Ventura County Transportation Commission
Retiree Healthcare Plan

Valuation Summary

June 30, 2010 GASB 45 Actuarial Valuation

Doug Pryor
Bartel Associates, LLC

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Agenda

GASB 45

- **OPEB - Other than pension Post Employment Benefits**
- **Accrual Accounting**
- **Annual Required Contribution (ARC)**
  - Normal Cost – Value of benefits "earned" during current year, plus
  - Amortization of Unfunded AAL (UAAL)
- **Net OPEB Obligation (NOO)**
  - Historical difference between ARC and actual contributions
- **Valuations:**
  - 6/30/08 for 2008/09 and 2009/10
  - 6/30/10 for 2010/11 and 2011/12

BENEFIT SUMMARY

■ Eligibility	■ Retire directly from Commission under CalPERS (age 50 and 5 years of CalPERS service or disability)
■ Medical	

Hired < 8/1/09	Hired ≥ 8/1/09
■ Single premium ■ 2011: • $428 - $788/month <65 • $282 - $434/month 65+	■ PEMHCA minimum ■ 2011: • $108/month

Participant Statistics

June 30, 2010	
■ **Actives**	
• Count	17
• Averages	
➢ Age	45.3
➢ Commission service	10.2
➢ Pay	$ 93,000
• Total payroll (000's)	$1,580
■ **Retirees**	
• Count	5
• Average age	66.8
• Average service retirement age	60.0

Actuarial Assumptions & Methods

June 30, 2010 Valuation	
Discount Rate	■ 7.75%
Healthcare Trend	■ 9.5% (2012) decreasing to 5% (2020) ■ Medicare starts 0.5% higher same ending rate ■ 5% premium load
Actuarial Asset Value	■ Smoothes market fluctuations ■ Investment gains/losses over a 5-yr open period ■ Minor impact on 6/30/10 results • $203k market value • $199k actuarial value
Amortization Method	■ Approximate 28-year amortization of unfunded liability

Market Value of Plan Assets

(Amounts in 000's)

CERBT	2008/09	2009/10
■ Market Value at Beginning of Year	$ -	$ 92
• Contributions	92[1]	99[2]
• Benefit Payments	-	-
• Administration Expenses	0	-
• Investment Earnings	0	13
■ Market Value at End of Year	92	203
■ Approximate Return	n/a	9.3%

[1] Contributed June 3 and 30, 2009.
[2] Contributed throughout 2009/10.

VALUATION RESULTS

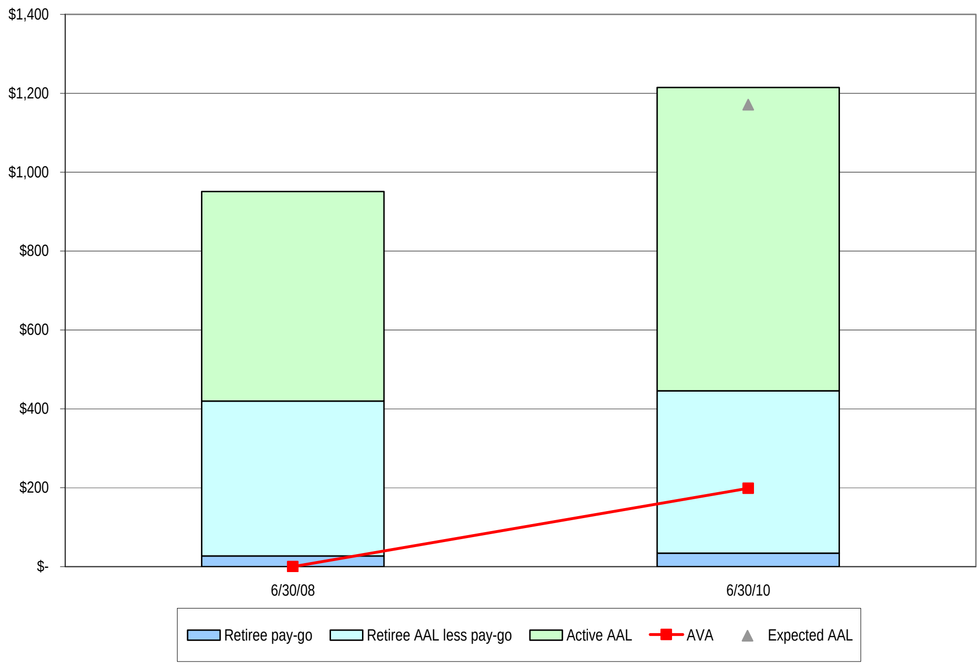
Actuarial Obligations and Funded Status

(Amounts in 000's)

	6/30/2008	6/30/2010
■ **Actuarial Accrued Liability (AAL)**		
• Actives	$ 531	$ 769
• Retirees	420	446
• Total	950	1,215
■ **Actuarial Value of Assets**	-	199
■ **Unfunded Actuarial Accrued Liability**	950	1,016

