NEW ISSUE—BOOK-ENTRY ONLY **RATINGS: Moody's: "MIG 1"**
Fitch: "F1+"
See "RATINGS" herein.

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the County, based upon an analysis of existing laws, regulations, rulings and court decisions and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and interest on the Notes is exempt from State of California personal income taxes. The amount treated as interest on the Notes and excluded from gross income may depend upon the taxpayer's election under Internal Revenue Notice 94-84. In the further opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that, for tax years beginning after December 31, 2022, interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes. See "TAX MATTERS" herein.

$103,330,000
COUNTY OF RIVERSIDE
TEETER PLAN OBLIGATION NOTES
2023 SERIES A

Dated: Date of Delivery Due: October 18, 2024

The County of Riverside Teeter Plan Obligation Notes, 2023 Series A (the "Notes") are being issued to (i) refund the outstanding County of Riverside Teeter Plan Obligation Notes, 2022 Series A, (ii) fund an advance of unpaid property taxes for agencies participating in the County of Riverside's Teeter Plan (the "Teeter Plan"), and (iii) pay the costs of issuance related to the Notes. See "THE COUNTY—The Teeter Plan." The Notes will be issued bearing interest at a fixed rate as set forth below.

The Notes will be issued in denominations of $5,000 or any integral multiple thereof, will be dated the date of their delivery and will bear interest at the interest rate shown below. The principal of and interest on the Notes will be payable only on the maturity date thereof in lawful money of the United States of America by The Bank of New York Mellon Trust Company, N.A., as Fiscal Agent.

The Notes will not be subject to redemption prior to maturity.

The Notes will be issued in fully registered form. When delivered, the Notes will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the Notes. Purchasers will not receive Notes representing their ownership interest in the Notes purchased. Principal and interest on the Notes will be payable when due through the facilities of DTC, as described in APPENDIX E—"BOOK-ENTRY ONLY SYSTEM."

The principal of and interest on the Notes will be payable from all lawfully available moneys in the General Fund of the County of Riverside (the "County") and from Pledged Taxes (as defined herein) and. **For a description of the Pledged Taxes, see "THE NOTES—Security for the Notes."** For a description of the County and its finances, see APPENDIX A—"INFORMATION REGARDING THE COUNTY OF RIVERSIDE."

See the section of this Official Statement entitled "SPECIAL RISK FACTORS" for a discussion of certain factors which should be considered, in addition to other matters set forth herein, in evaluating an investment in the Notes.

MATURITY SCHEDULE

TEETER PLAN OBLIGATION NOTES, 2023 SERIES A

Principal Amount	***Interest Rate***	***Yield***	***Price***	***CUSIP No.†***
$103,330,000	3.875%	3.700%	100.168	76914CAB4

This cover page contains information for reference only. It is not a summary of this issue. Investors must read the entire Official Statement in considering the investment quality of the Notes.

The Notes are offered when, as and if issued and received by the Underwriters, subject to the approval of Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel to the County, and to certain other conditions. Stradling Yocca Carlson & Rauth, a Professional Corporation, is serving as Disclosure Counsel to the County with respect to the Notes. Certain legal matters will be passed upon for the County by County Counsel, and for the Underwriters by their counsel, Norton Rose Fulbright US LLP, Los Angeles, California. It is anticipated that the Notes will be available for delivery to The Depository Trust Company or its agent on or about October 18, 2023.

BofA Securities **Loop Capital Markets**

Dated: October 4, 2023.

COUNTY OF RIVERSIDE

County Executive Office
4th Floor
4080 Lemon Street
Riverside, California 92501

Board of Supervisors

Kevin Jeffries, First District, Chair
Chuck Washington, Third District, Vice Chair
Karen Spiegel, Second District
V. Manuel Perez, Fourth District
Yxstian Gutierrez, Fifth District

County Officials

Jeffrey A. Van Wagenen Jr., County Executive Officer
Matt Jennings, Treasurer-Tax Collector
Ben Benoit, Auditor-Controller
Peter Aldana, Assessor-County Clerk-Recorder
Minh Tran, County Counsel
Don Kent, Director of Finance

SPECIAL SERVICES

Bond Counsel

Orrick, Herrington & Sutcliffe LLP
San Francisco, California

Disclosure Counsel

Stradling Yocca Carlson & Rauth, a Professional Corporation
Newport Beach, California

Municipal Advisor

Columbia Capital Management, LLC
Carlsbad, California

Consultant to the County for the Teeter Program

Fieldman, Rolapp & Associates, Inc.
Irvine, California

Fiscal Agent

The Bank of New York Mellon Trust Company, N.A.
Los Angeles, California

No dealer, broker, salesperson or other person has been authorized by the County or the Underwriters to give any information or to make any representations in connection with the offer or sale of the Notes other than those contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized by the County or the Underwriters. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Notes by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers or owners of the Notes. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

The information set forth herein has been obtained from the County and other sources which the County believes to be reliable. The information and expression of opinion herein are subject to change without notice and neither delivery of the Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County or any other parties described herein since the date hereof. All summaries of the Resolution or other documents are made subject to the provisions of such documents and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the County for further information in connection therewith.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as a part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, as amended, and in effect on the date hereof, this Official Statement constitutes an official statement of the County that has been deemed final by the County as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

In connection with the offering of the Notes, the Underwriters may offer and sell the Notes to certain dealers and dealer banks and banks acting as agents at prices lower than the public offering prices stated on the cover page hereof and said public offering prices may be changed from time to time by the Underwriters.

The Notes have not been registered under the Securities Act of 1933, as amended, in reliance upon an exemption contained in such act. The Notes have not been registered or qualified under the securities laws of any state.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" or other similar words. Such forward-looking statements include but are not limited to certain statements contained in the information under the caption "THE COUNTY" and in APPENDIX A—"INFORMATION REGARDING THE COUNTY OF RIVERSIDE" in this Official Statement. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The County does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

The County maintains a website; however, information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Notes. References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, Rule 15c2-12.

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COUNTY OF RIVERSIDE
TEETER PLAN OBLIGATION NOTES
2023 SERIES A

INTRODUCTION

General

This Official Statement, including the cover page, the table of contents and appendices, has been prepared in connection with the issuance by the County of Riverside, California (the "County") of its Teeter Plan Obligation Notes, 2023 Series A (the "Notes"), and contains certain information relating to the Notes and the County.

With respect to collection of property taxes, the County adopted its Teeter Plan in 1993 (the "Teeter Plan"), which is an alternate procedure authorized in Chapter 3, Part 8, Division 1 of the Revenue and Taxation Code of the State of California (comprising Sections 4701 through 4717, inclusive) (the "Law"), commonly referred to as the "Teeter Plan," for distribution of certain property tax and assessment levies on the secured roll. See "THE COUNTY—The Teeter Plan."

The Notes are being issued to (i) refund any outstanding amount of the County's Teeter Obligation Notes, 2022 Series A, originally issued and currently outstanding in the aggregate principal amount of $84,055,000 (the "2022 Series A Notes") maturing on October 19, 2023, (ii) fund an advance of unpaid property taxes for agencies participating in the County's Teeter Plan, and (iii) to pay the costs of issuance related to the Notes. See "THE COUNTY—The Teeter Plan."

The Notes will be issued in denominations of $5,000 or any integral multiple thereof, will be dated the date of their delivery and will bear interest at the interest rate shown on the cover page. The principal of and interest on the Notes will be payable only on the maturity date thereof.

The Notes will be issued in fully registered form. When delivered, the Notes will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the Notes. Purchasers will not receive Notes representing their ownership interest in the Notes purchased. Principal and interest on the Notes will be payable when due through the facilities of DTC, as described in APPENDIX E—"BOOK-ENTRY ONLY SYSTEM."

The Notes will not be subject to redemption prior to maturity.

The County first adopted its Teeter Plan in 1993. From 1993 to 1997, the County Treasurer's Pooled Investment Fund purchased notes backed by a pledge of the outstanding delinquent taxes, assessments, penalties and interest from taxing entities within the County that participate in the Teeter Plan (the "Revenue Districts"). The County first publicly issued taxable and tax-exempt commercial paper to finance the annual cash requirements of its Teeter Plan in 1997.

Since 1997, the County has publicly issued tax-exempt notes and, from time to time, taxable notes to finance the County's obligations to make distributions to the Revenue Districts, and to refund certain obligations of the County related to such obligations.

The Notes are being issued pursuant to a resolution adopted by the Board of Supervisors of the County on July 29, 1997 (the "Master Teeter Resolution"), as supplemented from time to time.

On July 31, 1997, the County, acting pursuant to the provisions of Sections 860 *et seq.* of the California Code of Civil Procedure, filed a complaint in the Superior Court of the State of California for the

County of Riverside (Case No. 299847) seeking judicial validation of the transactions relating to the Master Teeter Resolution (as originally adopted) and certain other matters. On September 12, 1997, the court entered a default judgment to the effect that, among other things, the Resolution (as defined below) and the Obligations (as defined below) issued pursuant to the Resolution, including the Notes, represent valid and binding obligations of the County. The appeal period for the default judgment expired October 14, 1997. See "VALIDATION" herein for a further description of the validation action.

Each year since 1997 all or a portion of the existing notes issued pursuant to the Master Teeter Resolution are paid down from collected delinquent taxes from the prior fiscal year, and subsequent additional notes are issued pursuant to the Master Teeter Resolution to pay down the existing notes and to finance the current fiscal year's obligation to make advances under the Teeter Plan. See "THE COUNTY—The Teeter Plan."

The County will agree, in a Continuing Disclosure Certificate executed by the County in connection with the issuance of the Notes (the "Disclosure Certificate"), to report the occurrence of specified "Listed Events" to the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access System ("EMMA"). See "CONTINUING DISCLOSURE."

All quotations from, and summaries and explanations of, provisions of the laws of the State of California (the "State") and acts and proceedings of the County contained herein, do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof, and all references to the Notes and the proceedings of the County relating thereto are qualified in their entirety by reference to the Notes and such proceedings.

Changes Since the Preliminary Official Statement

Since the date of the Preliminary Official Statement, dated September 29, 2023, relating to the Notes, changes have been made to this Official Statement in APPENDIX A—"INFORMATION REGARDING THE COUNTY OF RIVERSIDE" under the caption "SECTION V—Debt Obligations—Lease Lines of Credit" to reflect that on October 12, 2023 the County's Debt Advisory Committee recommended that the Board of Supervisors approve an increase of $75 million to the County's lease lines of credit.

THE NOTES

Authority for Issuance

The Notes are authorized to be issued pursuant to the Master Teeter Resolution, as amended and supplemented thereafter, including as supplemented on September 26, 2023 (collectively, the "Resolution"), and a Fiscal Agent Agreement, dated as of November 1, 1997, as amended, between The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.) (the "Fiscal Agent"), as successor to U.S. Trust Company of California, N.A., and the County (the "Fiscal Agent Agreement").

Purpose of Issue

Pursuant to the Resolution, the proceeds of the sale of the Notes will be applied to refund the outstanding 2022 Series A Notes, to fund an advance of unpaid property taxes for agencies participating in the Teeter Plan, and to pay the costs of issuance related to the Notes. See "THE COUNTY—The Teeter Plan."

Description of the Notes

The Notes will be registered in the name of Cede & Company, as nominee of DTC, New York, New York. DTC will act as securities depository of the Notes. Individual purchases of the Notes will be made in book-entry form only, in denominations of $5,000. Beneficial Owners (as defined below) of the Notes will not receive physical Notes representing the Notes purchased. The interest on the Notes will be paid at the maturity thereof. The principal of the Notes will be due on the maturity date thereof. The principal of and interest on the Notes will be paid by the County Treasurer-Tax Collector to the Fiscal Agent which will in turn remit such principal and interest to DTC, which will in turn remit such principal and interest to its participants for subsequent disbursement to the Beneficial Owners of the Notes. See APPENDIX E—"BOOK-ENTRY ONLY SYSTEM."

The Notes will be dated, will mature, and will bear interest at the rate per annum as shown on the cover page hereof computed on the basis of a 360-day year composed of twelve 30 day months for the Notes. Interest on the Notes will be paid on the maturity date of the Notes set forth on the cover page hereof. The Notes may be sold in Authorized Denominations of $5,000 or any multiple thereof.

Redemption

The Notes are not subject to redemption prior to their maturity date.

Security for the Notes

The Notes are payable from all lawfully available moneys in the County's General Fund, including available revenues generated in the prior, current or any subsequent fiscal year. For a description of the County and its finances, see APPENDIX A—"INFORMATION REGARDING THE COUNTY OF RIVERSIDE."

The County has also pledged the Pledged Taxes (as hereinafter defined) to the payment of the principal of and interest on the Notes.

"Pledged Taxes" are defined as (i) the right to collect any uncollected property taxes due to the County and the other Revenue Districts for the fiscal years ended June 30, 1994 through and including June 30, 2023 and such other fiscal years, if any, as may be specified in a supplemental resolution, for which the County actually provides funding pursuant to the Law, (ii) all amounts received by the County upon the sale of property to recover such property taxes or assessments, and (iii) all amounts received by the County upon the redemption of properties for sale or previously sold to recover such property taxes or assessments, in each case to which the County is entitled as a consequence of electing to be governed by the Law, and in each case following an allocation by the County of the receipts of property taxes and assessments between the Revenue Districts and those public districts within the County that are not participating in the Teeter Plan; provided, however, that Pledged Taxes shall not include (i) the right to collect delinquencies in property taxes due to an independent district for all fiscal years prior to the fiscal year in which the respective independent district agreed with the County that the Law shall apply to such independent district, (ii) default penalties, (iii) interest or redemption penalties, (iv) certain costs and fees paid pursuant to the Law, and (v) the right to receive installment payments made pursuant to Section 4217 *et seq*. of the California Revenue and Taxation Code.

Pledged Taxes do not include property tax revenues attributable to Fiscal Year 2023-24 (or any future Fiscal Year) and property taxes collected in Fiscal Year 2023-24 (or any future Fiscal Year) are not pledged to the payment of the Notes. Property taxes collected in Fiscal Year 2023-24 are pledged to the County's 2023 Tax and Revenue Anticipation Notes.

The office of the County Treasurer-Tax Collector serves as billing and collection agent for the basic 1% *ad valorem* property tax, voter approved *ad valorem* taxes and most additional special assessments and charges. The County Treasurer-Tax Collector bills property owners bi-annually, and payments not made by December 10 and April 10 are subject to a 10% delinquency penalty. Unpaid taxes begin accruing a 1.5% per month additional charge if unpaid at the end of the fiscal year (each June 30). Property owners are subject to foreclosure if delinquent taxes and penalties are not paid within five years.

Upon the collection of taxes and penalties, the funds are deposited in a secured prior year trust account within the County's General Fund. Throughout the year the Auditor-Controller separates collected Teeter and non-Teeter taxes and penalties. Collected non-Teeter taxes are distributed to the non-Teeter taxing entities. The Teeter portion is separated between (a) taxes and (b) penalties and interest.

Receipts of the Pledged Taxes are deposited into a Teeter Tax Account within the County's General Fund for repayment of the Notes. Penalties and interest are deposited into a Tax Losses Reserve Fund maintained by the County. In the event of a property sale at foreclosure which results in a loss, amounts to offset those losses are transferred from the Tax Losses Reserve Fund to the Teeter Tax Account. After payment of the interest portion of the maturing Notes, any excess over the required balance in the Tax Losses Reserve Fund may be transferred to the County's General Fund; however, amounts in the Tax Losses Reserve Fund are not pledged to the repayment of the Notes. See the caption "THE COUNTY—The Teeter Plan" for a further discussion of the Tax Losses Reserve Fund.

Additional Security for the Notes

In addition to the lawfully available funds in the County's General Fund (which is not limited to the fiscal year in which the Notes are issued or when they mature), as well as the pledge of Pledged Taxes, the County has additional sources of cash to pay the Notes at maturity. As described further under the caption "THE COUNTY—The Teeter Plan," the County has purchased maturing Teeter Notes in the past using funds from the County Treasurer's Pooled Investment Fund (the "PIF"). The PIF is significantly larger than the aggregate principal amount of the Notes, and the purchase of the Notes could be accommodated by the current PIF size (approximately $13.2 billion as of July 31, 2023). Formal Board of Supervisors and County Treasurer approval would be required in order for the PIF to purchase Teeter notes if the notes are not rated or otherwise not qualified for purchase under the County's investment policy. See the caption "THE COUNTY—The Teeter Plan" and APPENDIX A—"INFORMATION REGARDING THE COUNTY OF RIVERSIDE—SECTION IV—FINANCIAL INFORMATION—County of Riverside Treasurer-Tax Collector's Pooled Investment Fund."

Furthermore, pursuant to Resolution 2010-205, adopted by the Board of Supervisors August 10, 2010, should additional cash be needed to pay the Notes at maturity, the County Auditor-Controller is authorized to make temporary interfund transfers to the General Fund without further Board approval. See the caption "THE COUNTY—The General Fund" herein.

Fiscal Agent

The Bank of New York Mellon Trust Company, N.A. is appointed as Fiscal Agent for the Notes. The County directs and authorizes the payment by the Fiscal Agent of the interest on and principal of the Notes when such become due and payable. Under the Resolution, the County has covenanted to transfer from the General Fund to the Fiscal Agent sufficient moneys to pay the principal of and interest on the Notes when due.

Defeasance of the Notes

If the County shall pay or cause to be paid or there shall otherwise be paid to the Holders of all outstanding Notes the interest and principal thereof at the times and in the manner stipulated under the Resolution and described below in this Official Statement, then all agreements and covenants of the County to such Holders under the Resolution shall thereupon cease, terminate and become void and shall be discharged and satisfied.

Any Outstanding Notes shall, prior to the maturity date thereof, be deemed to have been paid within the meaning and with the effect expressed in the Resolution if there shall have been deposited with the Fiscal Agent in trust either moneys in an amount which shall be sufficient, or Defeasance Securities which are not callable or subject to prepayment prior to their respective maturity dates, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Fiscal Agent at the same time, shall be sufficient (as verified by a report of an independent certified public accountant or other independent financial consultant), to pay when due the principal of and the interest to become due on said Notes on the maturity date thereof. Neither the securities nor moneys deposited with the Fiscal Agent pursuant to the Resolution nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on said Notes. The Fiscal Agent shall have no right, title or interest in, or lien on, any moneys or securities deposited as described in this paragraph.

After the payment or deemed payment of all the interest and principal of all Outstanding Notes as provided in the Resolution and payment of any amounts then owed to the Fiscal Agent, the Fiscal Agent shall pay to or deliver to the County all moneys or securities held by it pursuant to the Resolution which are not required for the payment of the interest and principal represented by such Notes. Owners of Notes shall thereafter be entitled to payments due under the Notes only from amounts deposited with the Fiscal Agent as described under this heading "Defeasance of the Notes" and from no other source.

For the purposes described above, "Defeasance Securities" means any of the following:

(i) United States Treasury Bonds, Notes and Certificates (including State and Local Government Series - "SLGS");

(ii) Direct obligations of the United States Treasury which have been stripped, including by the Treasury itself, CATS, TIGRS and similar securities;

(iii) The interest component of Resolution Funding Corp strips which have been stripped by request to the Federal Reserve Bank of New York, in book entry form;

(iv) Pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by S&P;

(v) Obligations issued or fully guaranteed by the following agencies which are backed by the full faith and credit of the United States of America:

a. U.S. Export-Import Bank
Direct obligations or fully guaranteed certificates of beneficial ownership

b. Farmers Home Administration
Certificates of beneficial ownership

c. Federal Financing Bank

d. General Services Administration
Participation certificates

e. United States Maritime Administration
Guaranteed Title XI financing

f. United States Department of Housing and Urban Development
Project notes
Local Authority Certificates
New Communities Pool Notes - United States government guaranteed debentures
United States Public Housing Notes and Certificates - United States government guaranteed public housing notes and bonds.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds to be received from the sale of the Notes, plus available funds on hand with the County in the Teeter Tax Account, are anticipated to be applied as follows:

Sources:	
Principal Amount of Notes	$ 103,330,000.00
Original Issue Premium	173,594.40
Available Funds	30,084,411.00
Total Sources	$ 133,588,005.40
Uses:	
Payment of 2022 Series A Notes[1]	$ 87,165,035.00
Teeter Advance	46,070,085.19
Costs of Issuance	292,929.35
Underwriters' Discount	59,955.86
Total Uses	$ 133,588,005.40

(1) Proceeds of the Notes, together with other moneys of the County, will be used to pay in full the 2022 Series A Notes when due.

THE COUNTY

General

The County was organized in 1893 from territory in San Bernardino and San Diego counties and encompasses 7,177 square miles. The County is bordered on the north by San Bernardino County, on the east by the State of Arizona, on the south by San Diego and Imperial counties and on the west by Orange and San Bernardino counties. The County is the fourth largest county (by both area and population) in the State and stretches 185 miles from the Arizona border to within 20 miles of the Pacific Ocean. There are 28 incorporated cities in the County.

The County is a general law county divided into five supervisorial districts on the basis of registered voters and population. The County is governed by a five-member Board of Supervisors (the "Board of Supervisors"), elected by district, serving staggered four-year terms. The Chair of the Board of Supervisors is elected by the members of the Board of Supervisors. The County administration includes appointed and elected officials, boards, commissions and committees which assist the Board of Supervisors.

The County provides a wide range of services to residents, including police and fire protection, medical and health services, education, library services and public assistance programs. Some municipal services are provided by the County on a contract basis to incorporated cities within its boundaries. These services are designed to allow cities to contract for municipal services such as police and fire protection without incurring the full cost of creating their own separate departments and facilities. Services are provided to the cities at cost by the County.

Three distinct geographical areas characterize the County: the western valley area, the higher elevations of the mountains and the eastern desert areas. The western portion of the County, which includes the San Jacinto Mountains and the Cleveland National Forest, experiences the mild climate typical of Southern California. The eastern desert areas experience warmer and dryer weather conditions.

Economic, demographic and financial information regarding the County is contained herein in APPENDIX A — "INFORMATION REGARDING THE COUNTY OF RIVERSIDE" and APPENDIX B — "THE COUNTY OF RIVERSIDE AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR

ENDED JUNE 30, 2021" herein. Each contains important information concerning the County and should be read in its entirety.

COVID-19 Outbreak

The spread of the novel strain of coronavirus and the disease it causes (now known as "COVID 19") has among other things, disrupted economies across the world, including those at the national, state, and local levels. The State and County have taken actions designed to mitigate the spread of COVID-19, including the imposition by the State of the Blueprint for a Safer Economy, which provided a tiered framework for restricting and loosening business and social activities based on local COVID-19 risk levels. With widespread vaccination in the United States and many countries worldwide, most of the governmental-imposed restrictions on operations of schools and businesses implemented to respond to and control the outbreak have been eased or eliminated.

In 2020, the County received grants in the total amount of approximately $487 million under the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act") from the federal government. The funds were placed in a special restricted fund established within the County treasury and may only be accessed for purposes permitted under the CARES Act, which, under current guidelines from the U.S. Department of the Treasury, is limited to necessary expenditures incurred due to the public health emergency with respect to COVID-19. **Funds received by the County under the CARES Act are not available for payment of debt service on the Notes, and cannot be used to backfill County revenue losses related to COVID-19.** Administration of the funds is conducted solely through the County's Executive Office with direction from the Board of Supervisors. A portion of the CARES Act funds received by the County are allocable to other governmental units or other entities within the County.

On March 11, 2021, the President signed the American Rescue Plan Act of 2021 ("ARPA") into law, which was intended to combat the COVID-19 pandemic, including the public health and economic impacts. The County's share of these ARPA funds is approximately $480 million. The County received approximately $240 million of these ARPA funds on May 17, 2021 and received the second installment of ARPA funds in an equal amount on June 6, 2022. On April 27, 2021, the County Executive Office presented to the Board of Supervisors a preliminary, first year allocation recommendation that included funding for economic recovery, housing and homelessness, County departments' response, infrastructure, and nonprofit assistance. The latest update and recommendation was presented to the Board of Supervisors on October 4, 2022, which included the second installment.

