

COUNTY OF VENTURA
 REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

VCERA

Schedule of the County's Proportionate Share of the Net Pension Liability
 Last Ten Fiscal Years *
 (In Thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>
County's proportion of the net pension liability	\$ 531,315	\$ 822,802	\$ 1,028,750
County's proportionate share of the net pension liability	96.05 %	96.29 %	96.62 %
County's covered payroll (1)	\$ 601,395	\$ 624,245	\$ 651,548
County's proportionate share of the net pension liability as a percentage of its covered payroll (1)	88.35 %	131.81 %	157.89 %
Plan's fiduciary net position as a percentage of the total pension liability	88.54 %	83.63 %	80.47 %
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016

(1) Restated to covered payroll in 2015-16.

* Information from fiscal years ended 2008 to 2014 is not presented as required by GASB Statement 68 as 2015 was the first year of implementation. Additional years will be presented as they become available. The amounts presented for each fiscal year were determined as of June 30.

COUNTY OF VENTURA
 REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

VCERA

Schedule of the County's Contributions
 Last Ten Fiscal Years *
 (In Thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Actuarially determined contribution	\$ 167,431	\$ 169,941	\$ 182,821
Contributions in relation to the actuarially determined contribution	<u>167,431</u>	<u>169,941</u>	<u>182,821</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered payroll (1)	 \$ 624,245	 \$ 651,548	 \$ 678,723
 Contributions as a percentage of covered payroll (1)	 26.82 %	 26.08 %	 26.94 %

(1) Restated to covered payroll in 2015-16

* Information from fiscal years ended 2008 to 2014 is not presented as required by GASB Statement 68 as 2015 was the first year of implementation. Additional years will be presented as they become available. The amounts presented for each fiscal year were determined as of June 30.

COUNTY OF VENTURA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

SUPPLEMENTAL RETIREMENT PLAN

Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Fiscal Years *
(In Thousands)

	2014 Plan <u>2015 Employer</u>	2015 Plan <u>2016 Employer</u>	2016 Plan <u>2017 Employer</u>	2017 Plan <u></u>
Total pension liability				
Service cost	\$ 692	\$ 695	\$ 765	\$ 773
Interest	1,782	1,869	1,992	2,092
Differences between expected and actual experience	-	(442)	(347)	(1,214)
Changes of assumptions	-	1,331	-	-
Benefit payments, including refunds of member contributions	<u>(981)</u>	<u>(1,019)</u>	<u>(1,023)</u>	<u>(1,112)</u>
Net change in total pension liability	1,493	2,434	1,387	539
Total pension liability - beginning	<u>23,137</u>	<u>24,630</u>	<u>27,064</u>	<u>28,451</u>
Total pension liability - ending (a)	<u>\$ 24,630</u>	<u>\$ 27,064</u>	<u>\$ 28,451</u>	<u>\$ 28,990</u>
Plan fiduciary net position				
Contributions - employer	\$ 1,475	\$ 1,410	\$ 1,558	\$ 1,581
Contributions - member	409	402	407	410
Net investment income	2,722	702	297	2,498
Benefit payments, including refunds of member contributions	(981)	(1,019)	(1,023)	(1,112)
Administrative expense	<u>(275)</u>	<u>(280)</u>	<u>(237)</u>	<u>(307)</u>
Net change in plan fiduciary net position	3,350	1,215	1,002	3,070
Plan fiduciary net position - beginning	<u>15,394</u>	<u>18,744</u>	<u>19,959</u>	<u>20,961</u>
Plan fiduciary net position - ending (b)	<u>\$ 18,744</u>	<u>\$ 19,959</u>	<u>\$ 20,961</u>	<u>\$ 24,031</u>
County's net pension liability - ending (a) - (b)	<u>\$ 5,886</u>	<u>\$ 7,105</u>	<u>\$ 7,490</u>	<u>\$ 4,959</u>
Plan's fiduciary net position as a percentage of the total pension liability	76.10 %	73.75 %	73.67 %	82.89 %
Covered payroll (1)	\$ 13,579	\$ 13,242	\$ 13,721	\$ 11,035
County's net pension liability as a percentage of covered payroll (1)	43.35 %	53.66 %	54.59 %	44.94 %

(1) Restated to covered payroll in 2015-16

Notes to Schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Changes of assumptions. In 2015, rates of withdrawal, retirement and mortality were adjusted to more closely reflect actual and anticipated experience. Additionally the assumed interest rate was lowered from 7.75 percent to 7.50 percent. These assumptions were recommended as part of the VCERA Experience Study performed for the three year period ended June 30, 2014.

