membership dates in SBCERS on or after December 31, 2018.

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 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
2018	11,414,118	12,761,807	8,351,939	396,449	862,575	16,290,111	8,351,939	0
2019	16,290,111	13,450,436	8,947,520	408,343	1,281,194	21,665,878	8,947,520	0
2020	21,665,878	13,853,949	9,174,198	420,593	1,663,161	27,588,196	9,174,198	0
2021	27,588,196	14,269,567	9,400,641	433,211	2,083,798	34,107,710	9,400,641	0
2022	34,107,710	14,697,654	9,647,830	446,207	2,545,941	41,257,268	9,647,830	0
2023	41,257,268	15,138,584	9,887,806	459,593	3,052,864	49,101,317	9,887,806	0
2024	49,101,317	15,592,741	10,119,898	473,381	3,609,114	57,709,893	10,119,898	0
2025	57,709,893	16,060,524	10,322,117	487,582	4,220,363	67,181,080	10,322,117	0
2026	67,181,080	16,542,339	10,516,431	502,209	4,892,735	77,597,515	10,516,431	0
2027	77,597,515	17,038,609	10,691,615	517,275	5,632,415	89,059,649	10,691,615	0
2028	89,059,649	17,549,768	10,857,914	532,793	6,446,097	101,664,807	10,857,914	0
2029	101,664,807	18,076,261	10,991,208	548,777	7,341,437	115,542,520	10,991,208	0
2030	115,542,520	18,618,549	11,114,321	565,240	8,326,733	130,808,241	11,114,321	0
2031	130,808,241	19,177,105	11,226,708	582,197	9,410,102	147,586,543	11,226,708	0
2032	147,586,543	19,752,418	11,322,186	599,663	10,600,493	166,017,605	11,322,186	0
2033	166,017,605	20,344,991	11,405,040	617,653	11,907,586	186,247,489	11,405,040	0
2034	186,247,489	20,955,341	11,455,631	636,183	13,342,301	208,453,317	11,455,631	0
2035	208,453,317	21,584,001	11,470,333	655,268	14,917,177	232,828,893	11,470,333	0
2036	232,828,893	22,231,521	11,473,473	674,926	16,644,963	259,556,978	11,473,473	0
2037	259,556,978	22,898,466	11,456,980	695,174	18,538,748	288,842,039	11,456,980	0
2038	288,842,039	23,585,420	11,419,368	716,029	20,612,916	320,904,978	11,419,368	0
2039	320,904,978	24,292,983	11,348,366	737,510	22,883,371	355,995,456	11,348,366	0
2040	355,995,456	25,021,772	11,253,610	759,635	25,367,280	394,371,264	11,253,610	0
2041	394,371,264	25,772,426	11,135,289	782,424	28,082,702	436,308,678	11,135,289	0
2042	436,308,678	26,545,598	10,987,863	805,897	31,049,189	482,109,705	10,987,863	0
2043	482,109,705	27,341,966	10,810,147	830,074	34,287,946	532,099,397	10,810,147	0
2044	532,099,397	28,162,225	10,613,235	854,976	37,821,366	586,614,777	10,613,235	0
2045	586,614,777	29,007,092	10,394,025	880,625	41,673,173	646,020,393	10,394,025	0
2046	646,020,393	29,877,305	10,145,105	907,044	45,869,164	710,714,712	10,145,105	0
2047	710,714,712	30,773,624	9,874,286	934,255	50,436,989	781,116,784	9,874,286	0
2048	781,116,784	31,696,833	9,582,806	962,283	55,405,965	857,674,493	9,582,806	0
2049	857,674,493	32,647,738	9,275,048	991,151	60,807,319	940,863,350	9,275,048	0
2050	940,863,350	33,627,170	8,953,828	1,020,886	66,674,269	1,031,190,075	8,953,828	0
2051	1,031,190,075	34,635,985	8,622,000	1,051,513	73,042,215	1,129,194,762	8,622,000	0
2052	1,129,194,762	35,675,064	8,283,199	1,083,058	79,948,868	1,235,452,437	8,283,199	0



**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 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
2053	1,235,452,437	36,745,316	7,940,470	1,115,550	87,434,405	1,350,576,139	7,940,470	0
2054	1,350,576,139	37,847,676	7,597,242	1,149,017	95,541,653	1,475,219,209	7,597,242	0
2055	1,475,219,209	38,983,106	7,254,689	1,183,488	104,316,336	1,610,080,474	7,254,689	0
2056	1,610,080,474	40,152,599	6,914,789	1,218,993	113,807,338	1,755,906,629	6,914,789	0
2057	1,755,906,629	41,357,177	6,578,534	1,255,563	124,066,928	1,913,496,638	6,578,534	0
2058	1,913,496,638	42,597,893	6,246,480	1,293,230	135,151,048	2,083,705,868	6,246,480	0
2059	2,083,705,868	43,875,829	5,919,517	1,332,027	147,119,581	2,267,449,735	5,919,517	0
2060	2,267,449,735	45,192,104	5,598,183	1,371,988	160,036,623	2,465,708,292	5,598,183	0
2061	2,465,708,292	46,547,867	5,282,989	1,413,148	173,970,800	2,679,530,822	5,282,989	0
2062	2,679,530,822	47,944,303	4,974,680	1,455,542	188,995,576	2,910,040,479	4,974,680	0
2063	2,910,040,479	49,382,633	4,673,749	1,499,208	205,189,594	3,158,439,749	4,673,749	0
2064	3,158,439,749	50,864,112	4,380,470	1,544,184	222,637,061	3,426,016,268	4,380,470	0
2065	3,426,016,268	52,390,035	4,095,026	1,590,510	241,428,149	3,714,148,916	4,095,026	0
2066	3,714,148,916	53,961,736	3,817,811	1,638,225	261,659,410	4,024,314,025	3,817,811	0
2067	4,024,314,025	55,580,588	3,548,992	1,687,372	283,434,228	4,358,092,478	3,548,992	0
2068	4,358,092,478	57,248,006	3,288,799	1,737,993	306,863,303	4,717,176,994	3,288,799	0
2069	4,717,176,994	58,965,446	3,037,469	1,790,133	332,065,167	5,103,380,005	3,037,469	0
2070	5,103,380,005	60,734,409	2,795,272	1,843,837	359,166,730	5,518,642,035	2,795,272	0
2071	5,518,642,035	62,556,442	2,562,388	1,899,152	388,303,874	5,965,040,810	2,562,388	0
2072	5,965,040,810	64,433,135	2,339,095	1,956,127	419,622,085	6,444,800,807	2,339,095	0
2073	6,444,800,807	66,366,129	2,125,786	2,014,811	453,277,115	6,960,303,454	2,125,786	0
2074	6,960,303,454	68,357,113	1,922,792	2,075,255	489,435,711	7,514,098,231	1,922,792	0
2075	7,514,098,231	70,407,826	1,730,407	2,137,513	528,276,384	8,108,914,521	1,730,407	0
2076	8,108,914,521	72,520,061	1,548,894	2,201,638	569,990,241	8,747,674,291	1,548,894	0
2077	8,747,674,291	74,695,663	1,378,487	2,267,687	614,781,874	9,433,505,655	1,378,487	0
2078	9,433,505,655	76,936,533	1,219,402	2,335,718	662,870,307	10,169,757,374	1,219,402	0
2079	10,169,757,374	79,244,628	1,071,695	2,405,790	714,490,015	10,960,014,533	1,071,695	0
2080	10,960,014,533	81,621,967	935,315	2,477,964	769,892,025	11,808,115,246	935,315	0
2081	11,808,115,246	84,070,626	810,269	2,552,303	829,345,073	12,718,168,374	810,269	0
2082	12,718,168,374	86,592,745	696,402	2,628,872	893,136,857	13,694,572,702	696,402	0
2083	13,694,572,702	89,190,528	593,365	2,707,738	961,575,376	14,742,037,503	593,365	0
2084	14,742,037,503	91,866,243	500,761	2,788,970	1,034,990,370	15,865,604,385	500,761	0
2085	15,865,604,385	94,622,231	418,293	2,872,639	1,113,734,838	17,070,670,521	418,293	0
2086	17,070,670,521	97,460,898	345,546	2,958,818	1,198,186,679	18,363,013,734	345,546	0
2087	18,363,013,734	100,384,724	282,068	3,047,583	1,288,750,437	19,748,819,244	282,068	0