In November 2022, the United States Department of the Treasury announced the release of the first round of Local Assistance and Tribal Consistency Fund ("LATCF") payments to eligible counties for Fiscal Years 2022-23 and 2023-24. The LATCF is a general revenue enhancement program under ARPA that provides additional assistance to eligible revenue sharing counties and eligible Tribal governments. The County was allocated $12 million, of which $6 million has been received. The Department of the Treasury expects to make the second payment in calendar year 2023.

The deadline for expenditure of the foregoing ARPA funds is December 31, 2026.

In accordance with the Interim Final Rule published by the Department of the Treasury on May 17, 2021 with respect to Coronavirus State and Local Fiscal Recovery Funds, the County cannot allocate the ARPA funds to the payment of principal and interest on the Notes. Overall, declines in the County's General Fund discretionary revenue, as well as its Prop 172 Public Safety Sales Tax revenue have not materialized as originally anticipated in 2020. In addition, the County realized $10 million in revenue backfill funds from ARPA in Fiscal Year 2021-22, which was used to fund government services. The County cannot predict any additional adverse impacts the COVID-19 pandemic may have on the County or its financial condition or operations.

The Teeter Plan

With respect to collection of property taxes, the County adopted in 1993 the Teeter Plan, which is an alternate procedure authorized in Chapter 3, Part 8, Division 1 of the Revenue and Taxation Code of the State of California (comprising Sections 4701 through 4717, inclusive), commonly referred to as the "Teeter Plan" for distribution of certain property tax and assessment levies on the secured roll.

Generally, the Teeter Plan provides for a tax distribution procedure by which secured roll taxes are distributed to taxing agencies within the County included in the Teeter Plan (defined previously as the "Revenue Districts") on the basis of the tax levy, rather than on the basis of actual tax collections. The County then receives all future delinquent tax payments, penalties and interest. In connection with its adoption of the Teeter Plan, the County advanced to the participating taxing agencies an amount equal to 95% of the total then-prior years' delinquent secured property taxes and 100% of the then-current year's secured roll levy. Supplemental taxes, which are the result of changes in property ownership or completion of new construction, are currently excluded from the Teeter Plan.

As part of the COVID-19 related response from the State, on May 6, 2020, Governor Newson signed Executive Order N-61-20 granting county tax collectors the ability to cancel penalties, costs, and interest for taxes not timely paid on certain properties that were not delinquent prior to March 4, 2020. The Order expired May 6, 2021. As of April 2023, approximately 3,167 parcels subject to the Executive Order had penalties cancelled representing approximately $1.5 million in uncollected penalties, cost and interest. As of July 23, 2021, Revenue and Taxation Code 4985.2 was amended to allow cancellation of penalties due to a documented hardship, determined by the tax collector, arising from a shelter in place. To date this amended code has not been used for documented hardships arising from a shelter in place within the County and, therefore, the amount of uncollected penalties has not grown since August 2022, and the County does not currently expect such amount to change materially in the future.

To implement a Teeter Plan, the board of supervisors of a county generally must elect to do so by July 15 of the fiscal year in which it is to apply. As a separate election, a county may elect to have the Teeter Plan procedures also apply to assessments on the secured roll. Once adopted, a county's Teeter Plan will remain in effect in perpetuity unless the board of supervisors orders its discontinuance or unless prior to the commencement of a fiscal year a petition for discontinuance is received and joined in by resolutions of the governing bodies of not less than two thirds of the participating districts in the county. An electing county may, however, determine to discontinue the Teeter Plan with respect to any levying agency in the county if the board of supervisors, by action taken not later than July 15 of a fiscal year, elects to discontinue the procedure with respect to such levying agency and the rate of secured tax delinquencies in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll by that agency.

Taxing entities that are required to maintain funds in the County Treasury are all included in the Teeter Plan. These include all K-12 school districts, community college districts and certain special districts. Other taxing entities may elect to be included in the Teeter Plan. Taxing entities that do not elect to participate in the Teeter Plan will be paid as taxes are collected. In Fiscal Year 2021-2022, taxing agencies representing approximately 59.3% of the secured roll participated in the Teeter Plan. In Fiscal Year 2022-23, taxing agencies representing approximately 58.7% of the secured roll participated in the Teeter Plan.

Pursuant to the Law, the County is required to establish a Tax Losses Reserve Fund to cover losses that may occur in the amount of tax liens as a result of special sales of tax-defaulted property (i.e., if the sale price of the property is less than the amount owed). At the election of the County, the Tax Losses Reserve Fund is maintained at an amount equal to one of two methods: (1) 1% of the total amount of taxes and assessments levied on the secured roll for a particular year for taxing entities participating in the Teeter Plan, or (2) 25% of the total delinquent secured taxes and assessments calculated as of the end of the fiscal year for taxing entities participating in the Teeter Plan. After payment of the interest portion of the maturing Notes, any excess over the required balance in the Tax Losses Reserve Fund may be transferred to the County's General Fund.

The County has been governed by the first alternative since the implementation of the Teeter Plan. However, on September 12, 2023, the Board of Supervisors approved changing to the second alternative for calculating the required balance in the Tax Losses Reserve Fund, which change will take effect for Fiscal Year 2023-24. As shown in Table 2 under the caption "—Tax Collections," the first method of calculating the required balance in the Tax Losses Reserve Fund has consistently provided funds well in excess of the amount required for any tax losses since Fiscal Year 2007-08. The County currently projects that using the second method of calculating the required balance in the Tax Losses Reserve Fund (i.e. 25% of the total delinquent secured taxes and assessments calculated as of the end of the fiscal year for taxing entities participating in the Teeter Plan) will provide sufficient funds in the Tax Losses Reserve Fund for any tax losses. The County may in the future use the alternative method of funding the Tax Losses Reserve Fund. Such a change would require the recommendation of the Auditor-Controller and the approval of the Board of Supervisors prior to October 31 in order to be effective for such fiscal year.

Since 1997, the County has publicly issued tax-exempt notes, such as the Notes, and, from time to time, taxable notes, to finance the County's obligations to make distributions to the Revenue Districts pursuant to the Teeter Plan, and to refund certain obligations of the County related to such obligations. The County manages the program on a continuous basis by paying down the amount of notes outstanding with collections of prior fiscal years' taxes and funding with note proceeds the current year's advance and any unpaid amounts of maturing notes.

From Fiscal Year 1997-98 through Fiscal Year 2006-07, the size of the Teeter Plan obligations fluctuated between approximately $24 million and $90 million, producing annual net revenue to the County's General Fund of approximately $14 million to $25 million. The Teeter Plan obligations grew to approximately $168.4 million in Fiscal Year 2007-08 and peaked at approximately $266.6 million in Fiscal Year 2008-09 with net revenue to the County's General Fund of approximately $43.6 million and $52.5 million, respectively. For the last five fiscal years the annual revenues from the Teeter Plan to the County General Fund averaged approximately $21.2 million. As the amount of delinquent taxes receivable has declined, the annual revenue available to the General Fund has been reduced. For Fiscal Year 2022-23, the net revenue transferred to the County's General Fund was approximately $16.5 million. The Teeter Plan obligations are $103,330,000 in Fiscal Year 2023-24.

The following table sets forth the aggregate principal amount of the Teeter Plan obligation notes issued in the last ten Fiscal Years.

TABLE 1
COUNTY OF RIVERSIDE
TEETER PLAN OBLIGATION NOTES ISSUED

Fiscal Year	*Principal Amount*
2014-15	$100,175,000
2015-16	87,040,000
2016-17	81,765,000
2017-18	78,735,000
2018-19	74,190,000
2019-20	84,115,000
2020-21	99,570,000
2021-22	87,410,000
2022-23	84,055,000
2023-24	103,330,000

Source: County of Riverside, Executive Office.

The County accounts for the Teeter Plan in its audited financial statements by listing the amount of Notes Payable with its other liabilities, including unpaid taxes with its other receivables, and including apportioned prior years' taxes on deposit with other restricted cash. The taxes receivable are listed in their principal amount without any penalties or accrued interest. See APPENDIX B—"COUNTY OF RIVERSIDE AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022 – Note 6 Receivables."

Since the Teeter Program is ongoing, the County must have annual access to cash, either through the issuance of Teeter notes, such as the Notes, or other alternative sources of cash. Should market access for the Teeter notes be limited, and no private or direct bank placements options be available, the County has two primary options to meet the redemption of maturing Teeter notes and to fund the subsequent Teeter advance to the participating Revenue Districts.

The first option for the County to meet the redemption requirements of maturing Teeter notes and to fund the subsequent Teeter advance to the participating Revenue Districts in the event of limited market access is to have the PIF purchase the Teeter notes. Such Teeter notes were purchased by the PIF annually from 1993 through 1997. The PIF is significantly larger than the aggregate principal amount of the Notes, and the purchase of the Notes could be accommodated by the current PIF size (approximately $13.2 billion as of July 31, 2023). Formal Board of Supervisors and County Treasurer approval would be required in order for the PIF to purchase Teeter notes if the notes are not rated or otherwise not qualified for purchase under the County's investment policy. See APPENDIX A—"INFORMATION REGARDING THE COUNTY OF RIVERSIDE—SECTION IV—FINANCIAL INFORMATION—County of Riverside Treasurer-Tax Collector's Pooled Investment Fund."

The second option for the County to meet the redemption requirements of maturing Teeter notes and to fund the subsequent Teeter advance to the participating Revenue Districts would be for the County to advance funds from the General Fund. All lawfully available moneys in the County's General Fund are available for the repayment of the Notes, and the continuation of the Teeter Program is beneficial to the County's over-all financial condition. Should additional cash be needed, the County may borrow lawfully available moneys in the County's General Fund to meet the redemption of maturing Teeter notes and to fund the subsequent Teeter advance to the participating Revenue Districts. Such General Fund borrowings to meet the redemption of maturing Teeter notes and to fund the subsequent Teeter advance to the participating Revenue Districts have been authorized by the Board of Supervisors, most recently in April 2007. See "—The General Fund" herein.

Additionally, the County Treasurer and the County Auditor-Controller have an operating agreement to facilitate such General Fund borrowings by allowing the primary General Fund account within the County Pool to run a negative balance. The amount by which the balance in the General Fund account within the County Pool may be negative is capped by the amount the County may legally borrow. Such operating agreement allows for a seamless mechanism. It also spreads the loan across all County funds, minimizing the impact on any single fund and the need to manage individual fund balances. The Government Code allows such borrowings on an indefinite basis, stipulating that repayment must only be made prior to such date that funds are needed in the originating funds. The County has utilized this approach for many years including during the 1990s when the County carried a substantial year-end negative cash balance in the General Fund. See "—The General Fund—*Alternative and Other Restricted Cash Resources*" below.

Tax Collections

The operation of the County's property tax system is shared by three elected officials: the County Assessor, the County Treasurer-Tax Collector and the County Auditor-Controller. The County Treasurer-Tax Collector bears primary responsibility for billing and collection, while the Auditor-Controller is responsible for accounting and apportionment issues. Payments not made by December 10 and April 10 are subject to a 10% delinquency penalty. Unpaid taxes begin accruing a 1.5% per month additional charge if unpaid at the end of the fiscal year (each June 30). See APPENDIX A—"INFORMATION REGARDING THE COUNTY OF RIVERSIDE—SECTION IV—FINANCIAL INFORMATION—*Ad Valorem* Property Taxes" for information regarding property tax collections within the County since Fiscal Year 2012-13.

Properties are subject to foreclosure if delinquent taxes and penalties are not paid within five years. Tax sale is the County's ultimate collection tool; at the same time the County may realize a tax loss upon sale. The County is required to transfer the amount of any tax loss from the Tax Losses Reserve Fund to the Teeter Debt Service Account. The required balance in the Tax Losses Reserve Fund for Fiscal Year 2022-23 is $28,509,308, based on the first method of calculating the required balance (i.e. 1% of the total amount of taxes and assessments levied on the secured roll for a particular year for taxing entities participating in the Teeter Plan). As described under the caption "—The Teeter Plan," the required balance the Tax Losses Reserve Fund for Fiscal Year 2023-24 will be based on the second method of calculation (i.e. 25% of the total delinquent secured taxes and assessments calculated as of the end of the fiscal year for taxing entities participating in the Teeter Plan). The County's history of tax sales activity has been favorable, with minimal losses experienced over the last ten years. Tax sales typically involve hundreds of properties sold at auction, although the County conducts direct sales to public entities in limited cases.

The following Table 2 sets forth the required balance in the Tax Losses Reserve Fund and the tax sale losses allocable to the Teeter Plan in fiscal years 2006-07 through 2022-23.

TABLE 2
COUNTY OF RIVERSIDE
TEETER LOSSES IN FISCAL YEARS 2006-07 THROUGH 2022-23

Fiscal Year	*Tax Losses Reserve Requirement*[1]	*Maximum Projected Tax Loss*[2]	*Maximum Projected Teeter Loss*[3]	*Actual Tax Loss*[4]	*Actual Teeter Loss*[3]
2006-07[5]	$18,831,316.82	--	--	--	--
2007-08	22,099,678.87	$ 67,681.48	$ 49,712.06	$ 40,026.93	$ 29,379.77
2008-09	22,355,383.82	312,262.33	232,260.74	151,005.46	112,197.06
2009-10	15,203,839.09	297,323.41	218,740.84	273,665.55	201,853.93
2010-11	14,911,546.11	246,887.56	133,887.11	235,583.74	127,750.50
2011-12	14,805,891.85	571,731.15	314,605.46	249,452.87	137,310.17
2012-13	14,793,253.67	649,110.18	357,400.07	80,748.55	44,411.71
2013-14[6]	16,014,761.48	5,211,319.08	2,878,952.98	747,826.47	412,920.48
2014-15[6]	17,294,993.57	4,968,482.65	2,747,967.68	1,006,608.57	556,700.84
2015-16[6][7]	18,500,572.86	7,387,021.19	4,141,051.97	2,311,386.93	1,295,658.37
2016-17[6]	19,426,640.12	2,697,097.68	1,511,197.00	227,689.47	127,587.12
2017-18[6]	20,685,272.57	6,678,769.45	3,761,103.34	2,414,361.37	1,329,347.36
2018-19[6][8]	21,820,097.70	2,951,611.53	1,663,823.42	898,722.12	444,291.69
2019-20[6][8]	23,458,594.38	3,364,670.59	2,640,702.78	915,534.37	504,632.85
2020-21[6][8]	24,761,499.61	3,130,696.71	2,123,551.75	449,921.93	228,437.38
2021-22[6][8]	26,239,416.42	4,641,199.00	3,073,046.00	464,486.58	265,843.14
2022-23[6][8]	28,509,308.01	1,171,192.00	787,089.00	86,207.38	38,444.75

(1) See the caption "—The Teeter Plan" for a description of the amount required to be maintained in the Tax Losses Reserve Fund.
(2) Assuming all properties sold at tax sale at the minimum authorized bid.
(3) Teeter's pro rata share based on the percentages provided by the Auditor's office of those agencies that participate in Teeter.
(4) Tax loss equals taxes owed minus sale proceeds (per parcel), if proceeds do not exceed taxes owed. Any excess sale proceeds are refunded.
(5) There was only one tax sale in Fiscal Year 2006-07 which did not result in a tax loss.
(6) Beginning in Fiscal Year 2013-14, the County changed its process for selling delinquent properties which required the County to recognize the entire tax delinquency for each property as the maximum projected tax loss. As a result, the maximum projected tax loss and the maximum projected Teeter loss for Fiscal Year 2013-14 and subsequent years are much greater than in previous years.
(7) Like much of southern California, the County experienced a significant real estate recession from approximately 2008 through 2012. Properties are subject to foreclosure if delinquent taxes and penalties are not paid within five years. The increase in tax losses in Fiscal Year 2015-16 coincides with sales of properties which have been delinquent since Fiscal Year 2010-11.
(8) Beginning in Fiscal Year 2018-19, the County implemented a new property tax system which gives the County the ability to calculate exact Teeter losses for each Fiscal Year.

Source: County of Riverside Treasurer-Tax Collector.

The General Fund

General. The Notes are payable from the County's General Fund, in addition to the Pledged Taxes. For information concerning the County's General Fund and the County's finances, see APPENDIX A—"INFORMATION REGARDING THE COUNTY OF RIVERSIDE."

Alternative and Other Restricted Cash Resources. California Government Code Section 25252 authorizes the Board of Supervisors of the County to establish and abolish funds necessary for the proper transaction of the business of the County and further provides that the Board of Supervisors may authorize the County Auditor to perform this function. In addition, California Government Code Section 25252 authorizes the Board of Supervisors to make transfers from one fund to another as the public interest requires and further provides that the Board of Supervisors may by resolution authorize the County Auditor to make such transfers of money from one fund to another if the Board of Supervisors has authority over each such fund, as the public interest requires. Pursuant to Resolution 2010-205, adopted by the Board of Supervisors on August 10, 2010, the Board of Supervisors has authorized the County Auditor, without further approval, to make temporary transfers of money between those funds under the authority of the Board of Supervisors as the public interest may require. Additionally, the Board of Supervisors has adopted a General Fund Balance and Reserve Policy which does not preclude the use of temporary transfers of money between funds. While the County has made temporary transfers of money between funds from time to time subsequent to the adoption of Resolution 2010-205, the County has never exercised such authority with respect to any Teeter Obligations.

Set forth in Table 3 below are the actual and projected alternative cash resources available to the County from the specified funds as of the dates set forth in such table. Pursuant to the authority granted in Resolution 2010-205, the County Auditor is authorized, without further Board of Supervisors approval, to transfer such moneys from one County fund to another County fund as the public interest may require, including transfers to the General Fund for the payment of the Notes. However, transfers from non-County funds, including, without limitation, the Flood Control, Perris Valley Cemetery and District Court Financing Corporation funds, would require additional action by the Board of Supervisors. There is no prescribed time period for the repayment of temporary transfers from one fund to another. The County Auditor has the authority to determine the timing of such repayments based on the needs of the respective funds.

These moneys are also available to support the payments of debt service on the Notes, though no assurance can be provided that such moneys will be available at maturity of the Notes or that, even if available, they will be used to make payments on the Notes.

The assumptions and projections underlying the projected alternative and other restricted cash resources are uncertain and, though considered reasonable by the management of the County as of the date hereof, are subject to a wide variety of significant business, economic and political risks and uncertainties that could cause actual results to differ materially from those contained in the projected alternative and other restricted cash resources. Accordingly, there can be no assurance that the projected results are indicative of the future performance of the County or that actual results will not be materially higher or lower than those contained in the projected alternative and other restricted cash resources. Inclusion of the projected alternative and other restricted cash resources in this Official Statement should not be regarded as a representation by any person that the results contained in the projected alternative and other restricted cash resources will be achieved.

TABLE 3
COUNTY OF RIVERSIDE
ALTERNATIVE AND OTHER RESTRICTED CASH RESOURCES(1)
(in Thousands)

Fund Type	Fund Purpose	Audited Actual Balance June 30, 2022	Actual/Projected Balance June 30, 2023(2)	Projected Balance June 30, 2024(2)
Special Revenue	Transportation	$ 199,964	$ 216,221	$ 208,336
Special Revenue	Flood Control	295,553	283,667	317,670
Special Revenue	Community Services	115,904	62,026	69,462
Special Revenue	County Service Areas	39,209	37,340	41,816
Special Revenue	Other Special Revenue	70,911	108,792	121,833
Capital Project	Public Facilities	186,956	186,609	208,978
Capital Project	Crest	6,749	6,566	7,353
Enterprise	County Service Areas	3,714	3,615	4,049
Enterprise	Flood Control	7,395	7,933	8,884
Enterprise	Regional Medical Center	7,060	5,466	6,121
Enterprise	Federally Qualified Health Care Clinics	(5,557)	(3,934)	(3,679)
Enterprise	Transportation (Aviation)	5,076	3,147	3,525
Enterprise	Waste Resources	139,060	174,173	170,932
Internal Service	Fleet Services	6,133	7,524	8,426
Internal Service	Information Services	27,139	27,538	30,839
Internal Service	Mail Services	405	91	102
Internal Service	Supply Services	366	265	296
Internal Service	Risk Management	337,819	386,755	433,116
Internal Service	Flood Control Equipment	4,696	3,567	3,995
Internal Service	EDA Facilities Management	15,625	20,292	22,724
Internal Service	Public Safety Enterprise Communication-Sheriff	6,108	5,678	6,356
Total Alternative Cash Resources		**$ 1,470,285**	**$ 1,543,331**	**$ 1,671,134**
Special Revenue	Perris Valley Cemetery	$ 1,872	$ 1,560	$ 1,691
Special Revenue	Regional Park and Open-Space	16,762	15,386	16,681
Special Revenue	Air Quality Improvement	1,431	1,697	1,840
Special Revenue	In-Home Support Services	(256)	134	145
Special Revenue	Children and Families Commission	43,192	33,490	30,670
Permanent Fund	Perris Valley Cemetery	1,376	2,093	2,269
Capital Project	Regional Park and Open-Space	3,109	45	49
Capital Project	Flood Control	19	20	18
Enterprise	Housing	15,084	1,005	1,090
Fiduciary	Custodial	295,140	286,426	291,512
Fiduciary	Private Purpose Trust	72,264	6,454	6,998
Other Cash Resources of Riverside County		**$ 449,993**	**$ 348,310**	**$ 352,963**

Fund Type	Audited Actual Balance June 30, 2022	Actual/Projected Balance June 30, 2023(2)	Projected Balance June 30, 2024(2)
Alternative Cash Resources	$ 1,470,285	$ 1,543,331	$ 1,671,134
Other Restricted Cash	449,993	348,310	352,963
General Fund Unrestricted Cash	442,405	351,166	261,289
All Riverside County Cash	**$ 2,362,683**	**$ 2,242,806**	**$ 2,285,386**

(1) The U.S. Department of the Treasury adopted Interim Final Rule RIN 1505-AC77 which states that both CARES Act and ARPA Coronavirus Relief funds cannot be used to pay for other debt service costs including tax-anticipation notes. Therefore, both were excluded from this report.

(2) Based on the County's Fiscal Year 2023-24 Budget, which was approved by the Board of Supervisors on June 27, 2023.

Source: County Auditor-Controller.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS

Article XIIIA of the State Constitution

In 1978, California voters approved Proposition 13, adding Article XIIIA to the California Constitution. Article XIIIA was subsequently amended in 1986, as discussed below. Article XIIIA limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978 and on bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters voting on such indebtedness. Article XIIIA defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under 'full cash value' or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment." This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIIIA has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, and to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster.

Legislation has been enacted and amended a number of times since 1978 to implement Article XIIIA. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the "taxing area" based upon their respective "situs." Any such allocation made to the County continues as part of its allocation in future years.

Article XIIIB of the State Constitution

On November 6, 1979, California voters approved Proposition 4, known as the Gann Initiative, which added Article XIIIB to the California Constitution. Propositions 98 and 111, approved by the California voters in 1988 and 1990, respectively, substantially modified Article XIIIB. The principal effect of Article XIIIB is to limit the annual appropriations of the State and any city, county, school district, authority, or other political subdivision of the State to the level of appropriations for the prior fiscal year, as adjusted for changes in the cost of living and population. The initial version of Article XIIIB provided that the "base year" for establishing an appropriations limit was the 1978-79 fiscal year, which was then adjusted annually to reflect changes in population, consumer prices and certain increases in the cost of services provided by these public agencies. Proposition 111 revised the method for making annual adjustments to the appropriations limit by redefining changes in the cost of living and in population. It also required that beginning in Fiscal Year 1990-91, each appropriations limit must be recalculated using the actual 1986-87 appropriations limit and making the applicable annual adjustments as if the provisions of Proposition 111 had been in effect.

