

MEETING NOTICE: There will be a Regular Meeting of the
Blanchard /Santa Paula Library District Board of Trustees
Tuesday, December 18, 2018, at 5:30 p.m.
Blanchard Community Library, Hardison Room
119 N. 8th St., Santa Paula, CA 93060.

AGENDA

- A. CALL TO ORDER
- B. APPROVAL OF THE ORDER OF THE AGENDA
- C. PUBLIC COMMENT

Public comments are welcomed and encouraged. The President of the Board will acknowledge visitors wishing to speak on a topic not on the regular Board agenda. The Board is prohibited from taking action on any item not part of the printed agenda. When addressing the Library Board, please stand to be recognized by the Board President, state your full name and address, and direct your comments to the entire Library Board.

For members in the audience wishing to speak on an Agenda item, the President will announce the item and request the staff or a Board member to give a brief summary. The Board will have an opportunity to ask questions, following which the President will ask whether anyone else wishes to comment. Then the Board will discuss the item and take the appropriate action.

The Library Board of Trustees requests that speakers conduct themselves with civility and keep in mind the rights and well-being of all members of the Santa Paula community.

- D. CONSENT CALENDAR
 - a. Approval of Minutes:
 - i. Regular Meeting of November 27, 2018
- E. RECOGNITION OF TRUSTEE LINDA SPINK AND INTRODUCTION OF NEW STAFF MEMBERS
- F. ELECTION OF OFFICERS
- G. REPORTS
 - a. Financial Reports
 - b. Friends of the Library
- H. BOARD/ADMINISTRATION COMMENTS, CONCERNS, HANDOUT

I. OLD BUSINESS

- a. Reserves Policy (information, discussion, possible action)

J. NEW BUSINESS

- a. Other Than Pension Employee Benefits (OPEB) report as required under Government Accounting Standards Board (GASB) Statement No. 75

K. REPORTS (CONTINUED)

- a. Literacy Services
- b. Public Services
- c. Volunteer Coordinator's Report
- d. District Director's Report
- e. Board Committees
 - i. Finance
 - ii. Human Resources
 - iii. Strategic Plan Teams
 - 1. Visioning/Strategic Plan
 - 2. Fundraising/Grants
 - 3. Volunteerism
 - 4. Community Connections
 - 5. Publicity/Public Relations
 - 6. Facilities
 - 7. Technology

L. FUTURE AGENDA ITEMS

M. UPCOMING MEETING DATES

Regular Meeting January 22, 2019

N. ADJOURNMENT

In compliance with the Ralph M. Brown Act and the Americans with Disabilities Act, if you need a disability-related modification, accommodation, or other special assistance to participate in this meeting, please contact Ned Branch, District Director of the Blanchard/Santa Paula Community Library, at 805-525-3615 x102. Notification 48 hours before the meeting will enable reasonable arrangements to be made.

REGULAR MEETING OF DECEMBER 18, 2018
D. CONSENT CALENDAR

1. Approval of Minutes
 - a. Regular Meeting of November 27, 2018

	MOVED	SECONDED	YES	NO	ABSTAIN	ABSENT
Coughlin						
Hicks						
Nasalroad						
Phillips						
Sandoval						

MINUTES of the Regular Meeting of the Blanchard/Santa Paula Library District Board of Trustees, Tuesday, November 27, 2018

CALL TO ORDER---The Meeting was called to order at 5:31 PM by Board President Maureen Coughlin. Trustees Laura Phillips, Tim Hicks and Nancy Nasalroad were in attendance, a quorum established. District Director Ned Branch and replacement Trustee Daniel Sandoval were present.

APPROVAL OF THE ORDER OF AGENDA- Unanimously approved (Hicks/Phillips, 4-0).

PUBLIC COMMENT ON NON-AGENDA ITEMS--- None.

CONSENT CALENDAR---The Minutes of the Regular Meeting on October 23, 2018 were unanimously approved (Nasalroad/Coughlin, 4-0). The Minutes of the Special Meeting on October 30, 2018 were unanimously approved (Nasalroad/Coughlin, 4 -0).

ADMINISTRATION OF OATH OF OFFICE--- Newly elected Trustees Phillips and Hicks (4-year terms) and newly appointed replacement Trustee Sandoval (2-year term remaining) were sworn in by Director Branch.

REPORTS I --- a. Director Branch presented the Financial Statements and Budget. A recently matured \$70,000 CD in the Wells Fargo account gained ~\$7,000 and was rolled into a \$77,000 5-year CD with 3.5% interest rate. Financial statements were received and filed (Hicks/Nasalroad, 5-0).

b. Friends of the Library (FOL) - Trustee Phillips: At the Annual Meeting on 11/15, the FOL board was re-elected. The December 1st First Saturday Book Sale will have holiday and coffee table books featured at half price.

BOARD/ADMINISTRATION COMMENTS, CONCERNS, HANDOUTS---

- a. President Coughlin – Written invitations to be sent soon for Linda Spink’s recognition event at the December 18th Board Meeting.

UNFINISHED BUSINESS--- None.

NEW BUSINESS--- a. Reserves Policy -- Director Branch has uploaded required disclosures to the library website with the exception of the 2/3 completed Reserves Policy which will be ready for review at the December 18th Board Meeting.

b. 2019 Holiday Calendar -- Unanimously approved (Phillips/Coughlin, 5-0).

MINUTES of the Regular Meeting of the Blanchard/Santa Paula Library District Board of Trustees, Tuesday, November 27, 2018

c. LAFCo Special Districts Representative Election – For library’s votes, Elaine Freeman was selected for Regular Member and unanimously approved, (Sandoval/Coughlin, 5-0) and John Curtis was selected for Alternate Member and unanimously approved, (Coughlin/Hicks, 5-0).

REPORTS CONT. --- The Board received and reviewed reports: Literacy Services; Adult Programs- Board discussed working with Justin on improving programs, publicity and attendance, (also requested additional information re: current month and future schedules); Youth Services Programs (Board requested additional information re: current month and future schedules); Volunteer Coordinator; and District Director.

Director’s Report details:

Item 2: Pitch an Idea Grant- Kiosk and laptops ready to be received, classes to start mid-January.

Additional items:

New lighting installed in south parking lot, planning to also install in north parking lot. Water heater replacement is under consideration. Minor gas leak discovered by SoCal Gas in front of library, plan to be fixed starting 11/29/18.

Director Branch attended 11/26/18 Ventura County P20 Education Summit focusing on achieving continuous pathways from pre-school through college. Director Branch spoke with Interface director (Interface is taking over for First Five) and will meet with him about library collaboration.

The library continues to work on designing a new library card.

Library security cameras – still awaiting bids.

Board Committee Reports: Finance- none. Human Resources- none.

Strategic Plan Team Reports: Visioning/Strategic Plan- Trustee Phillips- In early 2019, plan is to assemble a new team, start up new 5 year Strategic Plan for approval by the end of the year.

Fundraising / Grants: Justin Formanek received a \$2,000 grant for a speaker and books to give away. A \$20,000 grant is in the works (Wendy Batstone) for family literacy. FOL and the library will establish a Fiscal Sponsorship agreement so more grants can be applied for by Lenore Carleton. IMAGINE Fundraising - Trustees Phillips and Nasalroad, Director Branch and Lenore

MINUTES of the Regular Meeting of the Blanchard/Santa Paula Library District Board of Trustees, Tuesday, November 27, 2018

Carelton met 11/5/18 to finalize brochure/donation form, poster board presentation, website information/Paypal donation capability in time for Chamber mixer on 11/14/18. Next planning will be for donation recognition levels and early 2019 kick-off.

Volunteerism: (Jeri Mead's report.)

Community Connections: Chamber Mixer held 11/14/18 at library. The 11/24/18 library Open House after Optimists' Parade Saturday was postponed. Upcoming: Latino Town Hall 12/7/18; Festival of Books at Isbell 12/17/18 at 6 PM. In 2019, Director Branch will become Chair-elect of the Chamber of Commerce.

Publicity/ Public Relations: None.

Adult Programs: (see Justin Formanek's report.)

Facilities: Director Branch: Phase II plan is being worked on with Marilyn Appleby including rough cost estimates for all phases; two library space consultants are being contacted/considered.

Technology: Director Branch: Credit card terminal is now working for payments; County's probation kiosk is now live.

FUTURE AGENDA ITEMS---The Board agreed to include the following in future Agenda: Linda Spink and staff recognition; Reserves Policy; Board elections (President, Vice-President and Clerk).

UPCOMING MEETING DATE---The next General Meeting will be on Tuesday, December 18, 2018 at 5:30 PM.

ADJOURNMENT---There being no further business, the Regular Meeting was unanimously adjourned at 7:36 PM.

Library Board Clerk

ATTEST:

District Director

REGULAR MEETING OF DECEMBER 18, 2018
F(a).REPORTS: FINANCIAL REPORTS

1. Receive and file November 2018 financial reports

	MOVED	SECONDED	YES	NO	ABSTAIN	ABSENT
Coughlin						
Hicks						
Nasalroad						
Phillips						
Sandoval						

BLANCHARD COMMUNITY LIBRARY
FINANCIAL STATEMENTS
and Supplementary Schedules

November 30, 2018

BLANCHARD COMMUNITY LIBRARY

TABLE OF CONTENTS

TITLE	PAGE NUMBER
Statement of Assets, Liabilities and Fund Balance	1
Comparative Statement of Revenue and Expense	2
Supplementary Schedules	
Schedule of Cash Balances	3
Comparative Expanded	4
Schedule of Accounts Payable	5
City Transactions	6
Asset Additions	7

BLANCHARD COMMUNITY LIBRARY
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE

MODIFIED ACCRUAL BASIS

November 30, 2018

ASSETS

		CURRENT ASSETS	
CASH		\$1,244,727	
RESTRICTED CASH		<u>276,694</u>	
			\$ 1,521,421
PREPAID EXPENSES		<u>7,471</u>	
TOTAL CURRENT ASSETS			\$ 1,528,892
FIXED ASSETS NET OF ACCUMULATED DEPRECIATION			<u>660,229</u>
			<u><u>\$2,189,121</u></u>
TOTAL ASSETS			

LIABILITIES AND FUND BALANCES

		LIABILITIES	
ACCOUNTS PAYABLE		\$5,758	
ACCRUED PAYROLL EXPENSE		<u>5,623</u>	
TOTAL LIABILITIES			\$11,381
FUND BALANCES			
GENERAL FUND		1,240,817	
FIXED ASSET FUND		660,229	
RESTRICTED FUNDS		<u>276,694</u>	
TOTAL FUND BALANCE			<u>2,177,740</u>
TOTAL LIABILITIES AND FUND BALANCE			<u><u>\$2,189,121</u></u>

BLANCHARD COMMUNITY LIBRARY

COMPARATIVE STATEMENT OF REVENUE AND EXPENSES

FOR THE MONTH AND PERIOD ENDED NOVEMBER 30, 2018
MODIFIED ACCRUAL BASIS

	NOVEMBER			YEAR TO DATE		
	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
REVENUE						
PROPERTY TAX	\$8,696	\$230	3680.87%	\$257,920	\$229,086	12.59%
LIBRARY OPERATIONS	787	417	88.73%	4,940	2,083	137.16%
DONATIONS	300	2,083	-85.60%	33,890	10,417	225.33%
GRANTS				\$45,700	\$18,000	
	<u>\$9,783</u>	<u>\$2,730</u>	72.09%	<u>\$342,450</u>	<u>\$259,586</u>	31.92%
EXPENSES						
PERSONNEL	\$45,769	\$46,032	-0.57%	\$245,336	\$230,160	6.59%
OPERATIONS	7,542	11,600	-34.98%	60,481	68,000	-11.06%
ADMINISTRATIVE	3,730	5,954	-37.35%	23,677	30,771	-23.05%
FACILITIES	3,604	4,704	-23.38%	26,531	23,521	12.80%
	<u>\$60,645</u>	<u>\$68,290</u>	-11.19%	<u>\$356,025</u>	<u>\$352,452</u>	1.01%
NET INCOME (LOSS)	<u>\$(50,862)</u>	<u>\$(65,560)</u>		<u>\$(13,575)</u>	<u>\$(92,866)</u>	-85.38%
NON BUDGETED INCOME (EXPENSES)						
INSURANCE PROCEEDS				\$13,151		
REIMBURSEMENT DIF		1,667			8,333	
INVESTMENT INTEREST						
NET AFTER NON BUDGETED ITEMS	<u>\$(50,862)</u>	<u>\$(63,893)</u>	-80.73%	<u>\$(424)</u>	<u>\$(84,533)</u>	-99.50%

SUPPLEMENTARY SCHEDULES

BLANCHARD COMMUNITY LIBRARY

SCHEDULE OF CASH BALANCES

November 30, 2018

COUNTY	\$792,520	
SANTA PAULA CITY	114,239	1
BUILDING FUND	82,600	1
BLAKE	53,826	1
LITERACY	26,029	1
BOOK TRUST	17,026	
GENERAL FUND	68,352	
WELLS FARGO	366,133	
OTHERS	696	
TOTAL CASH	<u>\$1,521,421</u>	
1 Restricted	276,694	
Other Unrestricted	1,244,727	

BLANCHARD COMMUNITY LIBRARY
COMPARATIVE
STATEMENT OF REVENUE AND EXPENSE
MODIFIED ACCRUAL BASIS
FOR THE PERIOD ENDED

	11/30/17	11/30/18	YTD BUDGET	ANNUAL BUDGET
REVENUE				
PROPERTY TAX	\$249,602	\$257,920	\$229,086	\$740,132
LIBRARY OPERATIONS	5,539	4,940	2,083	5,000
DONATIONS	3,709	33,890	10,417	45,000
GRANTS	23,000	45,700	18,000	31,000
TOTAL REVENUE	<u>\$281,850</u>	<u>\$342,450</u>	<u>\$259,586</u>	<u>\$821,132</u>
EXPENSES				
PERSONNEL				
WAGES	163,110	177,804	166,300	407,333
RETIREMENT	19,971	26,588	23,035	56,141
HEALTH INSURANCE	22,981	25,890	25,980	68,250
PAYROLL TAX	13,043	14,092	14,140	33,866
EMPLOYEE BENEFIT	568	962	705	1,692
	<u>219,673</u>	<u>245,336</u>	<u>230,160</u>	<u>567,282</u>
OPERATIONS				
LIBRARY NETWORK	29,623	29,696	30,000	60,000
PUBLICITY	2,092	798	2,167	5,200
MEMBERSHIPS	445	3,629	1,250	3,000
ACQUISITIONS	16,440	10,932	19,250	39,800
PROGRAMS	7,513	7,859	11,458	27,500
COMPUTER SERVICE	9	3,783	2,000	4,800
BOOK BINDING	565	835	833	2,000
ADVERTISING	957	956		
TRAVEL	1,980	1,993	1,042	2,500
	<u>59,624</u>	<u>60,481</u>	<u>68,000</u>	<u>144,800</u>
ADMINISTRATIVE				
ADVERTISING			104	250
BANK CHARGES	180	195	167	400
COMPUTER NETWORK	744	3,100		
INSURANCE	4,116	4,556	4,375	10,500
OFFICE EXPENSE	2,308	1,961	2,083	5,000
TELEPHONE	1,494	1,148	1,667	4,000
POSTAGE	310	433	250	600
PRINTING	468	815	1,125	2,700
PROFESSIONAL FEES	12,452	11,469	20,167	38,000
STAFF DEVELOPMENT	(68)		833	2,000
	<u>22,004</u>	<u>23,677</u>	<u>30,771</u>	<u>63,450</u>
FACILITIES				
BUILDING MAINTENANCE	4,606	4,528	5,834	14,000
JANITORIAL	3,350	3,455	3,375	8,100
UTILITIES	18,216	18,548	14,312	34,350
	<u>26,172</u>	<u>26,531</u>	<u>23,521</u>	<u>56,450</u>
TOTAL EXPENSES	<u>327,473</u>	<u>356,025</u>	<u>352,452</u>	<u>775,532</u>
NET INCOME(LOSS)	<u>\$(45,623)</u>	<u>\$(13,575)</u>	<u>\$(92,866)</u>	<u>\$45,600</u>
NON BUDGETED INCOME (EXPENSES)				
INSURANCE REIMBURSEMENT		13,151		
REIMBURSEMENT DIF	2,498		8,333	20,000
INVESTMENT INTEREST	3,603			
BUILDING FUND				
NET AFTER NON BUDGETED ITEMS	<u>\$(39,522)</u>	<u>\$(424)</u>	<u>\$(84,533)</u>	<u>\$65,600</u>

BLANCHARD COMMUNITY LIBRARY
SCHEDULE OF ACCOUNTS PAYABLE

November 30, 2018

Due to Friends of the Library	\$	334
Credit Card		5,419
Others		5
Total	\$	<u>5,758</u>

BLANCHARD COMMUNITY LIBRARY

CITY FUNDS TRANSACTION

	June 30, 2016	BALANCE
		\$177,143.01
TRANSACTIONS		
	INTEREST	276.73
	INTEREST	249.90
	INTEREST	258.06
	MR 6847	2,014.00
	MR 6891	2,014.00
	MR 6921	4,028.00
	MR 6940	4,028.00
	MR 7181	2,014.00
	MR 7187	2,014.00
3.06.17	CHECK	(4,310.97)
6.26.17	CHECK	(2,691.96)
7.17.17	CHECK	(96.00)
4.15.17	INTEREST	324.37
7.15.17	INTEREST	382.03
8.14.17	MR 7308	2,014.00
10.15.17	INTEREST	483.94
12.11.17	CHECK	(3,491.15)
3.19.18	MR 7614	24,831.73
3.29.18	147 VIEW DR	223.73
7.02.18	CHECK	(3,376.63)
10.04.18	CHECK	(76,977.00)
10.31.18	CHECK	(17,117.00)
		<u>(62,904.22)</u>
		<u><u>\$114,238.79</u></u>

BLANCHARD COMMUNITY LIBRARY

ASSET ADDITIONS

IMPROVEMENTS

BATHROOM REMODEL	94,795	From construction in progress
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EQUIPMENT

RFID	29,019	From network charges
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BLANCHARD COMMUNITY LUBRARY

11.30.18

EXPLANATIONS

- 1 COMBINED PREPAID INSURANCE WITH NEGATIVE ACCOUNTS PAYABLE
7286 PLUS 185
- 2 ACCOUNTS PAYABLE IS AP PLUS CREDIT CARD PLUS DUE TO FOTL
5 PLUS 5418.90 PLUS 333.80
- 3 COMBINED BANK CHARGES AND MISCELLANEOUS IN ADMIN 9.17
15 PLUS 108
- 4 COMBINED MEMBERSHIP AND OVER/SHORT IN OPERATIONS 9.17
3.30 PLUS 522.00
- 5 CASH BALANCES FOR GENERAL ACCOUNT ADDED TO PAYROLL ACCOUNT
68352.00+1845.75