**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 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
2088	19,748,819,244	103,396,266	227,346	3,139,010	1,385,859,181	21,234,708,335	227,346	0
2089	21,234,708,335	106,498,154	180,851	3,233,180	1,489,976,506	22,827,768,965	180,851	0
2090	22,827,768,965	109,693,099	141,913	3,330,175	1,601,598,685	24,535,588,661	141,913	0
2091	24,535,588,661	112,983,892	109,789	3,430,080	1,721,256,961	26,366,289,644	109,789	0
2092	26,366,289,644	116,373,409	83,719	3,532,982	1,849,520,013	28,328,566,364	83,719	0
2093	28,328,566,364	119,864,611	62,909	3,638,971	1,986,996,578	30,431,725,673	62,909	0
2094	30,431,725,673	123,460,549	46,581	3,748,140	2,134,338,264	32,685,729,765	46,581	0
2095	32,685,729,765	127,164,366	34,003	3,860,584	2,292,242,555	35,101,242,098	34,003	0
2096	35,101,242,098	130,979,297	24,434	3,976,402	2,461,456,027	37,689,676,586	24,434	0
2097	37,689,676,586	134,908,675	17,240	4,095,694	2,642,777,787	40,463,250,115	17,240	0
2098	40,463,250,115	138,955,936	11,927	4,218,565	2,837,063,147	43,435,038,706	11,927	0
2099	43,435,038,706	143,124,614	8,073	4,345,122	3,045,227,562	46,619,037,686	8,073	0
2100	46,619,037,686	147,418,352	5,310	4,475,476	3,268,250,840	50,030,226,092	5,310	0
2101	50,030,226,092	151,840,903	3,375	4,609,740	3,507,181,647	53,684,635,527	3,375	0
2102	53,684,635,527	156,396,130	2,056	4,748,032	3,763,142,330	57,599,423,899	2,056	0
2103	57,599,423,899	161,088,014	1,189	4,890,473	4,037,334,084	61,792,954,335	1,189	0
2104	61,792,954,335	165,920,654	652	5,037,187	4,331,042,466	66,284,879,616	652	0
2105	66,284,879,616	170,898,274	334	5,188,303	4,645,643,317	71,096,232,569	334	0
2106	71,096,232,569	176,025,222	155	5,343,952	4,982,609,083	76,249,522,767	155	0
2107	76,249,522,767	181,305,979	63	5,504,271	5,343,515,584	81,768,839,996	63	0
2108	81,768,839,996	186,745,158	23	5,669,399	5,730,049,261	87,679,964,993	23	0
2109	87,679,964,993	192,347,513	9	5,839,481	6,144,014,926	94,010,487,942	9	0
2110	94,010,487,942	198,117,938	3	6,014,665	6,587,344,054	100,789,935,266	3	0
2111	100,789,935,266	204,061,476	1	6,195,105	7,062,103,663	108,049,905,299	1	0
2112	108,049,905,299	210,183,321	0	6,380,958	7,570,505,811	115,824,213,472	0	0
2113	115,824,213,472	216,488,820	0	6,572,387	8,114,917,757	124,149,047,663	0	0
2114	124,149,047,663	222,983,485	0	6,769,559	8,697,872,835	133,063,134,423	0	0
2115	133,063,134,423	229,672,989	0	6,972,646	9,322,082,093	142,607,916,860	0	0
2116	142,607,916,860	236,563,179	0	7,181,825	9,990,446,744	152,827,744,958	0	0
2117	152,827,744,958	243,660,074	0	7,397,280	10,706,071,488	163,770,079,240	0	0

Discount Rate:	7.000%	N/A
Present Value:	143,852,652	0
Total Present Value:		143,852,652
GASB Discount Rate:		7.000%



**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 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
2018	1,313,666	204,125	97,800	6,393	122,829	1,536,427	97,800	0
2019	1,536,427	166,338	99,348	6,585	109,628	1,706,460	99,348	0
2020	1,706,460	167,288	102,506	6,783	121,448	1,885,907	102,506	0
2021	1,885,907	168,062	105,479	6,986	133,926	2,075,430	105,479	0
2022	2,075,430	169,131	110,978	7,196	147,033	2,273,420	110,978	0
2023	2,273,420	170,504	115,538	7,412	160,776	2,481,750	115,538	0
2024	2,481,750	171,546	119,296	7,634	175,258	2,701,623	119,296	0
2025	2,701,623	172,666	121,394	7,863	190,607	2,935,640	121,394	0
2026	2,935,640	174,474	125,704	8,099	206,894	3,183,206	125,704	0
2027	3,183,206	176,392	128,249	8,342	224,194	3,447,201	128,249	0
2028	3,447,201	178,604	128,269	8,592	242,740	3,731,684	128,269	0
2029	3,731,684	181,814	127,594	8,850	262,779	4,039,833	127,594	0
2030	4,039,833	185,483	126,682	9,116	284,498	4,374,016	126,682	0
2031	4,374,016	189,405	125,134	9,389	308,069	4,736,967	125,134	0
2032	4,736,967	193,421	125,164	9,671	333,604	5,129,157	125,164	0
2033	5,129,157	198,086	123,030	9,961	361,281	5,555,533	123,030	0
2034	5,555,533	202,846	120,992	10,260	391,351	6,018,478	120,992	0
2035	6,018,478	207,842	119,332	10,568	423,975	6,520,396	119,332	0
2036	6,520,396	212,922	116,767	10,885	459,362	7,065,027	116,767	0
2037	7,065,027	218,239	114,901	11,212	497,722	7,654,876	114,901	0
2038	7,654,876	223,414	112,848	11,548	539,248	8,293,142	112,848	0
2039	8,293,142	228,657	111,360	11,894	584,147	8,982,692	111,360	0
2040	8,982,692	233,844	108,979	12,251	632,663	9,727,969	108,979	0
2041	9,727,969	238,792	107,339	12,619	685,047	10,531,849	107,339	0
2042	10,531,849	243,068	105,644	12,998	741,511	11,397,786	105,644	0
2043	11,397,786	247,282	103,965	13,388	802,316	12,330,031	103,965	0
2044	12,330,031	251,971	103,000	13,790	867,753	13,332,965	103,000	0
2045	13,332,965	257,114	100,098	14,204	938,221	14,413,999	100,098	0
2046	14,413,999	262,478	97,106	14,630	1,014,167	15,578,908	97,106	0
2047	15,578,908	268,044	94,052	15,069	1,095,992	16,833,824	94,052	0
2048	16,833,824	273,985	90,883	15,521	1,184,134	18,185,538	90,883	0
2049	18,185,538	280,226	88,021	15,987	1,279,051	19,640,808	88,021	0
2050	19,640,808	287,022	84,291	16,467	1,381,266	21,208,338	84,291	0
2051	21,208,338	294,576	80,445	16,961	1,491,368	22,896,876	80,445	0
2052	22,896,876	302,701	76,631	17,470	1,609,959	24,715,435	76,631	0