Appropriations subject to limitation of a local government under Article XIIIB include generally any authorization to expend during a fiscal year the proceeds of taxes levied by or for that entity and the proceeds of certain State subventions to that entity, exclusive of refunds of taxes. Proceeds of taxes include, but are not limited to, all tax revenues plus the proceeds to an entity of government from (1) regulatory licenses, user charges and user fees (but only to the extent such proceeds exceed the cost of providing the service or regulation), (2) the investment of tax revenues, and (3) certain subventions received from the State.

Article XIIIB permits any government entity to change the appropriations limit by a vote of the electors in conformity with statutory and constitutional voting effective for a maximum of four years.

As amended by Proposition 111, Article XIIIB provides for testing of appropriations limits over consecutive two-year periods. If an entity's revenues in any two-year period exceed the amounts permitted to be spent over such period, the excess has to be returned by revising tax rates or fee schedules over the subsequent two years. As amended by Proposition 98, Article XIIIB provides for the payment of a portion of any excess revenues to a fund established to assist in financing certain school needs.

The County's appropriations limit for Fiscal Year 2021-22 was $3,513,980,421 and the amount subject to the limitation was $1,714,623,172. The County's appropriations limit for Fiscal Year 2022-23 was $3,795,098,855 and the amount shown in its budget for that fiscal year as the appropriations subject to limitation was $1,983,006,950. The County's appropriations limit for Fiscal Year 2023-24 is $3,977,263,600 and the amount shown in its budget for that fiscal year as the appropriations subject to limitation was $1,863,246,544.

Right to Vote on Taxes Initiative Proposition 218

On November 5, 1996, the voters of the State approved Proposition 218, a constitutional initiative, entitled the "Right to Vote on Taxes Act" ("Proposition 218"). Proposition 218 adds Articles XIIIC and XIIID to the California Constitution and contains a number of interrelated provisions affecting the ability of local governments, including the County, to levy and collect both existing and future taxes, assessments, fees and charges. Proposition 218 became effective on November 6, 1996. Senate Bill 919 was enacted to provide certain implementing provisions for Proposition 218 and became effective July 1, 1997. Proposition 218 could substantially restrict the County's ability to raise future revenues and could subject certain existing sources of revenue to reduction or repeal, and increase the County's costs to hold elections, calculate fees and assessments, notify the public and defend its fees and assessments in court. Further, as described below, Proposition 218 provides for broad initiative powers to reduce or repeal assessments, fees and charges. This initiative power is not limited by the terms of Proposition 218 to fees imposed after November 6, 1996 and absent other legal authority could result in retroactive reduction in any existing taxes, assessments or fees and charges. However, other than any impact resulting from the exercise of this initiative power, presently the County does not believe that the potential financial impact on the financial condition of the County as a result of the provisions of Proposition 218 will adversely affect the County's ability to pay debt service on the Notes as and when due and its other obligations payable from the General Fund.

Article XIIIC of Proposition 218 requires majority voter approval for the imposition, extension or increase of general taxes and two thirds voter approval for the imposition, extension or increase of special taxes, including special taxes deposited into the County's General Fund. Proposition 218 also provides that any general tax imposed, extended or increased without voter approval by any local government on or after January 1, 1995 and prior to November 6, 1996 shall continue to be imposed only if approved by a majority vote in an election held within two years of November 6, 1996. The County has not enacted imposed, extended or increased any tax without voter approval since January 1, 1995. These voter approval requirements of Proposition 218 reduce the flexibility of the County to raise revenues through General Fund taxes, and no assurance can be given that the County will be able to raise such taxes in the future to meet increased expenditure requirements.

On November 2, 2010, voters in the State approved Proposition 26. Proposition 26 amends Article XIIIC of the State Constitution to expand the definition of "tax" to include "any levy, charge, or exaction of any kind imposed by a local government" except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) A fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity. The County does not believe it is currently charging any fees which will have to be reduced or eliminated as a result of Proposition 26.

Article XIIIC of Proposition 218 also expressly extends the initiative power to give voters the power to reduce or repeal local taxes, assessments, fees and charges, regardless of the date such taxes, assessments, fees or charges were imposed. This extension of the initiative power to some extent constitutionalizes the March 6, 1995 State Supreme Court decision in *Rossi v. Brown*, which upheld an initiative that repealed a local tax and held that the State constitution does not preclude the repeal, including the prospective repeal, of a tax ordinance by an initiative, as contrasted with the State constitutional prohibition on referendum powers regarding statutes and ordinances which impose a tax. Generally, the initiative process enables California voters to enact legislation upon obtaining requisite voter approval at a general election. Proposition 218 extends the authority stated in *Rossi v. Brown* by expanding the initiative power to include reducing or repealing assessments, fees and charges, which had previously been considered administrative rather than legislative matters and therefore beyond the initiative power. This extension of the initiative power is not limited by the terms of Proposition 218 to fees imposed after November 6, 1996 and absent other legal authority could result in retroactive reduction in any existing taxes, assessments or fees and charges. Such legal authority could include the limitations imposed on the impairment of contracts under the contract clause of the United States Constitution. SB 919 provides that the initiative power provided for in Proposition 218 "shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after (the effective date of Proposition 218) assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights" protected by the United States Constitution. However, no assurance can be given that the voters of the County will not, in the future, approve an initiative which reduces or repeals local taxes, assessments, fees or charges that currently are deposited into the County's General Fund.

Further, "fees" and "charges" are not defined in Article XIIIC or SB 919. However, on July 24, 2006, the California Supreme Court ruled in *Bighorn-Desert View Water Agency v. Virjil (Kelley)* (the "Bighorn Decision") that charges for ongoing water delivery are property related fees and charges within the meaning of Article XIIID and are also fees or charges within the meaning of Section 3 of Article XIIIC. The California Supreme Court held that such water service charges may, therefore, be reduced or repealed through a local voter initiative pursuant to Section 3 of Article XIIIC.

In the Bighorn Decision, the Supreme Court did state that nothing in Section 3 of Article XIIIC authorizes initiative measures that impose voter-approval requirements for future increases in fees or charges for water delivery. The Supreme Court stated that water providers may determine rates and charges upon proper action of the governing body and that the governing body may increase a charge which was not affected by a prior initiative or impose an entirely new charge.

The Supreme Court further stated in the Bighorn Decision that it was not holding that the initiative power is free of all limitations and was not determining whether the initiative power is subject to the statutory provision requiring that water service charges be set at a level that will pay debt service on bonded debt and operating expenses. Such initiative power could be subject to the limitations imposed on the impairment of contracts under the contract clause of the United States Constitution. Additionally, SB 919 provides that the initiative power provided for in Proposition 218 "shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after (the effective date of Proposition 218) assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights" protected by the United States Constitution.

The initiative power granted under Article XIIIC of Proposition 218, by its terms, applies to all local taxes, assessments, fees and charges and is not limited to local taxes, assessments, fees and charges that are property-related. Accordingly, the scope of the initiative power under Article XIIIC could include all sources of General Fund moneys not received from or imposed by the federal or State government or derived from investment income.

The County is unable to predict whether the courts will interpret the initiative provision to be limited to property-related fees and charges. No assurance can be given that the voters of the County will not, in the future, approve an initiative which reduces or repeals local taxes, assessments, fees or charges which are deposited into the County's General Fund. The County believes that in the event that the initiative power was exercised so that all local taxes, assessments, fees and charges that may be subject to the provisions of Proposition 218 are reduced or substantially reduced, the financial condition of the County, including its General Fund, would be materially adversely affected.

Article XIIID of Proposition 218 adds several new requirements making it generally more difficult for local agencies to levy and maintain "assessments" for municipal services and programs. "Assessment" is defined in Proposition 218 and SB 919 to mean any levy or charge upon real property for a special benefit conferred upon the real property. This includes maintenance assessments imposed in County service areas and in special districts. In most instances, in the event that the County is unable to collect assessment revenues relating to specific programs as a consequence of Proposition 218, the County will curtail such services rather than use amounts in the General Fund to finance such programs. Accordingly, the County anticipates that any impact Proposition 218 may have on existing or future taxes, fees, and assessments will not adversely affect the ability of the County to pay debt service on the Notes as and when due. However, no assurance can be given that the County may or will be able to reduce or eliminate such services in the event the assessments that presently finance them are reduced or repealed.

Article XIIID of Proposition 218 also adds several provisions affecting "fees" and "charges" which are defined as "any levy other than an *ad valorem* tax, a special tax, or an assessment, imposed by a local government upon a parcel or upon a person as an incident of property ownership, including a user fee or charge for a property related service." All new and, after June 30, 1998, existing property related fees and charges must conform to requirements prohibiting, among other things, fees and charges which (i) generate revenues exceeding the funds required to provide the property related service, (ii) are used for any purpose other than those for which the fees and charges are imposed, (iii) are for a service not actually used by, or immediately available to, the owner of the property in question, or (iv) are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. Further, before any property related fee or charge may be imposed or increased, written notice must be given to the record owner of each parcel of land affected by such fee or charge. The County must then hold a hearing upon the proposed imposition or increase of such property based fee, and if written protests against the proposal are presented by a majority of the owners of the identified parcels, the County may not impose or increase the fee or charge. Moreover, except for fees or charges for sewer, water and refuse collection services, no property related fee or charge may be imposed or increased without majority approval by the property owners subject to the fee or charge or, at the option of the local agency, two thirds voter approval by the electorate residing in the affected area.

The annual amount of revenues that are received by the County and deposited into its General Fund which may be considered to be property related fees under Article XIIID of Proposition 218 is not substantial. Accordingly, presently the County does not anticipate that any impact Proposition 218 may have on future fees and charges will adversely affect the ability of the County to pay its outstanding obligations as and when due. However, no assurance can be given that the County may or will be able to reduce or eliminate such services in the event the fees and charges that presently finance them are reduced or repealed.

In the event that fees and charges cannot be appropriately increased or are reduced pursuant to the exercise of the initiative power, the County may have to choose whether to reduce or eliminate the service financed by such fees or charges or finance such service from its General Fund. Further, no assurance can be given that the County may or will be able to reduce or eliminate such services in the event the fees and charges that presently finance them are reduced or repealed.

Additional implementing legislation respecting Proposition 218 may be introduced in the State Legislature from time to time that would supplement and add provisions to California statutory law. No assurance may be given as to the terms of such legislation or its potential impact on the County.

Proposition 62

Proposition 62, a statutory initiative that was adopted by the voters voting in the State at the November 4, 1986 general election, (a) requires that any new or higher taxes for general governmental purposes imposed by local governmental entities be approved by a majority vote of the voters of the governmental entity voting in an election on the tax, (b) requires that any special tax (defined as taxes levied for other than general governmental purposes) imposed by a local governmental entity be approved by a two-thirds vote of the voters of the governmental entity voting in an election on the tax, (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax was imposed, (d) prohibits the imposition of *ad valorem* taxes on real property by local governmental entities except as permitted by Article XIIIA of the California Constitution, (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities, (f) required that any tax imposed by a local governmental entity on or after August 1, 1985 be ratified by a majority vote of the voters voting in an election on the tax within two years of November 5, 1986 or be terminated by November 15, 1988 (a requirement that was subsequently declared unconstitutional, as described below) and (g) requires a reduction of *ad valorem* property taxes allocable to the jurisdiction imposing a tax not in compliance with its provisions equal to one dollar for each dollar of revenue attributable to the invalid tax, for each year that the tax is collected.

Following its adoption by the voters, various provisions of Proposition 62 were declared unconstitutional at the appellate court level. For example, in *City of Woodlake v. Logan*, 230 Cal.App.3d 1058 (1991) (the "Woodlake Case"), the Court of Appeal held portions of Proposition 62 unconstitutional as a referendum on taxes prohibited by the California Constitution. In reliance on the Woodlake Case, numerous taxes were imposed or increased after the adoption of Proposition 62 without satisfying the voter approval requirements of Proposition 62. On September 28, 1995, the California Supreme Court, in *Santa Clara County Local Transportation Authority v. Guardino*, 11 Cal.4th 220 (1995) (the "Santa Clara Case"), upheld the constitutionality of the portion of Proposition 62 requiring a two-thirds vote in order for a local government or district to impose a special tax, and, by implication, upheld a parallel provision requiring a majority vote in order for a local government or district to impose any general tax. In deciding the Santa Clara Case on Proposition 62 grounds, the Court disapproved the decision in the Woodlake Case.

The decision in the Santa Clara Case did not address the question of whether it should be applied retroactively. On June 4, 2001, the California Supreme Court released *Howard Jarvis Taxpayers Association v. City of La Habra, et al.* ("La Habra"). In this decision, the court held that a public agency's continued imposition and collection of a tax is an ongoing violation, upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes subject to Proposition 62 is three years. Accordingly, a challenge to a tax subject to Proposition 62 may only be made for those taxes received within three years of the date the action is brought. No such challenge against the County is currently pending, or to the knowledge of the County, proposed.

Proposition 1A and Proposition 22

On November 2, 2004, California voters approved Proposition 1A, which amends the State constitution to significantly reduce the State's authority over major local government revenue sources. Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community colleges, (iii) change how property tax revenues are shared among local governments without two-third approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amends the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

Proposition 22, The Local Taxpayer, Public Safety, and Transportation Protection Act, approved by the voters of the State on November 2, 2010, prohibits the State from enacting new laws that require redevelopment agencies to shift funds to schools or other agencies and eliminates the State's authority to shift property taxes temporarily during a severe financial hardship of the State. In addition, Proposition 22 restricts the State's authority to use State fuel tax revenues to pay debt service on state transportation bonds, to borrow or change the distribution of state fuel tax revenues, and to use vehicle license fee revenues to reimburse local governments for state mandated costs. Proposition 22 impacts resources in the State's general fund and transportation funds, the State's main funding source for schools and community colleges, as well as universities, prisons and health and social services programs. According to an analysis of Proposition 22 submitted by the Legislative Analyst's Office (the "LAO") on July 15, 2010, the reduction in resources available for the State to spend on these other programs as a consequence of the passage of Proposition 22 was expected to be approximately $1 billion in fiscal year 2010-11, with an estimated immediate fiscal effect equal to approximately 1% of the State's total general fund spending. The longer-term effect of Proposition 22, according to the LAO analysis, will be an increase in the State's general fund costs by approximately $1 billion annually for several decades.

On December 30, 2011, the California Supreme Court issued its decision in the case of *California Redevelopment Association v. Matosantos*, finding ABx1 26, a trailer bill to the 2011-12 State budget, to be constitutional. As a result, all redevelopment agencies in California were dissolved as of February 1, 2012, and all net tax increment revenues, after payment of redevelopment bonds debt service and administrative costs, will be distributed to cities, counties, special districts and school districts. The Court also found that ABx1 27, a companion bill to ABx1 26, violated the California Constitution, as amended by Proposition 22. ABx1 27 would have permitted redevelopment agencies to continue operations provided their establishing cities or counties agreed to make specified payments to school districts and county offices of education, totaling $1.7 billion statewide.

Assessment Appeals and Assessor Reductions

Pursuant to California law, a property owner may apply for a reduction of the property tax assessment for such owner's property by filing a written application, in the form prescribed by the State Board of Equalization, with the appropriate county assessment appeals board (a "Proposition 8" appeal). Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which written application is filed. The assessed value increases to its pre-reduction level for fiscal years following the year for which the reduction application is filed. However, if the taxpayer establishes through proof of comparable values that the property continues to be overvalued (known as "ongoing hardship"), a county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year as well. In a similar manner, a county assessor may reassert the pre-appeal level of assessed value depending on the county assessor's determination of current value.

In addition to reductions in assessed value resulting from Proposition 8 appeals and general economic conditions, California law also allows assessors to reduce assessed value unilaterally based on a general decline in market value of an area. Although Proposition 8 reductions are temporary and are expected to be eliminated under Proposition 13 if and when market conditions improve, no assurance is given that such reductions will be eliminated. The County has, in prior years, been affected by a reduction in taxable property assessed values due to successful property owner appeals and unilateral reductions by the County Assessor, and may experience additional reductions in the future. According to the Assessor-County Clerk-Recorder's Report of Assessment Roll to the Board of Supervisors on July 10, 2023, the total secured and unsecured property tax roll for Fiscal Year 2023-24 increased by 9.37% from the prior year primarily as a result of increasing property values and sale volume. See APPENDIX A—"INFORMATION REGARDING THE COUNTY OF RIVERSIDE."

Timing is an important consideration with respect to the property valuation process. Values are set for the current year with a valuation date as of the preceding January 1. Changes in market value subsequent to the January 1 valuation date are not reflected until the subsequent year. Therefore, there is an inherent lag in the process.

The County Assessor prepares the tax roll in each spring and summer. Owners are notified of changes in valuation by the early fall and have the ability to file an appeal. The deadline for appeals in the County is November 30th. Current year appeals take a number of months to process and typically are not resolved by the end of the fiscal year.

Assessor-initialized reductions (as opposed to property owner generated appeals) will represent the bulk of adjustments to the tax roll during a time of a market decline. Cumulatively, assessed valuation in the County declined 11% from Fiscal Year 2007-08 through Fiscal Year 2014-15 due to the County Assessor's proactive reviews. Assessed valuation has increased in the County in each Fiscal Year since Fiscal Year 2013-14.

To date, approximately seven percent of the Fiscal Year 2021-22 assessment appeals have been completed. The majority of the remaining Fiscal Year 2021-22 assessment appeals are expected to be completed by June 2023. The County Assessor reports that the assessed value of 91,666 properties in the County was reduced through Proposition 8 for Fiscal Year 2022-23, with approximately $4.2 billion in reduced valuation. Such adjustments are completed prior to the finalization of the roll each summer. The vast majority of property tax appeals filed are not upheld. From Fiscal Years 2005-06 through 2021-22, the dollar amount of successful appeals ranged between approximately 3% and 4% of assessed value. See APPENDIX A—"INFORMATION REGARDING THE COUNTY OF RIVERSIDE."

Table 4 below sets forth the Proposition 8 assessment reductions for Fiscal Year 2012-13 through Fiscal Year 2023-24.

TABLE 4
COUNTY OF RIVERSIDE
PROPOSITION 8 ASSESSMENT REDUCTIONS
FISCAL YEARS 2012-13 THROUGH 2023-24

Fiscal Year	***Number of Assessments Reduced***	***Assessed Value Reduction***	***Year over Year Change***	***Cumulative Change***
2012-13	447,953	$45,205,222,715	N/A	N/A
2013-14	395,217	38,971,444,210	(13.79)%	(13.79)%
2014-15	275,569	25,683,797,369	(34.10)	(43.18)
2015-16	229,340	21,330,137,344	(16.95)	(52.81)
2016-17	210,954	18,776,454,016	(11.97)	(58.46)
2017-18	200,868	16,920,559,776	(9.88)	(62.57)
2018-19	159,593	13,932,091,915	(17.66)	(69.18)
2019-20	162,303	12,367,966,937	(11.23)	(72.64)
2020-21	149,537	11,765,546,760	(4.87)	(73.97)
2021-22	139,212	8,240,325,660	(29.96)	(81.77)
2022-23	91,666	4,229,914,000	(48.67)	(90.64)
2023-24	76,811	3,105,221,249	(26.59)	(93.13)

Source: County Assessor.

Future Initiatives

General. Article XIIIA, Article XIIIB, Article XIIIC, Article XIIID and Propositions 62, 1A and 22 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time, other initiative measures could be adopted, further affecting revenues of the County or the County's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the County.

STATE OF CALIFORNIA BUDGET INFORMATION

The following information concerning the State's budgets has been obtained from publicly available information which the County believes to be reliable; however, the County does not guarantee the accuracy or completeness of this information and has not independently verified such information. Furthermore, it should not be inferred from the inclusion of this information in this Official Statement that the principal or interest due with respect to the Notes is payable from any funds of the State.

The County relies significantly upon State and Federal payments for reimbursement of various costs including certain mandated programs. For Fiscal Year 2021-22, approximately 33.2% of the County's General Fund budget revenues consist of payments from the State and approximately 15.9% consists of payments from the Federal government. For Fiscal Year 2022-23, the County projects that approximately 42.7% of its General Fund budget revenues will consist of payments from the State and 22.1% will consist of payments from the Federal government.

The following information concerning the State's budgets has been obtained from publicly available information which the County believes to be reliable; however, the County neither takes any responsibility for or guarantees the accuracy or completeness thereof. The County has not independently verified such information. Information about the State Budget is regularly available at various State-maintained websites.

Text of the budget may be found at the Department of Finance website. An impartial analysis of the budget is posted by the Office of the Legislative Analyst at its website. In addition, various State official statements, many of which contain a summary of the current and past State budgets, may be found at the website of the State Treasurer. The information referred to is prepared by the respective State agency maintaining each website and not by the County or the Underwriters, and the County and the Underwriters take no responsibility for the continued accuracy of the internet addresses or for the accuracy or timeliness of information posted there, and such information is not incorporated herein by these references.

For a description of certain potential impacts of the State budget on the finances and operations of the County, see APPENDIX A — "INFORMATION REGARDING THE COUNTY OF RIVERSIDE—SECTION III—BUDGETARY INFORMATION" attached hereto.

State Budget for Fiscal Year 2023-24. On June 27, 2023, the Governor signed the State budget for fiscal year 2023-24 (the "2023-24 Budget"). The following information is drawn from the Department of Finance (the "DOF") summary of the 2023-24 Budget.

The 2023-24 Budget reports that, after two years of growth, the State is projected to face a downturn in revenues driven by a declining stock market, persistently high inflation, rising interest rates and job losses in high-wage sectors. The 2023-24 Budget forecasts that the State will face a $31.7 billion shortfall in fiscal year 2023-24. To close the budget gap, the 2023-24 Budget includes a series of measures intended to avoid deep reductions to priority programs that marked budgetary shortfalls over the past two decades:

- *Fund Shifts* – $9.3 billion in shifts of spending commitments from the State general fund to other sources.

- *Reductions/Pullbacks* – $8.1 billion in State general fund spending reductions or pullbacks of previously approved spending.

- *Delays* – $7.9 billion in delayed spending across multiple years, without reducing the amount of funding over the same period.

- *Revenue and Internal Borrowing* – $6.1 billion in revenue, primarily from the Managed Care Organization tax, and internal borrowing from special fund balances not projected for programmatic purposes.

- *Trigger Reductions* – $340 million in reductions that will be restored in the proposed State budget for fiscal year 2024-25 if there are sufficient resources to do so.

For fiscal year 2022-23, the 2023-24 Budget projects total general fund revenues and transfers of $205.1 billion and authorizes expenditures of $234.6 billion. The State is projected to end the 2022-23 fiscal year with total reserves of $54.2 billion, including $21.1 billion in the traditional general fund reserve, $22.3 billion in the Budget Stabilization Account, $9.9 billion in the Public School System Stabilization Account and $900 million in the Safety Net Reserve Fund. For fiscal year 2023-24, the 2023-24 Budget projects total general fund revenues and transfers of $208.7 billion and authorizes expenditures of $225.9 billion. The State is projected to end the 2023-24 fiscal year with total reserves of $37.8 billion, including $3.8 billion in the traditional general fund reserve, $22.3 billion in the Budget Stabilization Account, $10.8 billion in the Public School System Stabilization Account and $900 million in the Safety Net Reserve Fund. The 2023-24 Budget indicates that maintaining this level of reserves provides a prudent insurance policy, as the State continues to face revenue risks and uncertainty. Significantly, prolonged storm activity over the winter caused a tax filing delay affecting over 99% of tax filers in 55 of the State's 58 counties. This delay pushed the projected receipt of $42 billion in State tax receipts into October, representing nearly one-fourth of the 2022-23 fiscal year's total projected personal income taxes, and nearly one third of the corporation tax.

The ending balance in the Budget Stabilization Account is at the constitutional maximum amount, requiring any amounts in excess thereof to be dedicated to infrastructure improvements. The 2023-24 Budget also includes revised deposits to the Public School System Stabilization Account of $4.8 billion and $1.8 billion attributable to fiscal years 2021-22 and 2022-23, respectively, and authorizes a deposit in fiscal year 2023-24 of $902 million.