**Blanchard/Santa Paula Library District
General Fund Deposit Detail
November 2018**

12:16 PM
12/11/18

Type	Num	Date	Name	Memo	Account	Class	Amount
Deposit		11/08/2018		Deposit	General Fund		424.60
TOTAL				Copier receipts for September	Printing & Copying		-424.60
Deposit		11/08/2018		Deposit	General Fund		47.00
TOTAL				Circulation desk week of 10/29/...	Fines	General Fund	-20.60
				Circulation desk week of 10/29/...	2510 - Due to Friends of the Library (Money receiv...)	Friends of the Library	-26.00
				Circulation desk week of 10/29/...	Over/Short	General Fund	-0.40
TOTAL							-47.00
Deposit		11/09/2018		Deposit	General Fund		1.75
TOTAL				Deposit	Fines		-1.75
							-1.75
Deposit		11/12/2018		Deposit	General Fund		75.00
Sales Receipt	220	11/12/2018	Las Pasadas HOA		1499.10 - Undeposited Funds		-25.00
Sales Receipt	219	11/12/2018	Las Pasadas HOA		1499.10 - Undeposited Funds		-50.00
TOTAL							-75.00
Bill Pmt-Check		11/12/2018	Baker & Taylor Books	QuickBooks generated zero a...	General Fund		0.00
Bill	40123...	11/12/2018	Baker & Taylor Books	Acct #415157 L115238 4	2000.10 - Accts Payable - General		-74.97
TOTAL							-74.97
Deposit		11/14/2018		Deposit	General Fund		112.25
TOTAL				Circulation desk week of 11/5/18	Fines	General Fund	-109.00
				Circulation desk week of 11/5/18	2510 - Due to Friends of the Library (Money receiv...)	Friends of the Library	-4.00
				Circulation desk week of 11/5/18	Over/Short	General Fund	0.75
TOTAL							-112.25
Deposit		11/18/2018		Deposit	General Fund		18.00
TOTAL				Deposit	Fines		-18.00
							-18.00
Deposit		11/19/2018		Deposit	General Fund		139.25
TOTAL				Circulation Desk week of 11/12...	Fines	General Fund	-123.25
							-123.25

**Blanchard/Santa Paula Library District
General Fund Deposit Detail
November 2018**

12:16 PM
12/11/18

Type	Num	Date	Name	Memo	Account	Class	Amount
TOTAL				Circulation Desk week of 11/12/...	2510 - Due to Friends of the Library (Money receiv...	Friends of the Library	-16.00
							-139.25
Deposit		11/21/2018		Deposit	General Fund		1.75
TOTAL				Deposit	Fines		-1.75
							-1.75
Deposit		11/29/2018		Deposit	General Fund		5.00
				Circulation desk week of 11/19/...	Fines	General Fund	-11.25
				Circulation desk week of 11/19/...	2510 - Due to Friends of the Library (Money receiv...	Friends of the Library	-26.50
				Circulation desk week of 11/19/...	Over/Short	General Fund	32.75
TOTAL							-5.00

Blanchard/Santa Paula Library District
Monthly General Fundt Check Detail
 November 2018

12:15 PM
 12/11/18

Num	Date	Name	Memo	Account	Paid Amount
	11/12/2018	Baker & Taylor Books	QuickBooks generated zero amount transac...	General Fund	
4012...	11/12/2018	Baker & Taylor Books	Acct #415157 L 115238 4	2000.10 - Accts Payable - General	0.00
TOTAL					0.00
EFT	11/05/2018	Calif. Public Employees' Retire...	PERS Health Insurance for Novembere	General Fund	
TOTAL			PERS Health Insurance for Novembere	PERS Group Health Insurance	-5,194.45
					-5,194.45
EFT	11/05/2018	Calif. Public Employees' Retire...	Cal Pers PEPPRA Contribution for pay period...	General Fund	
TOTAL			Cal Pers PEPPRA Contribution for pay period 9/...	CALPERS (Payee Account - Employee Dedu...	-1,296.96
					-1,296.96
EFT	11/05/2018	Calif. Public Employees' Retire...	Cal Pers Classic 817 Pay 9/23/18 to 10/6/18	General Fund	
TOTAL			Cal Pers Classic 817 Pay 9/23/18 to 10/6/18	CALPERS (Payee Account - Employee Dedu...	-281.01
					-281.01
EFT	11/06/2018	Blanchard Community Library	Funds transfer for payroll pay date 11/8/18	General Fund	
TOTAL			Funds transfer for payroll pay date 11/8/18	Payroll (Checking Account - Payroll)	-16,300.00
					-16,300.00
EFT	11/19/2018	Calif. Public Employees' Retire...	Cal Pers Classic 817 Pay 10/7/18 to 10/20/18	General Fund	
TOTAL			Cal Pers Classic 817 Pay 10/7/18 to 10/20/18	CALPERS (Payee Account - Employee Dedu...	-275.03
					-275.03
EFT	11/19/2018	Calif. Public Employees' Retire...	Cal Pers PEPPRA Contribution for pay period...	General Fund	
TOTAL			Cal Pers PEPPRA Contribution for pay period 10...	CALPERS (Payee Account - Employee Dedu...	-1,133.32
					-1,133.32
EFT	11/19/2018	Blanchard Community Library	Funds transfer for payroll pay date 11/21/18	General Fund	

**Blanchard/Santa Paula Library District
Monthly General Fundt Check Detail**

November 2018

12:15 PM
12/11/18

Num	Date	Name	Memo	Account	Paid Amount
TOTAL			Funds transfer for payroll pay date 11/21/18	Payroll (Checking Account - Payroll)	-15,500.00 -15,500.00
EFT	11/26/2018	Calif. Public Employees' Retire...	Unfunded Accrued Liability Classic 817 Nov...	General Fund	
TOTAL			Unfunded Accrued Liability Classic 817 Novem...	PERS Retirement (Contribution Account - Re...	-3,644.85 -3,644.85
EFT	11/26/2018	Calif. Public Employees' Retire...	Unfunded Accrued Liability PEPRA Nove...	General Fund	
TOTAL			Unfunded Accrued Liability PEPRA Noveembe...	PERS Retirement (Contribution Account - Re...	-52.30 -52.30
10169	11/05/2018	Santa Paula Latino Town Hall, Inc	Banquet tickets	General Fund	
TOTAL			Banquet tickets	Promotion & Public Relations	-400.00 -400.00
10170	11/05/2018	City of Santa Paula (067000-00)	111-067000-00	General Fund	
TOTAL			Water & sewer 9/24/18 to 10/24/18	Water and Sewer	-457.55 -457.55
10171	11/05/2018	City of Santa Paula (067500-00)	111-067500-00	General Fund	
TOTAL			Fire service 9/24/18 to 10/24/18	Water and Sewer	-71.53 -71.53
10172	11/05/2018	Coleman Landscape	Invoice #7464	General Fund	
TOTAL			Landscaping for October 2018	Grounds Maintenance	-305.00 -305.00
10173	11/05/2018	Olivia O. Escoto	mileage reimbursement	General Fund	

**Blanchard/Santa Paula Library District
Monthly General Fundt Check Detail**

November 2018

12:15 PM
12/11/18

Num	Date	Name	Memo	Account	Paid Amount
TOTAL			mileage reimbursement	Travel	-15.26
10174	11/05/2018	Stephen McFadden CPA	Invoice #5522	General Fund	
TOTAL			Accounting fees for October	Accounting Fees (Outside (non-employee) ac...	-877.00
10175	11/05/2018	Collaboratory	Family evening 11/20/17	General Fund	
TOTAL			Family evening 11/20/17	Children's Programs	-350.00
10176	11/05/2018	McNaughton Book Service	0417757	General Fund	
Invoc...	11/12/2018		Services for December 2018 through November...	General	-2,143.35
TOTAL					-2,143.35
10177	11/05/2018	Ned Branch	Monthly health insurance reimbursement	General Fund	
11/01/2018			Monthly health insurance reimbursement	PERS Group Health Insurance	-404.51
TOTAL					-404.51
10178	11/12/2018	SoCalGas	151 414 1600 6	General Fund	
TOTAL			Gas usage 9/27/18 to 10/31/18	Gas	-16.77
10179	11/12/2018	Santa Paula Glass Company	Invoice #1563	General Fund	
TOTAL			closer	Building Maintenance	-198.25
10180	11/12/2018	Moss, Levy & Hartzheim LLP	BLANCHARD Invoice #16475	General Fund	
TOTAL			BLANCHARD Invoice #16475	Audit Services	-1,000.00

Blanchard/Santa Paula Library District Monthly General Fundt Check Detail

November 2018

12:15 PM
12/11/18

Num	Date	Name	Memo	Account	Paid Amount
TOTAL					-1,000.00
10181	11/12/2018	Kelly Cleaning & Supplies	Invoice #45287907	General Fund	
TOTAL			Janitorial Services for November	Janitorial Services & Supplies	-670.00
					-670.00
10182	11/12/2018	Unique Management Services, L...	Invoice #476040	General Fund	
TOTAL			October placements	Collection Agency	-62.65
					-62.65
10183	11/12/2018	Sparkletts	Invoice #46487515 110818	General Fund	
TOTAL			October water delivery & rental	Office Expense	-51.95
					-51.95
10184	11/12/2018	Athens Enviromental	A20004977 Invoice #125684	General Fund	
TOTAL			November trash & recycle service	Trash	-176.09
					-176.09
10185	11/12/2018	Baker & Taylor Books	415157 L444180 4	General Fund	
TOTAL			415157 L444180 4	General	-500.52
					-500.52
10186	11/19/2018	Ilene Gavenman	Reimbursement of Health insurance	General Fund	
TOTAL			Reimbursement of Health insurance	PERS Group Health Insurance	-613.29
					-613.29
10187	11/19/2018	Amazon Capital Services	Invoice #1D64-7JCW-6XMV Invoice #1D64-7JCW-6XMV Invoice #161C-Y1MR-Y77N	General Fund	
				Books	-155.30
				Children's Books	-509.93
				Books	-101.88

Blanchard/Santa Paula Library District Monthly General Fundt Check Detail

November 2018

12:15 PM
12/11/18

Num	Date	Name	Memo	Account	Paid Amount
TOTAL					-767.12
10188	11/19/2018	Baker & Taylor Books	415157 L444180 400000	General Fund	
			415157 L444180 400000	Children's Books	-495.73
TOTAL					-495.73
10189	11/19/2018	Demco, Inc.	040481488	General Fund	
			040481488	Book Binding/Mending	-541.82
TOTAL					-541.82
10190	11/19/2018	Treserras Market	Chamber of Commerce Mixer - Food	General Fund	
			Chamber of Commerce Mixer - Food	Promotion & Public Relations	-247.93
TOTAL					-247.93
10191	11/19/2018	The Silverbelles Carolers	December 4 event	General Fund	
			December 4 event	Children's Programs	-400.00
TOTAL					-400.00
10192	11/19/2018	Western Exterminator Company	Customer #507646666-9	General Fund	
			Customer #507646666-9	Pest Control	-106.00
TOTAL					-106.00
10193	11/19/2018	Total Tech	VOID: Invoice #11433-2057	General Fund	
TOTAL					0.00
10194	11/19/2018	Frontier Communications	805-525-2384-012885-5	General Fund	
			Phone service 11/10/18 to 12/9/18	Telephone Expense	-225.19
TOTAL					-225.19
10195	11/19/2018	Los Angeles Times	Acct #10011275968	General Fund	

**Blanchard/Santa Paula Library District
Monthly General Fundt Check Detail**

November 2018

12:15 PM
12/11/18

Num	Date	Name	Memo	Account	Paid Amount
TOTAL			Acct #10011275968	Periodicals	-102.89
					-102.89
10196	11/27/2018	Baker & Taylor Books	Customer 40033694 /Invoice #T88681350	General Fund	
TOTAL			Customer 40033694 /Invoice #T88681350	General	-544.44
					-544.44
10197	11/27/2018	Baker & Taylor Books	415157 L444180 4 000000	General Fund	
TOTAL			415157 L444180 4 000000	General	-134.54
					-134.54
10198	11/27/2018	Southern California Edison	2-03-984-8064	General Fund	
TOTAL			Electricity usage 10/17/18 to 11/16/18	Electricity	-1,499.94
					-1,499.94
10199	11/27/2018	Andy's Plumbing Place	Invoice #5847-1118	General Fund	
TOTAL			water heater maintenance	Building Maintenance	-85.00
					-85.00
10200	11/27/2018	Neopost	7900 0110 8018 6524	General Fund	
TOTAL			Postage	Postage	-157.16
					-157.16

REGULAR MEETING OF DECEMBER 18, 2018
G. BOARD/ADMINISTRATION COMMENTS, CONCERNS, HANDOUTS


REGULAR MEETING OF DECEMBER 18, 2018
I(a) OLD BUSINESS: RESERVES POLICY

As the Board was previously informed, the Grand Jury of Ventura County in its report on Independent Special Districts in the county made several recommendations that were pertinent to the library. Those recommendations involved increased disclosure on the district's website regarding finances. The grand jury also pointed out that the district is required by law to have a policy regarding the amount of reserves it retains.

All but one of the disclosures posted on the website have been made since they were for existing documents and reports. The one disclosure that has not been posted is the reserve policy since the Board has not yet approved it. The proposed reserve policy is attached.

RECOMMENDATION:

	MOVED	SECONDED	YES	NO	ABSTAIN	ABSENT
Coughlin						
Hicks						
Nasalroad						
Phillips						
Sandoval						

	<p style="text-align: center;">Accounting Procedures Manual Section 7 – General Fund-Fund Balance-Reserve Policy</p>
<p>Effective Date: <u>January 27, 2015</u> <u>December 18, 2018</u></p>	<p>Attachments:</p>
<p>Prior Versions:</p>	

General Fund – Fund Balance/Reserve Policy

Reserves are the foundation of the sustainable delivery of core services. Through prudent reserves, special districts offer taxpayers and ratepayers significant benefits...

Special District Reserve Guidelines, Second Edition
California Special Districts Association

OPERATING FUND RESERVE

Approximately 90% of the Ordinary Operating Expenses of the District are provided by taxation revenues from several sources. The majority of those revenues are received twice per fiscal year in December and April when the County Tax Collector receives and apportions the funds. Consequently, the Board of Trustees has determined that an appropriate Operating Fund Reserve is six months of Ordinary Operating Expenses. At the present time, a six-month expense reserve is approximately \$400,000.

ASSET REPLACEMENT RESERVE FUND

The District owns the building in which library operations are conducted. There are two major building systems that have useful lives less than that of the actual structure: the heating and cooling system and the roof. The Board of Trustees has determined that funds should be set aside to pay for replacement of both systems when it is determined that it will be more cost effective to replace them than to repair

them. The Capital Equipment Fund Reserve will be considered fully funded when fund levels reach the following amounts:

<u>BUILDING SYSTEM</u>	<u>REPLACEMENT COST</u>	<u>USEFUL LIFE</u>	<u>ANNUAL CONTRIBUTION</u>
<u>Heating and Cooling</u>	<u>\$125,000</u>	<u>20 years</u>	<u>\$6, 250</u>
<u>Roof</u>	<u>\$150,000</u>	<u>30 years</u>	<u>\$5,000</u>

EXPANSION FUND RESERVE

As the size and population of the library service area grow, there will come a point when the library will need to add additional space to the existing facility and/or remodel existing space, create a new facility, or both. This is especially true in view of the planned 1500 homes forecast for the Harvest at Limoneira project. While it is anticipated that much of the funding for expansion will come from donations, the Board of Trustees has established an Expansion Reserve Fund to help pay for larger facilities. At this time, the Board has established a fund limit of \$3 million.

Fund Balance will include a designation of six months of operating expenses (six months is equivalent to 50% of budgeted operating expenditures) as required by California Government Code Section 53646(B)(3).

During the budgeting process or the Mid-Year Budget review the Board can designate funds to be transferred in or out of the General Reserve Fund, Asset Replacement Reserve Fund, Trustee Election Fund or the ADA Reserve Fund.

If at any time staff cannot balance the budget due to an economic downturn that is severe enough to result in possible service cuts/impacts, the District's staff is to report on these service impacts and will be authorized to drawdown from Fund Balance if the core mission programs are affected. Staff will make a recommendation on a case-by-case basis of how the funds will be allocated as financial support to a particular core program. Core mission programs are defined as:

Maintaining library hours

Maintaining current staffing levels

Materials Budget

Technology Budget

Facilities Budget

REGULAR MEETING OF DECEMBER 18, 2018

J(a) NEW BUSINESS: OTHER THAN PENSION EMPLOYEE BENEFITS REPORT

Under Government Accounting Standards Board Statement No. 75, all government agencies are required to disclose in their audits the projected liability of future employee benefits other than pensions, which in our case, means health insurance. The District retained an actuary to calculate the potential liability over time. The report is attached.

RECOMMENDATION: None

	MOVED	SECONDED	YES	NO	ABSTAIN	ABSENT
Coughlin						
Hicks						
Nasalroad						
Phillips						
Sandoval						

MacLeod Watts

December 11, 2018

Ned Branch
District Director
Blanchard/Santa Paula Library District
119 N 8th St.
Santa Paula, CA 93060

Re: Other Post-Employment Benefits
GASB 75 Actuarial Report for the Fiscal Year Ending June 30, 2018

Dear Mr. Branch:

We are pleased to enclose our report providing actuarial information regarding the other post-employment benefit (OPEB) liabilities of the Blanchard/Santa Paula Library District (the District). The results presented are based on the results of an actuarial valuation prepared as of June 30, 2018. The report describes our analysis and assumptions in detail.

The primary purpose of this report is to provide information required by GASB 75 ("Accounting and Financial Reporting for Postemployment Benefits Other Than Pension") to be reported in the District's financial statements for the fiscal year ending June 30, 2018. The information included in this report reflects the assumption that the District will continue financing its OPEB liability on a pay-as-you-go basis. Please let us know if we can be of assistance in preparing illustrations of how prefunding impacts the OPEB liability required to be reported under GASB 75.

The valuation reflects employee data, details on plan benefits, and retiree benefit payments provided to us by the District. As with any analysis, the soundness of the report is dependent on the inputs. Please review the information shown in the report and let us know if anything there does not match your records.

We appreciate the opportunity to work on this analysis and acknowledge the efforts of District employees who provided valuable time and information to enable us to perform this valuation. Please let us know if we can be of further assistance.