**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 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
2053	24,715,435	311,203	72,892	17,994	1,737,661	26,673,412	72,892	0
2054	26,673,412	319,910	69,161	18,534	1,875,129	28,780,756	69,161	0
2055	28,780,756	328,974	65,427	19,090	2,023,064	31,048,277	65,427	0
2056	31,048,277	338,511	61,751	19,663	2,182,226	33,487,601	61,751	0
2057	33,487,601	348,465	58,161	20,253	2,353,424	36,111,075	58,161	0
2058	36,111,075	358,793	54,687	20,861	2,537,521	38,931,841	54,687	0
2059	38,931,841	369,481	51,353	21,487	2,735,436	41,963,918	51,353	0
2060	41,963,918	380,516	48,180	22,132	2,948,148	45,222,271	48,180	0
2061	45,222,271	391,902	45,182	22,796	3,176,705	48,722,900	45,182	0
2062	48,722,900	403,642	42,353	23,480	3,422,226	52,482,935	42,353	0
2063	52,482,935	415,739	39,702	24,184	3,685,912	56,520,700	39,702	0
2064	56,520,700	428,206	37,224	24,910	3,969,045	60,855,816	37,224	0
2065	60,855,816	441,049	34,903	25,657	4,272,999	65,509,304	34,903	0
2066	65,509,304	454,278	32,731	26,427	4,599,247	70,503,671	32,731	0
2067	70,503,671	467,905	30,706	27,220	4,949,364	75,863,014	30,706	0
2068	75,863,014	481,941	28,810	28,037	5,325,038	81,613,146	28,810	0
2069	81,613,146	496,399	27,019	28,878	5,728,077	87,781,724	27,019	0
2070	87,781,724	511,291	25,329	29,744	6,160,418	94,398,360	25,329	0
2071	94,398,360	526,629	23,720	30,636	6,624,135	101,494,769	23,720	0
2072	101,494,769	542,428	22,176	31,555	7,121,449	109,104,915	22,176	0
2073	109,104,915	558,701	20,685	32,502	7,654,738	117,265,167	20,685	0
2074	117,265,167	575,462	19,238	33,477	8,226,548	126,014,463	19,238	0
2075	126,014,463	592,726	17,826	34,481	8,839,607	135,394,489	17,826	0
2076	135,394,489	610,508	16,439	35,515	9,496,833	145,449,876	16,439	0
2077	145,449,876	628,823	15,075	36,580	10,201,351	156,228,395	15,075	0
2078	156,228,395	647,688	13,731	37,677	10,956,505	167,781,181	13,731	0
2079	167,781,181	667,118	12,413	38,807	11,765,875	180,162,954	12,413	0
2080	180,162,954	687,132	11,124	39,971	12,633,292	193,432,284	11,124	0
2081	193,432,284	707,746	9,873	41,170	13,562,856	207,651,843	9,873	0
2082	207,651,843	728,978	8,669	42,405	14,558,954	222,888,701	8,669	0
2083	222,888,701	750,848	7,523	43,677	15,626,283	239,214,631	7,523	0
2084	239,214,631	773,373	6,445	44,987	16,769,865	256,706,437	6,445	0
2085	256,706,437	796,574	5,449	46,337	17,995,077	275,446,302	5,449	0
2086	275,446,302	820,472	4,545	47,727	19,307,673	295,522,175	4,545	0
2087	295,522,175	845,086	3,735	49,159	20,713,810	317,028,176	3,735	0

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 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
2088	317,028,176	870,438	3,021	50,634	22,220,076	340,065,036	3,021	0
2089	340,065,036	896,551	2,404	52,153	23,833,524	364,740,554	2,404	0
2090	364,740,554	923,448	1,880	53,718	25,561,700	391,170,104	1,880	0
2091	391,170,104	951,151	1,447	55,330	27,412,681	419,477,159	1,447	0
2092	419,477,159	979,686	1,100	56,990	29,395,111	449,793,866	1,100	0
2093	449,793,866	1,009,076	825	58,700	31,518,243	482,261,660	825	0
2094	482,261,660	1,039,349	611	60,461	33,791,977	517,031,914	611	0
2095	517,031,914	1,070,529	445	62,275	36,226,911	554,266,634	445	0
2096	554,266,634	1,102,645	318	64,143	38,834,386	594,139,204	318	0
2097	594,139,204	1,135,724	221	66,067	41,626,541	636,835,181	221	0
2098	636,835,181	1,169,796	150	68,049	44,616,366	682,553,144	150	0
2099	682,553,144	1,204,890	96	70,090	47,817,763	731,505,611	96	0
2100	731,505,611	1,241,037	58	72,193	51,245,608	783,920,004	58	0
2101	783,920,004	1,278,268	33	74,359	54,915,823	840,039,703	33	0
2102	840,039,703	1,316,616	17	76,590	58,845,445	900,125,157	17	0
2103	900,125,157	1,356,114	8	78,888	63,052,708	964,455,083	8	0
2104	964,455,083	1,396,798	3	81,255	67,557,121	1,033,327,744	3	0
2105	1,033,327,744	1,438,702	1	83,693	72,379,565	1,107,062,317	1	0
2106	1,107,062,317	1,481,863	0	86,204	77,542,384	1,186,000,360	0	0
2107	1,186,000,360	1,526,319	0	88,790	83,069,488	1,270,507,376	0	0
2108	1,270,507,376	1,572,108	0	91,454	88,986,463	1,360,974,493	0	0
2109	1,360,974,493	1,619,271	0	94,198	95,320,689	1,457,820,256	0	0
2110	1,457,820,256	1,667,850	0	97,024	102,101,467	1,561,492,549	0	0
2111	1,561,492,549	1,717,885	0	99,935	109,360,149	1,672,470,648	0	0
2112	1,672,470,648	1,769,422	0	102,933	117,130,286	1,791,267,422	0	0
2113	1,791,267,422	1,822,504	0	106,021	125,447,780	1,918,431,686	0	0
2114	1,918,431,686	1,877,179	0	109,202	134,351,051	2,054,550,714	0	0
2115	2,054,550,714	1,933,495	0	112,478	143,881,208	2,200,252,939	0	0
2116	2,200,252,939	1,991,500	0	115,852	154,082,243	2,356,210,830	0	0
2117	2,356,210,830	2,051,245	0	119,328	165,001,232	2,523,143,978	0	0