Schedule of Investment Returns
Last Ten Fiscal Years *

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment related expenses	17.14 %	3.70 %	1.47 %	11.67 %

* Information from fiscal years ended 2008 to 2013 is not presented as required by GASB Statement 68 as 2015 was the first year of implementation. Additional years will be presented as they become available.

COUNTY OF VENTURA
 REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

SUPPLEMENTAL RETIREMENT PLAN

Schedule of the County's Contributions
 Last Ten Fiscal Years *
 (In Thousands)

	<u>2014 (1)</u>	<u>2015 (1)</u>	<u>2016</u>	<u>2017</u>
Actuarially determined contribution	\$ 1,475	\$ 1,410	\$ 1,558	\$ 1,581
Contributions in relation to the actuarially determined contribution	<u>1,475</u>	<u>1,410</u>	<u>1,558</u>	<u>1,581</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 13,579	\$ 13,242	\$ 13,721	\$ 11,035
Contributions as a percentage of covered payroll	10.86 %	10.65 %	11.35 %	14.33 %

(1) Restated to covered payroll in 2015-16

Notes to Schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay for plan parts with active membership
Remaining amortization period	3 to 15 years closed
Asset valuation method	5 year smoothed market value
Inflation	3.00% annual rate
Salary increases	4.00% to 4.50% annual rate
Investment rate of return	7.50% annual rate, net of expense
Payroll growth	3.00% annual rate
Cost-of-living adjustments	None

* Information from fiscal years ended 2008 to 2013 is not presented as required by GASB Statement 67 and 68 as 2015 was the first year of implementation. Additional years will be presented as they become available.

COUNTY OF VENTURA
 REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

MANAGEMENT RETIREE HEALTH BENEFITS PROGRAM

Schedule of Changes in Total Pension Liability and Related Ratios
 Last Ten Fiscal Years *
 (In Thousands)

	2017
Total pension liability	
Service cost	\$ 461
Interest	499
Differences between expected and actual experience	155
Changes of assumptions	1,126
Benefit payments, including refunds of member contributions	(1,361)
Net change in total pension liability	880
Total pension liability - beginning	13,739
Total pension liability - ending	\$ 14,619
Covered payroll	\$ 34,814
County's total pension liability as a percentage of covered payroll	41.99 %

* Information from fiscal years ended 2008 to 2016 is not presented as required by GASB Statement 73 as 2017 was the first year of implementation. Additional years will be presented as they become available.

Note to Schedule:

No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement 73 to pay related benefits.

SUBSIDIZED RETIREE HEALTH BENEFITS PROGRAM

Schedule of Funding Progress
 (In Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/2015	\$ -	15,990	15,990	0.0%	487,861	3.3%
6/30/2016	-	17,396	17,396	0.0%	521,868	3.3%
6/30/2017	-	19,764	19,764	0.0%	534,135	3.7%

COUNTY OF VENTURA
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017
 (In Thousands)

