

Required Supplementary Information

Consists of the following:

- Schedule of Changes in Net Pension Liability and Related Ratios During the Measurement Period
- Schedule of Plan Contributions
- Other Post-Employment Benefits (OPEB) Schedule of Changes in Total OPEB Liability and Related Ratio

CITY OF RIVERSIDE

**MISCELLANEOUS PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)
(amounts expressed in thousands)**

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| TOTAL PENSION LIABILITY | | | | | | |
| Service Cost | \$ 23,320 | \$ 22,228 | \$ 22,189 | \$ 24,766 | \$ 25,117 | \$ 25,017 |
| Interest | 84,965 | 87,436 | 90,913 | 92,725 | 92,595 | 96,836 |
| Difference Between Expected and Actual Experience | - | (21,782) | - | 79,037 | (37,885) | 6,927 |
| Changes in Assumptions | - | (23,548) | (8,417) | (26,068) | (19,805) | - |
| Benefit Payments, Including Refunds of employee Contributions | (50,770) | (53,853) | (57,702) | (60,108) | (63,483) | (67,073) |
| Net Change in Total Pension Liability | 57,515 | 10,481 | 46,983 | 110,352 | (3,461) | 61,707 |
| Total Pension Liability - Beginning | 1,146,583 | 1,204,098 | 1,214,579 | 1,261,562 | 1,371,914 | 1,368,453 |
| Total Pension Liability - Ending (a) | \$ 1,204,098 | \$ 1,214,579 | \$ 1,261,562 | \$ 1,371,914 | \$ 1,368,453 | \$ 1,430,160 |
| PLAN FIDUCIARY NET POSITION | | | | | | |
| Contribution - Employer | \$ 27,583 | \$ 25,996 | \$ 29,426 | \$ 30,477 | \$ 29,920 | \$ 34,627 |
| Contribution - Employee | 2,294 | 4,380 | 5,187 | 6,115 | 9,749 | 10,286 |
| Net Investment Income | 145,843 | 21,671 | 4,958 | 104,771 | 86,307 | 71,046 |
| Benefit Payments, Including Refunds of Employee Contributions | (50,770) | (53,853) | (57,702) | (60,108) | (63,483) | (67,073) |
| Administrative and Other Expenses | - | (1,056) | (594) | (1,290) | (4,664) | (776) |
| Net Change in Fiduciary Net Position | 124,950 | (2,862) | (18,725) | 79,965 | 57,829 | 48,110 |
| Plan Fiduciary Net Position - Beginning | 848,699 | 973,649 | 970,787 | 952,062 | 1,032,027 | 1,089,856 |
| Plan Fiduciary Net Position - Ending (b) | \$ 973,649 | \$ 970,787 | \$ 952,062 | \$ 1,032,027 | \$ 1,089,856 | \$ 1,137,966 |
| Plan Net Pension Liability/(Assets) - Ending (a) - (b) | \$ 230,449 | \$ 243,792 | \$ 309,500 | \$ 339,887 | \$ 278,597 | \$ 292,194 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 80.86% | 79.93% | 75.47% | 75.23% | 79.64% | 79.57% |
| Covered Payroll | \$ 109,990 | \$ 110,891 | \$ 118,512 | \$ 117,637 | \$ 121,957 | \$ 128,881 |
| Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll | 209.52% | 219.85% | 261.15% | 288.93% | 228.44% | 226.72% |

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

(2) Net of administrative expenses.

Notes to Schedule:

Benefit Changes: There were no changes in benefits.

Changes of Assumptions:

In fiscal year 2016-17, the discount rate was changed from 7.65 percent (net of administrative expense) to 7.15 percent.

In fiscal year 2017-18, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017.

There were no changes in the discount rate.

In fiscal year 2018-19, there were none.

