

**REQUIRED SUPPLEMENTARY  
INFORMATION**



**COUNTY OF RIVERSIDE**  
**Required Supplementary Information**  
**June 30, 2016**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS DURING THE MEASUREMENT PERIOD**  
(Dollar amounts in thousands)

*Agent Multiple Employer Plan*

| <b>Measurement Period</b>                                                             | <b>2014-15 <sup>(1)</sup></b> | <b>2013-14 <sup>(1)</sup></b> |
|---------------------------------------------------------------------------------------|-------------------------------|-------------------------------|
| <b>Total pension liability</b>                                                        |                               |                               |
| Service cost                                                                          | \$ 245,320                    | \$ 238,529                    |
| Interest                                                                              | 625,753                       | 569,503                       |
| Changes of benefit terms                                                              | -                             | -                             |
| Differences between expected and actual experience                                    | 40,222                        | -                             |
| Changes of assumptions                                                                | (165,768)                     | -                             |
| Benefit payments, including refunds of employee contributions                         | (322,300)                     | (293,348)                     |
| <b>Net change in total pension liability</b>                                          | <u>423,227</u>                | <u>514,684</u>                |
| <b>Total pension liability - beginning</b>                                            | <u>8,135,461</u>              | <u>7,620,777</u>              |
| <b>Total pension liability - ending (a)</b>                                           | <u><u>\$ 8,558,688</u></u>    | <u><u>\$ 8,135,461</u></u>    |
| <br><b>Plan fiduciary net position</b>                                                |                               |                               |
| Contributions - employer                                                              | \$ 167,147                    | \$ 210,413                    |
| Contributions - employee                                                              | 107,669                       | 99,662                        |
| Net investment income                                                                 | 153,459                       | 997,083                       |
| Benefit payments, including refunds of employee contributions                         | (322,300)                     | (293,348)                     |
| Administrative expense                                                                | (7,877)                       | -                             |
| <b>Net change in plan fiduciary net position</b>                                      | <u>98,098</u>                 | <u>1,013,810</u>              |
| <br><b>Plan fiduciary net position - beginning</b>                                    | <u>6,701,190</u>              | <u>5,687,380</u>              |
| <b>Plan fiduciary net position - ending (b)</b>                                       | <u><u>\$ 6,799,288</u></u>    | <u><u>\$ 6,701,190</u></u>    |
| <br><b>Plan's net pension liability - ending (a) - (b)</b>                            | <u><u>\$ 1,759,400</u></u>    | <u><u>\$ 1,434,271</u></u>    |
| <br><b>Plan fiduciary net position as a percentage of the total pension liability</b> | 79.4%                         | 82.4%                         |
| <br><b>Covered-employee payroll</b>                                                   | \$ 1,237,138                  | \$ 1,137,758                  |
| <br><b>Plan's net pension liability as a percentage of covered-employee payroll</b>   | 142.2%                        | 126.1%                        |

<sup>(1)</sup> Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the information will be presented for those years for which information is available.

**Notes to Schedule:**

*Benefit changes:* The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

*Changes of assumptions:* The discount rate was changed from 7.5 percent (net of administrative expense) as of June 30, 2014 measurement date to 7.65 percent as of June 30, 2015 measurement date.

**COUNTY OF RIVERSIDE**  
**Required Supplementary Information**  
**June 30, 2016**  
**SCHEDULE OF PLAN CONTRIBUTIONS**  
(Dollar amounts in thousands)

***Agent Multiple Employer Plan***

| <b>Fiscal year</b>                                                   | <b>2015-16*</b>    | <b>2014-15*</b>    |
|----------------------------------------------------------------------|--------------------|--------------------|
| Actuarially determined contribution                                  | \$ 216,678         | \$ 192,447         |
| Contributions in relation to the actuarially determined contribution | <u>(245,762)</u>   | <u>(206,832)</u>   |
| Contribution deficiency (excess)                                     | <u>\$ (29,084)</u> | <u>\$ (14,385)</u> |
| <br>Covered-employee payroll                                         | <br>\$ 1,369,182   | <br>\$ 1,237,138   |
| <br>Contributions as a percentage of covered-employee payroll        | <br>17.9%          | <br>16.7%          |

\* Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the information will be presented for those years for which information is available.