GENERAL FUND				
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
Resources (inflows):				
Taxes	\$ 345,450	\$ 345,450	\$ 350,669	\$ 5,219
Licenses, permits, and franchises	22,908	22,908	21,869	(1,039)
Fines, forfeitures, and penalties	23,202	23,385	21,193	(2,192)
Revenues from use of money and property	1,616	1,790	4,501	2,711
Aid from other governmental units	439,997	449,401	421,600	(27,801)
Charges for services	184,748	186,804	175,772	(11,032)
Other	27,639	27,769	24,459	(3,310)
Amount available for appropriation	<u>1,045,560</u>	<u>1,057,507</u>	<u>1,020,063</u>	<u>(37,444)</u>
Charges to appropriations (outflows):				
General government:				
Salaries and benefits	58,131	46,623	44,033	2,590
Services and supplies	38,525	36,881	25,995	10,886
Other charges	427	412	403	9
Contingencies	2,000	453	-	453
Total general government	<u>99,083</u>	<u>84,369</u>	<u>70,431</u>	<u>13,938</u>
Public protection:				
Salaries and benefits	360,818	373,975	361,742	12,233
Services and supplies	102,210	103,765	93,136	10,629
Other charges	14,963	15,738	15,405	333
Total public protection	<u>477,991</u>	<u>493,478</u>	<u>470,283</u>	<u>23,195</u>
Health and sanitation services:				
Salaries and benefits	96,560	95,426	90,946	4,480
Services and supplies	70,611	74,079	59,408	14,671
Other charges	5,592	5,608	4,637	971
Total health and sanitation services	<u>172,763</u>	<u>175,113</u>	<u>154,991</u>	<u>20,122</u>
Public assistance:				
Salaries and benefits	121,034	122,798	122,535	263
Services and supplies	35,619	34,883	32,749	2,134
Other charges	99,251	101,889	91,264	10,625
Total public assistance	<u>255,904</u>	<u>259,570</u>	<u>246,548</u>	<u>13,022</u>
Education:				
Salaries and benefits	246	269	264	5
Services and supplies	404	404	397	7
Total education	<u>650</u>	<u>673</u>	<u>661</u>	<u>12</u>
Capital outlay	16,258	29,551	13,818	15,733
Debt service:				
Principal retirement	7,316	2,321	-	2,321
Interest and fiscal charges	6,565	3,827	3,776	51
Total charges to appropriations	<u>1,036,530</u>	<u>1,048,902</u>	<u>960,508</u>	<u>88,394</u>
Excess of revenues over expenditures	<u>9,030</u>	<u>8,605</u>	<u>59,555</u>	<u>50,950</u>
Other financing sources (uses):				
Issuance of long-term debt	8,560	8,962	-	(8,962)
Gain from insurance recovery	280	63	281	218
Transfers in	473	6,183	1,771	(4,412)
Transfers out	(47,583)	(61,359)	(51,600)	9,759
Total other financing sources (uses)	<u>(38,270)</u>	<u>(46,151)</u>	<u>(49,548)</u>	<u>(3,397)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(29,240)	(37,546)	10,007	47,553
Fund balances - beginning	<u>358,563</u>	<u>358,563</u>	<u>358,563</u>	<u>-</u>
Fund balances - ending	<u>\$ 329,323</u>	<u>\$ 321,017</u>	<u>\$ 368,570</u>	<u>\$ 47,553</u>

COUNTY OF VENTURA
 BUDGETARY COMPARISON SCHEDULE
 ROADS FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017
 (In Thousands)

	ROADS			
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
Resources (inflows):				
Taxes	\$ 250	\$ 250	\$ 297	\$ 47
Licenses, permits, and franchises	445	445	546	101
Fines, forfeitures, and penalties	250	250	222	(28)
Revenues from use of money and property	147	147	132	(15)
Aid from other governmental units	23,319	23,319	19,741	(3,578)
Charges for services	57	57	60	3
Other	2,818	2,818	2,278	(540)
Amount available for appropriation	<u>27,286</u>	<u>27,286</u>	<u>23,276</u>	<u>(4,010)</u>
Charges to appropriations (outflows):				
Public ways and facilities:				
Services and supplies	28,535	28,565	26,907	1,658
Other charges	665	636	3	633
Total public ways and facilities	<u>29,200</u>	<u>29,201</u>	<u>26,910</u>	<u>2,291</u>
Capital outlay	<u>12,271</u>	<u>12,263</u>	<u>5,253</u>	<u>7,010</u>
Total charges to appropriations	<u>41,471</u>	<u>41,464</u>	<u>32,163</u>	<u>9,301</u>
Deficiency of revenues under expenditures	<u>(14,185)</u>	<u>(14,178)</u>	<u>(8,887)</u>	<u>5,291</u>
Other financing uses:				
Transfers out	<u>(1,500)</u>	<u>(1,500)</u>	<u>-</u>	<u>1,500</u>
Total other financing uses	<u>(1,500)</u>	<u>(1,500)</u>	<u>-</u>	<u>1,500</u>
Deficiency of revenues under expenditures and other uses	(15,685)	(15,678)	(8,887)	6,791
Fund balances - beginning	<u>39,633</u>	<u>39,633</u>	<u>39,633</u>	<u>-</u>
Fund balances - ending	<u>\$ 23,948</u>	<u>\$ 23,955</u>	<u>\$ 30,746</u>	<u>\$ 6,791</u>