Information about the State budget and State spending is available at various State maintained websites. Text of the Fiscal Year 2023-24 Budget and other documents related to the State budget may be found at the website of the State Department of Finance, *www.dof.ca.gov*. A nonpartisan analysis of the budget is posted by the Legislative Analyst's Office at *www.lao.ca.gov*. In addition, various State official statements, many of which contain a summary of the current and past State budgets may be found at the website of the State Treasurer, *www.treasurer.ca.gov*.

Proposition 25. According to the State Constitution, the Governor must propose a budget to the State Legislature no later than January 10 of each year, and a final budget must be adopted no later than June 15. Historically, the budget required a two-thirds vote of each house of the Legislature for passage. However, on November 2, 2010, the voters approved Proposition 25, which amends the State Constitution to lower the vote requirement necessary for each house of the Legislature to pass a budget bill and send it to the Governor. Specifically, the vote requirement was lowered from two–thirds to a simple majority (50% plus one) of each house of the Legislature. The lower vote requirement also would apply to trailer bills that appropriate funds and are identified by the Legislature "as related to the budget in the budget bill." The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. Under Proposition 25, a two–thirds vote of the Legislature is still required to override any veto by the Governor.

Future State Budgets. No prediction can be made by the County as to whether the State will encounter budgetary problems in future fiscal years, and if this occurs, it is not clear what measures would be taken by the State to balance its budget, as required by law. In addition, the County cannot predict the final outcome of future State budget negotiations, the impact that such budgets will have on County finances and operations or what actions will be taken in the future by the State Legislature and Governor to deal with changing State revenues and expenditures. Current and future State budgets will be affected by national and State economic conditions and other factors, over which the County has no control.

SPECIAL RISK FACTORS

The following information should be considered by prospective investors in evaluating the Notes. However, this information does not purport to be an exhaustive listing of the risks and other considerations which may be relevant to an investment in the Notes.

Limitations on Remedies; Bankruptcy

The rights of the owners of the Notes are subject to the limitations on legal remedies against counties in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. Additionally, enforceability of the rights and remedies of the owners of the Notes, and the obligations incurred by the County, may become subject to the following: the Federal Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect; equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose; and the limitations on remedies against counties in the State. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Notes to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

Previous bankruptcies in the City of Stockton, the City of San Bernardino and the City of Detroit have brought scrutiny to municipal securities. Specifically, in the San Bernardino bankruptcy, the Court held that in the event of a municipal bankruptcy, payments on pension obligation bonds were unsecured obligations and not entitled to the same priority of payments made to the related pension system. A variety of events including, but not limited to, additional rulings adverse to the interests of bond owners in the Stockton, San Bernardino and Detroit bankruptcy cases or additional municipal bankruptcies, could prevent or materially adversely affect the rights of Owners to receive payments on the Notes in the event the County files for bankruptcy. Accordingly, in the event of bankruptcy, the Owners may not recover some or all of their principal and interest.

Federal Income Tax Consequences

Certain federal income tax consequences of an investment in the Notes are discussed under "TAX MATTERS." Each prospective purchaser of the Notes should consult with his or her own tax advisor to determine the specific effects of an investment in the Notes based upon such prospective investor's particular tax situation.

Loss of Tax Exemption

Bond Counsel's form of opinion regarding the exclusion from gross income for federal income tax purposes of interest on the Notes appears as Appendix C herein. The County has covenanted in the Resolution to comply with each applicable requirement of the Internal Revenue Code of 1986, as amended, and has executed a Tax Certificate prepared by Bond Counsel and delivered by the County concurrently with the original delivery of the Notes as guidance for compliance with such provisions. The interest on the Notes could become includable in gross income for purposes of federal income taxation retroactive to the date of issuance of the Notes as a result of acts or omissions of the County in violation of such covenants in the Tax Certificate. Should such an event of taxability occur, the Notes are not subject to redemption and will remain outstanding until maturity. See "TAX MATTERS" herein.

Potentially Adverse Tax Legislation

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Notes. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

Economy of the County and the State

The level of sales tax and real property tax revenues collected at any time is dependent upon the level of retail sales and real property values, respectively, within the County, which levels are dependent, in turn, upon economic conditions in the County and the State generally. As described in this Official Statement under the caption "THE COUNTY—COVID-19 Outbreak," the economy of the County is currently being negatively impacted by the COVID-19 pandemic. Continued deterioration in the economic conditions within the County or in the State could have a material adverse impact upon the level of tax revenues and therefore upon the ability of the County to pay the principal of and interest on the Notes when due or to issue additional securities in the future. For information relating to the current economic conditions of the County and the State, see APPENDIX A—"INFORMATION REGARDING THE COUNTY OF RIVERSIDE" and "STATE OF CALIFORNIA BUDGET INFORMATION."

VALIDATION

On July 31, 1997, the County, acting pursuant to the provisions of Sections 860 *et seq*. of the California Code of Civil Procedure, filed a complaint in the Superior Court of the State of California for the County of Riverside (Case No. 299847) seeking judicial validation of the transactions relating to the Resolution (as originally adopted) and certain other matters. On September 12, 1997, the court entered a default judgment to the effect that, among other things, the Resolution and the Obligations issued pursuant to the Resolution, including the Notes, represent valid and binding obligations of the County (the "Default Judgment"). The period allowed for appeal of such judgment by Sections 860 *et seq*. expired on October 14, 1997 without an appeal having been filed.

LITIGATION

As of the date of this Official Statement, to the best knowledge of the County, no litigation is pending or threatened (either in state or federal courts): (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Notes, (B) in any way contesting or affecting the authority for the execution, sale or delivery of the Notes or the adoption of the resolution, (C) in any way contesting the existence or powers of the County, or (D) which would have a material adverse effect on the ability of the County to make payments with respect to the Notes. For a discussion of other pending litigation, see APPENDIX A—"INFORMATION REGARDING THE COUNTY OF RIVERSIDE—SECTION II—SERVICES AND RISK MATTERS—Litigation."

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the County ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and interest on the Notes is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that, for tax years beginning after December 31, 2022, interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix C hereto.

Notice 94-84, 1994-2 C.B. 559, states that the Internal Revenue Service ("IRS") is studying whether the amount of the payment at maturity on debt obligations such as the Notes that is excluded from gross income for federal income tax purposes is (i) the stated interest payable at maturity, or (ii) the difference between the issue price of the Notes and the aggregate amount to be paid at maturity of the Notes (the "original issue discount"). For this purpose, the issue price of the Notes is the first price at which a substantial amount of the Notes is sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). Until the IRS provides further guidance, taxpayers may treat either the stated interest payable at maturity or the original issue discount as interest that is excluded from gross income for federal income tax purposes. However, taxpayers must treat the amount to be paid at maturity on all tax-exempt debt obligations with a term that is not more than one year from the date of issue in a consistent manner. Taxpayers should consult their own tax advisors with respect to the tax consequences of ownership of the Notes if original issue discount treatment is elected.

Notes purchased, whether at original issuance or otherwise, for an amount higher than the principal amount payable at maturity ("Premium Notes") will be treated as having amortizable bond premium, subject to a different election under Internal Revenue Notice 94-84. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Notes, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Noteholder's basis in a Premium Note, will be reduced by the amount of amortizable bond premium properly allocable to such Noteholder. Holders of Premium Notes should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Notes. The County has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Notes will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Notes being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Notes. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Notes may adversely affect the value of, or the tax status of interest on, the Notes. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events, or matters.

Although Bond Counsel is of the opinion that interest on the Notes is excluded from gross income for federal income tax purposes and interest on the Notes is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Notes may otherwise affect a Noteholder's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Noteholder or the Noteholder's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Noteholders from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Notes for federal income tax purposes. It is not binding on the IRS or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the County, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The County has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Notes ends with the issuance of the Notes, and, unless separately engaged, Bond Counsel is not obligated to defend the County or the Noteholders regarding the tax-exempt status of the Notes in the event of an audit examination by the IRS. Under current procedures, parties other than the County and its appointed counsel, including the Noteholders, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds or notes is difficult, obtaining an independent review of IRS positions with which the County legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Notes for audit, or the course or result of such audit, or an audit of bonds or notes presenting similar tax issues may affect the market price for, or the marketability of, the Notes, and may cause the County or the Noteholders to incur significant expense.

In issuing its opinions as to the validity of the Notes, Bond Counsel relied, and will rely, upon the Default Judgment.

RATINGS

Moody's Investors Service ("Moody's") and Fitch Ratings ("Fitch") have assigned ratings of "MIG 1" and "F1+" respectively, to the Notes. Such ratings reflect only the views of such rating organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Moody's Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007; Fitch, One State Street Plaza, New York, New York 10004. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own.

There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Notes. A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

The County has covenanted in the Disclosure Certificate to file on EMMA notices of any rating changes on the Notes. See the caption "CONTINUING DISCLOSURE" below and APPENDIX D—"FORM OF CONTINUING DISCLOSURE CERTIFICATE." Notwithstanding such covenant, information relating to rating changes on the Notes may be publicly available from the rating agencies prior to such information being provided to the County and prior to the date the County is obligated to file a notice of rating change on EMMA. Purchasers of the Notes are directed to the rating agencies and their respective websites and official media outlets for the most current ratings changes with respect to the Notes, if any, after the initial issuance of the Notes.

MUNICIPAL ADVISOR

Columbia Capital Management, LLC, Carlsbad, California, has served as the Municipal Advisor to the County in connection with the execution and delivery of the Notes. The Municipal Advisor has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. A portion of the fees of the Municipal Advisor are contingent upon the sale, issuance and delivery of the Notes.

CONSULTANT TO THE COUNTY FOR THE TEETER PROGRAM

Fieldman, Rolapp & Associates, Inc., Irvine, California, has served as a consultant to the County for the Teeter program in connection with the execution and delivery of the Notes. The fees of Fieldman, Rolapp & Associates, Inc. are not contingent upon the sale, issuance and delivery of the Notes.

UNDERWRITING

The Notes are being purchased by BofA Securities, Inc. and Loop Capital Markets LLC, as underwriters (collectively, the "Underwriters"), pursuant to a Purchase Contract with the County (the "Purchase Contract"). The Underwriters have agreed, subject to certain conditions, to purchase the Notes at a purchase price equal to $103,443,638.54 (representing the principal amount of the Notes, plus original issue premium of $173,594.40, and less an Underwriters' discount of $59,955.86). The Purchase Contract relating to the Notes provides that the Underwriters will purchase all of the Notes if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in the Purchase Contract, the approval of certain legal matters by counsel and certain other conditions. The Underwriters may offer and sell the Notes to certain dealers and others at prices lower than the offering prices stated on the cover page. The offering prices may be changed from time to time by the Underwriters.

BofA Securities, Inc., an underwriter of the Notes, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill"). As part of this arrangement, BofA Securities, Inc. may distribute securities to Merrill, which may in turn distribute such securities to investors through the financial advisor network of this arrangement, BofA Securities, Inc. may compensate Merrill as a dealer for their selling efforts with respect to the Notes.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the County for which they received or will receive customary fees and expenses. In addition, affiliates of some of the Underwriters are lenders, and in some cases agents or managers for the lenders, under the County's credit facility.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the County.

FINANCIAL STATEMENTS

The general purpose financial statements of the County, pertinent sections of which are included in Appendix B to this Official Statement, have been audited by Brown Armstrong Certified Public Accountants, independent certified public accountants, as stated in their report appearing in Appendix B. Brown Armstrong Certified Public Accountants has not consented to the inclusion of its report as Appendix B and has not undertaken to update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by Brown Armstrong Certified Public Accountants, with respect to any event subsequent to its report dated December 14, 2022. See APPENDIX B—"COUNTY OF RIVERSIDE AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022" attached hereto.

CONTINUING DISCLOSURE

Pursuant to the Resolution, the County has covenanted for the benefit of the Owners and beneficial owners of the Notes to comply with Securities and Exchange Commission Rule 15c2 12(b)(5) (the "Rule") and will enter into a Continuing Disclosure Certificate as of the closing date, in which it covenants to provide information regarding certain listed events, if any such events should occur, to the owners of the Notes and to EMMA, or any successor thereto, during the term of the Notes. In addition, the County has covenanted to provide quarterly General Fund cash flow information not later than each Quarterly Report Date, as defined in the Continuing Disclosure Certificate. See APPENDIX D—"FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made in order to assist the Underwriters in complying with the Rule.

The County's obligations under the Disclosure Certificate terminate upon (i) payment in full of all of the Notes or (ii) in the event that the County receives an opinion of nationally recognized bond counsel, to the effect that those portions of SEC Rule 15c2 12(b)(5) (the "Rule") which require the Disclosure Certificate do not or no longer apply to the Notes. These covenants have been made in order to assist the Underwriters in complying with the Rule. See APPENDIX D—"FORM OF CONTINUING DISCLOSURE CERTIFICATE."

Within the last five years, the County and certain of its related entities have failed to comply in certain respects with continuing disclosure obligations related to outstanding indebtedness. The failure to comply fell into three general categories: (i) for Fiscal Year 2017-18 through Fiscal Year 2019-20, failure to provide timely significant event notices, most often with respect to changes in the ratings of outstanding indebtedness, and primarily related to changes in the ratings of various bond insurers insuring the indebtedness of the County or its related entities; (ii) for Fiscal Year 2017-18 through Fiscal Year 2022-23, missing, incomplete or late filing of annual or quarterly reports, budgets or operating information with respect to a number of the bond issues; and (iii) for Fiscal Years 2018-19 through 2021-22, failure to file notice of incurrence of financial obligations. In almost every case with respect to obligations related to the General Fund, such information and reports were available on the County's website and/or available in other continuing disclosure filings made by the County, though not directly incorporated by reference across all prior issues filed with the Municipal Securities Rulemaking Board; and in all of the cases where a notice of failure to file was required to be filed, the County has filed such notices. The County and its related entities have reviewed their previous filings and have made corrective filings where material, including an omnibus corrective notice regarding bond insurer ratings and ratings of the County's General Fund debt.

In order to ensure ongoing compliance by the County and its related entities with their continuing disclosure undertakings, (i) the County has recently performed an evaluation of its policy and operating procedures to strengthen and ensure future compliance and coordination between the County and its related entities which include higher frequency of review as well as enhanced delineation of staff duties; and (ii) the County has contracted with a consultant to assist the County in filing accurate, complete and timely disclosure reports. The County will continue its review of its procedures to ensure continued compliance with the Rule.

CERTAIN LEGAL MATTERS

The validity of the Notes and certain other legal matters are subject to the approving opinion of Orrick Herrington & Sutcliffe, LLP, San Francisco, California, Bond Counsel. The opinion of Bond Counsel will be delivered with the Notes in substantially the form set forth in Appendix C hereto. Bond Counsel takes no responsibility for the fairness, accuracy or completeness of this Official Statement. Stradling Yocca Carlson & Rauth, a Professional Corporation, is serving as Disclosure Counsel to the County with respect to the Notes. Certain legal matters will be passed upon for the Underwriters by their counsel, Norton Rose Fulbright US LLP, and for the County by County Counsel. Payment of the fees of Bond Counsel, Disclosure Counsel and counsel to the Underwriters is contingent upon the sale, issuance and delivery of the Notes.

MISCELLANEOUS

Included herein are brief summaries of certain documents and reports, which summaries do not purport to be complete or definitive, and reference is made to such documents and reports for full and complete statements of the contents thereof. This Official Statement is not to be construed as a contract or agreement between the County and the purchasers or holders of any of the Notes. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as an opinion and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in affairs in the County since the date hereof. Copies of the Resolution are available upon request from the County of Riverside, County Executive Office, 4th Floor, 4080 Lemon Street, Riverside, California 92501, Attention: County Executive Officer.

The execution and delivery of this Official Statement have been duly authorized by the County.

COUNTY OF RIVERSIDE

By: /s/ Jeffrey A. Van Wagenen Jr.
County Executive Officer

APPENDIX A

INFORMATION REGARDING THE COUNTY OF RIVERSIDE

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SECTION I – DEMOGRAPHIC AND ECONOMIC INFORMATION

Set forth below is certain information with respect to the County. Such information was prepared by the County except as otherwise indicated. Certain statements included or incorporated by reference in this Appendix A constitute "forward-looking statements." Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The County does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

General

The County was organized in 1893 from territory in San Bernardino and San Diego counties and encompasses 7,177 square miles. The County is bordered on the north by San Bernardino County, on the east by the State of Arizona, on the south by San Diego and Imperial counties and on the west by Orange and San Bernardino counties. The County is the fourth largest county (by both area and population) in the State of California (the "State") and stretches 185 miles from the Arizona border to within 20 miles of the Pacific Ocean. There are 28 incorporated cities in the County.

The County is a general law county divided into five supervisorial districts on the basis of registered voters and population. The County is governed by a five-member Board of Supervisors (the "Board of Supervisors" or the "Board"), elected by district, serving staggered four-year terms. The Chair of the Board is elected by the Board members. The County administration includes appointed and elected officials, boards, commissions and committees which assist the Board.

The County provides a wide range of services to residents, including police and fire protection, medical and health services, education, library services and public assistance programs. Some municipal services are provided by the County on a contract basis to incorporated cities within its boundaries. These services are designed to allow cities to contract for municipal services such as police and fire protection without incurring the full cost of creating their own separate departments and facilities. Services are provided to the cities at cost by the County.

Three distinct geographical areas characterize the County: the western valley area, the higher elevations of the mountains and the eastern desert areas. The western portion of the County, which includes the San Jacinto Mountains and the Cleveland National Forest, experiences the mild climate typical of Southern California. The eastern desert areas experience warmer and dryer weather conditions.

Population

According to the State Department of Finance, Demographic Research Unit, the County's population was estimated at 2,439,234 as of January 1, 2023, representing an approximately 0.3% increase over the County's population as estimated for the prior year. This compares to the statewide population decrease of 0.4% for the same period. For the period of January 1, 2013 to January 1, 2023, the County's population grew by approximately 8.1% cumulatively. The County is the tenth most populous county in the United States.

The following table sets forth annual population figures, as of April 1, 2020 for 2020 and as of January 1 for 2021-2023, for cities located within the County for each of the years listed:

TABLE 1
COUNTY OF RIVERSIDE
POPULATION OF CITIES WITHIN THE COUNTY
(As of April 1, 2020 for 2020; as of January 1 for 2021-2023)

City	***2020***	***2021***	***2022***	***2023***
Banning	30,621	30,592	30,856	31,250
Beaumont	53,318	53,945	54,349	56,590
Blythe	18,586	17,376	17,417	17,265
Calimesa	10,028	10,588	10,950	10,962
Canyon Lake	11,069	11,082	11,003	10,949
Cathedral City	51,356	51,599	51,621	51,433
Coachella	41,900	41,931	41,935	42,462
Corona	156,637	157,182	157,139	157,005
Desert Hot Springs	32,415	32,351	32,389	32,608
Eastvale	69,742	70,457	69,978	69,514
Hemet	89,325	89,302	89,170	89,918
Indian Wells	4,759	4,791	4,785	4,774
Indio	88,795	89,422	89,789	90,837
Jurupa Valley	104,828	105,131	105,154	104,983
Lake Elsinore	70,572	71,225	71,989	71,973
La Quinta	37,504	37,727	37,562	37,979
Menifee	102,466	104,323	107,411	110,034
Moreno Valley	208,237	208,387	208,302	208,289
Murrieta	110,702	111,024	110,592	109,998
Norco	26,659	24,680	25,035	25,037
Palm Desert	50,696	50,683	50,626	50,615
Palm Springs	44,206	44,312	44,165	44,092
Perris	78,614	78,867	78,474	78,948
Rancho Mirage	16,588	16,692	16,854	17,012
Riverside	316,307	309,598	314,818	313,676
San Jacinto	53,835	54,186	54,303	54,103
Temecula	109,820	109,881	109,468	108,899
Wildomar	36,720	36,713	36,438	36,336
TOTALS				
Incorporated	2,026,305	2,024,047	2,032,572	2,037,541
Unincorporated	391,880	394,680	398,404	401,693
County-Wide	2,418,185	2,418,727	2,430,976	2,439,234
California	39,538,223	39,286,510	39,078,674	38,940,231

Source: State Department of Finance, Demographic Research Unit, Report E-4 Population Estimates for Cities, Counties, and the Sate, 2021-2023, with 2020 Benchmark.

Effective Buying Income

"Effective Buying Income" is defined as personal income less personal tax and nontax payments, a number often referred to as "disposable" or "after-tax" income. Personal income is the aggregate of wages and salaries, other than labor-related income (such as employer contributions to private pension funds), proprietor's income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local, nontax payments, fines, fees, penalties, etc.) and personal contributions to social security insurance and federal retirement payroll deductions. According to U.S. government definitions, the resultant figure is commonly known as "disposable personal income."

The following table summarizes the total Effective Buying Income for the County, the State and the United States for the current and last four years:

TABLE 2
RIVERSIDE COUNTY AND CALIFORNIA
TOTAL EFFECTIVE BUYING INCOME,
MEDIAN HOUSEHOLD EFFECTIVE BUYING INCOME AND
PERCENT OF HOUSEHOLDS WITH INCOMES OVER $50,000[(1)]

	Total Effective Buying Income[(2)]	***Median Household Effective Buying Income***	***Percent of Households with Income over $50,000***
2019			
Riverside County	$ 54,118,453	$ 54,920	54.41%
California	1,183,264,399	61,895	59.16
United States	9,017,967,563	52,841	--
2020			
Riverside County	$ 59,340,416	$ 59,167	57.60%
California	1,243,564,816	65,285	61.45
United States	9,487,165,436	55,303	--
2021			
Riverside County	$ 60,749,087	$ 60,203	58.41%
California	1,290,894,604	67,510	62.86
United States	9,809,944,764	56,790	--
2022			
Riverside County	$ 71,160,967	$ 70,683	65.97%
California	1,452,426,152	76,880	68.53
United States	11,208,582,540	63,679	--
2023			
Riverside County	$ 72,687,953	$ 71,389	66.37%
California	1,461,799,662	76,990	68.58
United States	11,454,846,397	64,600	--

(1) Estimated, as of January 1 of each year.
(2) Dollars in thousands.
Source: The Nielsen Company, Site Reports, 2019; Environics Analytics, Claritas Spotlight Reports 2020-2023.

Building and Real Estate Activity

The two tables below set forth a summary of building permit valuations and new dwelling units authorized in the County (in both incorporated and unincorporated areas) for the last five years.

TABLE 3
COUNTY OF RIVERSIDE
BUILDING PERMIT VALUATIONS
(IN THOUSANDS)

	2018	*2019*	*2020*	*2021*	*2022*
RESIDENTIAL					
New Single-Family	$ 2,200,021	$ 1,834,821	$ 2,315,365	$ 2,013,159	$ 2,429,329
New Multi-Family	232,707	282,465	93,149	149,081	339,475
Alterations and Adjustments	125,353	158,117	110,788	100,402	152,309
Total Residential	$ 2,558,081	$ 2,275,404	$ 2,519,303	$ 2,262,642	$ 2,921,113
NON-RESIDENTIAL					
New Commercial[(1)]	$ 703,977	$ 312,035	$ 313,728	$ 607,980	$ 643,697
New Industrial	529,326	493,872	225,401	184,817	83,556
Other Buildings[(2)]	410,606	179,861	233,709	460,240	449,607
Alterations & Additions	315,771	300,086	380,937	290,962	524,757
Total Nonresidential	$ 1,959,680	$ 1,285,855	$ 1,153,777	$ 1,543,998	$ 1,701,617
TOTAL ALL BUILDING	**$ 4,517,761**	**$ 3,561,260**	**$ 3,673,080**	**$ 3,806,640**	**$ 4,622,730**

(1) Includes office buildings, stores & other mercantile, hotels & motels, amusement & recreation, parking garages and service stations & repair.
(2) Includes churches and religious buildings, medical and institutional buildings, agricultural and storage buildings, hospitals and institutional buildings, public works and utility buildings, schools and educational buildings, structures other than buildings, and residential garages.
Source: California Homebuilding Foundation.