Discount Rate:	7.000%	N/A
Present Value:	1,567,332	0
Total Present Value:		1,567,332
GASB Discount Rate:		7.000%



**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 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
2018	1,259,929	389,596	405,591	18,149	2,946	1,228,731	405,591	0
2019	1,228,731	450,224	431,757	18,693	86,003	1,314,508	431,757	0
2020	1,314,508	474,800	455,950	19,254	92,002	1,406,106	455,950	0
2021	1,406,106	497,606	478,321	19,832	98,409	1,503,969	478,321	0
2022	1,503,969	519,411	499,665	20,427	105,254	1,608,541	499,665	0
2023	1,608,541	538,854	518,629	21,040	112,570	1,720,296	518,629	0
2024	1,720,296	558,791	538,086	21,671	120,388	1,839,718	538,086	0
2025	1,839,718	577,739	556,562	22,321	128,741	1,967,315	556,562	0
2026	1,967,315	596,446	574,822	22,991	137,665	2,103,613	574,822	0
2027	2,103,613	613,778	591,705	23,681	147,198	2,249,203	591,705	0
2028	2,249,203	628,519	606,017	24,391	157,379	2,404,692	606,017	0
2029	2,404,692	644,548	621,644	25,123	168,252	2,570,725	621,644	0
2030	2,570,725	657,042	633,764	25,877	179,861	2,747,987	633,764	0
2031	2,747,987	670,908	647,278	26,653	192,255	2,937,219	647,278	0
2032	2,937,219	683,737	659,787	27,453	205,485	3,139,201	659,787	0
2033	3,139,201	693,728	669,494	28,277	219,605	3,354,763	669,494	0
2034	3,354,763	704,574	680,097	29,125	234,673	3,584,788	680,097	0
2035	3,584,788	708,317	683,644	29,999	250,752	3,830,214	683,644	0
2036	3,830,214	712,555	687,741	30,899	267,906	4,092,035	687,741	0
2037	4,092,035	714,215	689,286	31,826	286,205	4,371,343	689,286	0
2038	4,371,343	715,991	690,986	32,781	305,726	4,669,293	690,986	0
2039	4,669,293	712,930	687,916	33,764	326,549	4,987,092	687,916	0
2040	4,987,092	707,943	682,977	34,777	348,759	5,326,040	682,977	0
2041	5,326,040	702,399	677,526	35,820	372,446	5,687,539	677,526	0
2042	5,687,539	694,435	669,678	36,895	397,710	6,073,111	669,678	0
2043	6,073,111	683,356	658,755	38,002	424,657	6,484,367	658,755	0
2044	6,484,367	672,428	648,030	39,142	453,398	6,923,021	648,030	0
2045	6,923,021	659,096	634,944	40,316	484,055	7,390,912	634,944	0
2046	7,390,912	644,001	620,142	41,525	516,756	7,890,002	620,142	0
2047	7,890,002	628,869	605,349	42,771	551,638	8,422,389	605,349	0
2048	8,422,389	611,295	588,161	44,054	588,847	8,990,316	588,161	0
2049	8,990,316	592,191	569,493	45,376	628,542	9,596,180	569,493	0
2050	9,596,180	571,599	549,373	46,737	670,889	10,242,557	549,373	0
2051	10,242,557	551,879	530,171	48,139	716,070	10,932,196	530,171	0
2052	10,932,196	531,275	510,117	49,583	764,276	11,668,047	510,117	0



**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 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
2053	11,668,047	510,089	489,504	51,070	815,714	12,453,275	489,504	0
2054	12,453,275	488,746	468,755	52,602	870,607	13,291,271	468,755	0
2055	13,291,271	467,442	448,044	54,180	929,192	14,185,682	448,044	0
2056	14,185,682	446,315	427,527	55,805	991,724	15,140,389	427,527	0
2057	15,140,389	425,296	407,132	57,479	1,058,474	16,159,547	407,132	0
2058	16,159,547	404,301	386,772	59,203	1,129,734	17,247,607	386,772	0
2059	17,247,607	383,499	366,615	60,979	1,205,815	18,409,327	366,615	0
2060	18,409,327	362,968	346,733	62,808	1,287,050	19,649,805	346,733	0
2061	19,649,805	342,850	327,268	64,692	1,373,797	20,974,492	327,268	0
2062	20,974,492	323,089	308,166	66,633	1,466,435	22,389,217	308,166	0
2063	22,389,217	303,787	289,525	68,632	1,565,374	23,900,221	289,525	0
2064	23,900,221	285,124	271,524	70,691	1,671,051	25,514,181	271,524	0
2065	25,514,181	266,928	253,986	72,812	1,783,933	27,238,244	253,986	0
2066	27,238,244	249,241	236,958	74,996	1,904,519	29,080,049	236,958	0
2067	29,080,049	232,037	220,412	77,246	2,033,346	31,047,774	220,412	0
2068	31,047,774	215,432	204,464	79,563	2,170,984	33,150,163	204,464	0
2069	33,150,163	199,344	189,029	81,950	2,318,047	35,396,574	189,029	0
2070	35,396,574	183,825	174,159	84,409	2,475,188	37,797,019	174,159	0
2071	37,797,019	168,940	159,914	86,941	2,643,110	40,362,214	159,914	0
2072	40,362,214	154,688	146,293	89,549	2,822,563	43,103,623	146,293	0
2073	43,103,623	141,097	133,321	92,235	3,014,348	46,033,512	133,321	0
2074	46,033,512	128,200	121,027	95,002	3,219,324	49,165,008	121,027	0
2075	49,165,008	116,009	109,421	97,852	3,438,410	52,512,154	109,421	0
2076	52,512,154	104,535	98,514	100,788	3,672,590	56,089,978	98,514	0
2077	56,089,978	93,784	88,307	103,812	3,922,915	59,914,558	88,307	0
2078	59,914,558	83,768	78,811	106,926	4,190,510	64,003,098	78,811	0
2079	64,003,098	74,468	70,007	110,134	4,476,581	68,374,005	70,007	0
2080	68,374,005	65,873	61,882	113,438	4,782,414	73,046,972	61,882	0
2081	73,046,972	57,931	54,383	116,841	5,109,390	78,043,069	54,383	0
2082	78,043,069	50,641	47,508	120,346	5,458,982	83,384,838	47,508	0
2083	83,384,838	43,941	41,196	123,956	5,832,768	89,096,395	41,196	0
2084	89,096,395	37,805	35,422	127,675	6,232,437	95,203,540	35,422	0
2085	95,203,540	32,210	30,162	131,505	6,659,793	101,733,876	30,162	0
2086	101,733,876	27,174	25,432	135,450	7,116,771	108,716,939	25,432	0
2087	108,716,939	22,678	21,214	139,514	7,605,436	116,184,325	21,214	0