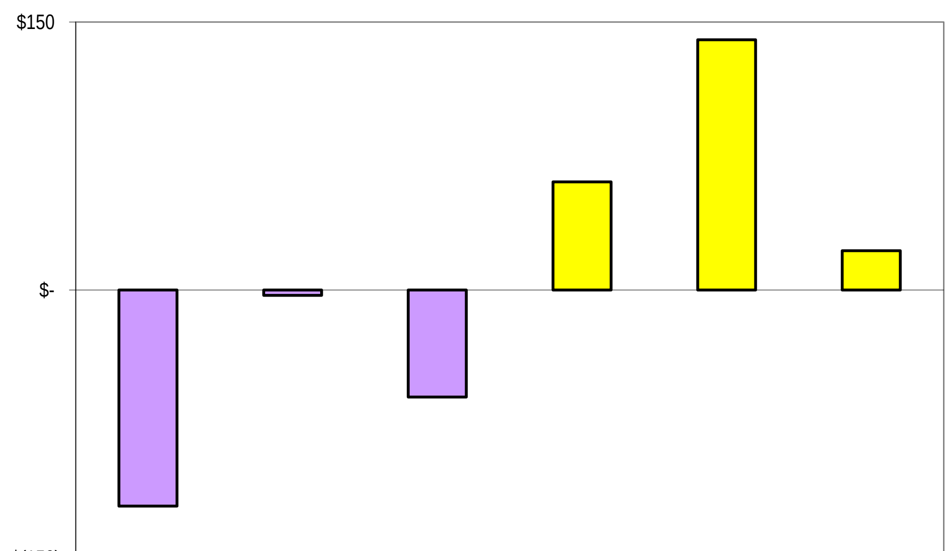
Actuarial Obligations and Funded Status

(Amounts in 000's)



Changes in Actuarial Obligations and Funded Status

(Amounts in 000's)



	Premiums	Assets	Other (retirements)	5% Actuarial Load	Change in Trend	CalPERS Decrements
Assumptions	-	-	-	60	140	22
Experience	(121)	(3)	(60)	-	-	-

Annual Required Contributions

(Amounts in 000's)

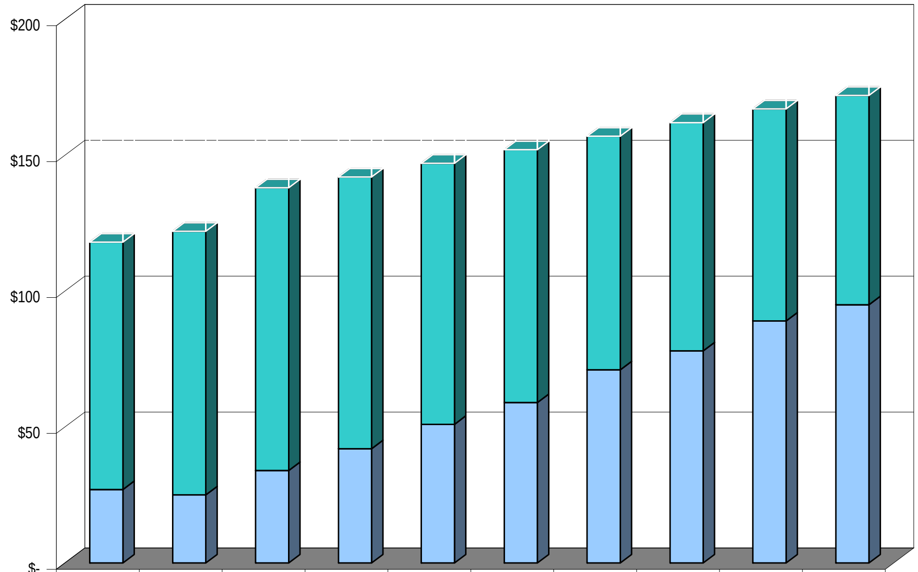
	6/30/08 Valuation		6/30/2010 Valuation	
	2008/09	2009/10	2010/11	2011/12
■ **ARC - $**				
• Normal Cost	$ 59	$ 61	$ 71	$ 73
• UAAL Amortization	59	61	66	69
• Total	118	122	138	142
■ **Projected Payroll**	1,548	1,598	1,631	1,684
■ **ARC - %**	7.7%	7.7%	8.5%	8.5%

Contributions

Total Contribution = Pay-Go + CERBT Contribution

Projected Contributions

(Amounts in 000's)



	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Total Contribution	$118	$122	$138	$142	$147	$152	$157	$162	$167	$172
CERBT Contribution	$91	$97	$104	$100	$96	$93	$86	$84	$78	$77
Pay-Go	$27	$25	$34	$42	$51	$59	$71	$78	$89	$95