TABLE 4
COUNTY OF RIVERSIDE
NUMBER OF NEW DWELLING UNITS

	2018	*2019*	*2020*	*2021*	*2022*
Single Family	7,540	6,563	8,443	7,360	8,863
Multi-Family	1,628	1,798	732	1,126	2,861
TOTAL	**9,168**	**8,361**	**9,166**	**8,486**	**11,724**

Source: California Homebuilding Foundation.

The following table sets forth the annual median housing prices for Los Angeles County, Riverside County, San Bernardino County and Southern California for the last five years.

TABLE 5
COUNTIES OF LOS ANGELES, RIVERSIDE AND SAN BERNARDINO
AND SOUTHERN CALIFORNIA
MEDIAN HOUSING PRICES

Year	*Los Angeles*	*Riverside*	*San Bernardino*	*Southern California*[(1)]
2019	$615,000	$392,000	$343,750	$530,000
2020	670,000	430,000	380,000	575,000
2021	770,000	510,000	450,000	665,000
2022[(2)]	820,000	582,000	500,000	758,660
2023[(3)]	830,000	560,000	475,000	730,000

(1) Southern California is comprised of Los Angeles, Orange, San Diego, Riverside, San Bernardino and Ventura Counties.
(2) Median housing prices reported for August 2022.
(3) Median housing prices reported for June 2023.
Source: CoreLogic.

The following table sets forth the residential foreclosures recorded in Riverside County for the current and five most recently completed fiscal years.

TABLE 6
COUNTY OF RIVERSIDE
RESIDENTIAL FORECLOSURES

Year	*Foreclosures*
2018	1,233
2019	872
2020[(1)]	314
2021[(1)]	274
2022	407
2023[(2)]	179

(1) Foreclosures were lower in 2020 and 2021 than in prior years due to a moratorium on foreclosure of certain mortgage and court closures related to the COVID-19 pandemic.
(2) Current through June 8, 2023.
Source: DQNews (2018-2021); County Assessor (2022-2023).

Agriculture

In 2022, principal agricultural products were nursery stock, milk, table grapes, eggs, bell peppers, lemons, alfalfa, turf grass, dates and avocados.

Four areas in the County account for a major portion of the agricultural activity: the Riverside/Corona and San Jacinto/Temecula Valley Districts in the western portion of the County, the Coachella Valley in the central portion and the Palo Verde Valley near the County's eastern border.

Agricultural production in the County may be impacted by drought conditions. See "SECTION II—SERVICES AND RISK MATTERS—Environmental Control Services" below. The County cannot predict the impact that a future prolonged drought would have on agricultural production in the County.

The following table sets forth the value of agricultural production in the County for the years 2017 through 2021, the last year being the most recent year of which data is currently available.

TABLE 7
COUNTY OF RIVERSIDE
VALUE OF AGRICULTURAL PRODUCTION

	2017	*2018*	*2019*	*2020*	*2021*
Citrus Fruits	$ 177,055,000	$ 170,775,000	$ 121,934,000	$ 126,567,000	$ 127,473,000
Trees and Vines	228,315,000	249,150,000	268,368,000	282,840,000	280,105,000
Vegetables, Melons, Misc.	331,986,000	371,570,000	354,217,000	334,440,000	324,895,000
Field and Seed Crops	99,224,000	93,282,000	141,652,000	156,114,000	135,033,000
Nursery	153,749,000	165,758,000	204,768,000	247,765,000	267,547,000
Apiculture	5,415,000	5,473,000	6,123,000	5,858,000	5,925,000
Aquaculture	4,764,000	4,732,000	4,776,000	4,596,000	4,873,000
Livestock and Poultry	221,750,000	238,468,000	219,427,000	260,040,000	260,059,000
Grand Total	**$ 1,222,258,000**	**$ 1,299,208,000**	**$ 1,321,265,000**	**$ 1,418,220,000**	**$ 1,405,910,000**

Source: County of Riverside Agricultural Commissioner.

Transportation

Several major freeways and highways provide access between the County and all parts of Southern California. State Route 91 extends southwesterly from Riverside through Corona and connects with the Orange County freeway network. Interstate 10 traverses the County in an east-west direction, the western-most portion of which links up with major cities and freeways in Los Angeles County and San Bernardino County, with the eastern part linking the County's desert cities with Arizona. Interstates 15 and 215 extend northeasterly to Nevada, and Interstate 15 extends southerly to San Diego. State Route 60 provides an alternate (to Interstate 10) east-west link to San Bernardino County and Los Angeles County. The State Route 91 Express Lanes connect to the OCTA SR-91 Express Lanes at the Orange County/Riverside County line on the west and continue easterly to the Interstate 15/State Route 91 interchange opened in March 2017. When travelling along State Route 91 through Corona, vehicles are able to use either the tolled express lanes or the free general-purpose lanes. The Interstate 15 Express Lanes extend from the San Bernardino County line southerly to Cajalco Road in Corona and opened in April 2021.

Metrolink provides commuter rail service to Los Angeles, San Bernardino and Orange Counties from nine stations in western Riverside County, including the Perris Valley area. Transcontinental passenger rail service is provided by Amtrak with stops in Riverside and Palm Springs. Freight service to major west coast and national markets is provided by two transcontinental railroads – Union Pacific Railroad and the BNSF Railway Company. Truck service is provided by several common carriers, making available overnight delivery service to major California cities.

Transcontinental bus service is provided by Greyhound Lines. Intercounty, intercity and local bus service is provided by the Riverside Transit Agency to western County cities and communities. There are also four municipal transit operators in the western County providing services within the cities of Banning, Beaumont, Corona and Riverside. The SunLine Transit Agency provides local bus service throughout the Coachella Valley, servicing the area from Desert Hot Springs to Oasis and from Palm Springs to Riverside. The Palo Verde Valley Transit Agency provides service in the far eastern portion of the County (City of Blythe and surrounding communities).

The County seat, located in the City of Riverside, is within 20 miles of the Ontario International Airport in neighboring San Bernardino County. This airport is operated by the Ontario International Airport Authority (OIAA) and was transferred by the City of Los Angeles to the OIAA in October 2016. Four major airlines schedule commercial flight service at Palm Springs International Airport. County-operated general aviation airports include those in Thermal, Hemet, Blythe, Chiriaco-Summit and French Valley. The cities of

Riverside, Corona and Banning also operate general aviation airports. There is a military base at March Air Reserve Base, which converted from an active duty base to a reserve-only base on April 1, 1996. The March AFB Joint Powers Authority (the "JPA"), comprised of the County and the Cities of Riverside, Moreno Valley and Perris, is responsible for planning and developing joint military and civilian use. The JPA has constructed infrastructure improvements, entered into leases with private users and initialized a major business park project.

Commercial Activity

Commercial activity is an important factor in the County's economy. Much of the County's commercial activity is concentrated in central business districts or small neighborhood commercial centers in cities. There are five regional shopping malls in the County: Galleria at Tyler (Riverside), Hemet Valley Mall, Westfield Palm Desert Shopping Center, Moreno Valley Mall and the Promenade at Temecula. There are also three factory outlet malls (Desert Hills Factory Stores, Cabazon Outlets and Lake Elsinore Outlet Center) and over 200 area centers in the County.

The following tables sets forth taxable sales transactions within the County for the last five years, the last year being the most recent full year of which annual data is currently available.

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TABLE 8
COUNTY OF RIVERSIDE
TAXABLE SALES TRANSACTIONS

	2018	*2019*	*2020*	*2021*	*2022*
Motor Vehicle and Parts Dealers	$ 5,407,138,856	$ 5,554,741,375	$ 5,865,121,975	$ 7,470,778,646	$ 7,831,704,632
Home Furnishings and Appliance Stores	1,962,649,727	2,104,126,099	2,106,383,124	1,999,155,804	1,913,810,678
Building Material and Garden Equipment and Supplies Dealers	2,346,507,775	2,500,049,238	3,103,094,307	3,598,728,060	3,739,593,318
Food and Beverage Stores	1,790,507,202	1,822,074,559	1,953,653,068	2,121,728,760	2,258,142,142
Gasoline Stations	3,381,768,451	3,383,755,616	2,643,943,794	3,959,674,480	4,902,645,753
Clothing and Clothing Accessories Stores	2,315,432,567	2,361,699,588	1,834,633,304	2,787,245,164	2,960,410,250
General Merchandise Stores	3,560,754,579	3,967,111,972	4,123,079,332	4,756,623,842	5,099,729,548
Other Retail Group	3,273,275,986	3,087,294,424	5,076,176,433	9,700,523,667	11,239,330,325
Food Services and Drinking Places	4,004,656,656	4,282,201,086	3,615,576,635	4,936,088,033	5,523,670,532
Total Retail and Food Services	$ 28,042,691,799	$ 29,063,053,957	$ 30,321,661,972	$ 41,330,546,456	$ 45,469,037,178
All Other Outlets	10,876,805,756	11,563,944,239	11,991,811,974	14,204,649,233	16,648,115,687
Total All Outlets	**$ 38,919,497,555**	**$ 40,626,998,196**	**$ 42,313,473,946**	**$ 55,535,195,689**	**$ 62,117,152,865**

Source: California Department of Tax and Fee Administration.

Industry and Employment

The County is a part of the Riverside-San Bernardino-Ontario Primary Metropolitan Statistical Area ("PMSA"), which includes all of Riverside and San Bernardino Counties. In addition to varied manufacturing employment, the PMSA has large and growing commercial and service sector employment. The number of employed persons in the PMSA by industry is set forth in the following table.

TABLE 9
RIVERSIDE-SAN BERNARDINO-ONTARIO PMSA
ANNUAL AVERAGE EMPLOYMENT BY INDUSTRY[(1)]
(In Thousands)

Industry	***2018***	***2019***	***2020***	***2021***	***2022***
Agriculture	14.5	14.6	13.9	13.1	14.7
Construction	104.8	101.1	105.0	107.6	114.3
Finance Activities	43.7	44.2	43.7	44.5	47.6
Government	257.5	268.8	249.1	239.7	254.1
Manufacturing:	101.3	102.6	94.3	94.6	98.1
Nondurables	36.2	15.4	34.6	35.4	38.6
Durables	65.1	65.7	59.7	59.2	59.5
Mining & Logging	1.0	1.2	1.3	1.3	1.6
Retail Trade	180.8	191.1	168.8	173.4	187.7
Professional and Business Services	150.6	160.7	154.0	163.5	185.9
Education and Health Services	240.0	260.5	248.7	252.7	272.3
Leisure & Hospitality	170.0	174.5	139.2	148.3	178.2
Other Services	45.6	43.1	39.6	41.3	49.2
Transportation, Warehousing and Utilities	132.6	146.3	170.5	194.0	220.5
Wholesale Trade	64.9	65.0	64.6	66.4	69.2
Information	11.2	11.3	9.4	8.8	10.3
Total, All Industries	**1,518.7**	**1,585.0**	**1,501.8**	**1,549.2**	**1,703.7**

(1) The employment figures by industry which are shown above are not directly comparable to the "Total, All Industries" employment figures due to rounded data.

Source: State Employment Development Department, Labor Market Information Division.

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The following table sets forth the major employers in the County and their respective product or service and number of employees as of May 22, 2023.

TABLE 10
COUNTY OF RIVERSIDE
CERTAIN MAJOR EMPLOYERS[(1)]
(AS OF MAY 22, 2023)

Company Name	***Product/Service***	***No. of Local Employees***
County of Riverside	County Government	25,366
Amazon	E-Commerce	14,317
March Air Reserve Base	Military Reserve Base	9,600
Nestle UA	General Line Grocery Merchant Wholesalers	8,874
University of California, Riverside	University	8,623
State of California	State Government	8,383
Walmart	Retail Company	7,494
Moreno Valley Unified School District	School District	6,020
Kaiser Permanente Riverside Medical Center	Hospital	5,817
Corona-Norco Unified School District	School District	5,478
Riverside Unified School District	School District	5,431
Mt. San Jacinto Community College District	Community College District	4,638
Marie Callender Wholesalers Inc.	Bakery Products Wholesale	4,454
Temecula Valley School District	School District	4,022
Eisenhower Medical Center	Hospital	4,001
Pechanga Resort & Casino	Resort Casino	4,000
Hemet Unified School District	School District	3,960
Murrieta Valley Unified School District	School District	3,552
Starcrest of California	E-Commerce	3,450
Palm Springs Unified School District	School District	3,328
Stater Bros	Retail Grocery Company	3,297
Lake Elsinore Unified School District	School District	3,267
Home Depot	Home Center	3,115
Jurupa Unified School District	School District	2,749
McDonalds	Limited Service Restaurant	2,721
City of Riverside	City Government	2,700
Target	Retail Company	2,631
Coachella Valley Unified School District	School District	2,581
Albertsons/Sav-On	Retail Grocery Company	2,231
Riverside Community College District	Community College District	2,228
Hemet Valley Medical Center	Hospital	2,214
Agua Caliente Band of Cahuilla Indians	Tribal Government/Casinos	2,200
Spa Resort and Casino	Resort & Spa	2,120
Beaumont Unified School District	School District	2,053
Kroger (Ralphs & Vons)	Retail Grocery Company	2,035
Abbott Vascular Inc	Medical Device Manufacturer	2,008
Desert Regional Medical Center	Hospital	1,991
Alvord Unified School District	School District	1,936
Lowes Home Improvement	Home Center	1,928
United Parcel Service	Delivery Services	1,678

[(1)] Certain major employers in the County may have been excluded because of the data collection methodology.
Source: Riverside County Office of Economic Development.

Unemployment data for the County, the State and the United States for the last five years and preliminary data for June 2023 (as indicated) are set forth in the following table.

TABLE 11
COUNTY OF RIVERSIDE
COUNTY, STATE AND NATIONAL UNEMPLOYMENT DATA

	2018	*2019*	*2020*	*2021*	*2022*	*June(2)*
County(1)	4.4%	3.7%	9.9%	5.6%	4.0%	5.0%
California(1)	4.2	4.2	10.1	5.5	3.9	4.9
United States(3)	3.9	3.7	8.1	5.3	3.5	3.6

(1) Data is not seasonally adjusted. The unemployment data for the County and State is calculated using unrounded data.
(2) Unemployment rate information is preliminary for June 2023.
(3) Data is seasonally adjusted.
Source: State of California Employment Development Department Labor Market Information Division; U.S. Bureau of Labor Statistics.

SECTION II – SERVICES AND RISK MATTERS

Sheriff and Fire Services

The core services of the County Sheriff's Department are to provide a 24/7 uniformed response to calls for service from the public in the unincorporated County areas, to operate a countywide jail system that serves all local agencies, to provide court security and service of court processes and orders, and to perform Coroner – Public Administrator functions pursuant to California law.

The Field Operations Division provides much of the County's law enforcement via eleven Sheriff patrol stations, several support bureaus, and specialty teams spread across the County's different regions. In addition, the department provides police services under contracts for sixteen incorporated cities, one tribal reservation, and one community college district. The Corrections Division operates five correctional facilities, an alternative sentencing program, and several in-custody treatment programs. The Courts Services Division provides court security by maintaining public safety, execution of orders issued by the court, service, and enforcement of civil processes, and serving civil and criminal arrest warrants. The Court Services Division also provides enhanced security at the County Administrative Center. The Coroner's Bureau investigates and reports on all the violent, sudden, or unusual deaths of persons within the County as established by California law. The Public Administrator investigates and administers the estates of County residents who die without someone available or willing to handle their affairs. The department supports internal operations through the Administration Division, Support Services Bureau, and the Ben Clark Public Safety Training Center ("BCTC"), a 370-acre main training facility located in the City of Riverside.

The Sheriff is currently evaluating future improvements to the BCTC. The modernization project would provide for a new training and educational campus for a variety of public safety, government, and educational partners to train and equip public safety personnel with effective tools and techniques for the foreseeable future. The project is intended to meet the needs of not only the Sheriff, but also other County public safety departments, the California Department of Forestry and Fire Protection ("CAL FIRE"), the California Highway Patrol, Riverside Community College District, federal law enforcement and public safety agencies, and other entities.

The Riverside County Fire Department ("RCFD") is an integrated, cooperative, regional fire protection system that provides fire, emergency medical services, technical rescue and hazardous materials response to approximately 1.6 million residents in the unincorporated area, in 18 partner fire cities and one community services district.

The County contracts with CAL FIRE to serve as the RCFD for emergency services. All hazards emergency response services are provided from 94 fire stations using about 1,050 firefighters (CAL FIRE), 327 administrative and support personnel, and about 150 reserve volunteer firefighters. CAL FIRE is responsible to protect the State Responsibility Area (SRA) or watershed as part of the cooperative agreement and Public Resources Code §§4125-4127. The RCFD is one of the largest regional fire service organizations in California.

Medical and Health Services

Riverside University Health System ("RUHS") is comprised of the Medical Center, located in the City of Moreno Valley, 26 hospital-based clinics, and the Medical and Surgical Center which opened in March 2020. At approximately 520,000 square feet, the tertiary care and Level II trauma facility is licensed for 439 beds. There are 362 licensed beds in the main acute-care hospital and 77 licensed beds in a separate psychiatric facility. RUHS is serviced by over 4,000 healthcare professionals and support staff and provides training to 1,000 medical residents and students and 2,500 nursing students annually.

RUHS has 12 operating rooms including one with a da Vinci Xi surgical robot, a helipad located directly adjacent to the trauma center, digital radiology services, including magnetic resonance imaging (MRI) and computerized tomography (CT), all single-bed rooms, and provides support to numerous hospital-based clinics. There are also adult, pediatric and neonatal intensive care units, a birthing center and complete pulmonary services, hyperbaric oxygen treatments, and an emergency psychiatric hospital. RUHS is currently evaluating future improvements for the Medical Center including an Emergency Department and critical care expansion, a Behavioral Health wellness center, and other campus facilities and improvements. In addition, Behavioral Health is evaluating other opportunities to meet community needs in alignment with proposed state initiatives around the modernization of behavioral healthcare delivery.

The County has the legal responsibility to provide health care to all individuals, regardless of their ability to pay or insurance status, and provides these services by operating RUHS. RUHS provides services to patients covered by various reimbursement programs, principally Medi-Cal and Medicare, and some commercial insurance, while also providing services to the uninsured. RUHS relies on a significant amount of governmental Medicaid waiver revenue including, Disproportionate Share Hospitals ("DSH") funding, Delivery System Reform Incentive Payments (DSRIP) and Realignment. In December 2015, several changes were adopted with respect to the Medicaid waiver to shift the focus of care away from hospital-based and inpatient care and instead towards outpatient, primary, and preventive care. RUHS organized to ensure a pay-for-performance transformation that accomplishes the goal of continuing support, maximizing federal funds and improving the system of care for the County.

For Fiscal Year 2022-23, the County contributed approximately $11.5 million to RUHS from its tobacco settlement revenue receipts to pay for operating expenses and debt service on the main RUHS facility, and the County currently anticipates continuing to pay such costs from its tobacco settlement revenue receipts through Fiscal Year 2026-27.

Education Services

There are three union school districts, one elementary school district, one high school district, eighteen unified ("K-12") school districts and four community college districts in the County. Approximately ninety percent of all K-12 students attend schools in the unified school districts. The three largest unified school districts are Corona-Norco Unified School District, Riverside Unified School District and Moreno Valley Unified School District.

There are nine two-year community college campuses located in the communities of Riverside, Moreno Valley, Norco, San Jacinto, Menifee, Coachella Valley, Palo Verde Valley, Banning and Temecula. There are also three universities located in the City of Riverside – the University of California, Riverside

("UCR"), La Sierra University and California Baptist University. The City of Palm Desert also has a UCR campus and California State University, San Bernardino campus.

Homelessness Services

The County is committed to preventing and ending homelessness in the County, and its Department of Housing and Workforce Solutions ("HWS") provides the necessary leadership and structure to unify community-wide responses. HWS works alongside a Homelessness Continuum of Care network to plan, coordinate and implement homeless solutions countywide. The Point-in-Time count is a federally mandated census of sheltered and unsheltered people experiencing homelessness on a single night in the County. The last full count was conducted on January 25, 2023 and identified 3,725 people, of which approximately 65% were unsheltered, representing an approximately 12% increase from the prior year. In comparison to 2022, the count represents a 3% decrease in the annual growth rate, which is largely attributable to additional federal, State and local investments in housing and homeless assistance programs that have served over 14,000 unduplicated individuals through Fiscal Year 2022-23. The County incorporates these homeless services and homelessness prevention programs into its budget planning process and seeks to maximize outside funding sources, including actively pursuing available State funding.

Environmental Control Services

Assessing Environmental and Social Risk. The County's 2018 Multi-Jurisdictional Local Hazard Mitigation Plan ("LHMP") provides a County-wide risk assessment of natural, technological and man-made hazards. The top five identified hazards in order of priority risk were identified as earthquakes, influenza pandemics, wildland fires, electrical failures and emergent diseases. CAL FIRE has designated and adopted Fire Hazard Severity Zones in State Responsibility Areas ("SRA"). In addition, the County has adopted CAL FIRE recommendations for Very High Fire Hazard Severity Zones in Local Responsibility Areas ("LRA"). The unincorporated areas of the County includes State Responsibility Areas and Local Responsibility Areas and contains a mixture of Very High Fire Hazard Severity Zone areas, High Fire Hazard Severity Zone areas, Moderate Fire Hazard Severity Zone areas, and areas that are not designated as Fire Hazard Severity Zones. Fire Hazard Severity Zone maps for Riverside County may be found at the following links: SRA – *Map of CAL FIRE's Fire Hazard Severity Zones in State Responsibility Areas –Western Riverside County*; LRA West – *Map of CAL FIRE's Fire Hazard Severity Zones in Local Responsibility Areas – Western Riverside County*; and LRA East – *Map of CAL FIRE's Fire Hazard Severity Zones in Local Responsibility Areas – Eastern Riverside County*. The LHMP indicates that climate change and drought conditions are likely to become more frequent and persistent, contributing to increasing wildfire risk. The County incorporates these environmental risks into its budget and capital planning by providing funds for those departments tasked with the response. The Fiscal Year 2023-24 budget includes approximately $92 million for such uses. In the event of a disaster or emergency, the Board of Supervisors can provide additional funds through budget adjustments that may be recovered through State or federal resources (such as increased reimbursements from CAL FIRE, the State's office of emergency services, the Department of Homeland Security and FEMA).

Water Supply. The County obtains a large part of its water supply from groundwater sources, with certain areas of the County, such as the City of Riverside, relying almost entirely on groundwater. As in most areas of Southern California, this groundwater source is not sufficient to meet countywide demand, and the County's water supply is supplemented by imported water. At the present time, the County does not provide wholesale or retail water service and imported water is provided by the Metropolitan Water District of Southern California from the Colorado River via the Colorado River Aqueduct and from the State Water Project via the Edmund G. Brown California Aqueduct. In the Southwest area of the County, approximately 80% of the water supply is imported.

At the regional and local level, there are several water districts that were formed for the primary purpose of supplying supplemental water to the cities and agencies within their areas. The Coachella Valley Water District, the Western Municipal Water District and the Eastern Municipal Water District are the largest of these water districts in terms of area served. The San Gorgonio Pass Water Agency, Desert Water Agency, Palo Verde Irrigation District, Elsinore Valley Municipal Water District and Rancho California Water District also provide supplemental water to cities and agencies within the County.