Sincerely,



Catherine L. MacLeod, FSA, FCA, EA, MAAA
Principal & Consulting Actuary

Enclosure



Blanchard/Santa Paula Library District

Actuarial Valuation of Other
Post-Employment Benefit Programs
As of June 30, 2018

& GASB 75 Report for the Fiscal Year
Ending June 30, 2018

Submitted December 2018

MacLeod Watts

Table of Contents

A.	Executive Summary.....	1
	OPEB Obligations of the District	1
	District Funding Policy.....	1
	Actuarial Assumptions	2
	Important Dates Used in the Valuation	2
	Significant Results and Differences from the Prior OPEB Report	2
	Impact on Statement of Net Position and OPEB Expense for Fiscal 2018.....	3
	Recognition Period for Deferred Resources	3
	Important Notices	3
B.	Accounting Information (GASB 75)	4
	Components of Net Position and Expense	4
	Change in Net Position During the Fiscal Year.....	5
	Deferred Resources as of Fiscal Year End and Expected Future Recognition	6
	Sensitivity of Liabilities to Changes in the Discount Rate and Healthcare Cost Trend Rate.....	7
	Schedule of Changes in the District’s Net OPEB Liability and Related Ratios.....	8
	Detail of Changes to Net Position	9
	Schedule of Deferred Outflows and Inflows of Resources	10
	District Contributions to the Plan	11
	Projected Benefit Payments (15-year projection)	12
	Sample Journal Entries.....	13
C.	Funding Information	14
D.	Certification.....	15
E.	Supporting Information	16
	Section 1 - Summary of Employee Data	16
	Section 2A - Summary of Retiree Benefit Provisions.....	17
	Section 2B - Excise Taxes for High Cost Retiree Coverage	18
	Section 3 - Actuarial Methods and Assumptions.....	19
	Changes Since the Prior Valuation.....	25
	Addendum 1: Important Background Information.....	26
	<i>Important Dates</i>	28
	<i>Recognition of Plan Changes and Gains and Losses</i>	28
	Addendum 2: MacLeod Watts Age Rating Methodology	31
	Addendum 3: MacLeod Watts Mortality Projection Methodology.....	32
	Glossary.....	33



A. Executive Summary

This report presents the results of the June 30, 2018 actuarial valuation and accounting information for reporting of the Blanchard/Santa Paula Library District (the District) other post-employment benefit (OPEB) program. The purpose of this valuation is to assess the OPEB liabilities and provide disclosure information as required by Statement No. 75 of the Governmental Accounting Standards Board (GASB 75) for the fiscal year ending June 30, 2018.

Important background information regarding the valuation process can be found in Addendum 1. We recommend users of the report read this information to familiarize themselves with the process and context of actuarial valuations, including the requirements of GASB 75. The pages following this executive summary discuss the valuation results in detail and present various exhibits appropriate for disclosures under GASB 75. We anticipate that the next actuarial valuation will be dated June 30, 2020. If there are any significant changes in the employee population, plan benefits or coverage, or to the OPEB funding policy, please contact us to discuss whether an earlier valuation might be required.

OPEB Obligations of the District

The District provides continuation of medical coverage to its retiring employees. This benefit may create one or more of the following types of OPEB liabilities:

- **Explicit subsidy liabilities:** An “explicit subsidy” exists when the employer contributes directly toward the cost of retiree healthcare. In this program, the District pays a portion of retiree medical premiums for qualifying retirees. These benefits are described in Section 2A.

The Patient Protection and Affordable Care Act (ACA) includes a 40% excise tax on high-cost employer-sponsored health coverage. While we valued this tax liability, the District indicated it would not pay any portion of such tax for retirees. See Supporting Information Section 2B and Section 3 for further description and assumptions about this potential excise tax.

- **Implicit subsidy liabilities:** An “implicit subsidy” exists when the premiums charged for retiree coverage are lower than the expected retiree claims for that coverage. In the CalPERS medical program, the same monthly premiums are charged for active employees and for pre-Medicare retirees. CalPERS has confirmed that the claims experience of these members is considered together in setting premium rates. We determine the implicit rate subsidy for pre-Medicare retirees as the projected difference between (a) retiree medical claim costs by age and (b) premiums charged for retiree coverage. For more information on this process see Section 3 and Addendum 2: MacLeod Watts Age Rating Methodology.

Different monthly premiums are charged for Medicare-eligible members. CalPERS confirmed that only the claims experience of these members is considered in setting Medicare-eligible premium rates. We assumed that this premium structure is adequate to cover their expected claims and that there is no implicit subsidy by active employee premiums.

District Funding Policy

The agency’s funding policy affects the calculation of liabilities by impacting the discount rate that is used to develop the plan liability and expense. “Prefunding” is the term used when an agency consistently contributes an amount based on an actuarially determined contribution (ADC) each year. GASB 75 allows prefunded plans to use a discount rate that reflects the expected earnings on trust



Executive Summary

(Continued)

assets. Pay-as-you-go, or "PAYGO", is the term used when an agency only contributes the required retiree benefits when due. When an agency finances retiree benefits on a pay-as-you-go basis, GASB 75 requires the use of a discount rate equal to a 20-year high grade municipal bond rate.

Our understanding is that the District is currently financing its OPEB liability on a pay-as-you-go basis. With the District's approval, the discount rate used in this valuation is based on the S&P Municipal Bond 20 Year High Grade Index. As of the beginning and end of the Measurement Period, use of this index results in discount rates of 3.13% as of June 30, 2017 and 2.92% as of June 30, 2018.

Actuarial Assumptions

The actuarial "demographic" assumptions (i.e. rates of retirement, death, disability or other termination of employment) used in this report were chosen, for the most part, to be the same as the actuarial demographic assumptions used for the most recent valuation of the retirement plan(s) covering District employees. Other assumptions, such as age-related healthcare claims, healthcare trend, retiree participation rates and spouse coverage, were selected based on demonstrated plan experience and/or our best estimate of expected future experience. All these assumptions, and more, impact expected future benefits. Please note that this valuation has been prepared on a closed group basis. This means that only employees and retirees present as of the valuation date are considered. We do not consider replacement employees for those we project to leave the current population of plan participants until the valuation date following their employment.

We emphasize that this actuarial valuation provides a projection of future results based on many assumptions. Actual results are likely to vary to some extent and we will continue to monitor these assumptions in future valuations. See Section 3 for a description of assumptions used in this valuation.

Important Dates Used in the Valuation

GASB 75 allows reporting liabilities as of any fiscal year end based on: (1) a *valuation date* no more than 30 months plus 1 day prior to the close of the fiscal year end; and (2) a *measurement date* up to one year prior to the close of the fiscal year. The following dates were used for this report:

Valuation Date	June 30, 2018
Measurement Date	June 30, 2018
Measurement Period	June 30, 2017 to June 30, 2018
Fiscal Year End	June 30, 2018

Significant Results and Differences from the Prior OPEB Report

This is the first report for the District reflecting the requirements of GASB 75. We updated a number of assumptions from those used in the July 2015 report, which was developed using the Alternative Measurement Method approach. The only assumption change recognized during the current measurement period is the change in the discount rate used to value the liabilities at the beginning and the end of the period. To develop the liability at the beginning of the period (June 30, 2017), we rolled back the results of the June 30, 2018 valuation one year.



Executive Summary

(Continued)

Impact on Statement of Net Position and OPEB Expense for Fiscal 2018

The accounting impact of the plan as of the District’s fiscal year end June 30, 2018 is shown below.

Items	For Reporting At Fiscal Year Ending June 30, 2018
Total OPEB Liability	\$ 915,350
Fiduciary Net Position	-
Net OPEB Liability (Asset)	915,350
Deferred (Outflows) of Resources	(26,309)
Deferred Inflows of Resources	-
Impact on Statement of Net Position	\$ 889,041
 OPEB Expense, FYE 6/30/2018	 \$ 68,664

Additional details on the basic valuation results and a comparison to the results from the 2015 analysis are provided in Section 4.

Recognition Period for Deferred Resources

Liability changes due to plan experience which differs from what was assumed in the prior year and/or from assumption changes during the year are recognized over the plan’s Expected Average Remaining Service Life (“EARSL”). The EARSL period is 4.33 years for deferred resources arising in this fiscal year. GASB 75 requires that changes in the Fiduciary Net Position due to investment performance different from the assumed earnings rate are always recognized over 5 years. Liability changes attributable to benefit changes occurring during the period are recognized immediately.

Important Notices

This report is intended to be used only to present the actuarial information relating to other postemployment benefits for the District’s financial statements. The results of this report may not be appropriate for other purposes, where other assumptions, methodology and/or actuarial standards of practice may be required or more suitable. We note that various issues in this report may involve legal analysis of applicable law or regulations. The District should consult counsel on these matters; MacLeod Watts does not practice law and does not intend anything in this report to constitute legal advice. In addition, we recommend the District consult with their internal accounting staff or external auditor or accounting firm about the accounting treatment of OPEB liabilities.



B. Accounting Information (GASB 75)

The following exhibits are designed to satisfy the reporting and disclosure requirements of GASB 75 for the fiscal year end June 30, 2018. The District is classified for GASB 75 purposes as a single employer.

Components of Net Position and Expense

The exhibit below shows the development of Net Position and Expense as of the Measurement Date.

Plan Summary Information for FYE June 30, 2018 <i>Measurement Date is June 30, 2018</i>	Blanchard-Santa Paula Library District
Items Impacting Net Position:	
Total OPEB Liability	\$ 915,350
Fiduciary Net Position	-
Net OPEB Liability (Asset)	<u>915,350</u>
Deferred (Outflows) Inflows of Resources Due to:	
Assumption Changes	(26,309)
Plan Experience	-
Investment Experience	-
Deferred Contributions	-
Net Deferred (Outflows) Inflows of Resources	<u>(26,309)</u>
Impact on Statement of Net Position, FYE 6/30/2018	<u>\$ 889,041</u>
Items Impacting OPEB Expense:	
Service Cost	\$ 33,556
Cost of Plan Changes	-
Interest Cost	27,208
Expected Earnings on Assets	-
Recognized Deferred Resource items:	
Assumption Changes	7,900
Plan Experience	-
Investment Experience	-
OPEB Expense, FYE 6/30/2018	<u>\$ 68,664</u>



Accounting Information

(Continued)

Change in Net Position During the Fiscal Year

The exhibit below shows the year-to-year changes in the components of Net Position.

For Reporting at Fiscal Year End <i>Measurement Date</i>	6/30/2017 <i>6/30/2017</i>	6/30/2018 <i>6/30/2018</i>	Change During Period
Total OPEB Liability	\$ 851,033	\$ 915,350	\$ 64,317
Fiduciary Net Position	-	-	-
Net OPEB Liability (Asset)	851,033	915,350	64,317
<i>Deferred Resource (Outflows) Inflows Due to:</i>			
Assumption Changes	-	(26,309)	(26,309)
Plan Experience	-	-	-
Investment Experience	-	-	-
Deferred Contributions	-	-	-
Net Deferred (Outflows) Inflows	-	(26,309)	(26,309)
Impact on Statement of Net Position	\$ 851,033	\$ 889,041	\$ 38,008

Change in Net Position During the Fiscal Year

Impact on Statement of Net Position, FYE 6/30/2017	\$ 851,033
OPEB Expense (Income)	68,664
Employer Contributions During Fiscal Year	(30,656)
Impact on Statement of Net Position, FYE 6/30/2018	<u>\$ 889,041</u>

OPEB Expense

Employer Contributions During Fiscal Year	\$ 30,656
Deterioration (Improvement) in Net Position	38,008
OPEB Expense (Income), FYE 6/30/2018	<u>\$ 68,664</u>



Accounting Information

(Continued)

Deferred Resources as of Fiscal Year End and Expected Future Recognition

The exhibit below shows deferred resources as of the fiscal year end June 30, 2018.

Blanchard-Santa Paula Library District	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 26,309	\$ -
Differences Between Expected and Actual Experience	-	-
Net Difference Between Projected and Actual Earnings on Investments	-	-
Deferred Contributions	-	-
Total	\$ 26,309	\$ -

The District will recognize the Contributions Made Subsequent to the Measurement Date in the next fiscal year. In addition, future recognition of these deferred resources is shown below.

For the Fiscal Year Ending June 30	Recognized Net Deferred Outflows (Inflows) of Resources
2019	\$ 7,900
2020	7,900
2021	7,900
2022	2,609
2023	-
Thereafter	-



Accounting Information

(Continued)

Sensitivity of Liabilities to Changes in the Discount Rate and Healthcare Cost Trend Rate

The discount rate used for the fiscal year end 2018 is 2.92%. Healthcare cost trend rate was assumed to start at 7.5% (effective January 1, 2019) and grade down to 5% for years 2024 and thereafter. The impact of a 1% increase or decrease in these assumptions is shown in the chart below.

Sensitivity to:			
Change in Discount Rate	Current - 1% 1.92%	Current 2.92%	Current + 1% 3.92%
Total OPEB Liability	1,115,108	915,350	766,368
Increase (Decrease)	199,758		(148,982)
% Increase (Decrease)	21.8%		-16.3%
Net OPEB Liability (Asset)	1,115,108	915,350	766,368
Increase (Decrease)	199,758		(148,982)
% Increase (Decrease)	21.8%		-16.3%
Change in Healthcare Cost Trend Rate	Current Trend - 1%	Current Trend	Current Trend + 1%
Total OPEB Liability	750,946	915,350	1,167,488
Increase (Decrease)	(164,404)		252,138
% Increase (Decrease)	-18.0%		27.5%
Net OPEB Liability (Asset)	750,946	915,350	1,167,488
Increase (Decrease)	(164,404)		252,138
% Increase (Decrease)	-18.0%		27.5%



Accounting Information

(Continued)

Schedule of Changes in the District's Net OPEB Liability and Related Ratios

GASB 75 requires presentation of the 10-year history of changes in the Net OPEB Liability. However, since this is the initial year of implementation, only one year is currently available.

For Fiscal Year Ending June 30, 2018 <i>Liabilities & Assets Measured As Of June 30, 2018</i>	Blanchard-Santa Paula Library District
Total OPEB liability	
Service Cost	\$ 33,556
Interest	27,208
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	34,209
Benefit payments	<u>(30,656)</u>
Net change in total OPEB liability	64,317
Total OPEB liability - beginning	<u>851,033</u>
Total OPEB liability - ending (a)	<u><u>\$ 915,350</u></u>
Plan fiduciary net position	
Contributions - employer	\$ 30,656
Net investment income	-
Benefit payments	<u>(30,656)</u>
Net change in plan fiduciary net position	-
Plan fiduciary net position - beginning	<u>-</u>
Plan fiduciary net position - ending (b)	<u><u>\$ -</u></u>
Net OPEB liability - ending (a) - (b)	<u><u>\$ 915,350</u></u>
Covered-employee payroll	\$ 342,563
Net OPEB liability as a percentage of covered-employee payroll	267.21%



Accounting Information
 (Continued)

Detail of Changes to Net Position

The chart below details changes to all components of Net Position.

Blanchard-Santa Paula Library District	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)	(d) Deferred Outflows (Inflows) Due to:				Impact on Statement of Net Position (e) = (c) - (d)
				Assumption Changes	Plan Experience	Investment Experience	Deferred Contributions	
Balance at Fiscal Year Ending 6/30/2017 <i>Measurement Date 6/30/2017</i>	\$ 851,033	\$ -	\$ 851,033	\$ -	\$ -	\$ -	\$ -	\$ 851,033
Changes During the Period:								
Service Cost	33,556		33,556					33,556
Interest Cost	27,208		27,208					27,208
Expected Investment Income								-
Employer Contributions		30,656	(30,656)					(30,656)
Changes of Benefit Terms								-
Benefit Payments	(30,656)	(30,656)						-
Assumption Changes	34,209		34,209	34,209				-
Plan Experience								-
Investment Experience								-
Recognized Deferred Resources				(7,900)				7,900
Employer Contributions in Fiscal Year								-
Net Changes in Fiscal Year 2017-2018	64,317	-	64,317	26,309	-	-	-	38,008
Balance at Fiscal Year Ending 6/30/2018 <i>Measurement Date 6/30/2018</i>	\$ 915,350	\$ -	\$ 915,350	\$ 26,309	\$ -	\$ -	\$ -	\$ 889,041



Accounting Information
 (Continued)

Schedule of Deferred Outflows and Inflows of Resources

A listing of all deferred resource bases used to develop the Net Position and Pension Expense is shown below. Contributions subsequent to the measurement date are not shown.

Measurement Date: June 30, 2018

Date Created	Deferred Resource			Balance as of Jun 30, 2018	Recognition of Deferred Outflow or Deferred (Inflow) in Measurement Period:						
	Cause	Initial Amount	Period (Yrs)		Annual Recognition	2017-18 (FYE 2018)	2018-19 (FYE 2019)	2019-20 (FYE 2020)	2020-21 (FYE 2021)	2021-22 (FYE 2022)	2022-23 (FYE 2023)
6/30/2018	Loss Due To Assumption Changes	\$ 34,209	4.33	\$ 7,900	\$ 7,900	\$ 7,900	\$ 7,900	\$ 7,900	\$ 2,609	\$ -	\$ -

The Expected Average Remaining Service Life ("EARSL") was 4.33 years. This is the period used to recognize changes in the OPEB Liability arising during the current measurement period *other than* those attributable to investment gains and losses or relating to improvements in plan benefits.



Accounting Information

(Continued)

District Contributions to the Plan

District contributions to the Plan occur as benefits are paid to or on behalf of retirees. Benefit payments may occur in the form of direct payments for premiums and taxes (“explicit subsidies”) and/or indirect payments to retirees in the form of higher premiums for active employees (“implicit subsidies”). For details, see Addendum 1 – Important Background Information.

Benefits paid by the District during the measurement period are shown below. The measurement period is the current fiscal year.

Benefit Payments During the Measurement Period, Jul 1, 2017 thru Jun 30, 2018	Blanchard-Santa Paula Library District
Benefits Paid by Trust	\$ -
Benefits Paid by Employer (not reimbursed by trust)	24,743
Implicit benefit payments	5,913
<i>Total Benefit Payments During the Measurement Period</i>	\$ 30,656

Employer Contributions During the Measurement Period, Jul 1, 2017 thru Jun 30, 2018	Blanchard-Santa Paula Library District
Employer Contributions to the Trust	\$ -
Employer Contributions in the Form of Direct Benefit Payments (not reimbursed by trust)	24,743
Implicit contributions	5,913
<i>Total Employer Contributions During the Measurement Period</i>	\$ 30,656



Accounting Information

(Continued)

Projected Benefit Payments (15-year projection)

The following is an estimate of other post-employment benefits to be paid on behalf of current retirees and current employees expected to retire from the District. Expected annual benefits have been projected on the basis of the actuarial assumptions outlined in Section 3.

These projections do not include any benefits expected to be paid on behalf of current active employees *prior to* retirement, nor do they include any benefits for potential *future employees* (i.e., those who might be hired in future years).