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 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
2088	116,184,325	18,732	17,514	143,699	8,128,000	124,169,844	17,514	0
2089	124,169,844	15,318	14,317	148,010	8,686,831	132,709,667	14,317	0
2090	132,709,667	12,401	11,586	152,450	9,284,459	141,842,491	11,586	0
2091	141,842,491	9,927	9,271	157,024	9,923,594	151,609,717	9,271	0
2092	151,609,717	7,851	7,330	161,735	10,607,133	162,055,636	7,330	0
2093	162,055,636	6,110	5,702	166,587	11,338,177	173,227,634	5,702	0
2094	173,227,634	4,653	4,340	171,585	12,120,041	185,176,402	4,340	0
2095	185,176,402	3,452	3,219	176,733	12,956,275	197,956,178	3,219	0
2096	197,956,178	2,482	2,313	182,035	13,850,675	211,624,987	2,313	0
2097	211,624,987	1,712	1,595	187,496	14,807,302	226,244,910	1,595	0
2098	226,244,910	1,123	1,046	193,121	15,830,501	241,882,367	1,046	0
2099	241,882,367	695	647	198,915	16,924,923	258,608,424	647	0
2100	258,608,424	399	371	204,882	18,095,541	276,499,111	371	0
2101	276,499,111	211	196	211,028	19,347,677	295,635,774	196	0
2102	295,635,774	100	93	217,359	20,687,026	316,105,448	93	0
2103	316,105,448	41	38	223,880	22,119,678	338,001,249	38	0
2104	338,001,249	12	11	230,596	23,652,153	361,422,807	11	0
2105	361,422,807	2	2	237,514	25,291,424	386,476,717	2	0
2106	386,476,717	0	0	244,639	27,044,953	413,277,031	0	0
2107	413,277,031	0	0	251,978	28,920,722	441,945,775	0	0
2108	441,945,775	0	0	259,537	30,927,274	472,613,512	0	0
2109	472,613,512	0	0	267,323	33,073,748	505,419,937	0	0
2110	505,419,937	0	0	275,343	35,369,922	540,514,516	0	0
2111	540,514,516	0	0	283,603	37,826,258	578,057,171	0	0
2112	578,057,171	0	0	292,111	40,453,951	618,219,011	0	0
2113	618,219,011	0	0	300,874	43,264,978	661,183,115	0	0
2114	661,183,115	0	0	309,900	46,272,155	707,145,370	0	0
2115	707,145,370	0	0	319,197	49,489,193	756,315,366	0	0
2116	756,315,366	0	0	328,773	52,930,763	808,917,356	0	0
2117	808,917,356	0	0	338,636	56,612,563	865,191,283	0	0

Discount Rate:	7.000%	N/A
Present Value:	8,057,767	0
Total Present Value:		8,057,767
GASB Discount Rate:		7.000%



**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 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	\$ 133,689,779	\$ 11,414,118	\$ 122,275,662
Changes for the year:			
Service cost	1,741,726		1,741,726
Interest	9,130,840		9,130,840
Changes of benefits	0		0
Differences between expected and actual experience	(3,456,158)		(3,456,158)
Changes of assumptions	0		0
Contributions - employer		12,761,807	(12,761,807)
Contributions - member		0	0
Net investment income		862,575	(862,575)
Benefit payments	(8,351,939)	(8,351,939)	0
Administrative expense		(396,449)	396,449
Net changes	<u>(935,531)</u>	<u>4,875,993</u>	<u>(5,811,524)</u>
Balance at end of current year	<u>\$ 132,754,248</u>	<u>\$ 16,290,111</u>	<u>\$ 116,464,137</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	\$ 147,447,688	\$ 132,754,248	\$ 120,366,938
Plan Fiduciary Net Position	<u>16,290,111</u>	<u>16,290,111</u>	<u>16,290,111</u>
Net OPEB Liability	<u>\$ 131,157,577</u>	<u>\$ 116,464,137</u>	<u>\$ 104,076,827</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	11.0%	12.3%	13.5%

SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 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 2018	FYE 2017
<u>Total OPEB Liability</u>		
Service cost (BOY)	\$ 1,741,726	\$ 1,855,911
Interest (includes interest on service cost)	9,130,840	8,961,805
Changes of benefit terms	0	0
Differences between expected and actual experience	(3,456,158)	0
Changes of assumptions	0	0
Benefit payments, including refunds of member contributions	(8,351,939)	(8,341,842)
Net change in total OPEB liability	\$ (935,531)	\$ 2,475,874
Total OPEB liability - beginning	<u>133,689,779</u>	<u>131,213,905</u>
Total OPEB liability - ending	<u>\$ 132,754,248</u>	<u>\$ 133,689,779</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - employer	\$ 12,761,807	\$ 12,642,216
Contributions - member	0	0
Net investment income	862,575	589,251
Benefit payments, including refunds of member contributions	(8,351,939)	(8,341,842)
Administrative expense	(396,449)	(352,257)
Net change in plan fiduciary net position	\$ 4,875,993	\$ 4,537,368
Plan fiduciary net position - beginning	<u>11,414,118</u>	<u>6,876,750</u>
Plan fiduciary net position - ending	<u>\$ 16,290,111</u>	<u>\$ 11,414,118</u>
Net OPEB liability - ending	<u>\$ 116,464,137</u>	<u>\$ 122,275,662</u>
Plan fiduciary net position as a percentage of the total OPEB liability	12.27%	8.54%
Covered payroll	\$ 319,452,077	\$ 316,947,740
Net OPEB liability as a percentage of covered payroll	36.46%	38.58%

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

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

Schedule of Employer Contributions - Santa Barbara County				
	FYE 2018	FYE 2017	FYE 2016	FYE 2015
Contractually Required Employer Contribution (CREC)	\$ 12,761,807	\$ 12,642,216	\$ 11,394,956	\$ 9,132,822
Amount of Contribution Recognized by the OPEB Plan	<u>12,761,807</u>	<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>	<u>\$ 0</u>
Covered Payroll (Pay)	\$319,452,077	\$316,947,740	\$304,479,530	\$295,364,623
Actual Contributions as % of Pay	3.99%	3.99%	3.74%	3.09%