The governor and the State Legislature have developed strategies to help mitigate the effects of the State's susceptibility to periodic, potentially prolonged and/or severe drought conditions. On April 1, 2015, California's governor issued the fourth in a series of executive orders extending the measures necessary to address California's severe drought conditions which occurred between 2011 and 2015. On May 9, 2016, as a result of persistent severe drought conditions in many areas of California, the governor issued an additional executive order that, among other things, made permanent many of the conservation measures set in the governor's previous executive orders. On April 7, 2017, as a result of the record rainfall and snowfall that occurred in the State between November 2016 and March 2017, the governor declared an end to the drought emergency in California (except with respect to four counties mostly located in California's agricultural Central Valley). However, this same executive order directed the State Water Resources Control Board to initiate the rulemaking process to ensure that many key conservation measures established by the governor's 2016 executive order will remain in place. Such conservation measures prohibit wasteful practices such as: (i) hosing off sidewalks, driveways and other hardscapes, (ii) washing automobiles with hoses not equipped with a shut-off nozzle, (iii) using non-recirculated water in a fountain or other decorative water feature, (iv) watering lawns in a manner that causes runoff, or within forty-eight hours of measurable precipitation, and (v) irrigating ornamental turf on public street medians.

During a workshop in May of 2015 to discuss the drought, the Board of Supervisors directed staff to revise County Ordinance No. 859.3 *Water Efficient Landscape Requirements*. On July 21, 2015, the Board of Supervisors adopted, via an urgency ordinance, updated water efficient landscape requirements Ordinance No. 859. A key highlight of this revised ordinance is that it "*prohibits the use of natural turf grass lawns within the front yards of new homes and promoting low water use plants and inert materials for a sustainable and marketable landscape design*."

In 2021, the State again began experiencing drought conditions. Beginning in April 2021, the governor signed a series of proclamations determining, as of July 8, 2021, that 50 counties in the State, but not including the County, are in a state of emergency due to drought conditions affecting such areas. In addition, on July 8, 2021, the governor signed Executive Order N-10-21, which asks citizens of the State to voluntarily reduce their water use by 15% compared to 2020 levels. On October 19, 2021, the governor issued a proclamation of a state of emergency incorporating the remaining eight counties in the State from the July 8, 2021 Order, including the County, to expeditiously mitigate the effects of the drought conditions to ensure the protection of health, safety, and the environment. On March 28, 2022, the governor signed Executive Order N-7-22 in response to intensifying drought conditions. The Order, building on the four 2021 orders relating to California's drought, among other requirements, limits a county, city or other public agency's ability to permit modified or new groundwater wells, and instructs the State Water Resource Control Board to consider (1) requiring certain water conservation measures from urban water suppliers and (2) banning non-functional or decorative grass at businesses and institutions. The County has partnered with a consortium of local water districts to send tiered water conservation messages as drought conditions continue to worsen. There can be no assurance the County will not be subject to additional emergencies, proclamations or Orders due to drought conditions in the future.

Flood Control. Primary responsibility for planning and construction of flood control and drainage systems within the County is provided by the Riverside County Flood Control and Water Conservation District and the Coachella Valley Water District.

Sewage. There are 18 wastewater treatment agencies in the County's Santa Ana River region and nine in the County's Colorado River Basin region. The County does not own or operate a Publicly Owned Treatment Works ("POTW"), or sewage plant. Most residents in rural areas of the County which are unsewered rely upon septic tanks and leach fields for sewage disposal only if a POTW does not service the area with sewer infrastructure.

Cybersecurity

The County, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the County is subject to cyber threats including, but not limited to: hacking, malware, social engineering, and other attacks on its computer systems and sensitive digital networks. The Board of Supervisors adopted Policy No. A-58 - Enterprise Information Security Policy, which aligns with the National Institute of Standards and Technology ("NIST") Cybersecurity Framework regarding information security and privacy, and cyber risk management. In accordance with the adopted policy, all County employees are required to complete mandatory Policy No. A-58 Information Security Training on an annual basis. The County's Information Security Office operates a security operations center ("SOC") that provides 24x7x365 monitoring of the County's enterprise network, performs continuous penetration testing, conducts monthly simulated phishing attacks and phishing awareness campaigns, and distributes monthly security awareness newsletters to all County employees. Additionally, the County's Information Security Office has developed and implemented a formal Security Incident Response and Breach Notification Process for County-wide responses to information security incidents. The County carries a cyber liability insurance policy to cover the financial losses that may result from data breaches and cyberattacks.

No assurances can be given that the County's security and operational control measures will be successful in guarding against any and each cyber threat and attack. The results of any attack on the County's computer and information technology systems could impact its operations and damage the County's digital networks and systems, and the costs of remedying any such damage could be substantial.

Litigation

No litigation is pending, or, to the best knowledge of the County, threatened, concerning the validity of the Notes or the Resolution, or contesting the County's ability to appropriate or make the repayment of the Notes, and an opinion of the Office of County Counsel to that effect will be furnished to the Underwriters at the time of the execution and delivery of the Notes. Although the County may, from time to time, be involved in legal or administrative proceedings arising in the ordinary course of its affairs, it is the opinion of the County that any currently pending or known threatened proceedings will not materially affect the County's finances or impair its ability to meet its obligations.

The County is currently involved in a series of lawsuits involving state-calculated assessments of unitary property ("unitary taxes"). These lawsuits have been brought by telecommunication companies and an electric utility company. While each of these lawsuits is separate, they all seek refunds of property taxes that have been paid under California's "pay first, litigate later" rule. Practically, this means that the County may be required to issue significant refunds to these providers. The unitary tax is collected by the County on behalf of special districts, school districts and water districts who utilize unitary tax revenue to pay for debt service. The County acts as a pass-through for the unitary taxes as set forth above. If these companies prevail, the County would be responsible for issuing refunds and then collecting or offsetting future amounts of revenue from these special districts. As such, the County has issued notices to said districts pursuant to Revenue and Taxation Code Sections 5146 and 5148 indicating that the County may be required to collect funds from the special districts to pay any refunds ordered by the Court or schedule an offset of future tax revenues.

First, AT&T, T-Mobile, Sprint and several other companies (the "Telecommunication Companies") have each filed lawsuits against the County seeking a refund of unitary taxes paid for tax years ranging from 2014-2015 to the present. AT&T also seeks a reduction in the unitary tax rate to reflect a lower rate that they believe is assessed against other business and commercial properties. AT&T further argues that the unitary tax rate cannot be higher than 1% as capped by Proposition 13.

The Telecommunication Companies are seeking a refund amount, in total, of approximately $25,000,000 to $35,000,000 in taxes. The lead case, *AT&T v. County of Riverside*, was initially stayed by agreement of the parties due to a parallel lawsuit involving the County of Santa Clara, which lawsuit ended with an appellate decision in favor of the government. AT&T subsequently resumed its case against the County of Riverside. The other unitary tax cases are currently stayed pending the outcome of the AT&T case. The County does not anticipate resolution of the AT&T case until at least 2024.

Second, the County is also facing another unitary tax lawsuit entitled *Southern California Edison v. Board of Equalization*. This lawsuit was filed by electric utility provider Edison against the State's Board of Equalization and nineteen (19) counties, including the County, seeking a total refund of approximately $5.5 billion. The County received approximately $53,329,392 in Fiscal Year 2020-2021 at the valuation approved by the State. Edison would like that amount to be reduced by approximately 10.32% resulting in an adjusted tax of approximately $42,872,680. As such, Edison seeks a refund from the County in the amount of approximately $10,456,712. Edison has filed identical lawsuits for two additional years as well. In total, the potential total refund to Edison for all three years would be approximately $35,000,000. Of note, the County acts as a pass-through agency, and, if Edison were to prevail, a majority of the refunded amount would be attributable to cities, special districts and school districts that receive the unitary tax revenue. This matter is being heard in Orange County Superior Court. The County does not anticipate a ruling in this matter until late 2024 or early 2025.

The County is also currently involved in sixteen separate lawsuits wherein the plaintiffs allege they were sexually abused in foster homes in which they were placed by the Riverside County Department of Public Social Services between 1971 and 2012. The County is evaluating and responding to the litigation and claims but is unable, at this time, to provide any additional details as to the resolution of these matters due to the preliminary nature of the litigation, the time periods during which the sexual abuse is alleged to have occurred and other factors.

Insurance

The County is self-insured for short-term disability, unemployment insurance, general liability, medical malpractice and workers' compensation claims. General liability claims are self-insured to $5 million for each occurrence with a $2 million corridor (annual aggregate excess of the self-insured retention) and the balance (to $25 million for each occurrence), with an optional excess liability program aggregate of $50 million, is insured through Public Risk Innovation, Solutions, and Management ("PRISM," formerly known as CSAC EIA), a joint powers authority and insurance risk sharing pool consisting of 55 counties in the State, as well as other non-county public entities. Medical malpractice is self-insured for the first $1.1 million for each claim with a $1.5 million limit on a claims-made basis in excess of the County's self-insured retention, followed by a $20 million limit on an occurrence basis through PRISM, for a total limit of $21.5 million in excess of the County's self-insured retention. Workers' compensation claims are self-insured to $2 million for each occurrence and the balance of statutory limits (unlimited) is insured through PRISM. Long-term disability income claims are fully insured by an independent carrier.

The PRISM property insurance program provides insurance coverage for all-risk subject to a $50,000 per occurrence deductible; flood coverage is subject to a $100,000 per occurrence deductible within a 100-year flood zone and a $50,000 deductible outside of a 100-year flood zone. In order to diversify risk, property exposure amongst all members within the program are categorized into eight "Towers" based on geography and building type. The County participates in four of the eight Towers, each of which provides $100 million in all-risk limits (including earthquake and flood limits), and $300 million limit for all-risk and a minimum of $200 million for flood per Tower. A $300 million excess all risk layer sits above the Towers, providing a total of $600 million in all-risk limits for Towers I-VIII. With respect to earthquake coverage, each of the four Towers in which the County participates has a limit of $100 million, with a $365 million excess rooftop layer shared by all of the Towers that is triggered by the depletion of the initial limit for one or more of the Towers in a policy year. The County has $765 million in shared earthquake coverage that covers scheduled locations and buildings equal to or greater than $1 million in value and lesser valued locations where such coverage is required by contract. Earthquake coverage is subject to a deductible equal to 5% of total value per unit per occurrence, subject to a $100,000 minimum. Boiler and Machinery provides up to $100 million in limits, subject to a $5,000 deductible per event. Property insurance limits in each Tower are shared with other counties within that Tower on a per event basis. If a catastrophic event occurs and losses exceed the limits, the County would be responsible for such amounts.

SECTION III – BUDGETARY INFORMATION

Financial Policies

General. The County has adopted a comprehensive set of financial policies to serve as a guideline for financial matters as further described below. Such policies can be found on the County's website at the following link: *Financial Policies*.

Governmental Fund Balance and Reserve Policy. Fund balance is the difference between assets and liabilities on a governmental fund balance sheet, and represents the net remainder of resources less expense at year-end. It is a widely used component in government financial statements analysis. In September 2011, the County adopted Board Policy No. B-30, Government Fund Balance and Reserve Policy (the "Government Fund Balance and Reserve Policy"), which establishes guidelines for use of fund balance with restricted purpose versus unrestricted purpose. This policy applies to governmental funds, which includes the General Fund, special revenue funds, capital projects funds, debt service funds and permanent funds. The Government Fund Balance and Reserve Policy intends to ensure that when both restricted and unrestricted fund balances are available, restricted amounts are used first, and that unrestricted funds are used in the following order: committed, assigned, and unassigned.

The overall objective of the Government Fund Balance and Reserve Policy is to maintain a General Fund unassigned fund balance of at least 25 percent of the fiscal year's estimated discretionary revenue. The County considers property tax, local sales tax (not Prop. 172 public safety sales tax), documentary transfer tax, tobacco settlement revenue, motor vehicle in lieu fees, fines and penalties, franchise fees, mitigation fees and interest earnings as discretionary revenue. A portion of this fund balance may be separately identified for one-time or short-term coverage of budgetary crises. If unassigned fund balance is drawn below 25 percent, the County Executive Office is required to develop a plan to restore it to the minimum level within three years. Special revenue fund balances are to be kept at or above the minimum level dictated by the funding source and should not fall below zero. If the fund balance drops below minimum levels, the department responsible for the fund will develop a plan to restore the balance to established minimum levels within two years.

Pension Management Policy. In January 2005, the County adopted Board Policy No. B-25, Pension Management Policy, which was last revised in March 2022 as the Pension Management and Other Post-Employment Benefits (the "Pension Management Policy") policy. The County has created this policy to ensure the financial stability of the County through proper management. The purpose is to safeguard the public trust by assuring prudent decisions regarding the County's pension plans, Other Post-Employment Benefits (OPEB), Section 115 Trusts (Pension and OPEB), and other retirement or termination related items such as compensated absences for employees' accrued annual, vacation or sick leave balances, providing proper oversight of the benefits provided, and their associated cost. This Policy applies to all County defined benefit pension plans currently administered by the California Public Employees Retirement System ("CalPERS"), the Section 115 OPEB Trust administered by California Employers' Benefit Trust (CERBT), the Temporary and Part-Time Employees' Retirement Plan (a defined benefit program for its Temporary Assistance Program ("TAP") employees) administered by the County, and the Section 115 Pension Trust administered by Public Agency Retirement Services (PARS), collectively the "Plans".

The County bears the ultimate responsibility to meet its pension obligations. The County sets contribution rates sufficient to pay any amounts due to CalPERS, capture the full cost of annual debt service on pension obligation bonds outstanding, collect designated annual contributions that the County has established with its liability management fund and its Section 115 Pension Trust(s) in connection with the issuance of such bonds, and pay consultants hired to assist the Pension Advisory Review Committee ("PARC"). Withdrawal of a group of employees from participation in the plans does not necessarily trigger a distribution of assets. If any employee group or department separates from the County, the associated actuarial liability and pension are subject to independent actuarially determined "true value." All contracts or grants are required to include the full amount of estimated pension cost in the contract or grant by Board policy. Upon the termination of such contracts or grants, a termination payment may be negotiated to reflect any unfunded liability associated with such employees.

The County established PARC in September 2003. The purpose of PARC is to develop a better institutional understanding of the County's Plans and to advise the Board of Supervisors on important matters concerning the Plans. PARC reports annually to the Board of Supervisors on the performance of the Plans and evaluates strategies to address appropriate funding of the Plans. As part of such activities, PARC annually receives an independent, third-party actuarial report on the County's pension cost projections in order to ensure that the County has adequate information concerning its long-term pension obligations.

PARC is comprised of a representative from the County Executive Office, County Treasurer-Tax Collector, Human Resources Director, County Auditor-Controller, and a local safety member department representative. PARC meets at least annually or as necessary upon the call of the Chairperson to address County pension plan topics. Each year, PARC prepares a public report of the status of the Plans and analysis of CalPERS's most recently available actuarial report, the Temporary and Part-Time Employees' Retirement plan, the Other Post-Employment Benefits plan and Section 115 OPEB Trust and, the County's Section 115 Pension Trusts. PARC reviews proposed changes to benefits or liability amortization schedules and, provides the Board of Supervisors with an analysis of the long-term costs and benefits.

Issuance of pension-related debt is reviewed first by PARC. The County has established a liability management fund in connection with the initial debt issuance and may do so with any future issuance and/or a Section 115 Pension Trust. Such liability management funds and Section 115 Pension Trusts are funded by projected savings from issuance and only used to retire pension bond debt or transferred to CalPERS to reduce unfunded liability. PARC makes annual recommendations regarding prepayment of CalPERS pension obligations, and potential savings from such early payment.

See the caption "SECTION IV—FINANCIAL INFORMATION—Retirement Program" for information regarding PARC and PARC's 2023 Annual Report.

Debt Management Policy. Board Policy No. B-24, Debt Management Policy (the "Debt Management Policy"), adopted in October 2003 and last revised in November 2017, was created to ensure the financial stability of the County, reduce the County's cost of borrowing, and protect the County's credit quality through proper debt management. The Debt Management Policy applies to all direct County debt, conduit financing and land secured financing. Long-term debt is not used to finance ongoing operational costs. When possible, the County pursues alternative sources of funding, such as pay-as-you-go or grant funding, to minimize the level of direct debt. The County uses special assessment revenue, or other self-supporting debt instead of General Fund debt whenever possible. Debt issued may not have a maturity date beyond the useful life of the asset acquired or constructed. Long-term, General Fund obligated debt is incurred, when necessary, to acquire land or fixed assets based upon project priority and ability of the County to pay. The project should be integrated with the County's long-term financial plan and capital improvement program.

The County establishes an affordable debt level to preserve credit quality and ensure sufficient revenue is available to pay annual debt service. The debt level is calculated by comparing seven percent of discretionary revenue to aggregate debt service, excluding self-supporting debt. The policy provides for a variable rate debt ratio in an amount not to exceed 20 percent of the total outstanding debt, excluding variable rate debt hedged with cash, cash equivalents, or a fixed-rate swap.

When it benefits the County's financial or operating position, the County reviews outstanding debt and initiates fixed rate refundings. The term of such refunding does not extend the maturity beyond the original debt without compelling justification.

Each County department, agency, district or authority managing debt observes applicable state and federal regulations and laws regarding disclosure in all financings, files annual reports and material event notices with appropriate state and/or federal agencies in a timely manner, and provides an annual certificate to the Debt Advisory Committee of its compliance or noncompliance with state and/or federal disclosure laws.

The County established the Debt Advisory Committee ("DAC") in 2003. DAC reviews all proposed County-related financings at least once prior to approval by the Board of Supervisors. DAC has seven members, including a representative from the County Executive Office, as chair, the County Treasurer-Tax Collector, the County Auditor-Controller, County Counsel, the Office of Economic Development, Community Facilities District/Assessment District Administrator, and the General Manager and Chief Engineer of the Flood Control and Water Conservation District. DAC meetings are held monthly or as called upon by the chair. Each proposed financing brought before DAC is required to include a detailed description of the type and structure of the financing, full disclosure of the specific use of the proceeds, a description of the public benefit to be provided by the proposed debt, the principal parties involved in the financing, anticipated sources of repayment, an estimated statement of sources and uses, any proposed credit enhancement, the anticipated debt rating, if any, and an estimated debt service schedule. DAC acts on actions brought before it with either a "Review and File" or "Review and Recommend" action to the full Board of Supervisors.

Investment Policy. Board Policy No. B-21, County Investment Policy (the "Investment Policy"), adopted in April 1999 and last revised in May 2022, safeguards public funds by assuring the County follows prudent investment practices and provides proper oversight of these investments. The policy applies to all funds held in the County Treasury, and to those held in trust outside of the County Treasury. The County Treasurer-Tax Collector annually presents its statement of investment policy to the County Investment Oversight Committee for review and to the Board of Supervisors for approval. The Treasurer's authority to make investments is reviewed annually, pursuant to state law. All investments are governed by restrictions defining the type of investments authorized, maturity limitations, portfolio diversification, credit quality standards and applicable purchase restrictions. The Treasurer-Tax Collector actively manages the investment portfolio in a manner responsive to the public trust and consistent with state law with the objectives to safeguard investment principal, maintain sufficient liquidity to meet daily cash flow requirements, and achieve a reasonable yield on the portfolio consistent with these objectives.

Capital Improvement Program. The Capital Improvement Program ("CIP") is the capital planning mechanism for new facilities, major facility expansions, and purchases of large capital assets. In August 2002, the Board of Supervisors adopted Policy No. B-22, which was last revised in December 2015 and is used as a guiding strategy to establish funding methods, administration and control, and allowable uses of the CIP funds. The CIP team, led by the Executive Office, evaluates immediate and long-term capital needs, as well as financing and budget requirements, in order to best use the County's limited capital funds.

Capital facilities approved under the CIP are funded through the following sources:

(a) The Capital Improvement Program fund accounts for capital expenditures associated with various projects. The CIP fund receives bond proceeds, project-specific resources, and contributions from the General Fund, as required. In 2007, the Board of Supervisors approved the securitization of future cash flows of tobacco settlement revenue. The action resulted in a one-time payment of cash to be used for qualifying General Fund capital projects;

(b) Development Impact Fees ("DIF") required by local governments of new development for the purpose of providing new or expanded public capital facilities required to serve that development. The fees typically require cash payments in advance of the completion of development, are based on a methodology and calculation derived from the cost of the facility and the nature and size of the development, and are used to finance improvements offsite of, but to the benefit of, the development. In the County, DIF pays for Board-authorized projects. Projects and eligible funding amounts are published within the public facilities needs list, which is updated every ten years. The list is the official public document that identifies facilities eligible for financing in whole or in part, through DIF funds levied on new development within unincorporated Riverside County. The County is in the process of developing the public facilities needs list as part of its DIF 2030 Nexus Study. There is no General Fund cost associated with this fund;

(c) The Cabazon Community Revitalization Act Infrastructure Fund was established pursuant to Board action taken on December 10, 2013, directing that 25% of the growth in sales and use tax from the expansion of the factory outlets in Cabazon be set aside in a separate fund for infrastructure improvements and public safety in that area;

(d) The Wine Country Community Revitalization Act Infrastructure fund was similarly approved to allocate 25% of the sales and use tax in the wine country area to assist with development of the wineries; and

(e) The Mead Valley Infrastructure Fund was similarly approved to direct 25% of future sales and use tax revenue growth of the specified commercial/industrial zone for infrastructure and public services in the Mead Valley community.

The CIP process allows the County to fully account and plan for capital projects that will have a major impact to the County's annual budget, future staffing levels and service to the public. The CIP allows the County to anticipate and plan for future capital needs, as well as prioritize multiple projects to maximize the use of County's limited capital funds. CIP projects include professional facilities services and associated capital improvements with a combined project value over $100,000, including but not limited to: master planning for public facilities, acquisition of land for a County facility, acquisition of buildings, construction or expansion of County facilities, fixed assets, enhancements to county facilities that will be used, occupied or owned by a County entity; major leases over $1 million and changes/revisions to current projects on the CIP list; or any County facilities project requiring new net County cost.

The CIP team solicits project lists from departments through the Assistant County Executive Officers (ACEOs) of each portfolio. Each ACEO provides their prioritized list to the County Executive Officer and Executive Management team to develop a County-wide ranked priority list for capital projects. Adjustments are made as needed, if funding is available. Any appropriations remaining in the fund at the end of the fiscal year will automatically carry forward into the next fiscal year.

Budgetary Process

General. Under the California Government Code, the County must approve a recommended budget by June 30 of each year as the legal authorization to spend until the approval of the adopted budget. An adopted budget reflecting any revisions to the recommended budget must be approved by the Board of Supervisors no later than October 2. The recommended and adopted budgets must be balanced.

Subsequent to the approval of the adopted budget, the County may make adjustments to reflect revenue, as realized, and to record changes in expenditure requirements. For example, in recent years, the County, like many other counties, has adopted a budget in advance of the adoption of the State budget and has been required to make adjustments in certain circumstances upon the passage of the State budget. The County conducts quarterly reviews, with major adjustments generally addressed at the end of the first, second and third quarters.

Five-Year Forecast. To ensure prudent financial management, the County maintains a five-year internal budget forecast based on conservative revenue assumptions derived internally and from information provided by external consultants and includes projections in the out years for labor and pension increases. The current forecast reflects a continuing trend of cost increases outpacing revenue growth, such that without corrective action steps taken, structural balance would not likely be attained, and the 25% reserve target implemented by the Board of Supervisors would not be met in Fiscal Years 2023-24 through 2027-28. In Fiscal Years 2018-19 and 2019-20, the County's reserves exceeded the target. The County's reserves also exceeded the target in Fiscal Year 2020-21, due to CARES Act reimbursement of General Fund costs related to COVID-19, and in Fiscal Year 2021-22, due to increasing revenues as well as $12.6 million in unspent contingency funds. Factors driving cost increases include increased labor, medical and pension costs, and unanticipated one-time costs. See "SECTION IV—FINANCIAL INFORMATION—Labor Relations" and "—Retirement Program." The County has a number of strategies to address these challenges, such as targeted reductions to the net County cost, keeping new requests to a minimum, identifying one-time vs. ongoing revenues and reducing vacant full-time positions. The County's practice has been to apply one-time revenues towards the rebuilding of reserves or mission critical one-time costs and assumes that budgetary shortfalls will not be backfilled with discretionary revenues.