COUNTY OF VENTURA
 BUDGETARY COMPARISON SCHEDULE
 WATERSHED PROTECTION DISTRICT FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017
 (In Thousands)

WATERSHED PROTECTION DISTRICT				
	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
Resources (inflows):				
Taxes	\$ 19,936	\$ 19,936	\$ 21,950	\$ 2,014
Licenses, permits, and franchises	72	72	114	42
Fines, forfeitures, and penalties	101	101	42	(59)
Revenues from use of money and property	167	167	474	307
Aid from other governmental units	8,286	8,286	6,163	(2,123)
Charges for services	10,827	10,827	11,354	527
Other	2	2	184	182
Amount available for appropriation	39,391	39,391	40,281	890
Charges to appropriations (outflows):				
Public protection:				
Services and supplies	41,745	42,108	26,372	15,736
Other charges	1,952	1,942	108	1,834
Total public protection	43,697	44,050	26,480	17,570
Capital outlay	16,313	16,661	4,567	12,094
Total charges to appropriations	60,010	60,711	31,047	29,664
Excess (deficiency) of revenues over (under) expenditures	(20,619)	(21,320)	9,234	30,554
Other financing uses:				
Transfers out	(185)	(185)	-	185
Total other financing uses	(185)	(185)	-	185
Excess (deficiency) of revenues over (under) expenditures and other uses	(20,804)	(21,505)	9,234	30,739
Fund balances - beginning	49,481	49,481	49,481	-
Fund balances - ending	\$ 28,677	\$ 27,976	\$ 58,715	\$ 30,739

COUNTY OF VENTURA
BUDGETARY COMPARISON SCHEDULE
FIRE PROTECTION DISTRICT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(In Thousands)

	FIRE PROTECTION DISTRICT			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Taxes	\$ 124,314	\$ 124,314	\$ 130,721	\$ 6,407
Licenses, permits, and franchises	1,156	1,156	1,212	56
Fines, forfeitures, and penalties	30	30	34	4
Revenues from use of money and property	229	229	813	584
Aid from other governmental units	12,947	14,458	17,954	3,496
Charges for services	5,629	5,629	12,256	6,627
Other	3,052	3,052	3,394	342
Amount available for appropriation	<u>147,357</u>	<u>148,868</u>	<u>166,384</u>	<u>17,516</u>
Charges to appropriations (outflows):				
Public protection:				
Salaries and benefits	120,812	121,494	119,620	1,874
Services and supplies	22,390	24,408	23,595	813
Other charges	600	600	221	379
Contingencies	500	500	-	500
Total public protection	<u>144,302</u>	<u>147,002</u>	<u>143,436</u>	<u>3,566</u>
Capital outlay	<u>38,698</u>	<u>36,836</u>	<u>15,588</u>	<u>21,248</u>
Total charges to appropriations	<u>183,000</u>	<u>183,838</u>	<u>159,024</u>	<u>24,814</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(35,643)</u>	<u>(34,970)</u>	<u>7,360</u>	<u>42,330</u>
Other financing sources:				
Proceeds from sale of capital assets	60	60	-	(60)
Gain from insurance recovery	-	-	15	15
Transfers in	2,496	2,496	-	(2,496)
Total other financing sources	<u>2,556</u>	<u>2,556</u>	<u>15</u>	<u>(2,541)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures	(33,087)	(32,414)	7,375	39,789
Fund balances - beginning	<u>101,984</u>	<u>101,984</u>	<u>101,984</u>	<u>-</u>
Fund balances - ending	<u>\$ 68,897</u>	<u>\$ 69,570</u>	<u>\$ 109,359</u>	<u>\$ 39,789</u>

COUNTY OF VENTURA
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Budgetary Adoption

The County is legally required to adopt a balanced annual budget for the General Fund, special revenue funds, the permanent fund, the debt service fund for County Service Area #34, and capital projects funds for the Santa Rosa Road Assessment District and Todd Road Jail Expansion. The County adheres to provisions of the California Government Code Sections 29000 through 29144, known as The County Budget Act. Annually, the Board conducts a public hearing for discussion of the proposed budget. At the conclusion of the hearing, and no later than August 30, the Board adopts the final budget including revisions by resolution. A Final Budget book is published.