Projected Annual Benefit Payments							
Fiscal Year Ending June 30	Explicit Subsidy			Implicit Subsidy			Total
	Current Retirees	Future Retirees	Total	Current Retirees	Future Retirees	Total	
2018	\$ 24,743	\$ -	\$ 24,743	\$ 5,913	\$ -	\$ 5,913	\$ 30,656
2019	31,836	428	32,264	6,356	-	6,356	38,620
2020	33,610	1,359	34,969	7,589	-	7,589	42,558
2021	30,728	2,322	33,050	-	-	-	33,050
2022	30,810	3,483	34,293	-	-	-	34,293
2023	30,741	4,628	35,369	-	-	-	35,369
2024	30,496	5,740	36,236	-	-	-	36,236
2025	30,168	6,803	36,971	-	-	-	36,971
2026	29,823	7,821	37,644	-	-	-	37,644
2027	29,455	11,943	41,398	-	-	-	41,398
2028	29,054	12,356	41,410	-	-	-	41,410
2029	28,627	12,760	41,387	-	-	-	41,387
2030	28,167	13,147	41,314	-	-	-	41,314
2031	27,653	13,592	41,245	-	22	22	41,267
2032	27,090	14,037	41,127	-	73	73	41,200

The amounts shown in the Explicit Subsidy section reflect the expected payment by the District toward retiree medical premiums in each of the years shown. The amounts are shown separately, and in total, for those retired on the valuation date ("current retirees") and those expected to retire after the valuation date ("future retirees").

The amounts shown in the Implicit Subsidy section reflect the expected excess of retiree medical and prescription drug claims over the premiums expected to be charged during the year for retirees' coverage. These amounts are also shown separately and in total for those currently retired on the valuation date and for those expected to retire in the future.



Accounting Information

(Concluded)

Sample Journal Entries

Beginning Account Balances

As of the fiscal year beginning 7/1/2017

	Debit	Credit
Net OPEB Liability		851,033
Deferred Resource -- Assumption Changes	-	
Deferred Resource -- Plan experience	-	
Deferred Resource -- Investment Experience	-	
Deferred Resource -- Contributions	-	
Net Position	851,033	

* The entries above assume nothing is on the books at the beginning of the year. So to the extent that values already exist in, for example, the Net OPEB Liability account, then only the difference should be adjusted. The entries above represent the values assumed to exist at the start of the fiscal year.

Journal entry to recharacterize retiree benefit payments not reimbursed by a trust, and record cash contributions to the trust during the fiscal year

	Debit	Credit
OPEB Expense	24,743	
Premium Expense		24,743
OPEB Expense	-	
Cash		-

* This entry assumes a prior journal entry was made to record the payment for retiree premiums. This entry assumes the prior entry debited an account called "Premium Expense" and credited Cash. This entry reverses the prior debit to "Premium Expense" and recharacterizes that entry as an "OPEB Expense". Also, the entry for cash contributions to the trust is shown.

Journal entries to record implicit subsidies during the fiscal year

	Debit	Credit
OPEB Expense	5,913	
Premium Expense		5,913

* This entry assumes that premiums for active employees were recorded to an account called "Premium Expense". This entry reverses the portion of premium payments that represent implicit subsidies and assigns that value to OPEB Expense.

Journal entries to record other account activity during the fiscal year

	Debit	Credit
Net OPEB Liability		64,317
Deferred Resource -- Assumption Changes	26,309	
Deferred Resource -- Plan experience	-	
Deferred Resource -- Investment Experience	-	
Deferred Resource -- Contributions	-	
OPEB Expense	38,008	



C. Funding Information

Our understanding is that the District is currently financing its OPEB liability on a pay-as-you-go basis. Prefunding (setting aside funds to accumulate in an irrevocable OPEB trust) has certain advantages, one of which is the ability to (potentially) use a higher discount rate in the determination of liabilities for GASB 75 reporting purposes. Use of a long term expected trust rate of return typically requires a demonstrated history of contributions consistently equal to or greater than an Actuarially Determined Contributions (ADC).

Discount Rate	Explicit	Implicit	TOL
2.92%	\$ 865,885	\$ 49,465	\$ 915,350
6.50%	\$ 510,871	\$ 33,289	\$ 544,160

An ADC is typically determined using of two basic components, which are then adjusted with interest to each fiscal year end:

- The amounts attributed to service performed in the current fiscal year (service cost) and
- Amortization of the unfunded actuarial accrued liability (UAAL), referred to as the Net OPEB Liability for GASB 75 purposes.

To assist the District in understanding this better, we are providing the following ADC *illustration* for the District's fiscal year ending June 30, 2018, *assuming* a long term return on trust assets of 6.5% per year.

Discount Rate		6.50%
Total OPEB Liability (TOL)	\$	544,160
Fiduciary Net Position		-
Net OPEB Liability		544,160
Amortization Factor*		11.9956
Actuarially Determined Contribution for FYE 2018		
Amortization of Net OPEB Liability	\$	45,364
Service Cost		16,948
Interest to Fiscal Year End		4,050
Total ADC	\$	66,362

* Determined on a level percent of pay basis over a closed 15 year period with 15 periods remaining

Actual District contributions, relative to the ADC for the fiscal year ending June 30, 2018 are shown below.

Schedule of Contributions	Blanchard-Santa Paula Library District	
Actuarially determined contribution during fiscal year	\$	66,362
Contributions in relation to the actuarially determined contribution		30,656
Contribution deficiency (excess)	\$	35,706
Covered employee payroll during fiscal year	\$	342,563
Contributions as a percentage of covered employee payroll		8.95%



D. Certification

The purpose of this report is to provide actuarial information in compliance with Statement 75 of the Governmental Accounting Standards Board (GASB 75) for other postemployment benefits provided by the Blanchard/Santa Paula Library District (the District). We summarized the benefits in this report and our calculations were based on our understanding of the benefits as described herein.

In preparing this report we relied without audit on information provided by the District. This information includes, but is not limited to, plan provisions, census data, and financial information. We performed a limited review of this data and found the information to be reasonably consistent. The accuracy of this report is dependent on this information and if any of the information we relied on is incomplete or inaccurate, then the results reported herein will be different from any report relying on more accurate information.


We consider the actuarial assumptions and methods used in this report to be individually reasonable under the requirements imposed by GASB 75 and taking into consideration reasonable expectations of plan experience. The results provide an estimate of the plan's financial condition at one point in time. Future actuarial results may be significantly different due to a variety of reasons including, but not limited to, demographic and economic assumptions differing from future plan experience, changes in plan provisions, changes in applicable law, or changes in the value of plan benefits relative to other alternatives available to plan members.

Alternative assumptions may also be reasonable; however, demonstrating the range of potential plan results based on alternative assumptions was beyond the scope of our assignment except to the limited extent required by GASB 75. Plan results for accounting purposes may be materially different than results obtained for other purposes such as plan termination, liability settlement, or underlying economic value of the promises made by the plan.

This report is prepared solely for the use and benefit of the District and may not be provided to third parties without prior written consent of MacLeod Watts. Exceptions are: The District may provide copies of this report to their professional accounting and legal advisors who are subject to a duty of confidentiality, and the District may provide this work to any party if required by law or court order. No part of this report should be used as the basis for any representations or warranties in any contract or agreement without the written consent of MacLeod Watts.

The undersigned actuaries are unaware of any relationship that might impair the objectivity of this work. Nothing within this report is intended to be a substitute for qualified legal or accounting counsel. Both actuaries are members of the American Academy of Actuaries and meet the qualification standards for rendering this opinion.

Signed: December 11, 2018



Catherine L. MacLeod, FSA, FCA, EA, MAAA



J. Kevin Watts, FSA, FCA, MAAA



E. Supporting Information

Section 1 - Summary of Employee Data

Active employees: The District reported 5 active employees as of the valuation date. Of these, 4 were enrolled in a medical plan through the District, while 1 was waiving District coverage. Age and service information for the 5 included employees is provided below:

Distribution of Benefits-Eligible Active Employees								
Current Age	Years of Service						Total	Percent
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 & Up		
Under 25							0	0%
25 to 29				1			1	20%
30 to 34							0	0%
35 to 39	1					1	2	40%
40 to 44							0	0%
45 to 49							0	0%
50 to 54							0	0%
55 to 59							0	0%
60 to 64							0	0%
65 to 69		2					2	40%
70 & Up							0	0%
Total	1	2	0	1	0	1	5	100%
Percent	20%	40%	0%	20%	0%	20%	100%	

Valuation	July 2015	June 2018
Annual Covered Payroll	\$164,304	\$342,563
Average Attained Age for Actives	45.5	47.6
Average Years of Service	14.3	8.4

Retired members: There are currently 7 retirees covered on a District medical plan and currently receiving benefits under this program; 6 of the 7 are on a Medicare Supplement plan.

Retirees by Age		
Current Age	Number	Percent
Below 50	0	0%
50 to 54	0	0%
55 to 59	0	0%
60 to 64	1	14%
65 to 69	1	14%
70 to 74	1	14%
75 to 79	1	14%
80 & up	3	43%
Total	7	100%
Average Age:		
On 6/30/2018	77.9	
At retirement	65.0	



Supporting Information

(Continued)

Section 2A - Summary of Retiree Benefit Provisions

OPEB provided: The District reported that the only OPEB provided is retiree medical coverage.

Access to coverage: Medical coverage is currently provided through CalPERS as permitted under the Public Employees' Medical and Hospital Care Act (PEMHCA). This coverage requires the employee to satisfy the requirements for retirement under CalPERS: either (a) attainment of age 50 (age 52, if a miscellaneous employee new to PERS on or after January 1, 2013) with 5 years of State or public agency service or (b) an approved disability retirement.

The employee must begin his or her retirement benefit within 120 days of terminating employment with the District to be eligible to continue medical coverage through the agency and be entitled to the benefits described below. If an eligible employee is not already enrolled in the medical plan, he or she may enroll within 60 days of retirement, during any future open enrollment period or with a qualifying life event. *In other words, it is the timing of initiating retirement benefits and not timing of enrollment in the medical program which determines whether or not a District retiree qualifies for lifetime medical coverage and any benefits defined in the PEMHCA resolution.* Once eligible, coverage may be continued at the retiree's option for his or her lifetime. A surviving spouse and other eligible dependents may also continue coverage.

PEMHCA Benefits provided: As a PEMHCA employer, the District is obligated to contribute toward the cost of retiree medical coverage for the retiree's lifetime or until coverage is discontinued. Benefits continue to a surviving spouse if the spouse is also the beneficiary for survivor pension benefits. The current PEMHCA resolution provides for the District to pay 100% of the premium for the retiree only¹ up to a maximum monthly cap. In 2018 the monthly cap is \$565.33.

Current premium rates: The 2018 monthly CalPERS healthcare premium rates for the Los Angeles Area are shown below.

Los Angeles Area 2018 Health Plan Rates						
Plan	Actives and Pre-Med Retirees			Medicare Eligible Retirees		
	Ee Only	Ee & 1	Ee & 2+	Ee Only	Ee & 1	Ee & 2+
Anthem Select HMO	\$ 660.17	\$ 1,320.34	\$ 1,716.44	<i>Not Available</i>		
Blue Shield Access+ HMO	613.29	1,226.58	1,594.55	<i>Not Available</i>		
Kaiser HMO	642.70	1,285.40	1,671.02	\$ 316.34	\$ 632.68	\$ 1,018.30
UnitedHealthcare HMO	602.78	1,205.56	1,567.23	330.76	691.94	1,053.61
PERSCare PPO	673.73	1,347.46	1,751.70	382.30	974.00	1,378.24

¹ We believe that the current PEMHCA resolution may be interpreted by CalPERS such that any portion of the \$565.33 which is in excess of the retiree's premiums would automatically be applied toward the premium for other covered dependents. We encourage the District to inquire and revise the wording to avoid providing unintended benefits.



Supporting Information

(Continued)

Section 2B - Excise Taxes for High Cost Retiree Coverage

The Patient Protection and Affordable Care Act (ACA) includes a 40% excise tax on high-cost employer-sponsored health coverage. The tax applies to the aggregate annual cost of an employee's applicable coverage that exceeds a dollar limit. Implementation of this tax has been delayed by subsequent legislation to 2022; while there are discussions in Congress of eliminating or again delaying the tax, this report assumes that it will take effect as current law provides.

For those current and future retirees assumed to retain coverage in the agency's medical program, we determined the excess, if any, of projected annual plan premiums for the retiree and his or her covered dependents over the projected applicable excise tax threshold beginning in 2022. The excise tax burden will ultimately fall on the agency alone, a combination of the agency and plan participants, or be entirely borne by the affected retirees. The practicalities of how the tax will be recovered by insurers will likely affect the eventual cost-sharing result.

See Section 3 for assumptions about this excise tax in the valuation. Please note that any assumptions applied in this valuation are not intended to imply any legal obligation as to the District's current or future liability to absorb this potential tax.



Supporting Information

(Continued)

Section 3 - Actuarial Methods and Assumptions

Valuation Date	June 30, 2018
Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Market value of assets (\$0; plan is not yet funded)
Discount Rate	3.13% as of June 30, 2017 2.92% as of June 30, 2018
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.
Salary Increase	3.25% per year; since benefits do not depend on pay, this is used only to allocate the cost of benefits between service years
Assumed Wage inflation	3.0% per year; a component of assumed salary increases
General Inflation Rate	2.75% per year

Demographic actuarial assumptions used in this valuation are based on the 2014 experience study of the California Public Employees Retirement System using data from 1997 to 2011, except for a different basis used to project future mortality improvements. Rates for selected age and service are shown below and on the following pages. The representative mortality rates were those published by CalPERS adjusted to back out 20 years of Scale BB to central year 2008.

Mortality Improvement MacLeod Watts Scale 2017 applied generationally from 2008 on.

Mortality Before Retirement
(before improvement)

CalPERS Public Agency Miscellaneous Non- Industrial Deaths		
Age	Male	Female
15	0.00023	0.00017
20	0.00033	0.00021
30	0.00052	0.00027
40	0.00080	0.00053
50	0.00165	0.00106
60	0.00354	0.00223
70	0.00709	0.00467
80	0.01339	0.01036



Supporting Information

(Continued)

Section 3 - Actuarial Methods and Assumptions

Mortality After Retirement
 (before improvement applied)

Healthy Lives			Disabled Miscellaneous		
CalPERS Public Agency Miscellaneous, Police & Fire Post Retirement Mortality			CalPERS Public Agency Disabled Miscellaneous Post-Retirement Mortality From Jan 2014 Experience Study Report		
Age	Male	Female	Age	Male	Female
40	0.00117	0.00097	20	0.00641	0.00395
50	0.00532	0.00495	30	0.00736	0.00455
60	0.00817	0.00533	40	0.01008	0.00642
70	0.01766	0.01264	50	0.01784	0.01230
80	0.05275	0.03695	60	0.02634	0.01510
90	0.16186	0.12335	70	0.03890	0.02815
100	0.34551	0.31876	80	0.08230	0.06015
110	1.00000	1.00000	90	0.18469	0.16082

Termination Rates

Miscellaneous Employees: Sum of Vested Terminated & Refund Rates From CalPERS Experience Study Report Issued January 2014						
Attained Age	Years of Service					
	0	3	5	10	15	20
15	0.1812	0.0000	0.0000	0.0000	0.0000	0.0000
20	0.1742	0.1193	0.0946	0.0000	0.0000	0.0000
25	0.1674	0.1125	0.0868	0.0749	0.0000	0.0000
30	0.1606	0.1055	0.0790	0.0668	0.0581	0.0000
35	0.1537	0.0987	0.0711	0.0587	0.0503	0.0450
40	0.1468	0.0919	0.0632	0.0507	0.0424	0.0370
45	0.1400	0.0849	0.0554	0.0427	0.0347	0.0290

Service Retirement Rates

The following miscellaneous retirement formulas apply: Classic: 2% @ 60
 PEPR: 2% @ 62

Miscellaneous Employees: 2% at 60 formula From CalPERS Experience Study Report Issued January 2014						
Current Age	Years of Service					
	5	10	15	20	25	30
50	0.0100	0.0130	0.0150	0.0180	0.0190	0.0210
55	0.0220	0.0290	0.0350	0.0400	0.0450	0.0490
60	0.0560	0.0770	0.0920	0.1050	0.1170	0.1300
65	0.1500	0.2090	0.2550	0.2870	0.3210	0.3580
70	0.1170	0.1620	0.1970	0.2220	0.2480	0.2770
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000



Supporting Information

(Continued)

Section 3 - Actuarial Methods and Assumptions

Service Retirement Rates (continued)

Miscellaneous "PEPRA" Employees: 2% at 62 formula From CalPERS Experience Study Report Issued January 2014						
Current Age	Years of Service					
	5	10	15	20	25	30
52	0.0103	0.0132	0.0160	0.0188	0.0216	0.0244
55	0.0440	0.0560	0.0680	0.0800	0.0920	0.1040
60	0.0616	0.0784	0.0952	0.1120	0.1288	0.1456
65	0.1287	0.1638	0.1989	0.2340	0.2691	0.3042
70	0.1254	0.1596	0.1938	0.2280	0.2622	0.2964
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Disability Retirement Rates

CalPERS Public Agency Miscellaneous Disability From Jan 2014 Experience Study Report		
Age	Male	Female
20	0.00017	0.00010
25	0.00017	0.00010
30	0.00019	0.00024
35	0.00049	0.00081
40	0.00122	0.00155
45	0.00191	0.00218
50	0.00213	0.00229
55	0.00221	0.00179
60	0.00222	0.00135

Healthcare Trend

Medical plan premiums and claims costs by age are assumed to increase once each year. The increases over the prior year's levels are assumed to be effective on the dates shown below:

Effective January 1	Premium Increase	Effective January 1	Premium Increase
2019	7.50%	2022	6.00%
2020	7.00%	2023	5.50%
2021	6.50%	2024 & later	5.00%

Medicare Eligibility

Absent contrary data, all individuals are assumed to be eligible for Medicare Parts A and B at age 65.



Supporting Information

(Continued)

Section 3 - Actuarial Methods and Assumptions

Participation rate

Active employees: 100% of those currently enrolled and 50% of those not currently enrolled, but eligible for retiree medical benefits are assumed to elect medical coverage through the District in retirement.

Retired participants: Existing medical plan elections are assumed to be continued until retiree’s death.

Spouse Coverage

Active employees: 50% of employees married on the valuation date are assumed to elect coverage for their spouse in retirement. Surviving spouses are assumed to keep coverage until their death. Husbands are assumed to be 3 years older than their wives.

Retired participants: Existing elections for spouse coverage are assumed to continue until the spouse’s death. Actual spouse ages are used, where known; if not, husbands are assumed to be 3 years older than their wives.

Excise tax on high-cost plans

The expected value of excise taxes for high cost plan coverage for retirees is expected to be effective in the year 2022. Annual threshold amounts under the Affordable Care Act (ACA) are shown below. A 40% excise tax rate was applied to the portion of premiums projected to exceed the threshold.