**Notes to Schedule**

The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2015-16 were derived from the June 30, 2013 funding valuation report.

|                            |                                 |
|----------------------------|---------------------------------|
| Actuarial cost method      | Entry Age Normal                |
| Amortization method        | Level Percent of Payroll, Open  |
| Asset valuation method     | Actuarial Value of Assets       |
| Inflation                  | 2.75%                           |
| Salary increases           | Varies by Entry Age and Service |
| Payroll growth             | 3.0%                            |
| Investment rate of return* | 7.65%                           |

The Retirement Age is determined by the probabilities of retirement which are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.

The Mortality is based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

\* Net of pension plan investment and administrative expenses; includes inflation.

**COUNTY OF RIVERSIDE**  
**Required Supplementary Information**  
**June 30, 2016**

**SCHEDULE OF THE PLAN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS**

**As of the Measurement Date**  
(Dollar amounts in thousands)

***Cost Sharing Multiple Employer Plan***

| <b>Measurement Period</b>                                                                                       | <b>2014-15 <sup>(1)</sup></b> | <b>2013-14 <sup>(1)</sup></b> |
|-----------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------------------|
| Plan's proportion of the net pension liability (asset)                                                          | 0.60886%                      | 0.23529%                      |
| Plan's proportionate share of the net pension liability (asset)                                                 | \$ 16,704                     | \$ 14,641                     |
| Plan's covered-employee payroll                                                                                 | 8,750                         | 7,605                         |
| Plan's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 190.9%                        | 192.5%                        |
| Plan's proportion of fiduciary net position as a percentage of the Plan's total pension liability               | 78.7%                         | 80.7%                         |
| Plan's proportionate share of aggregate employer contributions                                                  | \$ 1,473                      | \$ 1,653                      |

<sup>(1)</sup> Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the information will be presented for those years for which information is available.

**SCHEDULE OF PLAN CONTRIBUTIONS**  
(Dollar amounts in thousands)

***Cost Sharing Multiple Employer Plan***

| <b>Fiscal year</b>                                                   | <b>2015-16*</b> | <b>2014-15*</b> |
|----------------------------------------------------------------------|-----------------|-----------------|
| Actuarially determined contribution                                  | \$ 1,925        | \$ 1,573        |
| Contributions in relation to the actuarially determined contribution | (1,473)         | (1,139)         |
| Contribution deficiency (excess)                                     | <u>\$ 452</u>   | <u>\$ 434</u>   |
| Covered-employee payroll                                             | \$ 9,175        | \$ 8,750        |
| Contributions as a percentage of covered-employee payroll            | 16.1%           | 13.0%           |

\*Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the information will be presented for those years for which information is available.

**Notes to Schedule**

*Benefit changes:* The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

**COUNTY OF RIVERSIDE**  
**Required Supplementary Information**  
**June 30, 2016**

**SCHEDULE OF PLAN CONTRIBUTIONS (Continued)**

*Changes of assumptions:* The discount rate of 7.5 percent used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65 percent used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS DURING THE MEASUREMENT PERIOD**  
(Dollar amounts in thousands)

*Riverside County – Part-time and Temporary Help Retirement*

| <b>Measurement Period</b>                                                             | <b>2014-15</b>   | <b>2013-14</b>    |
|---------------------------------------------------------------------------------------|------------------|-------------------|
| <b>Total pension liability</b>                                                        |                  |                   |
| Service cost                                                                          | \$ 1,512         | \$ 1,557          |
| Interest                                                                              | 1,983            | 1,800             |
| Changes of benefit terms                                                              | -                | -                 |
| Differences between expected and actual experience                                    | 795              | 1,146             |
| Changes of assumptions                                                                | 2,939            | -                 |
| Benefit payments, including refunds of employee contributions                         | (1,511)          | (1,762)           |
| <b>Net change in total pension liability</b>                                          | <b>5,718</b>     | <b>2,741</b>      |
| <b>Total pension liability - beginning</b>                                            | <b>29,744</b>    | <b>27,003</b>     |
| <b>Total pension liability - ending (a)</b>                                           | <b>\$ 35,462</b> | <b>\$ 29,744</b>  |
| <br><b>Plan fiduciary net position</b>                                                |                  |                   |
| Contributions - employer                                                              | \$ 607           | \$ 956            |
| Contributions - employee                                                              | 1,267            | 1,394             |
| Net investment income                                                                 | 131              | 4,437             |
| Benefit payments, including refunds of employee contributions                         | (1,511)          | (1,762)           |
| Administrative expense                                                                | (217)            | (228)             |
| Other                                                                                 | -                | -                 |
| <b>Net change in plan fiduciary net position</b>                                      | <b>277</b>       | <b>4,797</b>      |
| <br><b>Plan fiduciary net position - beginning</b>                                    | <b>31,602</b>    | <b>26,805</b>     |
| <b>Plan fiduciary net position - ending (b)</b>                                       | <b>\$ 31,879</b> | <b>\$ 31,602</b>  |
| <br><b>Net pension liability (asset) - ending (a) - (b)</b>                           | <b>\$ 3,583</b>  | <b>\$ (1,858)</b> |
| <br><b>Plan fiduciary net position as a percentage of the total pension liability</b> | <b>89.9%</b>     | <b>106.2%</b>     |
| <b>Covered-employee payroll</b>                                                       | <b>\$ 32,963</b> | <b>\$ 29,517</b>  |
| <b>Net pension liability (asset) as a percentage of covered-employee payroll</b>      | <b>10.9%</b>     | <b>6.3%</b>       |