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 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	\$ 1,470,786	\$ 1,313,666	\$ 157,119
Changes for the year:			
Service cost	12,680		12,680
Interest	100,026		100,026
Changes of benefits	0		0
Differences between expected and actual experience	6,909		6,909
Changes of assumptions	0		0
Contributions - employer		204,124	(204,124)
Contributions - member		0	0
Net investment income		122,830	(122,830)
Benefit payments	(97,800)	(97,800)	0
Administrative expense		(6,393)	6,393
Net changes	<u>21,815</u>	<u>222,761</u>	<u>(200,946)</u>
Balance at end of current year	<u>\$ 1,492,601</u>	<u>\$ 1,536,427</u>	<u>\$ (43,826)</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	\$ 1,657,158	\$ 1,492,601	\$ 1,354,028
Plan Fiduciary Net Position	<u>1,536,427</u>	<u>1,536,427</u>	<u>1,536,427</u>
Net OPEB Liability	<u>\$ 120,730</u>	<u>\$ (43,826)</u>	<u>\$ (182,400)</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	92.7%	102.9%	113.5%

SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 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 2018	FYE 2017
<u>Total OPEB Liability</u>		
Service cost (BOY)	\$ 12,680	\$ 14,379
Interest (includes interest on service cost)	100,026	98,778
Changes of benefit terms	0	0
Differences between expected and actual experience	6,909	0
Changes of assumptions	0	0
Benefit payments, including refunds of member contributions	(97,800)	(91,292)
Net change in total OPEB liability	\$ 21,815	\$ 21,865
Total OPEB liability - beginning	<u>1,470,786</u>	<u>1,448,921</u>
Total OPEB liability - ending	<u>\$ 1,492,601</u>	<u>\$ 1,470,786</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - employer	\$ 204,124	\$ 162,872
Contributions - member	0	0
Net investment income	122,830	93,589
Benefit payments, including refunds of member contributions	(97,800)	(91,292)
Administrative expense	(6,393)	(5,617)
Net change in plan fiduciary net position	\$ 222,761	\$ 159,552
Plan fiduciary net position - beginning	<u>1,313,666</u>	<u>1,154,114</u>
Plan fiduciary net position - ending	<u>\$ 1,536,427</u>	<u>\$ 1,313,666</u>
Net OPEB liability - ending	<u>\$ (43,826)</u>	<u>\$ 157,119</u>
Plan fiduciary net position as a percentage of the total OPEB liability	102.94%	89.32%
Covered payroll	\$ 3,105,717	\$ 3,306,305
Net OPEB liability as a percentage of covered payroll	-1.41%	4.75%

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

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

Schedule of Employer Contributions - Air Pollution Control District				
	FYE 2018	FYE 2017	FYE 2016	FYE 2015
Contractually Required Employer Contribution (CREC)	\$ 204,124	\$ 162,872	\$ 178,444	\$ 184,418
Amount of Contribution Recognized by the OPEB Plan	<u>204,124</u>	<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>	<u>\$ 0</u>
Covered Payroll (Pay)	\$ 3,105,717	\$ 3,306,305	\$ 3,336,095	\$ 3,322,884
Actual Contributions as % of Pay	6.57%	4.93%	5.35%	5.55%

**SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 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	\$ 10,550,727	\$ 1,259,929	\$ 9,290,798
Changes for the year:			
Service cost	279,798		279,798
Interest	378,228		378,228
Changes of benefits	0		0
Differences between expected and actual experience	77,129		77,129
Changes of assumptions	(3,589,217)		(3,589,217)
Contributions - employer		389,596	(389,596)
Contributions - member		0	0
Net investment income		2,945	(2,945)
Benefit payments	(405,590)	(405,590)	0
Administrative expense		(18,149)	18,149
Net changes	<u>(3,259,651)</u>	<u>(31,198)</u>	<u>(3,228,453)</u>
Balance at end of current year	<u>\$ 7,291,076</u>	<u>\$ 1,228,731</u>	<u>\$ 6,062,345</u>

Sensitivity of Net OPEB Liability to Changes in Discount Rate Courts			
	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Total OPEB Liability	\$ 8,129,674	\$ 7,291,076	\$ 6,583,769
Plan Fiduciary Net Position	<u>1,228,731</u>	<u>1,228,731</u>	<u>1,228,731</u>
Net OPEB Liability	<u>\$ 6,900,942</u>	<u>\$ 6,062,345</u>	<u>\$ 5,355,037</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	15.1%	16.9%	18.7%

SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE

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

Schedule of Changes in Net OPEB Liability and Related Ratios		
Courts		
	FYE 2018	FYE 2017
<u>Total OPEB Liability</u>		
Service cost (BOY)	\$ 279,798	\$ 355,422
Interest (includes interest on service cost)	378,228	324,335
Changes of benefit terms	0	0
Differences between expected and actual experience	77,129	(0)
Changes of assumptions	(3,589,217)	(1,143,660)
Benefit payments, including refunds of member contributions	(405,590)	(375,556)
Net change in total OPEB liability	\$ (3,259,651)	\$ (839,459)
Total OPEB liability - beginning	10,550,727	11,390,186
Total OPEB liability - ending	\$ 7,291,076	\$ 10,550,727
<u>Plan Fiduciary Net Position</u>		
Contributions - employer	\$ 389,596	\$ 1,651,220
Contributions - member	0	0
Net investment income	2,945	(169)
Benefit payments, including refunds of member contributions	(405,590)	(375,556)
Administrative expense	(18,149)	(15,566)
Net change in plan fiduciary net position	\$ (31,198)	\$ 1,259,929
Plan fiduciary net position - beginning	1,259,929	0
Plan fiduciary net position - ending	\$ 1,228,731	\$ 1,259,929
Net OPEB liability - ending	\$ 6,062,345	\$ 9,290,798
Plan fiduciary net position as a percentage of the total OPEB liability	16.85%	11.94%
Covered employee payroll	\$ 14,709,868	\$ 13,893,235
Net OPEB liability as a percentage of covered payroll	41.21%	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, 2018 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	\$ 64,357	\$ 0	\$	64,357
Changes for the year:				
Service cost	2,432			2,432
Interest	2,309			2,309
Changes of benefits	0			0
Differences between expected and actual experience	(32)			(32)
Changes of assumptions	(2,766)			(2,766)
Contributions - employer		2,355		(2,355)
Contributions - member		0		0
Net investment income		(0)		0
Benefit payments	(2,179)	(2,179)		0
Administrative expense		(176)		176
Net changes	(235)	0		(235)
Balance at end of current year	\$ 64,122	\$ 0	\$	64,122

Sensitivity of Net OPEB Liability to Changes in Discount Rate Carpinteria Cemetery				
	1% Decrease 2.87%	Discount Rate 3.87%	1% Increase 4.87%	
Total OPEB Liability	\$ 74,456	\$ 64,122	\$	55,731
Plan Fiduciary Net Position	0	0		0
Net OPEB Liability	\$ 74,456	\$ 64,122	\$	55,731
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, 2018 MEASUREMENT DATE