CITY OF RIVERSIDE

**SAFETY PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)
(amounts expressed in thousands)**

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| TOTAL PENSION LIABILITY | | | | | | |
| Service Cost | \$ 18,818 | \$ 18,187 | \$ 18,144 | \$ 21,373 | \$ 20,390 | \$ 21,454 |
| Interest | 62,249 | 64,815 | 67,513 | 70,337 | 73,104 | 76,922 |
| Difference Between Expected and Actual Experience | - | (16,117) | - | 59,768 | (4,644) | 10,897 |
| Changes in Assumptions | - | (6,835) | (4,373) | (18) | 868 | - |
| Benefit Payments, Including Refunds of employee Contributions | (38,981) | (42,076) | (44,609) | (47,009) | (50,477) | (52,564) |
| Net Change in Total Pension Liability | 42,086 | 17,974 | 36,675 | 104,451 | 39,241 | 56,709 |
| Total Pension Liability - Beginning | 840,067 | 882,153 | 900,127 | 936,802 | 1,041,253 | 1,080,494 |
| Total Pension Liability - Ending (a) | \$ 882,153 | \$ 900,127 | \$ 936,802 | \$ 1,041,253 | \$ 1,080,494 | \$ 1,137,203 |
| PLAN FIDUCIARY NET POSITION | | | | | | |
| Contribution - Employer | \$ 23,156 | \$ 23,384 | \$ 26,483 | \$ 26,775 | \$ 25,451 | \$ 29,253 |
| Contribution - Employee | 365 | 924 | 1,837 | 2,449 | 6,402 | 7,679 |
| Net Investment Income | 107,032 | 15,632 | 3,478 | 76,844 | 62,933 | 51,750 |
| Benefit Payments, Including Refunds of Employee Contributions | (38,981) | (42,076) | (44,609) | (47,009) | (50,478) | (52,564) |
| Administrative and Other Expenses | - | (816) | (428) | (1,145) | (3,403) | (567) |
| Net Change in Fiduciary Net Position | 91,572 | (2,952) | (13,239) | 57,914 | 40,905 | 35,551 |
| Plan Fiduciary Net Position - Beginning | 620,069 | 711,641 | 708,689 | 695,450 | 753,364 | 794,269 |
| Plan Fiduciary Net Position - Ending (b) | \$ 711,641 | \$ 708,689 | \$ 695,450 | \$ 753,364 | \$ 794,269 | \$ 829,820 |
| Plan Net Pension Liability/(Assets) - Ending (a) - (b) | \$ 170,512 | \$ 191,438 | \$ 241,352 | \$ 287,889 | \$ 286,225 | \$ 307,383 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 80.67% | 78.73% | 74.24% | 72.35% | 73.51% | 72.97% |
| Covered Payroll | \$ 63,734 | \$ 63,612 | \$ 68,707 | \$ 66,226 | \$ 68,251 | \$ 73,237 |
| Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll | 267.54% | 300.95% | 351.28% | 434.71% | 419.37% | 419.71% |

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

(2) Net of administrative expenses.

Notes to Schedule:

Benefit Changes: There were no changes in benefits.

Changes of Assumptions:

In fiscal year 2016-17, the discount rate was changed from 7.65 percent (net of administrative expense) to 7.15 percent.

In fiscal year 2017-18, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017.

There were no changes in the discount rate.

In fiscal year 2018-19, there were none.