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present information for those years for which information is available.*

**COUNTY OF RIVERSIDE**  
**Required Supplementary Information**  
**June 30, 2016**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS DURING THE MEASUREMENT PERIOD (Continued)**

**Notes to Schedule:**

*Changes of assumptions:*

- 1) Funding interest rate decreased from 6.5% as of June 30, 2014 measurement date to 6.0% as of June 30, 2015 measurement date.
- 2) Lump sum interest rate decreased from 6.0% as of June 30, 2014 measurement date to 5.0% as of June 30, 2015 measurement date.

**SCHEDULE OF PLAN CONTRIBUTIONS**  
(Dollar amounts in thousands)

***Riverside County – Part-time and Temporary Help Retirement***

| <b>Fiscal Year</b>                                                   | <b>2015-16</b>  | <b>2014-15</b>  |
|----------------------------------------------------------------------|-----------------|-----------------|
| Actuarially determined contribution                                  | \$ 122          | \$ 252          |
| Contributions in relation to the actuarially determined contribution | (639)           | (529)           |
| Contribution deficiency (excess)                                     | <u>\$ (517)</u> | <u>\$ (277)</u> |
| Covered-employee payroll                                             | \$ 39,761       | \$ 32,963       |
| Contributions as a percentage of covered-employee payroll            | 1.6%            | 1.6%            |

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, pension plans should present information for those years for which information is available.*

**Notes to Schedule**

Valuation date: June 30, 2014

Methods and assumptions used to determine contribution rates:

|                               |                                                                                                     |
|-------------------------------|-----------------------------------------------------------------------------------------------------|
| Actuarial cost method         | Entry Age Normal                                                                                    |
| Amortization method           | Level-Dollar Projected Payroll                                                                      |
| Remaining amortization period | 20 –year Amortization of Unfunded Liability, plus Normal Cost, less expected Employee Contributions |
| Asset valuation method        | Market Value                                                                                        |
| Inflation                     | 3.0%                                                                                                |
| Salary increases:             | 3.0%                                                                                                |
| Investment rate of return     | 6.0% (net of administrative expense)                                                                |
| Retirement age                | 65                                                                                                  |

**COUNTY OF RIVERSIDE**  
**Required Supplementary Information**  
**June 30, 2016**

**SCHEDULE OF PLAN CONTRIBUTIONS (Continued)**

Mortality

*Actives*

RP-2014 combined annuitant/non-annuitant mortality table with generational future improvement using scale MP-2014.

*Full-time Actives (no longer accruing benefits)*

Mortality rates are based on the most recent CalPERS mortality table developed in the 1997-2011 CalPERS Experience Study, with generational future improvements using scale MP-2014.

| Age | Male   | Female |
|-----|--------|--------|
| 30  | 0.05%  | 0.03%  |
| 40  | 0.08%  | 0.05%  |
| 50  | 0.16%  | 0.11%  |
| 60  | 0.35%  | 0.22%  |
| 70  | 1.77%  | 1.26%  |
| 80  | 5.28%  | 3.69%  |
| 90  | 16.19% | 12.33% |

**OPEB – SCHEDULES OF FUNDING PROGRESS**

(Dollars in Thousands)

*County of Riverside*

| Actuarial<br>Valuation<br>Date | Actuarial<br>Value of<br>Assets<br>(a) | Actuarial<br>Accrued<br>Liability<br>(AAL)<br>(b) | Unfunded<br>AAL<br>(UAAL)<br>(b - a) | Funded<br>Ratio<br>(a/b) | Covered<br>Payroll<br>(c) | UAAL as a<br>Percentage of<br>Covered<br>Payroll<br>((b-a)/c) |
|--------------------------------|----------------------------------------|---------------------------------------------------|--------------------------------------|--------------------------|---------------------------|---------------------------------------------------------------|
| July 1, 2013                   | \$ 26,764                              | \$ 43,829                                         | \$ 17,065                            | 61.06 %                  | \$ 1,096,375              | 1.56 %                                                        |
| July 1, 2014                   | 34,098                                 | 40,121                                            | 6,023                                | 84.99                    | 1,152,127                 | 0.52                                                          |
| July 1, 2015                   | 34,486                                 | 41,249                                            | 6,763                                | 83.60                    | 1,281,024                 | 0.53                                                          |