2018 Thresholds	Ages 55-64	All Other Ages
Single	11,850	10,200
Other than Single	30,950	27,500

Note: Thresholds for disability retirements are assumed to be set at a level high enough to prevent taxation on disabled retiree benefits.

The actual limits may be higher, depending on cost increases prior to the effective date. The thresholds are scheduled to increase by CPI plus 1% in 2019 and by CPI annually thereafter. While we projected this potential tax liability, this report assumes that 0% of any excise tax liability for high cost retiree coverage will be paid by the District.

Development of Age-related
 Medical Premiums

Actual premium rates for retirees and their spouses were adjusted to an age-related basis by applying medical claim cost factors developed from the data presented in the report, “Health Care Costs – From Birth to Death”, sponsored by the Society of Actuaries. A description of the use of claims cost curves can be found in MacLeod Watts’s Age Rating Methodology provided in Addendum 1 to this report.

Representative claims costs derived from the dataset provided by CalPERS for retirees are shown in the chart on the next page.



Supporting Information

(Continued)

Section 3 - Actuarial Methods and Assumptions

Development of Age-
 related
 Medical Premiums
 (continued)

Expected Monthly Claims by Medical Plan for Selected Ages					
Medical Plan	Male				
	50	53	56	59	62
Blue Shield Access+: Los Angeles	632	746	866	992	1,128
HMO: Los Angeles	629	741	861	987	1,122
Kaiser: Los Angeles	650	766	890	1,020	1,159
PERSCare: Los Angeles	518	611	710	813	925
PERSCare: Sacramento	665	784	910	1,043	1,186
Medical Plan	Female				
	50	53	56	59	62
Blue Shield Access+: Los Angeles	783	860	926	1,001	1,103
HMO: Los Angeles	779	856	921	995	1,097
Kaiser: Los Angeles	805	884	951	1,028	1,133
PERSCare: Los Angeles	642	705	759	820	904
PERSCare: Sacramento	824	905	973	1,052	1,159

All current and future Medicare-eligible retirees are assumed to be covered by plans that are rated based solely on the experience of Medicare retirees. Therefore, no implicit subsidy is calculated for Medicare-eligible retirees.

Changes recognized During the Current Measurement Period:

Discount Rate The discount rate was changed from 3.13% as of June 30, 2017 to 2.92% as of June 30, 2018 based on the published change in return for the applicable municipal bond index.

Other assumption changes from the 2015 AMM Report

Discount Rate: The discount rate was changed from 2.0% to the rates noted above.

Demographic assumptions Assumed termination, disability and retirement rates were updated to those provided in the CalPERS 2014 experience study report. Mortality rates were updated to rates in the midpoint year of the CalPERS 2014 experience study (2008), then projected on a generational basis by MacLeod Watts Scale 2017 (see Addendum 3).

Spouse Coverage The percentage of future retirees assumed to cover a spouse in retirement was set to 50% if the employee is married, based on a review of current plan data and our experience with plans with similar benefit levels.

Age-Related Medical Premiums We introduced a methodology for developing age-related medical premiums based on recent research and data sponsored by the Society of Actuaries. We added an implicit subsidy analysis for pre-Medicare retirees covered by the CalPERS medical program.



Supporting Information

(Concluded)

Section 4 – Comparison of Prior and Current Valuation Results

The chart below compares the basic results presented in the July 2015 Alternative Measurement Method report with the results of the June 30, 2018 actuarial valuation.

Valuation date Applicable accounting standard	7/1/2015	6/30/2018		
	GASB 45	GASB 75		
Subsidy	Explicit	Explicit	Implicit	Total
Discount rate	2.00%	2.92%	2.92%	2.92%
Number of Covered Employees				
Actives	4	5	5	5
Retirees	6	7	1	7
Total Participants	10	12	6	12
Actuarial Present Value of Projected Benefits				
Actives	\$ 485,437	\$ 628,922	\$ 77,088	\$ 706,010
Retirees	323,616	541,743	13,534	555,277
Total APVPB	809,053	1,170,665	90,622	1,261,287
Total OPEB Liability (TOL)				
Actives	177,843	324,143	35,931	360,074
Retirees	323,616	541,743	13,534	555,277
TOL	501,459	865,886	49,465	915,351
Fiduciary Net Position	-	-	-	-
Net OPEB Liability	501,459	865,886	49,465	915,351
Service Cost	25,250	33,241	3,140	36,381

* An additional subsidy of about \$15,000 exists for potential future excise taxes for high cost retiree coverage as defined in the Affordable Care Act. The District will not assume any responsibility for this subsidy, so it has not been included in any exhibits in this report.

Actuarial present value of projected benefits (PVPB): PVPB refers to the discounted total value of all future benefits expected to be paid to current retirees or beneficiaries and to current active employees after they retire. In calculating the PVPB, the amount of each future payment is projected, multiplied by a probability that it will be paid and then discounted from the future payment date back to the valuation date using the assumed discount rate.

Total OPEB Liability (TOL): The TOL, also called the actuarial accrued liability (AAL), is a subset of the PVPB. It represents the portion of the PVPB which has been attributed to service worked prior to the valuation date. The TOL for current retirees equals their PVPB because their service is complete. For active employees, the TOL is less than the PVPB because there is always some future service possible.

Service cost (SC): SC, also referred to as normal cost (NC), is also a subset of the PVPB and refers to the cost of future retiree benefits assigned to the current service year. There is no service cost for retired members because their service has ended and is already fully recognized (their TOL equals their PVPB). Only active employees have a current service cost.



Supporting Information

(Concluded)

Section 4 – Comparison of Valuation Results

Changes Since the Prior Valuation

The table below summarizes some of the main factors contributing to the \$414,000 increase in the Total OPEB Liability (TOL) between July 2015 and June 2018:

Source of Change	Increase (decrease) in TOL
Updated healthcare trend	\$ 263,000
Added mortality projection scale	72,000
Introduction of implicit subsidy liability	49,000
Increase in active population	49,000
Recognized surviving spouse benefit	3,000
Updated retirement rates	(58,000)
Discount rate increased from 2% to 2.92%	(169,000)
Plan experience, passage of time, and other changes not specifically quantified	205,000
Change in TOL from July 2015 to June 2018	\$ 414,000

Passage of time refers to expected changes in the Total OPEB Liability between valuation dates as additional cost accruals are ‘absorbed’ into the Total OPEB Liability, some liabilities are released as benefits are paid to retirees and remaining benefit values are increased by the reversal of discounting since they are three years closer to their eventual payment dates.

Plan experience includes differences between what was assumed would occur and what actually occurred during the prior three years. This often includes differences between actual and expected medical premiums and differences between assumed and actual employee behavior, such as ending employment prior to retirement, the timing of new retirements, plan selection and/or coverage of dependents.



Addendum 1: Important Background Information

General Types of Other Post-Employment Benefits (OPEB)

Post-employment benefits other than pensions (OPEB) comprise a part of compensation that employers offer for services received. The most common OPEB are medical, prescription drug, dental, vision, and/or life insurance coverage. Other OPEB may include outside group legal, long-term care, or disability benefits outside of a pension plan. OPEB does not generally include COBRA, vacation, sick leave (unless converted to defined benefit OPEB), or other direct retiree payments.

A direct employer payment toward the cost of OPEB benefits is referred to as an “explicit subsidy”. Upcoming excise taxes under the Affordable Care Act for retirees covered by high cost plans is another potential source of explicit subsidies.

In addition, if claims experience of employees and retirees are pooled when determining premiums, retiree premiums are based on a pool of members which, on average, are younger and healthier. For certain types of coverage such as medical insurance, this results in an “implicit subsidy” of retiree premiums by active employee premiums since the retiree premiums are lower than they would have been if retirees were insured separately. GASB 75 and Actuarial Standards of Practice generally require that an implicit subsidy of retiree premium rates be valued as an OPEB liability.

Expected retiree claims		
Premium charged for retiree coverage		<i>Covered by higher active premiums</i>
Retiree portion of premium	Agency portion of premium Explicit subsidy	Implicit subsidy

This chart shows the sources of funds needed to cover expected medical claims for pre-Medicare retirees. The portion of the premium paid by the Agency does not impact the amount of the implicit subsidy.

Under GASB 45, for actuarial valuations dated prior to March 31, 2015, an exception allowed plan employers with a very small membership in a large “community-rated” healthcare program to avoid reporting of implicit subsidy liability. Following a change in Actuarial Standards of Practice and in accordance with GASB 75 requirements, this exception is no longer available.

Valuation Process

The valuation was based on employee census data and benefits provided by the District. A summary of the employee data is provided in Section 1 and a summary of the benefits provided under the Plan is provided in Section 2. While individual employee records were reviewed to verify that they are reasonable in various respects, the data has not been audited and we have otherwise relied on the District as to its accuracy. The valuation was based on the actuarial methods and assumptions described in Section 3.

In developing the projected benefit values and liabilities, we first determine an expected premium or benefit stream over the employee’s future retirement. Benefits may include both direct employer payments (explicit subsidies) and/or an implicit subsidy, arising when retiree premiums are expected to be subsidized by active employee premiums. The projected benefit streams reflect assumed trends



Important Background Information

(Continued)

in the cost of those benefits and assumptions as to the expected date(s) when benefits will end. We then apply assumptions regarding:

- The probability that each individual employee will or will not continue in service to receive benefits.
- The probability of when such retirement will occur for each retiree, based on current age, service and employee type; and
- The likelihood that future retirees will or will not elect retiree coverage (and benefits) for themselves and/or their dependents.

We then calculate a present value of these benefits by discounting the value of each future expected benefit payment, multiplied by the assumed expectation that it will be paid, back to the valuation date using the discount rate. These benefit projections and liabilities have a very long time horizon. The final payments for currently active employees may not be made for many decades.

The resulting present value for each employee is allocated as a level percent of payroll each year over the employee's career using the entry age normal cost method and the amounts for each individual are then summed to get the results for the entire plan. This creates a cost expected to increase each year as payroll increases. Amounts attributed to prior fiscal years form the "Total OPEB Liability". The OPEB cost allocated for active employees in the current year is referred to as "Service Cost".

Where contributions have been made to an irrevocable OPEB trust, the accumulated value of trust assets ("Fiduciary Net Position") is applied to offset the "Total OPEB Liability", resulting in the "Net OPEB Liability". If a plan is not being funded, then the Net OPEB Liability is equal to the Total OPEB Liability.

It is important to remember that an actuarial valuation is, by its nature, a projection of one possible future outcome based on many assumptions. To the extent that actual experience is not what we assumed, future results will differ. Some possible sources of future differences may include:

- A significant change in the number of covered or eligible plan members;
- A significant increase or decrease in the future premium rates;
- A change in the subsidy provided by the Agency toward retiree premiums;
- Longer life expectancies of retirees;
- Significant changes in expected retiree healthcare claims by age, relative to healthcare claims for active employees and their dependents;
- Higher or lower returns on plan assets or contribution levels other than were assumed; and/or
- Changes in the discount rate used to value the OPEB liability



Important Background Information

(Continued)

Requirements of GASB 75

The Governmental Accounting Standards Board (GASB) issued GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition, and disclosure of OPEB expense and related liabilities (assets), note disclosures, and, required supplementary information (RSI) in the financial reports of state and local governmental employers.

Important Dates

GASB 75 requires that the information used for financial reporting falls within prescribed timeframes. Actuarial valuations of the total OPEB liability are generally required at least every two years. If a valuation is not performed as of the Measurement Date, then liabilities are required to be based on roll forward procedures from a prior valuation performed no more than 30 months and 1 day prior to the most recent year-end. In addition, the net OPEB liability is required to be measured as of a date no earlier than the end of the prior fiscal year (the "Measurement Date").

Recognition of Plan Changes and Gains and Losses

Under GASB 75, gains and losses related to changes in Total OPEB Liability and Fiduciary Net Position are recognized in OPEB expense systematically over time.

- *Timing of recognition:* Changes in the Total OPEB Liability relating to changes in plan benefits are recognized immediately (fully expensed) in the year in which the change occurs. Gains and Losses are amortized, with the applicable period based on the type of gain or loss. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.
- *Deferred recognition periods:* These periods differ depending on the source of the gain or loss.

Difference between projected and actual trust earnings:	5 year straight-line recognition
All other amounts:	Straight-line recognition over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits, determined as of the beginning of the Measurement Period. In determining the EARSL, all active, retired and inactive (vested) members are counted, with the latter two groups having 0 remaining service years.



Important Background Information

(Continued)

Implicit Subsidy Plan Contributions

An implicit subsidy liability is created when expected retiree claims exceed the premiums charged for retiree coverage. In practical terms, when premiums for active employees each year exceed active employee claims, their premiums include an amount expected to be transferred to cover a portion of the retirees' claims not covered by the premiums charged for retiree coverage. This transfer represents the current year's implicit subsidy. GASB 75 allows for recognition of payments to an irrevocable trust *or directly to the insurer* as an employer's contribution. Therefore, each year's implicit subsidy is a contribution toward the payment of retiree benefits.

The following hypothetical example illustrates this treatment:

Hypothetical Illustration of Implicit Subsidy Recognition	For Active Employees	For Retired Employees
<i>Prior to Implicit Subsidy Adjustment</i>		
Premiums Paid by Agency During Fiscal Year	\$ 411,000	\$ 48,000
Accounting Treatment	Compensation Cost for Active Employees	Contribution to Plan & Benefits Paid from Plan
<i>After Implicit Subsidy Adjustment</i>		
Premiums Paid by Agency During Fiscal Year	\$ 411,000	\$ 48,000
Implicit Subsidy Adjustment	(23,000)	23,000
Accounting Cost of Premiums Paid	\$ 388,000	\$ 71,000
Accounting Treatment Impact	Reduces Compensation Cost for Active Employees	Increases Contributions to Plan & Benefits Paid from Plan

In this example, while total contributions paid toward active and retired employee healthcare premiums is the same, by shifting the recognition of the current year's implicit subsidy from actives to retirees, this amount is recognized as an OPEB contribution and at the same time reduces premium expense for active employees.

Discount Rate

When the financing of OPEB liabilities is on a pay-as-you-go basis, GASB 75 requires that the discount rate used for valuing liabilities be based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). When a plan sponsor makes regular, sufficient contributions to a trust in order to prefund the OPEB liabilities, GASB 75 allows use of a rate up to the expected rate of return of the trust. Therefore, prefunding has an advantage of potentially being able to report overall lower liabilities due to future expected benefits being discounted at a higher rate.



Important Background Information

(Continued)

Actuarial Funding Method and Assumptions

The “ultimate real cost” of an employee benefit plan is the value of all benefits and other expenses of the plan over its lifetime. These expenditures are dependent only on the terms of the plan and the administrative arrangements adopted, and as such are not affected by the actuarial funding method.

The actuarial funding method attempts to spread recognition of these expected costs on a level basis over the life of the plan, and as such sets the “incidence of cost”. GASB 75 specifically requires that the actuarial present value of projected benefit payments be attributed to periods of employee service using the Entry Age Actuarial Cost Method, with each period’s service cost determined as a level percentage of pay.

The results of this report may not be appropriate for other purposes, where other assumptions, methodology and/or actuarial standards of practice may be required or more suitable.



Addendum 2: MacLeod Watts Age Rating Methodology

Both accounting standards (e.g. GASB 75) and actuarial standards (e.g. ASOP 6) require that expected retiree claims, not just premiums paid, be reflected in most situations where an actuary is calculating retiree healthcare liabilities. Unfortunately, the actuary is often required to perform these calculations without any underlying claims information. In most situations, the information is not available, but even when available, the information may not be credible due to the size of the group being considered.

Actuaries have developed methodologies to approximate healthcare claims from the premiums being paid by the plan sponsor. Any methodology requires adopting certain assumptions and using general studies of healthcare costs as substitutes when there is a lack of credible claims information for the specific plan being reviewed.

Premiums paid by sponsors are often uniform for all employee and retiree ages and genders, with a drop in premiums for those participants who are Medicare-eligible. While the total premiums are expected to pay for the total claims for the insured group, on average, the premiums charged would not be sufficient to pay for the claims of older insureds and would be expected to exceed the expected claims of younger insureds. An age-rating methodology takes the typically uniform premiums paid by plan sponsors and spreads the total premium dollars to each age and gender intended to better approximate what the insurer might be expecting in actual claims costs at each age and gender.

The process of translating premiums into expected claims by age and gender generally follows the steps below.

1. *Obtain or Develop Relative Medical Claims Costs by Age, Gender, or other categories that are deemed significant.* For example, a claims cost curve might show that, if a 50 year old male has \$1 in claims, then on average a 50 year old female has claims of \$1.25, a 30 year male has claims of \$0.40, and an 8 year old female has claims of \$0.20. The claims cost curve provides such relative costs for each age, gender, or any other significant factor the curve might have been developed to reflect. Section 3 provides the source of information used to develop such a curve and shows sample relative claims costs developed for the plan under consideration.
2. *Obtain a census of participants, their chosen medical coverage, and the premium charged for their coverage.* An attempt is made to find the group of participants that the insurer considered in setting the premiums they charge for coverage. That group includes the participant and any covered spouses and children. When information about dependents is unavailable, assumptions must be made about spouse age and the number and age of children represented in the population. These assumptions are provided in Section 3.
3. *Spread the total premium paid by the group to each covered participant or dependent based on expected claims.* The medical claims cost curve is used to spread the total premium dollars paid by the group to each participant reflecting their age, gender, or other relevant category. After this step, the actuary has a schedule of expected claims costs for each age and gender for the current premium year. It is these claims costs that are projected into the future by medical cost inflation assumptions when valuing expected future retiree claims.

The methodology described above is dependent on the data and methodologies used in whatever study might be used to develop claims cost curves for any given plan sponsor. These methodologies and assumptions can be found in the referenced paper cited as a source in the valuation report.



Addendum 3: MacLeod Watts Mortality Projection Methodology

Actuarial standards of practice (e.g., ASOP 35, Selection of Demographic and Other Noneconomic Assumptions for Measuring Pension Obligations, and ASOP 6, Measuring Retiree Group Benefits Obligations) indicate that the actuary should reflect the effect of mortality improvement (i.e., longer life expectancies in the future), both before and after the measurement date. The development of credible mortality improvement rates requires the analysis of large quantities of data over long periods of time. Because it would be extremely difficult for an individual actuary or firm to acquire and process such extensive amounts of data, actuaries typically rely on large studies published periodically by organizations such as the Society of Actuaries or Social Security Administration.

As noted in a recent actuarial study on mortality improvement, key principles in developing a credible mortality improvement model would include the following:

- (1) Short-term mortality improvement rates should be based on recent experience.
- (2) Long-term mortality improvement rates should be based on expert opinion.
- (3) Short-term mortality improvement rates should blend smoothly into the assumed long-term rates over an appropriate transition period.

The **MacLeod Watts Scale 2017** was developed from a blending of data and methodologies found in two published sources: (1) the Society of Actuaries Mortality Improvement Scale MP-2016 Report, published in October 2016 and (2) the demographic assumptions used in the 2016 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, published June 2016.