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

Schedule of Changes in Net OPEB Liability and Related Ratios Carpinteria Cemetery		
	FYE 2018	FYE 2017
<u>Total OPEB Liability</u>		
Service cost (BOY)	\$ 2,432	\$ 2,825
Interest (includes interest on service cost)	2,309	1,984
Changes of benefit terms	0	0
Differences between expected and actual experience	(32)	0
Changes of assumptions	(2,766)	(7,574)
Benefit payments, including refunds of member contributions	(2,179)	(2,179)
Net change in total OPEB liability	\$ (235)	\$ (4,944)
Total OPEB liability - beginning	64,357	69,301
Total OPEB liability - ending	<u>\$ 64,122</u>	<u>\$ 64,357</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - employer	\$ 2,355	\$ 2,347
Contributions - member	0	0
Net investment income	0	0
Benefit payments, including refunds of member contributions	(2,179)	(2,179)
Administrative expense	(176)	(168)
Net change in plan fiduciary net position	\$ 0	\$ 0
Plan fiduciary net position - beginning	0	0
Plan fiduciary net position - ending	<u>\$ 0</u>	<u>\$ 0</u>
Net OPEB liability - ending	<u>\$ 64,122</u>	<u>\$ 64,357</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
Covered employee payroll	\$ 111,496	\$ 139,356
Net OPEB liability as a percentage of covered payroll	57.51%	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, 2018 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	\$ 140,605	\$ 0	\$	140,605
Changes for the year:				
Service cost	6,198			6,198
Interest	5,093			5,093
Changes of benefits	0			0
Differences between expected and actual experience	(29,830)			(29,830)
Changes of assumptions	(3,733)			(3,733)
Contributions - employer		3,180		(3,180)
Contributions - member		0		0
Net investment income		0		0
Benefit payments	(2,929)	(2,929)		0
Administrative expense		(251)		251
Net changes	<u>(25,201)</u>	<u>0</u>		<u>(25,201)</u>
Balance at end of current year	<u>\$ 115,404</u>	<u>\$ 0</u>	<u>\$</u>	<u>115,404</u>

Sensitivity of Net OPEB Liability to Changes in Discount Rate Goleta Cemetery					
	1% Decrease 2.87%	Discount Rate 3.87%	1% Increase 4.87%		
Total OPEB Liability	\$ 129,181	\$ 115,404	\$ 103,820		
Plan Fiduciary Net Position	<u>0</u>	<u>0</u>	<u>0</u>		
Net OPEB Liability	<u>\$ 129,181</u>	<u>\$ 115,404</u>	<u>\$ 103,820</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, 2018 MEASUREMENT DATE

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

Schedule of Changes in Net OPEB Liability and Related Ratios Goleta Cemetery		
	FYE 2018	FYE 2017
<u>Total OPEB Liability</u>		
Service cost (BOY)	\$ 6,198	\$ 8,231
Interest (includes interest on service cost)	5,093	4,157
Changes of benefit terms	0	0
Differences between expected and actual experience	(29,830)	0
Changes of assumptions	(3,733)	(12,335)
Benefit payments, including refunds of member contributions	(2,929)	(2,455)
Net change in total OPEB liability	\$ (25,201)	\$ (2,402)
Total OPEB liability - beginning	140,605	143,007
Total OPEB liability - ending	<u>\$ 115,404</u>	<u>\$ 140,605</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - employer	\$ 3,180	\$ 2,645
Contributions - member	0	0
Net investment income	0	0
Benefit payments, including refunds of member contributions	(2,929)	(2,455)
Administrative expense	(251)	(190)
Net change in plan fiduciary net position	\$ 0	\$ 0
Plan fiduciary net position - beginning	0	0
Plan fiduciary net position - ending	<u>\$ 0</u>	<u>\$ 0</u>
Net OPEB liability - ending	<u>\$ 115,404</u>	<u>\$ 140,605</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
Covered employee payroll	\$ 280,764	\$ 275,831
Net OPEB liability as a percentage of covered payroll	41.10%	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
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

**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	\$ 428,461	\$ 0	\$	428,461
Changes for the year:				
Service cost	9,670			9,670
Interest	15,208			15,208
Changes of benefits	0			0
Differences between expected and actual experience	(496)			(496)
Changes of assumptions	(14,922)			(14,922)
Contributions - employer		18,051		(18,051)
Contributions - member		0		0
Net investment income		0		0
Benefit payments	(17,299)	(17,299)		0
Administrative expense		(752)		752
Net changes	<u>(7,840)</u>	<u>(0)</u>		<u>(7,840)</u>
Balance at end of current year	<u>\$ 420,622</u>	<u>\$ 0</u>	<u>\$</u>	<u>420,622</u>

Sensitivity of Net OPEB Liability to Changes in Discount Rate Santa Maria Cemetery					
	1% Decrease 2.87%	Discount Rate 3.87%	1% Increase 4.87%		
Total OPEB Liability	\$ 475,876	\$ 420,622	\$ 374,634		
Plan Fiduciary Net Position	<u>0</u>	<u>0</u>	<u>0</u>		
Net OPEB Liability	<u>\$ 475,876</u>	<u>\$ 420,622</u>	<u>\$ 374,634</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, 2018 MEASUREMENT DATE

**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
SANTA MARIA CEMETERY**

Schedule of Changes in Net OPEB Liability and Related Ratios Santa Maria Cemetery		
	FYE 2018	FYE 2017
<u>Total OPEB Liability</u>		
Service cost (BOY)	\$ 9,670	\$ 10,190
Interest (includes interest on service cost)	15,208	13,123
Changes of benefit terms	0	0
Differences between expected and actual experience	(496)	0
Changes of assumptions	(14,922)	(41,535)
Benefit payments, including refunds of member contributions	(17,299)	(17,299)
Net change in total OPEB liability	\$ (7,840)	\$ (35,521)
Total OPEB liability - beginning	428,461	463,982
Total OPEB liability - ending	<u>\$ 420,622</u>	<u>\$ 428,461</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - employer	\$ 18,051	\$ 17,986
Contributions - member	0	0
Net investment income	0	0
Benefit payments, including refunds of member contributions	(17,299)	(17,299)
Administrative expense	(752)	(687)
Net change in plan fiduciary net position	\$ 0	\$ 0
Plan fiduciary net position - beginning	0	0
Plan fiduciary net position - ending	<u>\$ 0</u>	<u>\$ 0</u>
Net OPEB liability - ending	<u>\$ 420,622</u>	<u>\$ 428,461</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
Covered employee payroll	\$ 382,916	\$ 343,598
Net OPEB liability as a percentage of covered payroll	109.85%	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
GASB 74 AND 75 REPORTING FOR JUNE 30, 2018 MEASUREMENT DATE**

**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	\$ 646,751	\$ 0	\$ 646,751
Changes for the year:			
Service cost	23,053		23,053
Interest	23,475		23,475
Changes of benefits	0		0
Differences between expected and actual experience	(67,591)		(67,591)
Changes of assumptions	(27,872)		(27,872)
Contributions - employer		5,965	(5,965)
Contributions - member		0	0
Net investment income		0	0
Benefit payments	(5,293)	(5,293)	0
Administrative expense		(672)	672
Net changes	(54,228)	0	(54,228)
Balance at end of current year	\$ 592,522	\$ 0	\$ 592,522