CITY OF RIVERSIDE

**SCHEDULE OF PENSION PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)
(amounts expressed in thousands)**

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|------------|------------|------------|------------|------------|------------|------------|
| Miscellaneous Plan | | | | | | | |
| Actuarially Determined Contribution | \$ 20,505 | \$ 21,063 | \$ 24,885 | \$ 26,955 | \$ 29,948 | \$ 34,486 | \$ 239,220 |
| Contribution in Relation to the Actuarially Determined Contribution | (27,584) | (25,997) | (29,426) | (30,477) | (29,948) | (34,486) | (38,889) |
| Contribution Deficiency (Excess) | \$ (7,079) | \$ (4,934) | \$ (4,541) | \$ (3,522) | \$ - | \$ - | \$ 200,331 |
| Covered Payroll | \$ 109,990 | \$ 110,891 | \$ 118,512 | \$ 117,637 | \$ 121,957 | \$ 128,881 | \$ 131,492 |
| Contributions as a Percentage of Covered Payroll | 25.08% | 23.44% | 24.83% | 25.91% | 24.56% | 26.76% | 29.58% |
| Safety Plan | | | | | | | |
| Actuarially Determined Contribution | \$ 17,341 | \$ 18,452 | \$ 21,886 | \$ 23,076 | \$ 25,289 | \$ 29,047 | \$ 263,016 |
| Contribution in Relation to the Actuarially Determined Contribution | (23,156) | (23,384) | (26,483) | (26,775) | (25,289) | (29,047) | (32,785) |
| Contribution Deficiency (Excess) | \$ (5,815) | \$ (4,932) | \$ (4,597) | \$ (3,699) | \$ - | \$ - | \$ 230,231 |
| Covered Payroll | \$ 63,734 | \$ 63,612 | \$ 68,707 | \$ 66,226 | \$ 68,251 | \$ 73,237 | \$ 76,955 |
| Contributions as a Percentage of Covered Payroll | 36.33% | 36.76% | 38.54% | 40.43% | 37.05% | 39.66% | 42.60% |

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation.

Note to Schedule:

Actuarial Valuation Date: June 30, 2017

Actuarial Cost Method: Entry Age Normal

Amortization of Unfunded Actuarial Accrued Liability:

| Driver | (Gain) / Loss | | Source | | |
|---------------------|---------------|----------------|------------------------------|----------------|---------------------|
| | Investment | Non-Investment | Assumption/ Method Change | Benefit Change | Golden Handshake |
| Amortization Period | 30 Years | 30 Years | 20 Years | 20 Years | 5 Years |
| Escalation Rate | | | | | |
| - Active Plans | 2.875% | 2.875% | 2.875% | 2.875% | 2.875% |
| - Inactive Plans | 0% | 0% | 0% | 0% | 0% |
| Ramp Up | 5 | 5 | 5 | 0 | 0 |
| Ramp Down | 5 | 5 | 5 | 0 | 0 |

Asset Valuation Method: Market Value of Assets

Discount Rate: 7.25%

Overall Payroll Growth: 2.875%

Inflation: 2.625%

Retirement Age: 2017 CalPERS Experience Study

Mortality: 2017 CalPERS Experience Study, with ongoing improvement using 90 percent of Scale MP-2016

CITY OF RIVERSIDE

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)
(amounts expressed in thousands)**

| Reporting period June 30, Measurement period June 30, | 2018 2017 | 2019 2018 | 2020 2019 |
|---|----------------------------|----------------------------|----------------------------|
| Total OPEB Liability | | | |
| Service cost | \$ 2,554 | \$ 2,403 | \$ 2,435 |
| Interest on the total OPEB liability | 1,090 | 1,301 | 1,392 |
| Differences between expected and actual experience | - | - | 292 |
| Changes in assumptions | (1,668) | (306) | 9,550 |
| Changes in benefit terms | - | - | - |
| Benefit payments | (1,732) | (1,846) | (2,003) |
| Net change in total OPEB liability | 244 | 1,552 | 11,666 |
| Total OPEB liability - beginning | 36,542 | 36,786 | 38,338 |
| Total OPEB liability - ending (a) | \$ 36,786 | \$ 38,338 | \$ 50,004 |
| | | | |
| Covered-employee payroll | \$ 170,858 | \$ 170,858 | \$ 185,967 |
| | | | |
| Total OPEB liability as a percentage of covered-employee payroll | 21.53% | 22.44% | 26.89% |

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule:

Changes in assumptions: For the measurement period ending June 30, 2019, the discount rate was changed from 3.50 percent to 3.51 percent, and the inflation rate was changed from 2.75 percent to 3.00 percent.