MacLeod Watts Scale 2017 is a two-dimensional mortality improvement scale reflecting both age and year of mortality improvement. The underlying base scale is Scale MP-2016 which has two segments – (1) historical improvement rates for the period 1951-2012 and (2) an estimate of future mortality improvement for years 2013-2015 using the Scale MP-2016 methodology but utilizing the assumptions obtained from Scale MP-2015. The MacLeod Watts scale then transitions from the 2015 improvement rate to the Social Security Administration (SSA) Intermediate Scale linearly over the 10 year period 2016-2025. After this transition period, the MacLeod Watts Scale uses the constant mortality improvement rate from the SSA Intermediate Scale from 2025-2039. The SSA's Intermediate Scale has a final step down in 2040 which is reflected in the MacLeod Watts scale for years 2040 and thereafter. Over the ages 100 to 115, the SSA improvement rate is graded to zero.

Scale MP-2016 can be found at the SOA website and the projection scales used in the 2016 Social Security Administrations Trustees Report at the Social Security Administration website.



Glossary

Actuarial Funding Method – A procedure which calculates the actuarial present value of plan benefits and expenses, and allocates these expenses to time periods, typically as a normal cost and an actuarial accrued liability

Actuarial Present Value of Projected Benefits (APVPB) – The amount presently required to fund all projected plan benefits in the future. This value is determined by discounting the future payments by an appropriate interest rate and the probability of nonpayment.

CalPERS – Many state governments maintain a public employee retirement system; CalPERS is the California program, covering all eligible state government employees as well as other employees of other governments within California who have elected to join the system

Defined Benefit (DB) – A pension or OPEB plan which defines the monthly income or other benefit which the plan member receives at or after separation from employment

Defined Contribution (DC) – A pension or OPEB plan which establishes an individual account for each member and specifies how contributions to each active member's account are determined and the terms of distribution of the account after separation from employment

Discount Rate - Interest rate used to discount future potential benefit payments to the valuation date. Under GASB 75, if a plan is prefunded, then the discount rate is equal to the expected trust return. If a plan is not prefunded (pay-as-you-go), then the rate of return is based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Expected Average Remaining Service Lifetime (EARSL) – Average of the expected remaining service lives of all employees that are provided with benefits through the OPEB plan (active employees and inactive employees), beginning in the current period

Entry Age Actuarial Cost Method – An actuarial funding method where, for each individual, the actuarial present value of benefits is levelly spread over the individual's projected earnings or service from entry age to the last age at which benefits can be paid

Excise Tax – The Affordable Care Act created an excise tax on the value of employer sponsored coverage which exceeds certain thresholds ("Cadillac Plans"). The tax is first effective in 2022.

Explicit Subsidy – The projected dollar value of future retiree healthcare costs expected to be paid directly by the Employer, e.g., the Employer's payment of all or a portion of the monthly retiree premium billed by the insurer for the retiree's coverage

Fiduciary Net Position – The value of trust assets used to offset the Total OPEB Liability to determine the Net OPEB Liability.

Government Accounting Standards Board (GASB) – A private, not-for-profit organization which develops generally accepted accounting principles (GAAP) for U.S. state and local governments; like FASB, it is part of the Financial Accounting Foundation (FAF), which funds each organization

Health Care Trend – The assumed rate(s) of increase in future dollar values of premiums or healthcare claims, attributable to increases in the cost of healthcare; contributing factors include medical inflation, frequency or extent of utilization of services and technological developments.



Glossary

(Concluded)

Implicit Subsidy – The projected difference between future retiree claims and the premiums to be charged for retiree coverage; this difference results when the claims experience of active and retired employees are pooled together and a ‘blended’ group premium rate is charged for both actives and retirees; a portion of the active employee premiums subsidizes the retiree premiums.

Net OPEB Liability (NOL) – The liability to employees for benefits provided through a defined benefit OPEB. Only assets administered through a trust that meet certain criteria may be used to reduce the Total OPEB Liability.

Net Position – The Impact on Statement of Net Position is the Net OPEB Liability adjusted for deferred resource items

OPEB Expense – The OPEB expense reported in the Agency’s financial statement. OPEB expense is the annual cost of the plan recognized in the financial statements.

Other Post-Employment Benefits (OPEB) – Post-employment benefits other than pension benefits, most commonly healthcare benefits but also including life insurance if provided separately from a pension plan

Pay-As-You-Go (PAYGO) – Contributions to the plan are made at about the same time and in about the same amount as benefit payments and expenses coming due

PEMHCA – The Public Employees’ Medical and Hospital Care Act, established by the California legislature in 1961, provides community-rated medical benefits to participating public employers. Among its extensive regulations are the requirements that a contracting Agency contribute toward medical insurance premiums for retired annuitants and that a contracting Agency file a resolution, adopted by its governing body, with the CalPERS Board establishing any new contribution.

Plan Assets – The value of cash and investments considered as ‘belonging’ to the plan and permitted to be used to offset the AAL for valuation purposes. To be considered a plan asset, GASB 75 requires (a) contributions to the OPEB plan be irrevocable, (b) OPEB assets to be dedicated to providing OPEB benefit to plan members in accordance with the benefit terms of the plan, and (c) plan assets be legally protected from creditors, the OPEB plan administrator and the plan members.

Public Agency Miscellaneous (PAM) – Non-safety public employees.

Select and Ultimate – Actuarial assumptions which contemplate rates which differ by year initially (the select period) and then stabilize at a constant long-term rate (the ultimate rate)

Service Cost – Total dollar value of benefits expected to be earned by plan members in the current year, as assigned by the actuarial funding method; also called normal cost

Total OPEB Liability (TOL) – Total dollars required to fund all plan benefits attributable to service rendered as of the valuation date for current plan members and vested prior plan members; a subset of “Actuarial Present Value”

Vesting – As defined by the plan, requirements which when met make a plan benefit nonforfeitable on separation of service before retirement eligibility



REGULAR MEETING OF DECEMBER 18, 2018
J(b) NEW BUSINESS: BANK ACCOUNT SIGNATURE CARDS

Since Linda Spink is no longer a trustee and since Daniel Sandoval has been appointed by the Board to fill the vacancy, the bank account signature cards need to be updated.

RECOMMENDATION: Staff recommends the Board approve the removal of Linda Spink as a signatory on all accounts with all banks and the County Treasury and the addition of Daniel Sandoval to those same accounts.

	MOVED	SECONDED	YES	NO	ABSTAIN	ABSENT
Coughlin						
Hicks						
Nasalroad						
Phillips						
Sandoval						

REGULAR MEETING OF DECEMBER 18, 2018
K(a) REPORTS: LITERACY SERVICES



12. December, 2018

Adult Learning Center

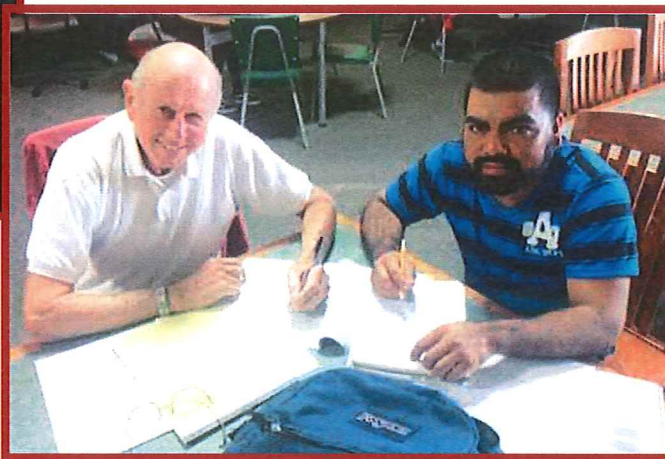
Board Report for December, 2018

Well, top of mind is of course the **LATINO TOWN HALL AWARDS DINNER** on Friday night (Dec

7). Yes, we all agree it went waaaaaay too long, but we do appreciate the honor they gave to Ed Geis and John Corona, two of our longest-working tutors. Diana Martinez was particularly sweet in her remarks about John – and the Adult Literacy Program.



John and (part of) his "Harem"



Ed and Sergio



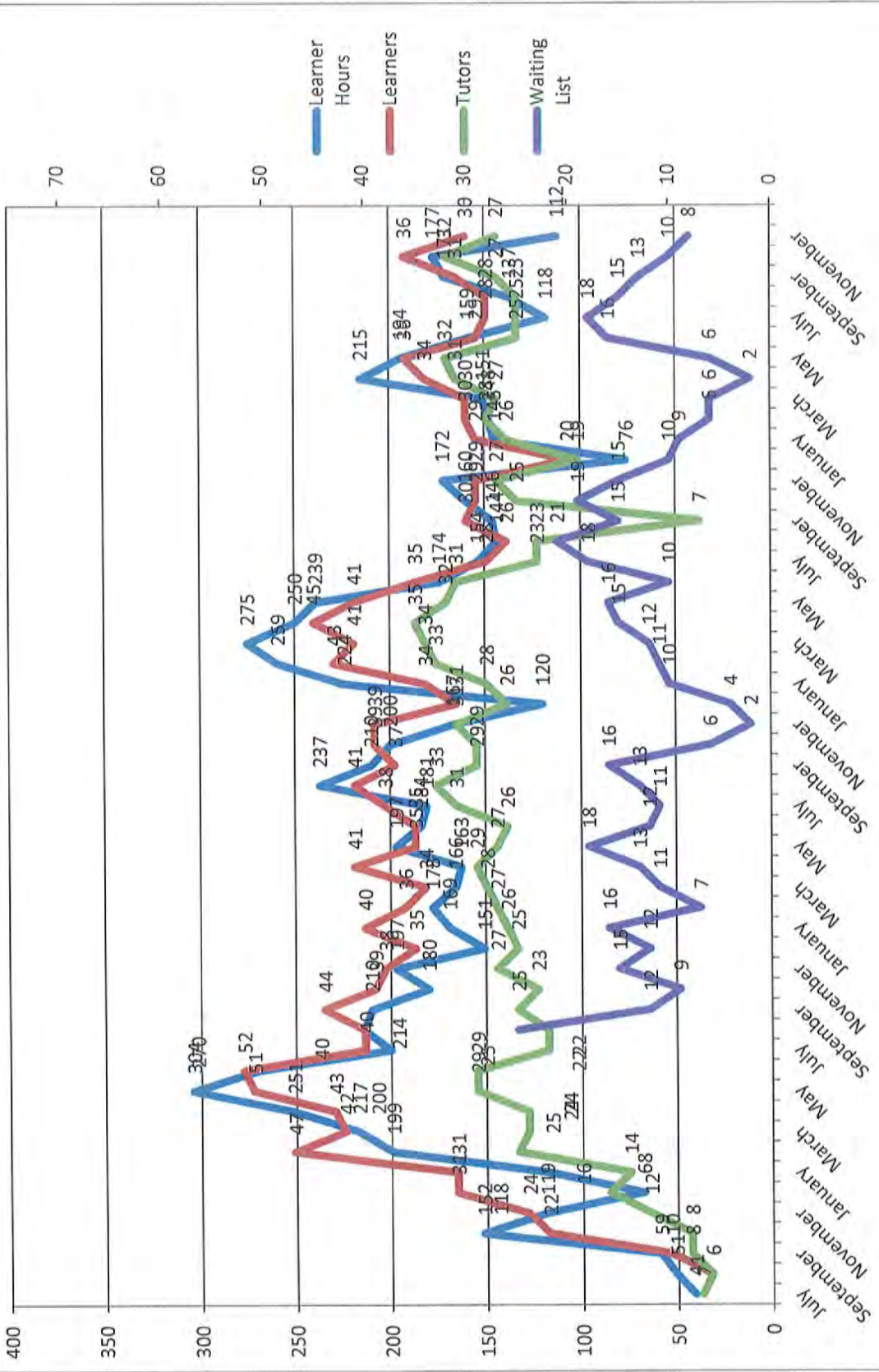
Olivia and I have been working since early October on a grant application to the California State Library for Family Literacy Funds. I have interviewed parents, school administrators, the directors of First Five, Head Start, and Proyecto Esperanza, plus our own children’s librarian, and of course our illustrious Library Director, Ned ... asking what they thought might help the parents of this town. We formulated, with Lenore Carleton’s help, a pretty comprehensive proposal for a Family Literacy Program, both a daytime and an evening permutation. We submitted it on schedule, 21.November, with Ned’s signature. And the word should come 19.December.

But we are proposing to start January 14, so we needed to start gathering the potential staff. We have talked to First Five about hiring a new Preschool Teacher, and that is in process. One of our own learners may be the 2nd preschool teacher. We have one adult teacher standing by, and another offering to help. Ned had a conversation Wednesday with SPUSD Admin, which may affect the selection of teachers. We have talked to two women about being coordinators. NO HARD OFFERS PUT OUT THERE YET.

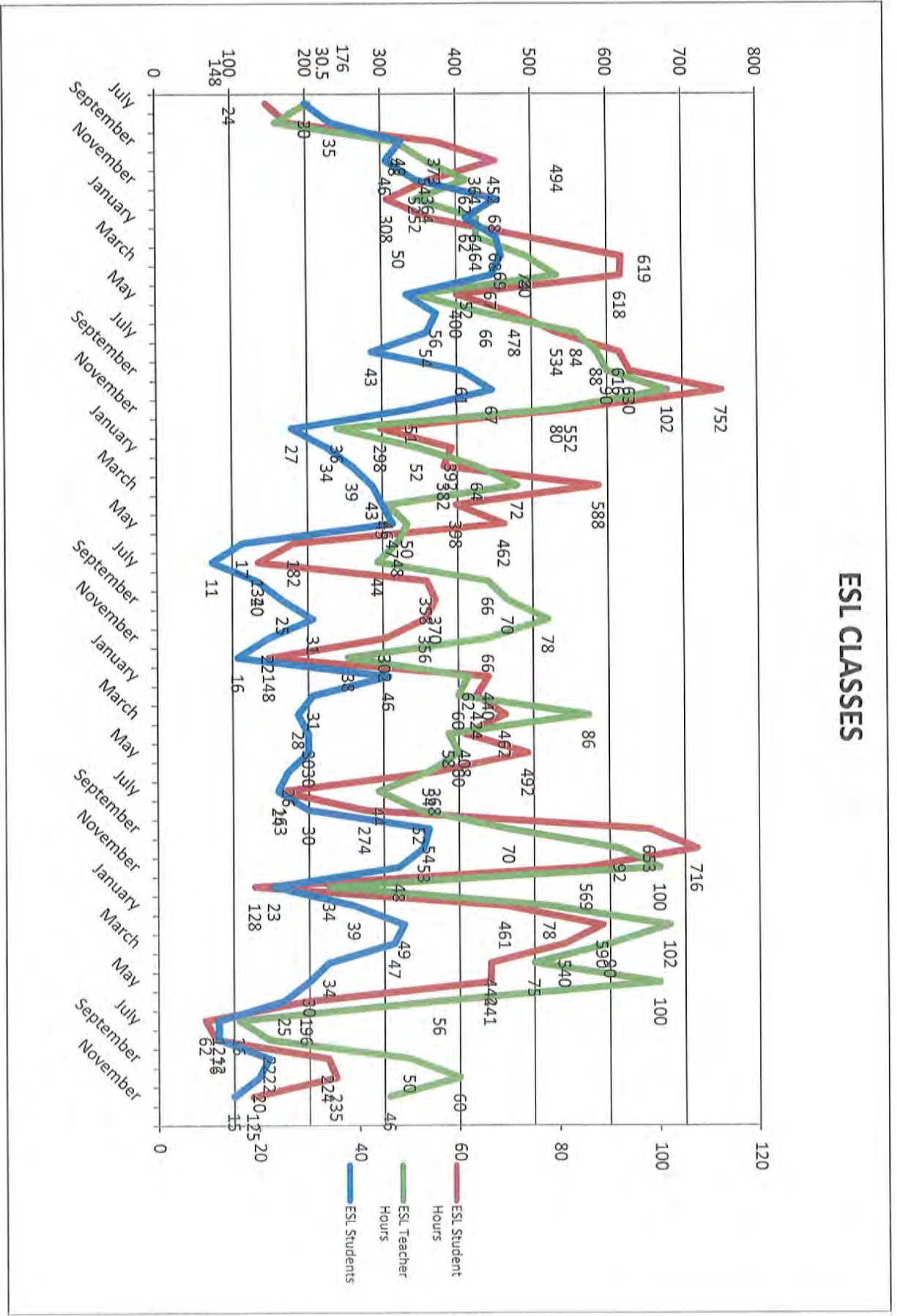
BUT yesterday I had a short and not-so-sweet conversation with my “Big Boss” from the State Library, Natalie Cole, and she is balking at the use of the word “ESL”. If we had only use the word “low-literate adult” I don’t think we’d be having this conversation. Words are powerful. We are in danger of losing out on this much-anticipated grant. Sigh.

Stand By

LITERACY TUTORING



ESL CLASSES



REGULAR MEETING OF DECEMBER 18, 2018
K(b) REPORTS: PUBLIC SERVICES

November 2018 Adult Programs and Events

There were two book club meetings this month as October's was postponed. There will be no meeting in December. While the group has not picked up any new members in the past few months, the core group remains fully committed and continues to partake in entertaining and meaningful discussion.

This month featured the first (of hopefully annual) local author fair. Twenty authors of all genres from around Ventura County came to promote, sell and sign their books. The event was very well attended, with other local authors, writers, readers, and patrons coming to discover new reads and the people behind them. Many of the authors donated signed copies of their books to be included in the collection.

READ LOCAL

Support local writers.

LOCAL AUTHOR FAIR

Saturday, November 3 | 11AM - 2PM

Blanchard Community Library
119 North 8th Street, Santa Paula, CA 93060
(805) 525-3615 • www.blanchardlibrary.org

- Monday 12pm - 8pm
- Tuesday 12pm - 8pm
- Wednesday 10am - 4pm
- Thursday 12pm - 8pm
- Friday Closed
- Saturday 10am - 2pm
- Sunday Closed



This month's movie, *Marvel's Ant-Man and the Wasp*, drew a mixed crowd that trended younger than usual. It was the second best attended movies shown since the program began in March, tying *Chappaquiddick*, which was shown in September. Next month's movie will be the recently released *Crazy Rich Asians* as it was also our book club selection for this month.

November's TEDx viewing party was canceled due to illness. December's topic will be COMPASSION. The DEMOCRACY playlist will be shared at the December event.

On November 27 it was announced that Blanchard Community Library would be among the 25 California libraries selected for the Books to Action program. Our title (Britt Collins's *Strays*) and accompanying programs will center around homelessness and will help fuel interest in a community service project. Updates to come.