Fiscal Year 2022-23 Budget

On June 21, 2022, following budget hearings held by the Board of Supervisors on June 13 and 14, 2022, the Board approved the Fiscal Year 2022-23 Budget (the "Fiscal Year 2022-23 Budget") which includes total General Fund appropriations of approximately $4.3 billion. For Fiscal Year 2022-23, the County estimates that approximately 64.8% of its General Fund budget revenues in the Fiscal Year 2022-23 Budget will consist of payments from the State and Federal government. Discretionary revenue is budgeted at approximately $1.013 billion for Fiscal Year 2022-23, an increase of approximately 10% from the Adopted Budget for Fiscal Year 2021-22. The increase is due primarily to modestly rising property-related tax revenues, as well as sales tax and interest earnings. The Fiscal Year 2022-23 Budget is structurally balanced with discretionary spending of approximately $1.013 billion. Property tax revenue is budgeted at approximately $459.4 million (including $140.6 million in redevelopment tax increment pass-through funds) for Fiscal Year 2022-23 and represents approximately 45.3% of the County's discretionary revenue. Property tax estimates assume an increase in assessed valuation in Fiscal Year 2022-23 of 6% from Fiscal Year 2021-22. In addition, the County estimates that sales tax revenue will increase by 28.4% from Fiscal Year 2021-22.

As part of its ongoing efforts, the County Executive Office continues to engage in analyses and discussions with the various County departments to maximize the use of available resources and identify and implement steps necessary to align departmental spending with allocated net County cost. The County's General Fund unassigned fund balance at the end of Fiscal Year 2022-23 was projected at approximately $368 million, which is approximately $115 million above Board policy.

Midyear 2022-23 Budget Report

On February 28, 2023, the County Executive Officer presented the Fiscal Year 2022-23 Midyear Budget Report to the Board. At the end of the second quarter, the County's financial position improved relative to the Adopted Budget. As a result of an investment in capital improvement projects, there was a $16 million increase in one-time net County cost from $1.013 billion to $1.029 billion, while discretionary revenue was projected higher by $89 million from $1.013 billion to $1.102 billion. The largest increases in revenue were primarily attributable to property taxes, and interest earnings due to the Federal Reserve increasing short-term interest rates. The County's General Fund unassigned fund balance updated projection is to end the year at approximately $537 million, approximately $261 million above Board policy.

Third Quarter 2022-23 Budget Report

On May 23, 2023, the County Executive Officer presented to the Board of Supervisors the Fiscal Year 2022-23 Third Quarter Budget Report. The County's projected discretionary revenue estimates increased from the Adopted Budget by approximately $88 million (from $1.013 billion to $1.102 billion). Approximately $70 million of the increase to the County's projected discretionary revenue estimates can be attributed to a property tax increase of $36 million, and interest earnings increase of $34 million. In addition, while not discretionary revenue, the Prop. 172 public safety sales tax estimate by HdL Companies was revised higher by $13.3 million. Net County cost projections remained the same as midyear at $1.029 billion from $1.013 billion. In the Third Quarter Budget Report, the County projected that the General Fund unassigned fund balance would end the year at approximately $536 million, approximately $261 million above Board Policy.

Fiscal Year 2023-24 Adopted Budget

On June 12 and 13, 2023, the Board of Supervisors held budget hearings regarding the Fiscal Year 2023-24 Budget (the "Fiscal Year 2023-24 Budget") which includes total General Fund appropriations of approximately $4.99 billion. For Fiscal Year 2023-24, the County estimates that approximately 66.8% of its General Fund budget revenues in the Fiscal Year 2023-24 Budget will consist of payments from the State and Federal government. Discretionary revenue is budgeted at approximately $1.143 billion for Fiscal Year 2023-24, an increase of approximately 13% from the Adopted Budget for Fiscal Year 2022-23. The increase is due primarily to modestly rising property-related tax revenues, as well as interest earnings and sales tax. The Fiscal Year 2023-24 Budget is structurally balanced with discretionary spending of approximately $1.125 billion. The remaining $18 million will be set aside in reserves and a deferred maintenance fund. Property tax revenue is budgeted at approximately $505 million (including $160 million in redevelopment tax increment pass-through funds) for Fiscal Year 2023-24 and represents approximately 44% of the County's discretionary revenue. Property tax estimates assume an increase in assessed valuation in Fiscal Year 2023-24 of 7% from Fiscal Year 2022-23. In addition, the County estimates that sales tax revenue will increase by 15% from Fiscal Year 2022-23.

The County's reserve balance at the end of Fiscal Year 2023-24 is projected at approximately $555 million, approximately $268 million above Board policy. The Fiscal Year 2023-24 Budget was approved by the Board of Supervisors on June 27, 2023.

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Historical Budgets

The following table sets forth the General Fund budgets for the last five fiscal years as initially adopted by the Board of Supervisors. During the course of each fiscal year, a budget may be amended to reflect adjustments to receipts and expenditures that have been approved by the Board of Supervisors.

TABLE 12
COUNTY OF RIVERSIDE
ADOPTED GENERAL FUND BUDGETS[(1)]
FISCAL YEARS 2019-20 THROUGH 2023-24
(IN MILLIONS)

	2019-20 Budget	*2020-21 Budget*	*2021-22 Budget*	*2022-23 Budget*	*2023-24 Budget*
REQUIREMENTS					
General Government	$ 156.4	$ 226.7	$ 235.7	$ 267.0	$ 267.0
Public Protection	1,513.8	1,605.1	1,695.0	1,879.8	2,027.7
Health and Sanitation	737.2	764.2	786.4	904.5	1,135.5
Public Assistance	1,049.4	1,156.8	1,211.4	1,225.8	1,517.7
Education	0.7	0.6	0.7	0.7	0.8
Recreation and Cultural	2.2	2.1	3.3	4.4	4.5
Debt Retirement-Capital Leases	14.5	14.5	19.1	21.9	20.0
Contingencies	17.6	20.0	20.0	20.0	20.0
Increase to Reserves	19.6	0.0	0.0	0.0	0.0
Total Requirements[(2)]	$ 3,511.4	$ 3,790.0	$ 3,971.6	$ 4,324.1	$ 4,993.3
AVAILABLE FUNDS					
Use of Fund Balance and Reserves	$ 0.0	$ 60.8	$ 73.8	$ 36.7	$ 2.2
Estimated Revenues:					
Property Taxes	333.9	357.0	397.3	439.6	486.7
Other Taxes	4.6	4.2	5.9	7.2	8.4
Licenses, Permits and Franchises	20.8	20.5	21.0	21.9	22.9
Fines, Forfeitures and Penalties	62.5	76.1	62.9	59.0	59.7
Use of Money and Properties	28.2	15.0	15.8	24.9	59.7
Aid from Other Governmental Agencies:					
State	1,547.9	1,637.0	1,726.1	1,824.9	2,213.8
Federal	718.6	780.5	837.9	943.7	1,121.9
Charges for Current Services	627.3	643.8	640.1	720.1	764.2
Other Revenues	167.6	195.1	190.8	246.1	253.7
Total Available Funds[(2)]	$ 3,511.4[(3)]	$ 3,790.0	$ 3,971.6	$ 4,324.1	$ 4,993.3

(1) Data source is the official budget documents submitted to the State Controller's Office. Figures do not reflect quarterly amendments or adjustments.
(2) Column numbers may not add up to totals due to rounding.
(3) Includes use of reserves of $21.0 million in Fiscal Year 2018-19 and $19.6 million in Fiscal Year 2019-20 to balance discretionary revenue that are reflected as a portion of budgeted General Fund revenue.
Source: County Auditor-Controller.

SECTION IV – FINANCIAL INFORMATION

Employees

The following table sets forth the number of County employees for the last ten calendar years.

TABLE 13
COUNTY OF RIVERSIDE
REGULAR EMPLOYEES

Year	*Regular Employees[(1)]*
2013	18,728
2014	18,620
2015	19,244
2016	19,404
2017	19,409
2018	19,102
2019	19,569
2020	20,131
2021	20,270
2022	20,656
2023	21,314

(1) As of December 31st of each year for years 2013 through 2022; as of August 1 for year 2023. Excludes temporary and per diem employees.
Source: County of Riverside Human Resources.

Labor Relations

County employees comprise 19 bargaining units, plus another 9 unrepresented employee groups. The bargaining units are represented by six labor organizations. The two largest of these organizations are Service Employees International Union, Local 721 ("SEIU") and the Laborers International Union of North America ("LIUNA"), which collectively represent approximately 68.6% of all County employees in a variety of job classifications[*]. Salary, benefits and personnel items for management, confidential and other unrepresented employees which are exempt from collective bargaining, are governed by a County Resolution and Ordinance which contain provisions for these personnel related matters.

The County's non-management law enforcement employees are represented by the Riverside Sheriffs' Association ("RSA"). The RSA represents three separate units: Law Enforcement Unit "RSA LEU," Corrections Unit "RSA Corrections," and Public Safety Unit "RSA PSU." Management employees of the law enforcement group are represented by the Riverside County Law Enforcement Management Unit ("LEMU"). The Public Defenders, County Counsel and Prosecuting Attorneys of the District Attorney's Office are represented by the Riverside County Deputy District Attorneys Association ("RCDDAA"). SEIU also represents the Per Diem Unit which are classifications that are the equivalent to the regular SEIU classifications however, in a Per Diem capacity.

[*] This percentage is calculated based off of regular, temporary, and per diem employees for all groups.

The following table presents information regarding the County's bargaining units and status of its collective bargaining agreements.

TABLE 14
COUNTY OF RIVERSIDE
LABOR ORGANIZATIONS[(1)]

Bargaining Units or Employee Group	***Number of Employees[(2)]***	***Expiration Date of Contract***
Management, Confidential, and Other Unrepresented	1,669	N/A[(3)]
Law Enforcement Management Unit (LEMU)	488	February 1, 2026
Riverside County Deputy District Attorneys' Association (RCDDAA)	398	December 31, 2025
Riverside Sheriffs' Association (RSA) LEU	1,631	December 9, 2024
Riverside Sheriffs' Association (RSA) Corrections	1,010	December 9, 2024
Riverside Sheriffs' Association Public Safety Unit (RSA)	497	October 26, 2025
Service Employees International Union (SEIU)	8,630	January 27, 2024
Service Employees International Union (SEIU) Per Diem Unit	501	November 30, 2024
Laborers' International Union of North America (LIUNA)	7,767	October 19, 2024
In-Home Supportive Services (IHSS)	N/A[(4)]	December 31, 2025
Total	22,591	

(1) Includes all County districts.
(2) As of August 1, 2023. Excludes temporary, unrepresented per diem, and seasonal employees. Includes (SEIU) Per Diem Unit.
(3) Management, Confidential and Other Unrepresented employees are not represented by a bargaining unit and do not have a collective bargaining agreement with the County.
(4) The IHSS Public Authority is only the employer of record within the meaning of Government Code Section 3500 *et seq*. (Meyers-Milias-Brown Act) which allows the home care workers to organize and engage in collective bargaining in an effort to improve wages and obtain benefits. Home care workers are employed by the consumers of the services, who have the right to hire, train, supervise and terminate the home care workers who assist them.
Source: County of Riverside Human Resources.

In the most recent contracts, increases of 2% to 8% were offered over a period of years to increase the salary range maximum. Additionally, the County moved units/employee groups from salary steps to broad banding. Anniversary increases will occur in 4% increments. In order to make the County more competitive in the market, the County eliminated a range of bottom steps from each classification. The County also provides a subsidy to employees with one or more dependents enrolled in a County medical plan to help pay for the cost of health care. The County believes that its benefits and compensation packages are competitive in the region.

Retirement Program

General. The County provides retirement benefits to all regular County employees through its contract with California Public Employees' Retirement System ("CalPERS"), a multiple-employer public sector employee defined benefit pension plan. The retirement plan, as amended, provides pension benefits for eligible employees in the Miscellaneous and Safety Plans (herein defined), with CalPERS. CalPERS provides service and disability retirement benefits, annual cost-of-living adjustments and death benefits to CalPERS members and beneficiaries. The retirement benefits are based on years of service, benefit factor (determined by age at retirement), and final compensation which is the highest average pay rate and special compensation during any consecutive one-year period of employment (for Tier 1 employees) or three-year period of employment (for Tier 2 and Tier 3 employees). The benefit calculation for members is the product of the benefit factor (based on age), years of service, and final compensation. Due to pension reform, the County's retirement plan currently includes three tier levels of benefits.

TABLE 15
COUNTY OF RIVERSIDE
EMPLOYEES PER RETIREMENT TIER[(1)]
(As of August 1, 2023)

Tier Level	*Number of Employees in Tier Level*
Tier 1	8,042
Tier 2	829
Tier 3	13,216
Total	22,087

(1) Excludes districts, temporary, per diem, and seasonal employees.
Source: County of Riverside Human Resources.

Miscellaneous members, who qualify for retirement benefits based on their date of hire, are enrolled in one of three tiers of benefits: Tier I (3% at 60), Tier II (2% at 60), or Tier III (2% at 62). Safety members, who qualify for retirement benefits based on their date of hire, are enrolled in one of three tiers of benefits Tier I (3% at 50), Tier II (2% at 50), or Tier III (2.7% at 57). Each tier of retirement benefits specifies the percentage of a retiree's final compensation for each year of credited service and a specified retirement age; for example, miscellaneous Tier I members are entitled to retire at age 60 with 3% of their final compensation for each year of service credit. The three tiers of retirement benefits all provide for cost-of-living adjustments of up to 2% per year after retirement. For further information on the County's pension obligations, see Note 20 of the Notes to Basic Financial Statements, June 30, 2022, which are included in APPENDIX B — "COUNTY OF RIVERSIDE AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

The Board of Supervisors approved a second tier ("Tier II") level of retirement benefits for new Miscellaneous and Safety employees and on August 23, 2012, the County implemented a Tier II retirement benefit applicable to employees first employed by the County after August 23, 2012. The Tier II retirement benefit calculation is based on years of service, age, and the average monthly eligible wages earned during the highest three consecutive years of employment. The Tier II retirement benefit factor for Miscellaneous Plan members ranges from 1.092% at age 50 to 2.418% at age 63 and beyond. For Safety Plan members, the Tier II retirement benefit factor ranges from 2% at age 50 to 2.7% at 55 and beyond. The plans also provide for cost-of-living adjustments of up to 2% per year after retirement.

On September 12, 2012, Governor Brown signed Assembly Bill 340, creating the Public Employees' Pension Reform Act ("PEPRA") and amending certain sections of the County Employees Retirement Law of 1937 (the "1937 Act"). The majority of the PEPRA changes first impacted the rates and benefit provisions on the June 30, 2013 valuation for Fiscal Year 2015-16 rates. Among other things, PEPRA created a new retirement benefit tier ("Tier III") for new employees/members entering public agency employment and public retirement system membership for the first time on or after January 1, 2013.

The new Tier III formulas for both Miscellaneous and Safety provide for a reduced benefit and was required to be implemented by all public agency employers unless the retirement formula in existence on December 31, 2012 had both a lower normal cost and lower benefit factor at normal retirement age. PEPRA requires that all new employees hired on or after January 1, 2013, pay at least 50% of the normal cost contribution. Tier III benefits are set 2% at 62 for Miscellaneous members and 2.7% at 57 for Safety members. PEPRA mandated all new members be subject to a pensionable compensation cap, which limits the annual salary that can be used to calculate final compensation for all new members. Adjustments to the limits are permitted annually based on changes to the Consumer Price Index (CPI) for all urban consumers.

The County's CalPERS Contract. The following information concerning CalPERS is excerpted from publicly available sources that the County believes to be reliable; however, the County takes no responsibility as to the accuracy of such information and has not independently verified such information. CalPERS acts as a common investment and administrative agent for participating public entities within the State. CalPERS is a contributory plan deriving funds from employee and employer contributions and earnings from investments. CalPERS maintains two pension plans for the County, a Miscellaneous Plan (the "Miscellaneous Plan") and a Safety Plan (the "Safety Plan" and, together with the Miscellaneous Plan, the "CalPERS Plans"). The County contributes to CalPERS based on the annual actuarial valuation rates recommended by CalPERS.

The staff actuaries at CalPERS prepare an annual actuarial valuation which covers a fiscal year ending approximately 12 months before the actuarial valuation is prepared (thus, the actuarial valuation delivered to the County in July 2022 will dictate what the County contributes in Fiscal Year 2023-24 for CalPERS' Fiscal Year 2020-21). Beginning with Fiscal Year 2017-18, CalPERS collects employer contributions toward the CalPERS Plans' unfunded liability as dollar amounts instead of the prior method of a contribution rate (expressed as a percent of covered payroll). This change addressed potential funding issues that could arise from a declining payroll or reduction in the number of active members in a CalPERS Plan. Funding the unfunded liability as a percentage of payroll could lead to the underfunding of the CalPERS Plans. The County is invoiced by CalPERS at the beginning of each fiscal year for its unfunded liability payments. The CalPERS Plans' normal cost contribution continues to be collected as a percentage of payroll. The County's contribution rates derived from the actuarial valuation as of June 30, 2021, which was prepared in July 2022, is effective for the County's Fiscal Year 2023-24. CalPERS rules require the County to implement the actuary's recommended rates.

In calculating the annual actuarially required contribution rates, the CalPERS actuary calculates on the basis of certain assumptions regarding the actuarial present value of the benefits that CalPERS will pay under the CalPERS Plans, which includes two components, the Normal Cost and the Unfunded Accrued Actuarial Liability (the "UAAL"). The normal cost represents the actuarial present value of benefits that are attributed to the current year, and the UAAL represents the actuarial present value of benefits that are attributed to past years. The UAAL represents an estimate of the actuarial shortfall between assets on deposit at CalPERS and the present value of the benefits that CalPERS will pay under the CalPERS Plans to retirees and active employees upon their retirement. The determination of both components is based on a set of actuarial assumptions which can be divided into two categories: demographic assumptions (which includes mortality rates, retirement rates, employment termination rates and disability rates) and economic assumptions (which includes future investment earnings, inflation and salary growth rates). In addition, the UAAL includes certain actuarial adjustments such as, among others, the actuarial practice of smoothing losses and gains over multiple years.

CalPERS staff actuaries prepare annual actuarial valuations calculating the plan's funded status at the valuation date, most recently June 30, 2021, based on census data and asset information as of that date. That valuation sets the County's required contribution for the 2nd following fiscal year (the 2021 valuation sets the Fiscal Year 2023-24 required contribution). The cost of retirement benefits earned in each year, the Normal Cost, is paid to CalPERS each payroll period as a percentage of actual covered payroll. Active employees pay a portion of the normal cost, either a fixed percentage of covered pay as specified by law or for newer employees, ½ of the Normal Cost. The County pays the remainder of the Normal Cost. The actuarial valuation also calculates the County's unfunded actuarial accrued liability (UAAL), which is the difference between the value of employees' and retiree's past service-related retirement benefits and plan assets. New UAAL created each year, positive or negative, is amortized and repaid to CalPERS by the County as an escalating annual payment. As of June 30, 2021, the County's UAAL has 26 amortization bases with between 1 and 26 years remaining in their contribution schedule of amortization bases.

CalPERS adopted a new amortization policy effective with the June 20, 2019 actuarial valuation. The new policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a 5-year ramp-up and ramp-down on UAAL bases attributable to assumption and method changes and non-investment gains/losses. The new policy also does not utilize a 5-year ramp-down on investment gains/losses. These changes will apply only to new UAAL bases established on or after June 30, 2019.

In calculating the plan costs, CalPERS uses many actuarial assumptions. Most significantly, future investment return is assumed to be 7.00% per year, net of both investment and administrative expenses. (Note that for financial reporting purposes under GASB Statement 68, the assumed rate of return is 6.90% which is net of only investment expenses.) The underlying inflation rate is 2.30%. Demographic assumptions are based on studies of actual member experience and include 15 years of projected mortality improvement.

On November 18, 2015, the CalPERS Board adopted a Funding Risk Mitigation Policy. The Policy seeks to reduce CalPERS funding risk over time. A mechanism will be established to reduce the discount rate, or assumed rate of return, by a minimum of 0.05 percentage points to a maximum of 0.25 percentage points in years when investment returns outperform the existing discount rate by at least two percentage points. At the same time, CalPERS strategic asset allocation targets will be adjusted to reduce risk. The policy will incrementally lower the discount rate in years of good investment returns, help pay down the pension fund's unfunded liability, and provide greater predictability and less volatility in contribution rates for employers.

On July 12, 2021, CalPERS announced that the 21.3% net return on investments for the 12-month period that ended June 30, 2021, will trigger a reduction in the discount rate or assumed rate of return, and will drop to 6.8%, from its current level of 7%. The new discount rate is reflected in the contribution levels in Fiscal Year 2023-24.

Copies of the County's actuarial valuations are available on CalPERS website, *https://www.calpers.ca.gov/*.

Contribution Rates. In addition to required County contributions, members are also obligated to make certain payments. For the Miscellaneous Plan, Tier I members' contribution rates are fixed at 8% of salaries. The Tier II and III member contribution rates for the Miscellaneous Plan are 7% and 7.25%, respectively. For the Safety Plan, the Tier I and Tier II member contribution rate is 9%, and the Tier III member contribution rate is 12.50%. Member contribution rates vary based on the terms of the collective bargaining agreements in effect. In addition to making annual contributions to CalPERS in accordance with the applicable actuarial valuation, the County has historically been obligated pursuant to collective bargaining arrangements to pay a portion of the employees' required contribution to CalPERS (these payments by the County are referred to herein as the "County Offsets of Employee Contributions"). Effective July 1, 2023, the required Safety Plan PEPRA member contribution rate will be 13.50% and the Miscellaneous Plan will be 7.25%.

Funding Status. The actuarial value of assets, the actuarial accrued liability and the funding status with respect to the Safety Plan and the Miscellaneous Plan are set forth under "— Historical Funding Status." In the actuarial valuation for the Miscellaneous Plan as of June 30, 2021, the CalPERS actuary recommended an employer normal cost contribution rate of 11.79% (projected to be $155 million) be implemented as the required rate for Fiscal Year 2023-24, and an employer unfunded liability payment of $148.8 million, which the County anticipates will result in a contribution to CalPERS of approximately $303.9 million for that fiscal year. In the actuarial valuation for the Safety Plan as of June 30, 2021, the CalPERS actuary recommended an employer normal cost contribution rate of 21.73% (projected to be $76.4 million) be implemented as the required rate for Fiscal Year 2023-24, and an employer unfunded liability payment of $54.6 million, which the County anticipates will result in a contribution to CalPERS of approximately $131.0 million for that fiscal year. The County's total CalPERS contribution (Miscellaneous Plan and Safety Plan) for Fiscal Year 2023-24 is projected to be approximately $434.9 million. The County generally pays the unfunded liability payments early, at the beginning of each fiscal year, and receives a discount of approximately ½ years' interest.

On February 17, 2005, the County issued its Taxable Pension Obligation Bonds, Series 2005A (the "2005 Pension Obligation Bonds") in the original principal amount of $400,000,000, the proceeds of which were used to fund approximately 90% of the County's estimated actuarial accrued liability as of February 17, 2005. The 2005 Pension Obligations Bonds remain outstanding in the principal amount of $126.9 million as of February 15, 2023, with annual debt service payments (principal and interest for Fiscal Year 2022-23) of approximately $41.7 million. The payment to CalPERS resulted in a net pension asset of $396.9 million, $311.2 million of which was applied to the County's UAAL for the Miscellaneous Plan and $85.7 million of which was applied to the County's UAAL for the Safety Plan. According to Foster & Foster, Inc., the 2005 Pension Obligation Bonds have resulted in a net estimated gain to the County of approximately $187.5 million as of February 15, 2023. A liability management fund was established in connection with the 2005 Pension Obligation Bonds. By Board policy, each year in its annual report, PARC recommends to the Board whether the funds in the liability management fund should be applied to purchase 2005 Pension Obligations Bonds or to transfer the funds to CalPERS to reduce the County's CalPERS unfunded liability. In 2016, PARC recommended to transfer the excess liability management funds to the Section 115 Pension Trust in each future year.