Sensitivity of Net OPEB Liability to Changes in Discount Rate SB County Assoc of Govts			
	1% Decrease 2.87%	Discount Rate 3.87%	1% Increase 4.87%
Total OPEB Liability	\$ 697,149	\$ 592,522	\$ 508,516
Plan Fiduciary Net Position	0	0	0
Net OPEB Liability	\$ 697,149	\$ 592,522	\$ 508,516
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, 2018 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 2018	FYE 2017
<u>Total OPEB Liability</u>		
Service cost (BOY)	\$ 23,053	\$ 29,502
Interest (includes interest on service cost)	23,475	19,855
Changes of benefit terms	0	0
Differences between expected and actual experience	(67,591)	0
Changes of assumptions	(27,872)	(82,792)
Benefit payments, including refunds of member contributions	(5,293)	(3,637)
Net change in total OPEB liability	\$ (54,228)	\$ (37,071)
Total OPEB liability - beginning	646,751	683,822
Total OPEB liability - ending	<u>\$ 592,522</u>	<u>\$ 646,751</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - employer	\$ 5,965	\$ 4,125
Contributions - member	0	0
Net investment income	0	0
Benefit payments, including refunds of member contributions	(5,293)	(3,637)
Administrative expense	(672)	(488)
Net change in plan fiduciary net position	\$ 0	\$ 0
Plan fiduciary net position - beginning	0	0
Plan fiduciary net position - ending	<u>\$ 0</u>	<u>\$ 0</u>
Net OPEB liability - ending	<u>\$ 592,522</u>	<u>\$ 646,751</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
Covered employee payroll	\$ 1,826,864	\$ 1,164,432
Net OPEB liability as a percentage of covered payroll	32.43%	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, 2018 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	\$ 165,330	\$ 0	\$ 165,330
Changes for the year:			
Service cost	5,464		5,464
Interest	5,937		5,937
Changes of benefits	0		0
Differences between expected and actual experience	(4,575)		(4,575)
Changes of assumptions	(5,964)		(5,964)
Contributions - employer		4,731	(4,731)
Contributions - member		0	0
Net investment income		0	0
Benefit payments	(4,513)	(4,513)	0
Administrative expense		(217)	217
Net changes	<u>(3,650)</u>	<u>0</u>	<u>(3,650)</u>
Balance at end of current year	<u>\$ 161,679</u>	<u>\$ 0</u>	<u>\$ 161,679</u>

Sensitivity of Net OPEB Liability to Changes in Discount Rate Summerland Sanitary			
	1% Decrease 2.87%	Discount Rate 3.87%	1% Increase 4.87%
Total OPEB Liability	\$ 183,775	\$ 161,679	\$ 143,320
Plan Fiduciary Net Position	<u>0</u>	<u>0</u>	<u>0</u>
Net OPEB Liability	<u>\$ 183,775</u>	<u>\$ 161,679</u>	<u>\$ 143,320</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, 2018 MEASUREMENT DATE

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

Schedule of Changes in Net OPEB Liability and Related Ratios Summerland Sanitary		
	FYE 2018	FYE 2017
<u>Total OPEB Liability</u>		
Service cost (BOY)	\$ 5,464	\$ 6,436
Interest (includes interest on service cost)	5,937	5,013
Changes of benefit terms	0	0
Differences between expected and actual experience	(4,575)	0
Changes of assumptions	(5,964)	(16,507)
Benefit payments, including refunds of member contributions	(4,513)	(4,614)
Net change in total OPEB liability	\$ (3,650)	\$ (9,671)
Total OPEB liability - beginning	<u>165,330</u>	<u>175,001</u>
Total OPEB liability - ending	<u>\$ 161,679</u>	<u>\$ 165,330</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - employer	\$ 4,731	\$ 4,847
Contributions - member	0	0
Net investment income	0	0
Benefit payments, including refunds of member contributions	(4,513)	(4,614)
Administrative expense	(217)	(233)
Net change in plan fiduciary net position	\$ 0	\$ 0
Plan fiduciary net position - beginning	<u>0</u>	<u>0</u>
Plan fiduciary net position - ending	<u>\$ 0</u>	<u>\$ 0</u>
Net OPEB liability - ending	<u>\$ 161,679</u>	<u>\$ 165,330</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
Covered employee payroll	\$ 388,149	\$ 347,798
Net OPEB liability as a percentage of covered payroll	41.65%	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, 2018 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	\$ 2,770,785	\$ 0	\$ 2,770,785
Changes for the year:			
Service cost	50,482		50,482
Interest	97,431		97,431
Changes of benefits	0		0
Differences between expected and actual experience	178,389		178,389
Changes of assumptions	(96,677)		(96,677)
Contributions - employer		156,986	(156,986)
Contributions - member		0	0
Net investment income		0	0
Benefit payments	(151,391)	(151,391)	0
Administrative expense		(5,595)	5,595
Net changes	<u>78,233</u>	<u>0</u>	<u>78,233</u>
Balance at end of current year	<u>\$ 2,849,018</u>	<u>\$ 0</u>	<u>\$ 2,849,018</u>

Sensitivity of Net OPEB Liability to Changes in Discount Rate Carpinteria-Summerland FPO			
	1% Decrease 2.87%	Discount Rate 3.87%	1% Increase 4.87%
Total OPEB Liability	\$ 3,208,063	\$ 2,849,018	\$ 2,552,244
Plan Fiduciary Net Position	<u>0</u>	<u>0</u>	<u>0</u>
Net OPEB Liability	<u>\$ 3,208,063</u>	<u>\$ 2,849,018</u>	<u>\$ 2,552,244</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
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**APPENDIX E – REQUIRED SUPPLEMENTARY INFORMATION BY EMPLOYER:
CARPINTERIA-SUMMERLAND FPO**

Schedule of Changes in Net OPEB Liability and Related Ratios Carpinteria-Summerland FPO		
	FYE 2018	FYE 2017
<u>Total OPEB Liability</u>		
Service cost (BOY)	\$ 50,482	\$ 70,238
Interest (includes interest on service cost)	97,431	84,935
Changes of benefit terms	0	0
Differences between expected and actual experience	178,389	0
Changes of assumptions	(96,677)	(255,897)
Benefit payments, including refunds of member contributions	(151,391)	(146,542)
Net change in total OPEB liability	\$ 78,233	\$ (247,266)
Total OPEB liability - beginning	<u>2,770,785</u>	<u>3,018,051</u>
Total OPEB liability - ending	<u>\$ 2,849,018</u>	<u>\$ 2,770,785</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - employer	\$ 156,986	\$ 151,297
Contributions - member	0	0
Net investment income	0	0
Benefit payments, including refunds of member contributions	(151,391)	(146,542)
Administrative expense	(5,595)	(4,755)
Net change in plan fiduciary net position	\$ 0	\$ 0
Plan fiduciary net position - beginning	<u>0</u>	<u>0</u>
Plan fiduciary net position - ending	<u>\$ 0</u>	<u>\$ 0</u>
Net OPEB liability - ending	<u>\$ 2,849,018</u>	<u>\$ 2,770,785</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
Covered employee payroll	\$ 3,659,840	\$ 3,314,478
Net OPEB liability as a percentage of covered payroll	77.85%	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