Program Name	Description	Audience	Attendance	Date	Start	End	Location
The Trouble with Poetry	BC Book Club	Adult	3	1-Nov	6:30 PM	7:30 PM	Hardison
Local Author Fair	Expo	Adult	100	3-Nov	11:00 AM	2:00 PM	Other
Ant-Man and the Wasp	Third Thursday Movie	Adult	7	15-Nov	5:30 PM	8:00 PM	Hardison
Democracy	TEDxBlanchardLibrary	Adult	0	18-Nov	6:30 PM	7:30 PM	Hardison
Crazy Rich Asians	BC Book Club	Adult	3	29-Nov	6:30 PM	7:30 PM	Hardison

**Youth Services Report
November 2018**

1. Family Programs-

Thursday, November 1 st	Day of the Dead Celebration – Optimist Club Teresa Trujillo and Angela Borrego Chavez	40
Wednesday, November 7 th	Family Movie: COCO	25
Tuesday, November 20	The Collaborative presents “Storykeepers”	65

2. Teen Scene-

Thursday, November 15	Thanksgiving	15
Thursday, November 29	Game Day (Virtual Reality and PS2)	12

3. Ongoing Programs –

a. Story time	(5)	131
b. LEGO	(8)	155
c. Barking for Books	(2)	16

REGULAR MEETING OF DECEMBER 18, 2018
K(c) REPORTS: VOLUNTEER COORDINATOR



Volunteer Coordinator Board Report December 2018

Eco Jr Disc Cleaner/Polisher -

Thanks to Ned, the cleaner/polisher is once again working. All parts now seem to be secured and do not come loose during the polishing cycles. Each disc takes about 5 minutes to be rejuvenated. As the routine for selecting discs in need of attention is finalized, I will be recruiting for volunteers to learn the process. Hopefully I will find a few people soon so that we can begin the job of cleaning our DVDs.



Community Work Day at the Library - Plans are in the works for a community work day to be held on January 26th. As of now, painting the Hardison Room and scrubbing the soft furniture in the children's area are the projects we will be tackling!

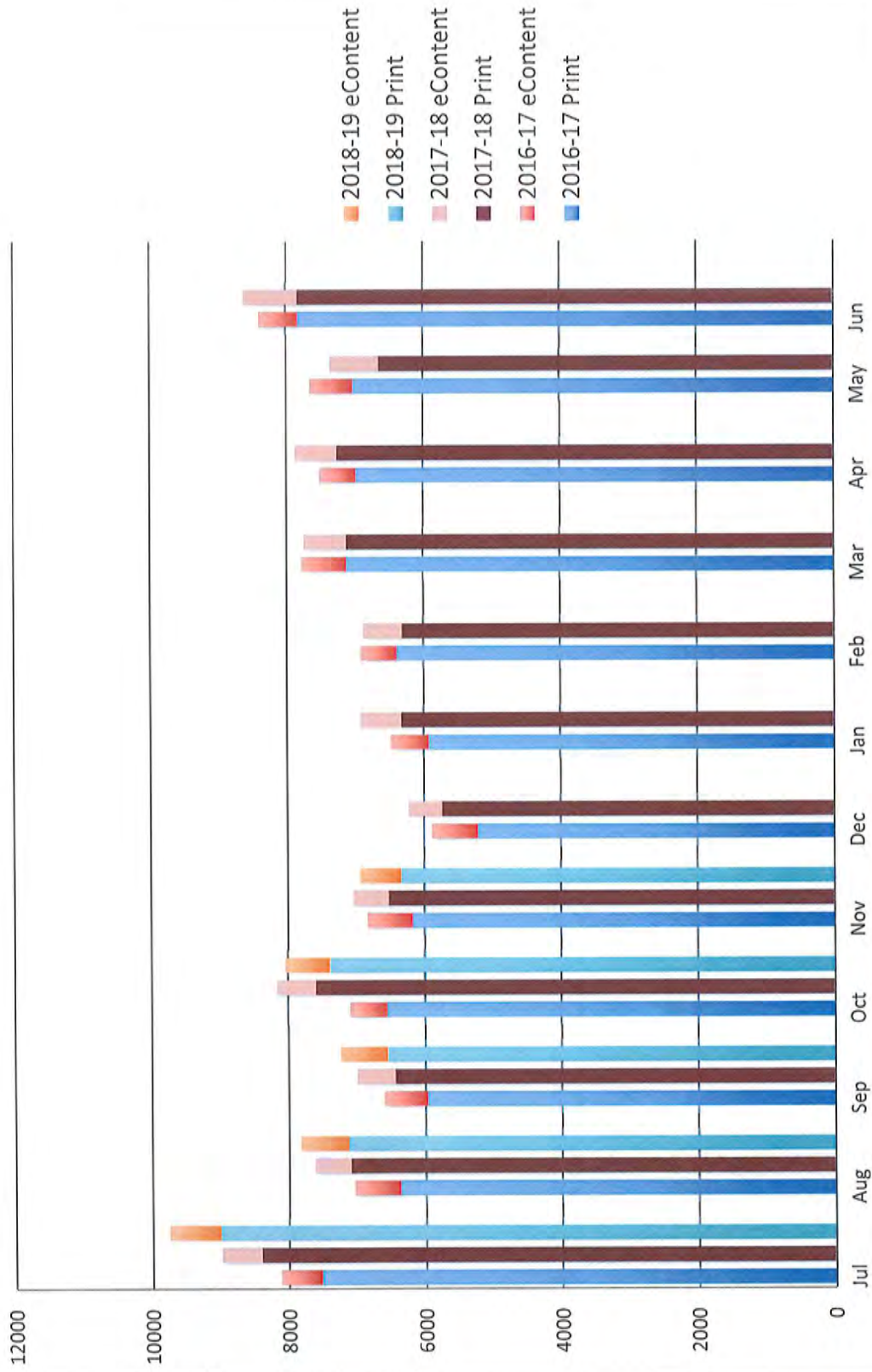
Blanchard Community Library Volunteer Hours 2018 - 2019

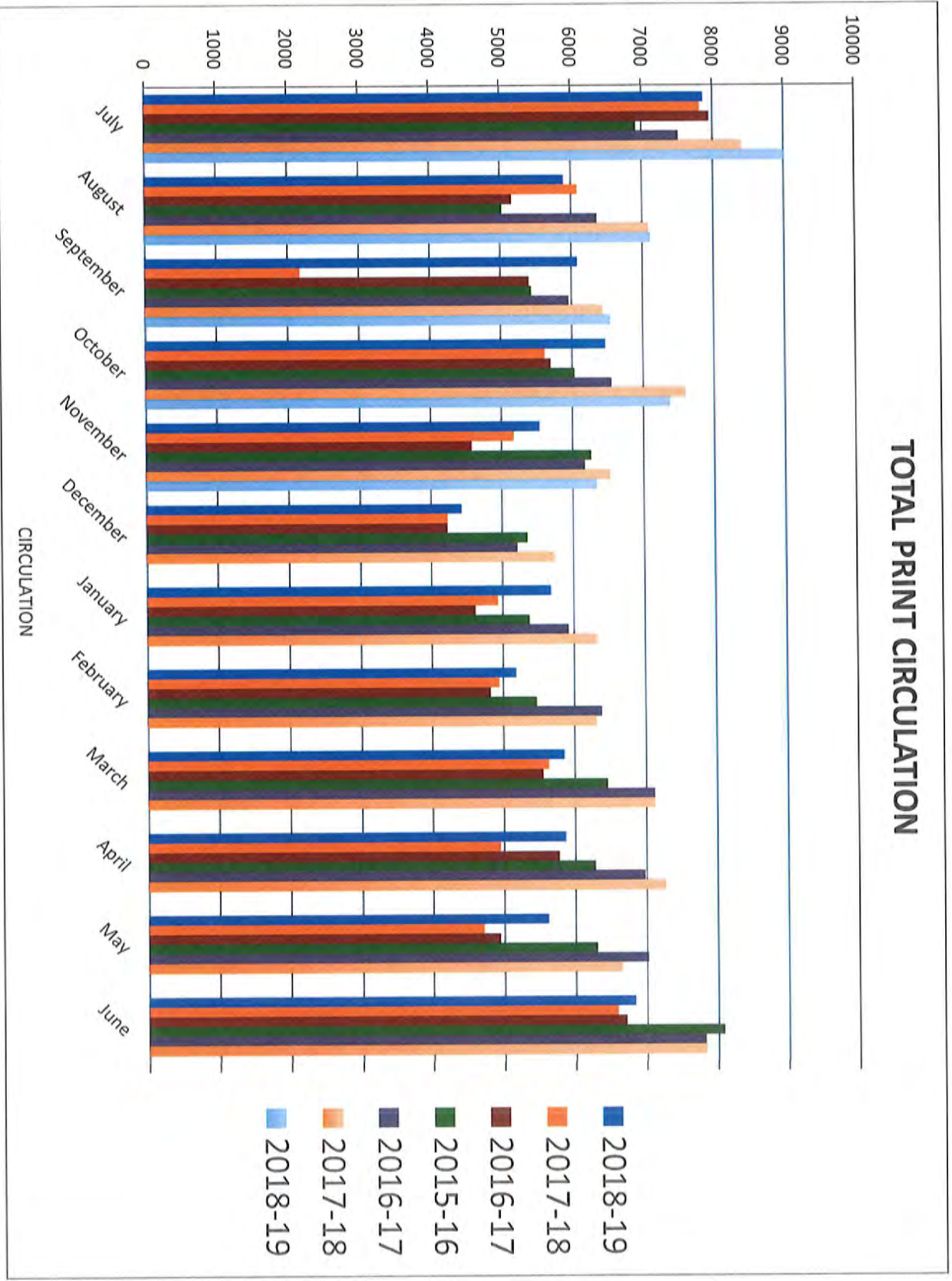
Month		BEST	Mending	FoL	Homewk	RFID & Misc. Vol	Tech. Vol	NCL	Summer Reading	Board/ Endow.	Total
July	Hours	134.00	0.00	88.50	0.00	45.50	0.00	0.00	210.25	29.00	478.25
August	Hours	159.00	0.00	181.50	0.00	39.75	0.00	0.00	0.00	26.00	380.25
September	Hours	221.00	37.75	187.75	0.00	126.25	0.00	0.00	0.00	37.00	609.75
October	Hours	237.00	31.75	212.00	29.00	73.50	0.00	0.00	0.00	34.50	617.75
November	Hours	158.00	28.75	158.50	87.50	15.25	2.00	0.00	0.00		450.00
December	Hours										0.00
January	Hours										0.00
February	Hours										0.00
March	Hours										0.00
April	Hours										0.00
May	Hours										0.00
June	Hours										0.00
Total	Hours	909.00	98.25	828.25	116.50	300.25	2.00	0.00	210.25	126.50	2,536.00

REGULAR MEETING OF DECEMBER 18, 2018
K(d) REPORTS: DISTRICT DIRECTOR'S REPORT

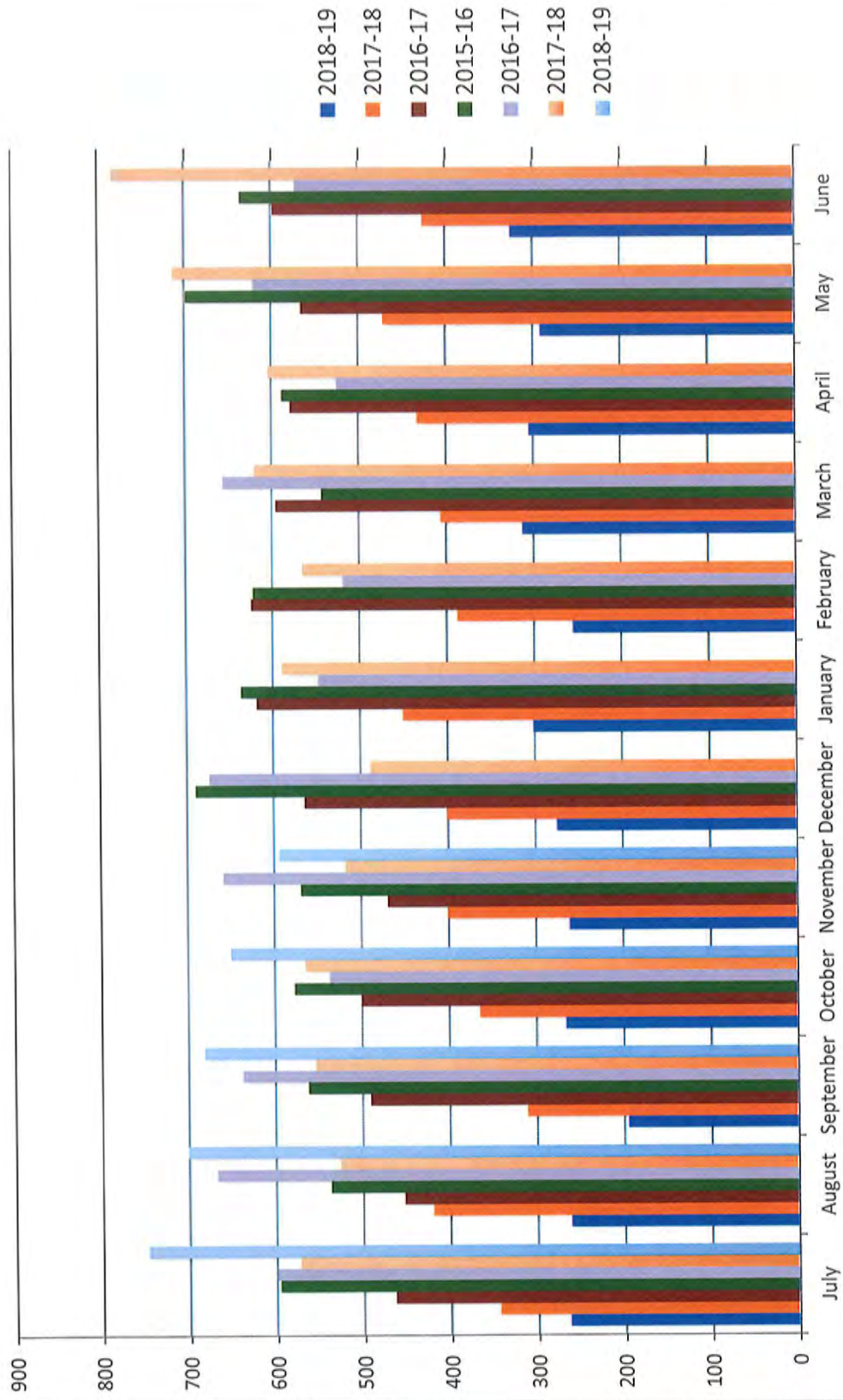
1. Statistics
2. Pitch An Idea Grant status