*Flood Control and Water Conservation District*

| Actuarial<br>Valuation<br>Date | Actuarial<br>Value of<br>Assets<br>(a) | Actuarial<br>Accrued<br>Liability<br>(AAL)<br>(b) | Unfunded<br>AAL<br>(UAAL)<br>(b - a) | Funded<br>Ratio<br>(a/b) | Covered<br>Payroll<br>(c) | UAAL as a<br>Percentage of<br>Covered<br>Payroll<br>((b-a)/c) |
|--------------------------------|----------------------------------------|---------------------------------------------------|--------------------------------------|--------------------------|---------------------------|---------------------------------------------------------------|
| July 1, 2013                   | \$ 321                                 | \$ 494                                            | \$ 173                               | 64.98 %                  | \$ 15,339                 | 1.13 %                                                        |
| July 1, 2014                   | 532                                    | 479                                               | (53)                                 | 111.06                   | 16,297                    | -0.33                                                         |
| July 1, 2015                   | 556                                    | 395                                               | (161)                                | 140.76                   | 17,194                    | -0.94                                                         |



**COUNTY OF RIVERSIDE**  
**Required Supplementary Information**  
**June 30, 2016**

**OPEB – SCHEDULES OF FUNDING PROGRESS (Continued)**  
(Dollars in Thousands)

*Regional Park and Open-Space District*

| <b>Actuarial<br/>Valuation<br/>Date</b> | <b>Actuarial<br/>Value of<br/>Assets<br/>(a)</b> | <b>Actuarial<br/>Accrued<br/>Liability<br/>(AAL)<br/>(b)</b> | <b>Unfunded<br/>AAL<br/>(UAAL)<br/>(b - a)</b> | <b>Funded<br/>Ratio<br/>(a/b)</b> | <b>Covered<br/>Payroll<br/>(c)</b> | <b>UAAL as a<br/>Percentage of<br/>Covered<br/>Payroll<br/>((b-a)/c)</b> |
|-----------------------------------------|--------------------------------------------------|--------------------------------------------------------------|------------------------------------------------|-----------------------------------|------------------------------------|--------------------------------------------------------------------------|
| July 1, 2011                            | \$ 232                                           | \$ 139                                                       | \$ (93)                                        | 166.91 %                          | \$ 4,871                           | -1.91 %                                                                  |
| July 1, 2013                            | 259                                              | 132                                                          | (127)                                          | 196.21                            | 4,607                              | -2.76                                                                    |
| July 1, 2015 *                          | 306                                              | 113                                                          | (193)                                          | 270.80                            | 7,090                              | -2.72                                                                    |

\*The most recent actuarial valuation. Actuarial valuations every two years.

*Waste Resources Department*

| <b>Actuarial<br/>Valuation<br/>Date</b> | <b>Actuarial<br/>Value of<br/>Assets<br/>(a)</b> | <b>Actuarial<br/>Accrued<br/>Liability<br/>(AAL)<br/>(b)</b> | <b>Unfunded<br/>AAL<br/>(UAAL)<br/>(b - a)</b> | <b>Funded<br/>Ratio<br/>(a/b)</b> | <b>Covered<br/>Payroll<br/>(c)</b> | <b>UAAL as a<br/>Percentage of<br/>Covered<br/>Payroll<br/>((b-a)/c)</b> |
|-----------------------------------------|--------------------------------------------------|--------------------------------------------------------------|------------------------------------------------|-----------------------------------|------------------------------------|--------------------------------------------------------------------------|
| January 1, 2009                         | \$ -                                             | \$ 1,089                                                     | \$ 1,089                                       | 0.00 %                            | \$ 3,302                           | 32.98 %                                                                  |
| July 1, 2012                            | -                                                | 982                                                          | 982                                            | 0.00                              | 2,495                              | 39.36                                                                    |
| July 1, 2015 *                          | -                                                | 755                                                          | 755                                            | 0.00                              | 2,384                              | 31.67                                                                    |

\*The most recent actuarial valuation. Actuarial valuations every three years.



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