Budgetary Comparisons

GAAP requires a budgetary comparison for the major general and special revenue funds from the funds financial statements. The County has elected to present this information as Required Supplementary Information. Analysis of the General Fund budget is included in Management’s Discussion and Analysis.

Required comparisons are between original budget and final budget and between final budget and actual on a budgetary basis. The “original budget” includes the original approved budget (published as the Final Budget) plus appropriations for prior year approved roll-over encumbrances. The “final budget” is the budget as Board approved at the end of the fiscal year. The “actual on a budgetary basis” includes the actual revenues and expenditures as presented in the budget and as adjusted for the fund financial statements.

The primary changes are as follows:

- For budgetary purposes, changes in the fair value of investments are not recognized as increases or decreases to revenue. Under GAAP such changes are recognized as increases or decreases to revenue.
- For budgetary purposes, the County agency fund amounts planned by departments for use during the fiscal year were recognized as revenue. Under GAAP, all County agency funds must be included within the related County fund as revenue, unearned revenue, unavailable revenue, or liability.
- For budgetary purposes, the Stormwater-Unincorporated fund is maintained as a special revenue fund. Under GAAP, this fund does not meet the criteria to be reported as a separate special revenue fund.

The following schedule is a reconciliation for major funds of the differences between fund balances on the actual on a budgetary basis and GAAP basis fund balances (in thousands):

	General Fund	SPECIAL REVENUE FUNDS		
		Roads	Watershed Protection District	Fire Protection District
Fund Balances - Actual on a budgetary basis	\$ 368,570	\$ 30,746	\$ 58,715	\$ 109,359
Adjustments:				
Change in fair value of investments	(244)	(31)	(64)	(127)
Change in county agency funds	23,392	(1,208)	(7)	345
Change in Stormwater-Unincorporated Fund	(1,959)	-	-	-
Total adjustments	21,189	(1,239)	(71)	218
Fund Balances - GAAP basis	<u>\$ 389,759</u>	<u>\$ 29,507</u>	<u>\$ 58,644</u>	<u>\$ 109,577</u>

COUNTY OF VENTURA
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(Continued)

Supplemental Appropriations

The Board may approve supplemental appropriations during the year if revenues are received from unanticipated sources or from anticipated sources, but in excess of estimates thereof. Transfers of appropriations between budget units/departments must also be approved by the Board.

Supplemental appropriations for those funds which the County is legally required to adopt an annual budget approximated \$38,552,000 for the fiscal year ended June 30, 2017.

Level of Budgetary Control

County expenditures are controlled at the object level (salaries and benefits, services and supplies, other charges, and other financing uses) and sub-object level (capital assets) within budget units/departments for the County. The object level is the level at which expenditures may not legally exceed appropriations. Any transfer of appropriations between object levels within the same budget unit is delegated by the Board to the County Executive Officer.

The County is legally required to adopt an annual budget including over 90 budget units/departments in over 30 funds. Because of this large volume of detail, a separate Departmental Budget Report of Revenues and Expenditures – Budget and Actual on a Budgetary Basis has been prepared at the budget unit/department, function, and object level for those funds for which the County is legally required to adopt an annual budget. After approved year-end and post-closing adjustments, there are no departments exceeding appropriations at the object level. The budgetary document is available from the Auditor-Controller's Office, 800 South Victoria Avenue, Ventura, CA 93009-1540, or on the County website at: http://vcportal.ventura.org/auditor/docs/financial-reports/FY17_BudgettoActual.pdf

Encumbrances

The County requires use of an encumbrance system as an extension of normal budgetary accounting to assist all funds in controlling expenditures. Under this system, purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are included in restricted, committed or assigned fund balance in the governmental funds. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward in the ensuing year's budget.