TOTAL CIRCULATION

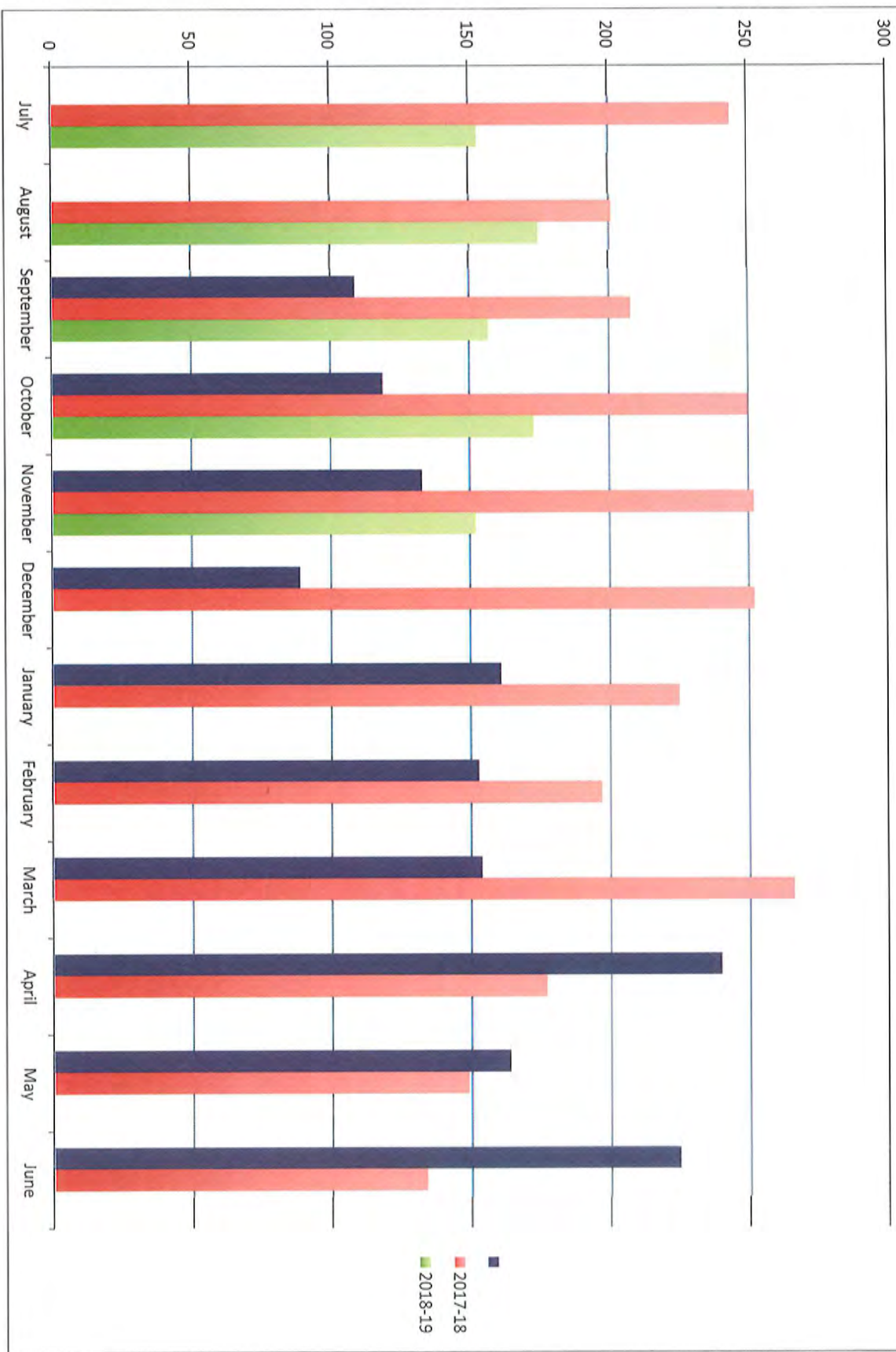


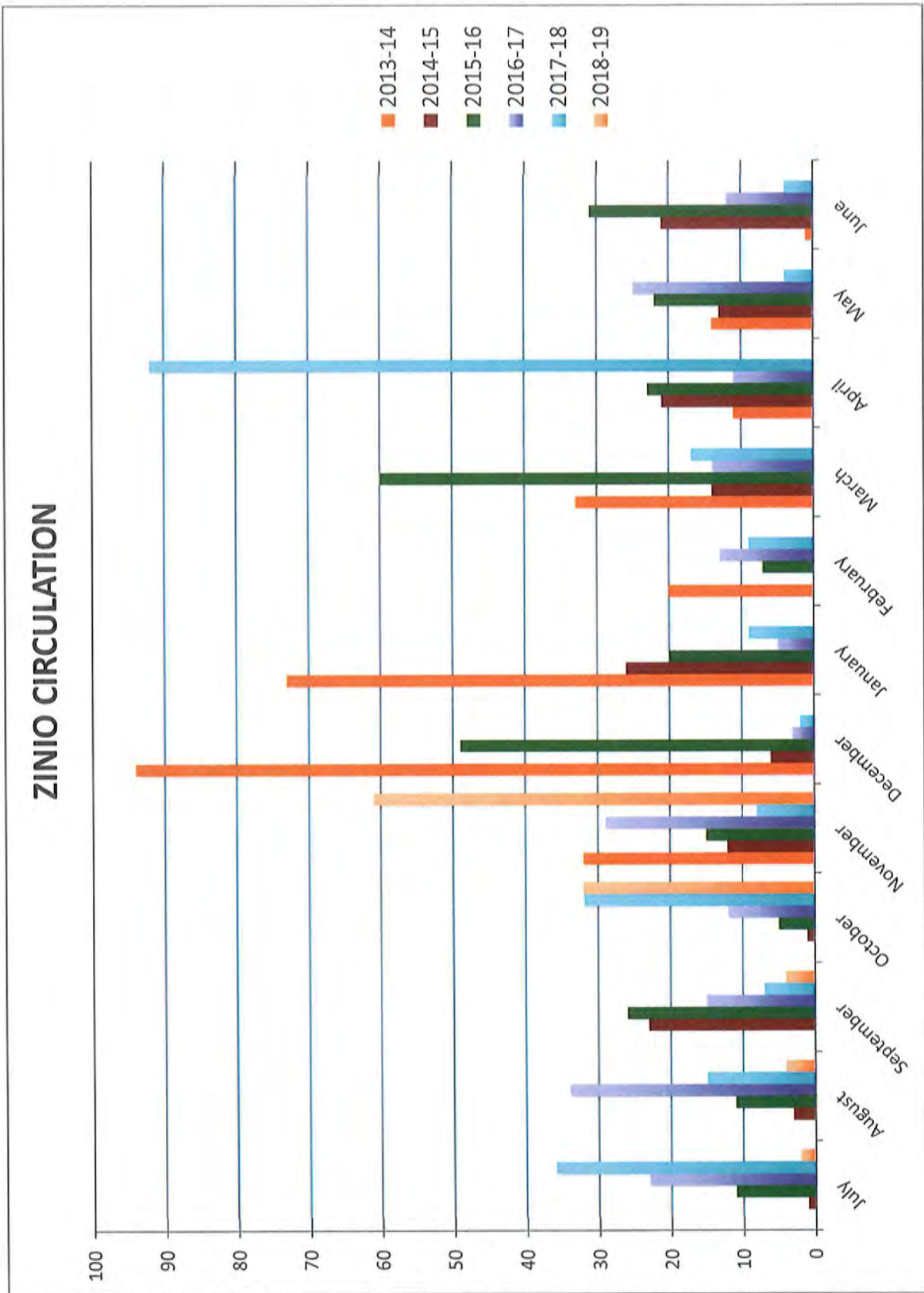


eBOOK CIRCULATION

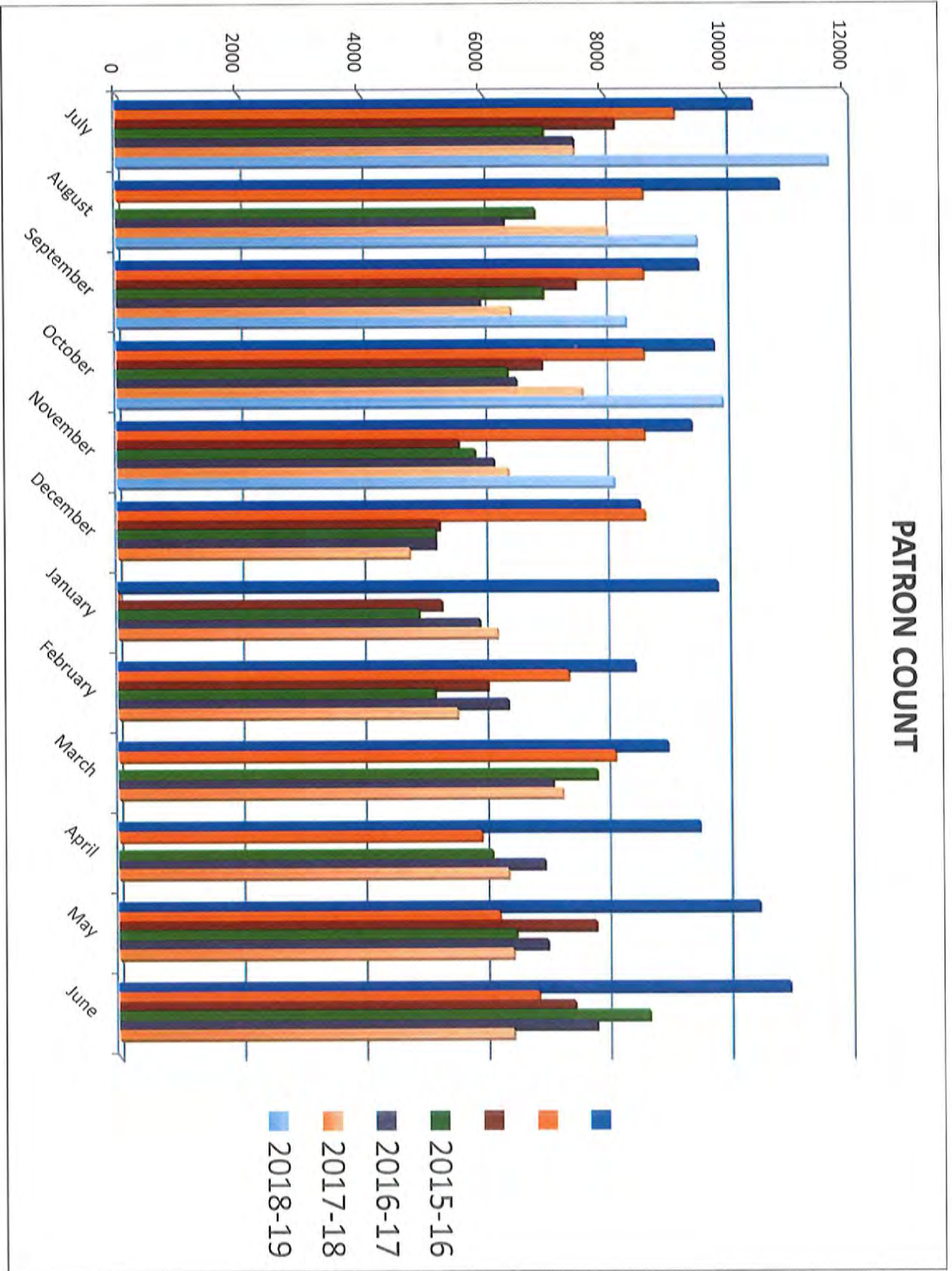


HOOPLA

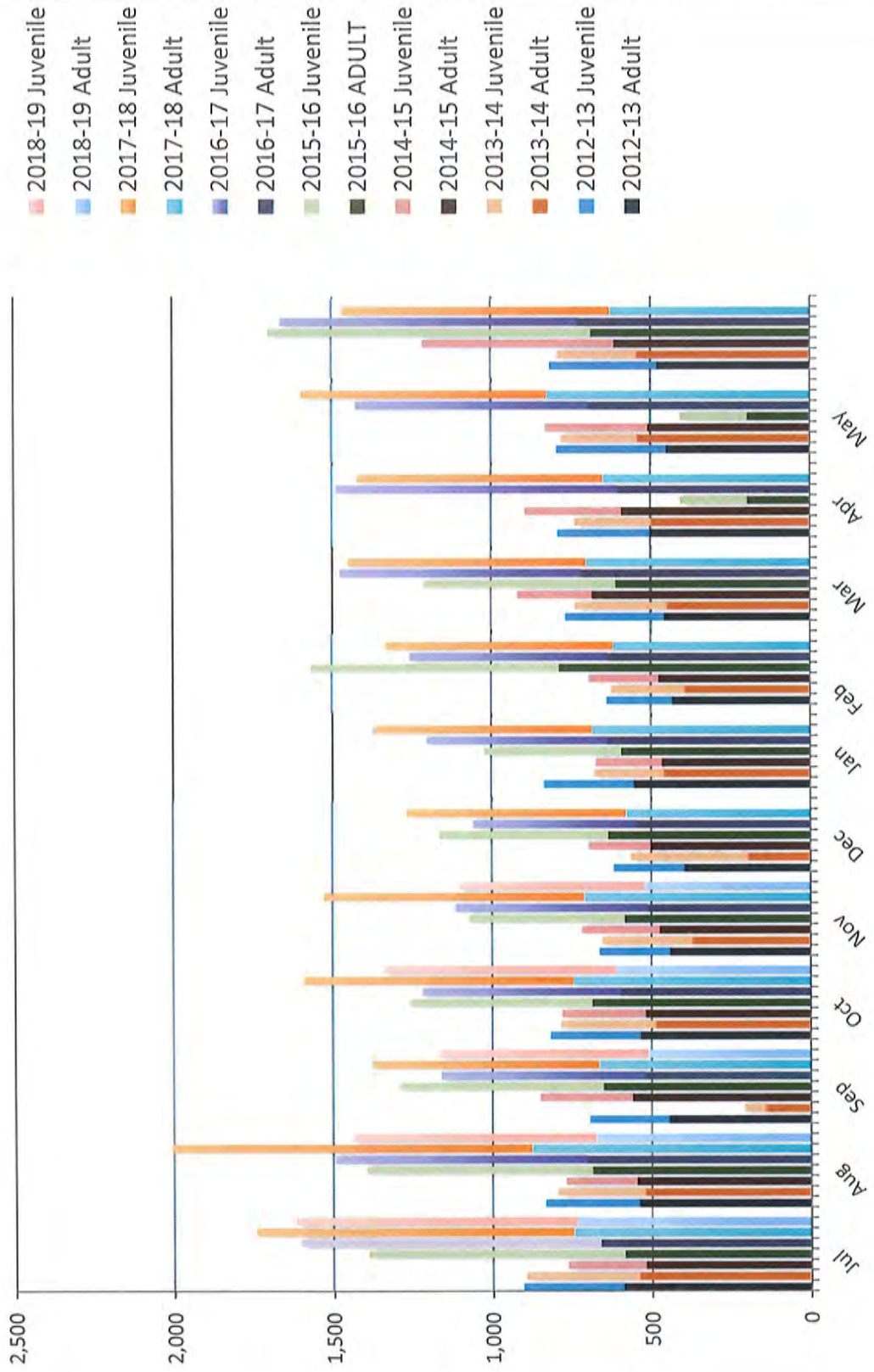




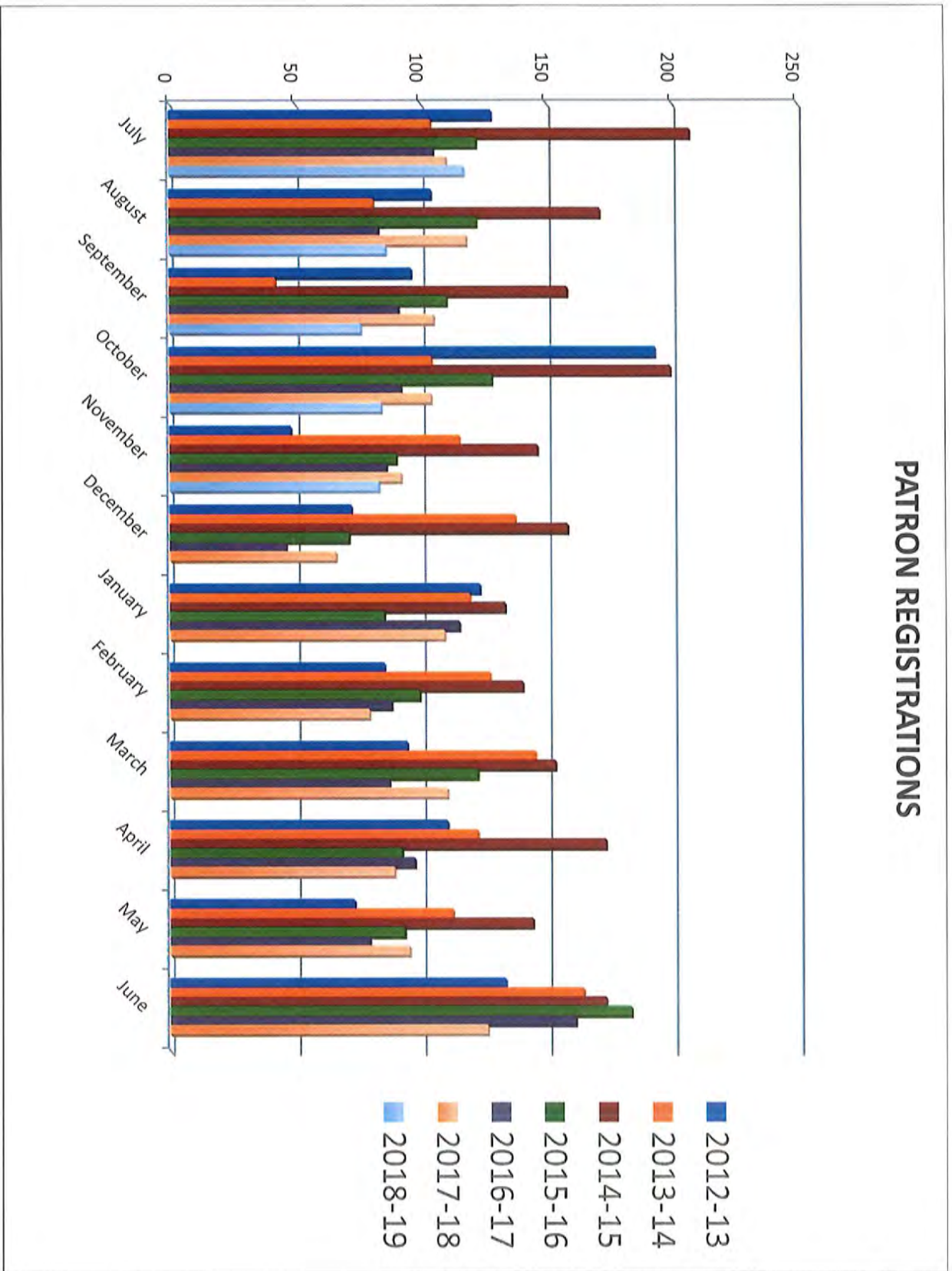
PATRON COUNT



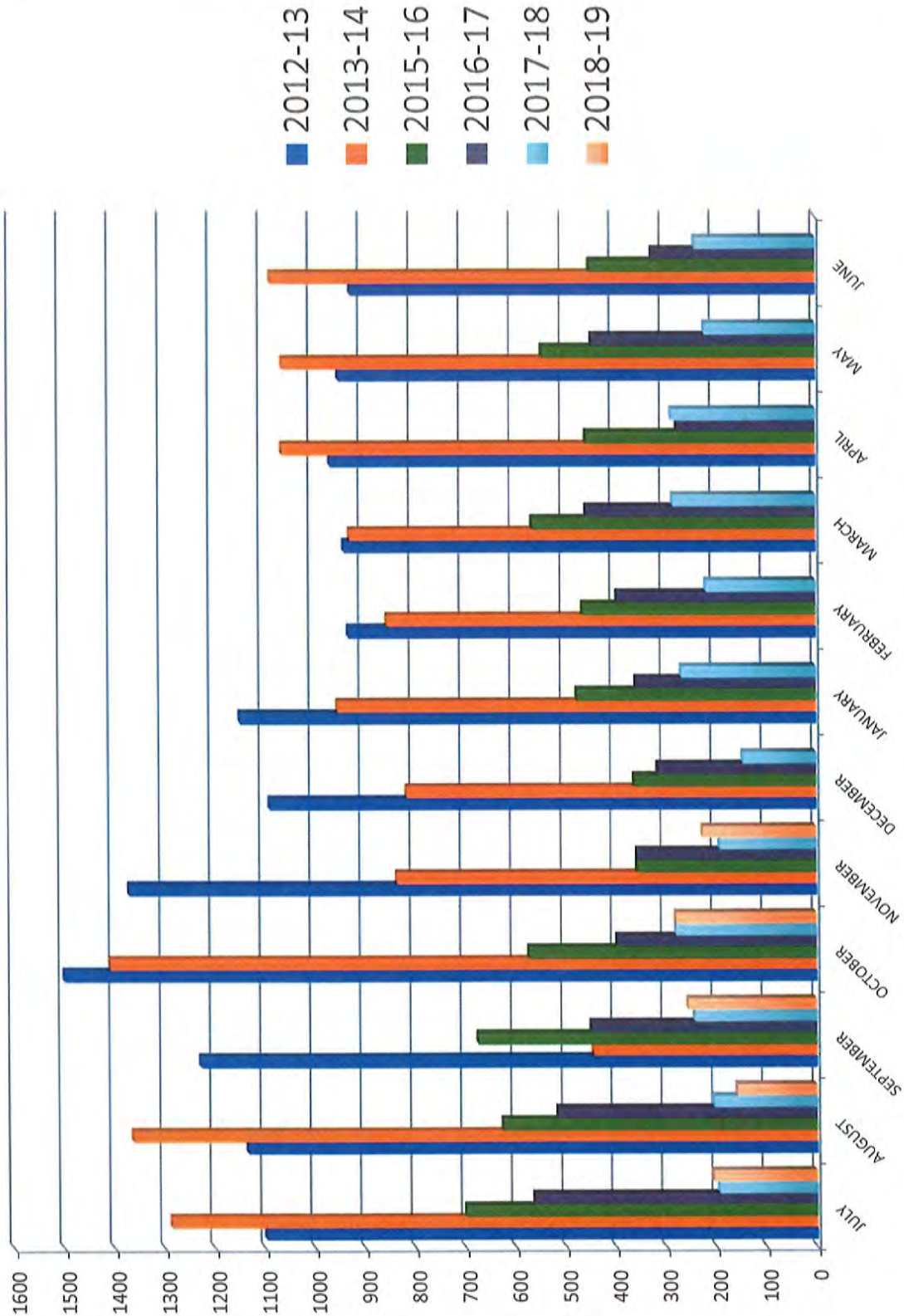
COMPUTER USAGE



PATRON REGISTRATIONS



REFERENCE INQUIRIES



VOLUMES ADDED