The County established its first Section 115 Pension Trust (the "Trust") in November 2016 with Public Agency Retirement Services ("PARS") serving as the administrator. The goal of the Trust is to help the County independently mitigate CalPERS' contribution rate volatility and act as a buffer for budgeting purposes. Assets in the Trust cannot be used for any other purposes except for making payments directly to CalPERS to pay down a portion of the unfunded liability or for reimbursing the County for CalPERS contributions. Excess funds from the Liability Management Fund and OPEB disbursements were placed in the Trust to fund the initial deposit of $2.1 million.

On May 6, 2020, the County issued its Taxable Pension Obligation Bonds, Series 2020 (the "2020 Pension Obligation Bonds") in the original principal amount of $719,995,000, the proceeds of which were used to refund up to approximately 20% of the County's total UAAL. The payments to CalPERS resulted in a net pension asset of $715.8 million, $371.5 million of which was applied to the County's UAAL for the Miscellaneous Plan and $344.3 million of which was applied to the County's UAAL for the Safety Plan. The 2020 Pension Obligations Bonds remain outstanding in the principal amount of $621.7 million as of February 15, 2023, with annual debt service payments (principal and interest for Fiscal Year 2021-22) of approximately $53.4 million. According to Foster & Foster, Inc., the 2020 Pension Obligation Bonds have resulted in a net estimated gain to the County of approximately $68.1 million as of February 15, 2023. As part of the approval process in April 2020 for the sale of the 2020 Pension Obligation Bonds, the Board of Supervisors directed that the payment reductions (savings), estimated at $230.8 million over the eighteen-year life of the bonds, be captured each year and deposited into a dedicated Section 115 Pension Trust. The second Trust account was established in July 2020. Funds have since been dollar-cost averaged over time into the Trust(s) and now total a combined $101 million, as of August 31, 2023. Since inception, no funds have been drawn from the Trust(s).

Historical Funding Status. The following two tables, for the Safety Plan and the Miscellaneous Plan, respectively, set forth the UAAL and funded status as of the valuation dates of the last five years for which the data was available:

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TABLE 16
HISTORICAL FUNDING STATUS
(Safety Plan)

Valuation Date June 30	*Unfunded Accrued Liability*	*Funded Status (Market Value)*	*Affects County Contribution for Fiscal Year*	*County Contribution Amount*[1]	*County Offsets of Employee Contributions*
2017	$966,674,937	71.2%	2019-20	$133,860,833	$0
2018	1,089,696,531	70.4	2020-21	144,542,181	0
2019[2]	1,115,122,032	71.1	2021-22	118,247,426	0
2020	832,266,670	79.4	2022-23	124,872,869	0
2021	488,733,498	88.9	2023-24	131,038,288	0

(1) Figures listed are amounts paid by the County to CalPERS in the specific years and do not reflect all amounts paid by the County under the Safety Plan, as debt service with respect to the County's outstanding 2005 or 2020 pension obligation bonds, or otherwise.
(2) 2019 figure does not reflect the amount of $344.2 million contributed by the County from the proceeds of the County of Riverside Taxable Pension Obligation Bonds, Series 2020.
Source: CalPERS Actuarial Valuation Reports for June 30, 2017 through June 30, 2021 (UAAL and Funded Status) and the County (County Contribution Amount and County Offsets of Employee Contributions).

TABLE 17
HISTORICAL FUNDING STATUS
(Miscellaneous Plan)

Valuation Date June 30	*Unfunded Accrued Liability*	*Funded Status (Market Value)*	*Affects County Contribution for Fiscal Year*	*County Contribution Amount*[1]	*County Offsets of Employee Contributions*
2017	$2,115,475,543	71.6%	2019-20	$265,021,457	$290,401
2018	2,416,961,672	70.4	2020-21	297,035,219	287,040
2019[2]	2,499,686,250	70.9	2021-22	283,962,428	279,811
2020	2,246,650,531	75.0	2022-23	295,705,279	260,801
2021	1,397,148,552	85.6	2023-24	303,959,728	183,145

(1) Figures listed are amounts paid by the County to CalPERS in the specific years and do not reflect all amounts paid by the County under the Miscellaneous Plan, as debt service with respect to the County's outstanding 2005 or 2020 pension obligation bonds, or otherwise.
(2) 2019 figure does not reflect the amount of $371.5 million contributed by the County from the proceeds of the County of Riverside Taxable Pension Obligation Bonds, Series 2020.
Source: CalPERS Actuarial Valuation Reports for June 30, 2017 through June 30, 2021 (UAAL and Funded Status) and the County (County Contribution Amount and County Offsets of Employee Contributions).

A six-year schedule of the funding progress of the Safety Plan and the Miscellaneous Plan are presented in the following two tables:

TABLE 18
SCHEDULE OF FUNDING PROGRESS
(Safety Plan)

Valuation Date June 30	***Accrued Liability (a)***	***Market Value of Assets (b)***	***Unfunded Liability (a-b)***	***Funded Status (Market Value) (b/a)***	***Annual Covered Payroll (c)***	***Unfunded Liability as a Percentage of Payroll ((a-b)/c)***
2016	$3,110,254,402	$2,151,981,845	$958,272,557	69.2%(1)	$338,809,025	282.8%
2017	3,361,565,098	2,394,890,161	966,674,937	71.2	328,400,573	294.4
2018	3,676,571,381	2,586,874,850	1,089,696,531	70.4	309,713,827	351.8
2019(2)	3,857,810,725	2,742,688,693	1,115,122,032	71.1	304,732,882	365.9
2020	4,045,933,495	3,213,666,825	832,266,670	79.4	316,205,748	263.2
2021	4,416,850,557	3,928,117,059	488,733,498	88.9	323,672,580	151.0

(1) As reported by CalPERS, decline due to a preliminary 0.61% net return on investments for the 12-month period that ended June 30, 2016.
(2) 2019 figure does not reflect the amount of $344.2 million contributed by the County from the proceeds of the County of Riverside Taxable Pension Obligation Bonds, Series 2020.
Source: CalPERS Actuarial Valuation Reports for June 30, 2016 through June 30, 2021.

TABLE 19
SCHEDULE OF FUNDING PROGRESS
(Miscellaneous Plan)

Valuation Date June 30	***Accrued Liability (a)***	***Market Value of Assets (b)***	***Unfunded Liability (a-b)(2)***	***Funded Status (Actuarial Value) (b/a)***	***Annual Covered Payroll (c)***	***UAAL as a Percentage of Payroll ((a-b)/c)***
2016	$6,850,143,825	$4,799,576,566	$2,050,567,259	70.1%(1)	$1,090,295,411	188.1%
2017	7,441,270,302	5,325,794,759	2,115,475,543	71.6	1,128,397,500	187.5
2018	8,165,793,889	5,748,832,217	2,416,961,672	70.4	1,118,711,056	216.0
2019(2)	8,602,935,143	6,103,248,893	2,499,686,250	70.9	1,145,579,094	218.2
2020	8,992,723,006	6,746,072,475	2,246,650,531	75.0	1,182,860,410	189.9
2021	9,670,471,442	8,273,322,890	1,397,148,552	85.6	1,211,043,768	115.4

(1) As reported by CalPERS, decline due to a preliminary 0.61% net return on investments for the 12-month period that ended June 30, 2016.
(2) 2019 figure does not reflect the amount of $371.5 million contributed by the County from the proceeds of the County of Riverside Taxable Pension Obligation Bonds, Series 2020.
Source: CalPERS Actuarial Valuation Reports for June 30, 2016 through June 30, 2021.

The following table shows the percentage of salary which the County was responsible for contributing to CalPERS from Fiscal Year 2018-19 through Fiscal Year 2023-24 to satisfy its retirement funding obligations.

TABLE 20
SCHEDULE OF EMPLOYER CONTRIBUTIONS

Valuation Date June 30	*Affects Contribution Rate for Fiscal Year:*	*Safety Plan*	*Employer Payment of Unfunded Liability*	*Miscellaneous Plan*	*Employer Payment of Unfunded Liability*
2016	2018-19	18.464%[(1)]	$48,790,038	10.458%[(1)]	$100,265,926
2017	2019-20	19.853	62,876,977	10.998	129,905,894
2018	2020-21	21.095	73,668,397	11.673	155,375,654
2019	2021-22	20.740	49,686,992	11.160	145,275,743
2020	2022-23	20.240	55,446,291	10.760	157,637,843
2021	2023-24	21.730	54,629,206	11.790	148,845,017

(1) Beginning in Fiscal Year 2017-18, CalPERS collects employer contributions toward the plan's unfunded liability as dollar amounts rather than contribution rate, which was the prior method of collection. The County pays at the beginning of each fiscal year for its unfunded liability payment, receiving a discount of approximately ½ year's interest on the amounts listed above. The plan's normal cost contribution will continue to be collected as a percentage of payroll. See the caption "— The County's CalPERS Contract."

Source: CalPERS Actuarial Valuation Reports for June 30, 2016 through June 30, 2021.

Projected County Contributions. As described above under the heading "SECTION I—DEMOGRAPHIC AND ECONOMIC INFORMATION—General," in 2003 the County established the PARC, which annually prepares a report for the Board. PARC's 2023 Annual Report projects the following contribution to CalPERS (including both normal cost and UAAL amortization):

TABLE 21
PROJECTED COUNTY CONTRIBUTIONS
(Safety Plan)[(1)]

Fiscal Year	*County Rate*	*County Payment*
2022-23	47.2%	$161,966,000
2023-24	48.2	169,451,000
2024-25	49.1	177,434,000
2025-26	49.1	182,328,000
2026-27	51.0	194,710,000

(1) Projections are based on data from a report prepared by Foster & Foster, Inc. dated November 9, 2022 and include debt service on the County's 2005 and 2020 Pension Obligation Bonds.

Source: PARC 2023 Annual Report.

TABLE 22
PROJECTED COUNTY CONTRIBUTIONS
(Miscellaneous Plan)[(1)]

Fiscal Year	*County Rate*	*County Payment*
2022-23	28.0%	$359,879,000
2023-24	28.2	370,495,000
2024-25	28.4	383,449,000
2025-26	27.9	387,249,000
2026-27	28.9	413,134,000

(1) Projections are based on data from a report prepared by Foster & Foster, Inc. dated November 9, 2022 and include debt service on the County's 2005 and 2020 Pension Obligation Bonds.
Source: PARC 2023 Annual Report.

The County's projections with respect to the County contributions reflect certain significant assumptions concerning future events and circumstances. The information and the related assumptions are future projections and are not to be construed as representations of fact or representation that in fact the information shown will be the correct amounts for the years indicated. Rather, these amounts reflect good faith estimates by the County taking into account a variety of assumptions. Variations in the assumptions may produce substantially different results. Actual results during the projection period may vary from those presented in the forecast, and such variations may be material. Accordingly, prospective investors are cautioned to view these estimates as general indications of trends and orders of magnitude and not as precise amounts.

The County's projected contribution rates are affected by the market rate of return in the CalPERS Plans and other changes that may be adopted by CalPERS from time to time, see "—The County's CalPERS Contract" above. CalPERS reported an annualized rate of return of 21.3% for Fiscal Year 2020-21 and an annualized rate of return of negative 6.1% for Fiscal Year 2021-22. In July 2023, CalPERS reported a preliminary net return of 5.8% on its investments for the 12-month period ending June 30, 2023. The County's projected contribution rates shown in PARC's 2023 Annual Report are based on CalPERS' Fiscal Year 2020-21 investment returns. Actual investment returns lower than the actuarially assumed level will result in decreased funding status and increased actuarially required contribution.

Other Retirement Plans. The County also provides a Defined Benefit Pension Plan (the "DBPP") to employees who are designated as a part-time or temporary employee and not eligible for Social Security or CalPERS retirement benefits through the County. This plan is subject to Internal Revenue Code Section 401(a) and is self-funded and self-administered. The County has set a goal of ensuring that the DBPP is at least 80% funded. Participants in the DBPP are required to contribute 3.75% of their eligible compensation to the DBPP in lieu of Social Security tax. As of June 30, 2022, the DBPP was funded at 81.6%, and the contribution level was 0%. However, the County has maintained the contribution rate of 5.58% to drive the funded status higher. The County's contribution to the DBPP was $811,519 for Fiscal Year 2020-21, $2,281,919 for Fiscal Year 2021-22 and $3,140,160 for Fiscal Year 2022-23. The DBPP's unfunded liabilities as of June 30, 2022, were approximately $12,678,329. Overall, the DBPP's plan's funded status decreased, and Net Pension Liability increased due to fewer terminations than expected and a large number of actives transferring to full-time, resulting in a net liability gain; assets were lower than expected due to unfavorable investment return on plan assets—17.4% actual compared to 6.0% assumed. Retirement and termination assumptions were updated to reflect results from the 2021 CalPERS Assumption study, resulting in small increases in liabilities. A large number of lump sum payments made at the end of Fiscal Year 2021-22 at a lower interest rate than the long term assumed rate resulted in a liability loss, and the salary increase assumption was updated from 2.75% to 2.80%, resulting in a small increase in liabilities.

Other Post-Employment Benefits (OPEB). The County provides certain post-retirement health insurance benefits to qualifying retired employees and their eligible dependents or survivors. Regular employees with a minimum service of five years and who are at least age 50, or age 52 if they became a CalPERS member on or after January 1, 2013, at retirement qualify to receive the post-retirement benefits.

The Board of Supervisors took action on October 25, 2006 to set aside $10 million as a contribution for OPEB. On November 7, 2007 the irrevocable OPEB Trust was established with the California Employers' Retiree Benefit Trust ("CERBT") and funded with a payment of $10.4 million. As of August 31, 2023, the OPEB Trust had a balance of $102.8 million.

In June 2015, GASB released Statement No. 75, which affects accounting for other post-employment benefit plans. Among other goals, GASB Statement No. 75 seeks to improve accounting and financial reporting by state and local governments for OPEB. The County adopted GASB Statement No. 75 in its audited financial statements for the fiscal year ended June 30, 2018. The changes include moving unfunded liabilities from the footnotes to the balance sheet, the potential for more volatile periodic expense and a change in the discount rate basis.

The County obtains actuarial valuations of its OPEB obligations from Aon, with the most recent calculated as of June 30, 2022. Based on the combination of plans and contribution levels that the County offers, assuming an investment rate of 7.0%, the present value of benefits was estimated to be $322.3 million, the accrued actuarial liability was estimated to be $247.5 million and the annual normal cost was $9.1 million. The County's OPEB funded ratio including implicit subsidy was 30.9% and excluding implicit subsidy, 58.2%.

According to the valuation, the County's funding contribution for Fiscal Year 2021-22 is approximately $16.3 million and approximately $14.1 million in Fiscal Year 2022-23. Pursuant to Board Policy B-25, Pension Management and Other Post-Employment Benefits, the County will follow a multi-year plan of improving its funded ratio. The current actuarial schedule projects the desired 80% minimum funding level, excluding implicit subsidy, would be reached in 2025 with $16.2 million to be charged to departments annually beginning in Fiscal Year 2021-22, which currently, as a percentage of payroll, represents approximately 1.1%. Each year the annual required contribution to the Trust is evaluated and adjusted accordingly.

The valuation states that plan liabilities and annual costs are higher than the prior valuation, primarily due to increased plan participation (i.e., retirees electing coverage) for CalPERS and County participants. As the past years higher elections caused an increase in liabilities, the assumption was also increased to reflect this recent experience, resulting in an increase in liabilities exceeding $25 million. Beyond the higher participation impact, UAAL and costs are higher than expected based on a projection from the prior valuation, as a net result of the following factors: 1) a change to allow LIUNA groups to become eligible for CalPERS plans, 2) an update in the future plan participation assumption (i.e., retirees electing coverage), which both result in an increase in liability, and, 3) incorporated an explicit lapse assumption to better reflect the impact of retirees electing to drop coverage in the future, resulting in a decrease in liability. Furthermore, the increase is also due to: expected return on assets was reduced in the CERBT Strategy 2 account with an assumed return of 6.15% to 7.00%, reflecting higher expectations. As a result, the discount rate similarly decreased, resulting in an increase in liability. Deferred retirees eligible for CalPERS health plans elected coverage higher than previously assumed, resulting in a liability loss. Investment return was lower than expected, resulting in an asset loss.

In addition to the multi-year plan of adjusting annual required contributions to increase the funded ratio, at its January 2021 meeting, the Pension Advisory Review Committee reviewed and approved a dollar cost average transitioning from CERBT's Strategy 2 account (long-term expected return of 5.90%) into the Strategy 1 account (long-term expected return of 6.30%) over the course of twelve months.

Ad Valorem Property Taxes

General. Taxes are levied for each fiscal year on taxable real and personal property which is situated in the County as of the preceding January 1. However, upon a change in ownership of property or completion of new construction, State law permits an accelerated recognition and taxation of increases in real property assessed valuation. For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate assessment rolls. The "secured roll" is that assessment roll containing locally assessed property secured by a lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Other property is assessed on the "unsecured roll."

The County levies a 1% property tax on behalf of all taxing agencies in the County. The taxes collected are allocated on the basis of a formula established by State law enacted in 1979. Under this formula, the County and all other taxing entities receive a base year allocation plus an allocation on the basis of growth in situs assessed value (new construction, change of ownership, inflation) prorated among the jurisdictions which serve the tax rate areas within which the growth occurs. Tax rate areas are specifically defined geographic areas which were developed to permit the levying of taxes for less than county wide or less than city wide special districts and school districts. In addition, the County levies and collects additional taxes for voter approved debt service and fixed charge assessments on behalf of any taxing agency and special districts within the County.

Property taxes on the secured roll are due in two installments, on November 1 and February 1. If unpaid, such taxes become delinquent after 5:00 p.m. on December 10 and April 10, respectively, and a ten percent penalty attaches. Property on the secured roll with unpaid delinquent taxes is declared tax-defaulted after 5:00 p.m. on June 30. Such property may thereafter be redeemed by payment of the delinquent taxes, the ten percent delinquency penalty, a minimum $38.06 fee for preparation of delinquent tax record, a minimum $36.45 per parcel redemption fee (from which the State receives five dollars), and redemption penalty of one and one half percent per month starting July 1 and continuing until date of redemption (collectively, the "Redemption Amount"). If taxes remain unpaid after five years on the default roll, the property becomes subject to a tax sale by the County Treasurer-Tax Collector.

Property taxes on the unsecured roll are due as of January 1 lien date and become delinquent, if unpaid, on August 31. A ten percent penalty attaches to delinquent taxes on property on the unsecured roll and an additional penalty of one and one half percent per month begins to accrue on November 1. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for recordation in the County Recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the taxpayer.

The following tables set forth the secured property tax roll and the unsecured property tax roll of the County for the last ten Fiscal Years.

TABLE 23
COUNTY OF RIVERSIDE
***AD VALOREM* PROPERTY TAXES - LEVIES AND COLLECTIONS**
SECURED PROPERTY TAX ROLL(1)

Fiscal Year	*Secured Property Tax Levy*	*Current Levy Delinquent June 30*	*Percentage of Current Taxes Delinquent June 30(2)*	*Total Collections(3)*	*Percentage of Total Collections to Current Levy(3)*
2013-14	$2,813,381,750	$49,716,695	1.76%	$2,943,824,187	104.64%
2014-15	3,014,259,026	46,145,916	1.52	3,152,661,477	104.59
2015-16	3,205,453,157	45,956,538	1.43	3,328,995,827	103.85
2016-17	3,368,109,165	45,522,477	1.35	3,496,857,648	103.82
2017-18	3,565,210,050	42,580,125	1.19	3,679,787,833	103.21
2018-19	3,762,000,301	62,930,733	1.67	3,768,906,901	100.18
2019-20	3,964,853,341	83,339,399	2.10	3,944,201,906	99.48
2020-21	4,185,760,961	70,727,830	1.69	4,201,081,747	100.37
2021-22	4,424,068,721	64,395,731	1.46	4,428,241,989	100.09
2022-23	4,815,817,368	81,206,837	1.69	4,784,421,257(4)	99.35(4)

(1) The Levy and Collection data reflect the 1% levy allowed under Article XIIIA of the California Constitution and additional taxes levied for voter-approved debt and special assessments. Taxes for the County, cities, school districts, special districts and redevelopment agencies are included in the totals.
(2) Under the Teeter Plan, participating agencies receive their full levy of current secured taxes regardless of delinquency rate, subject to roll corrections during the year. Prior year taxes are deposited to the Teeter Plan fund. See the caption "Teeter Plan" herein.
(3) Includes current year taxes collected only and prior years' redemptions, penalties and interest distributed as of June 30, 2023.
(4) Total adjusted tax levy as of June 30, 2023.
Source: County Auditor-Controller.

TABLE 24
UNSECURED PROPERTY TAX ROLL(1)

Fiscal Year	*Unsecured Property Tax Levy*	*Total Collections(2)*	*Percentage of Total Collections to Original Levy(2)*
2013-14	$83,522,992	$86,835,311	103.97%
2014-15	84,869,586	89,749,581	105.75
2015-16	84,381,854	88,526,356	104.91
2016-17	91,527,259	97,904,720	106.97
2017-18	92,470,967	97,787,334	105.75
2018-19	97,064,852	106,502,808	109.72
2019-20	103,243,149	105,370,218	102.06
2020-21	108,068,113	108,896,346	100.77
2021-22	118,425,447	129,565,509	109.41
2022-23	141,148,015(3)	138,837,917	98.36

(1) The Levy and Collection data reflect the 1% levy allowed under Article XIIIA of the California Constitution and additional taxes levied for voter-approved debt and special assessments. Taxes for the County, cities, school districts, special districts and redevelopment agencies are included in the totals.
(2) Includes current and prior years' taxes, redemptions, penalties and interest in unsecured taxes.
(3) Total adjusted tax levy as of June 30, 2023.
Source: County Auditor-Controller.

State legislation enacted in 1984 established the "supplemental roll," which directs the County Assessor to re-assess real property, at market value, on the date the property changes ownership or upon completion of new construction. Property on the supplemental roll is eligible for billing 30 days after the reassessment and notification to the new assessee. The resultant charge (or refund) is a one-time levy on the increase (or decrease) in value for the period between the date of the change in ownership or completion of new construction and the date of the next regular tax roll upon which the assessment is entered.

Supplemental roll billings are made on a monthly basis and are due on the date mailed. If mailed within the months of July through October, the first installment becomes delinquent on December 10 and the second on April 10. If mailed within the months of November through June, the first installment becomes delinquent on the last day of the month following the month of billing. The second installment becomes delinquent on the last day of the fourth month following the date the first installment is delinquent. These assessments are subject to the same penalties and default procedures as the secured and unsecured rolls.

The following table sets forth the supplemental tax roll of the County for the last ten Fiscal Years:

TABLE 25
COUNTY OF RIVERSIDE
SUMMARY OF SUPPLEMENTAL ROLL(1)
***AD VALOREM* PROPERTY TAXATION**

Fiscal Year	*Tax Levy for Increased Assessments(2)*	*Refunds for Decreased Assessments(2)*	*Net Supplemental Tax Levy*	*Collections(3)*
2013-14	$52,907,916	$8,982,077	$43,925,839	$41,498,433
2014-15	68,579,326	7,954,074	60,625,253	56,319,752
2015-16	70,084,954	6,399,454	63,685,501	60,101,066
2016-17	85,097,029	7,733,087	77,363,942	70,527,505
2017-18	95,818,550	6,329,416	89,489,134	87,764,555
2018-19	48,663,655	3,244,119	45,419,536	61,852,162
2019-20	55,304,570	4,793,074	50,511,496	43,283,527
2020-21	133,415,501(4)	9,830,606	123,584,895	117,273,827
2021-22	91,271,062(4)	7,758,188	83,512,874	111,110,969
2022-23	277,982,291(4)	7,351,558	270,630,733	231,128,002

(1) The Levy and Collection data reflect the 1% levy and additional taxes levied for voter-approved debt. Taxes for the County, cities, school districts, special districts and redevelopment agencies are included in the totals.
(2) Tax levy amounts are shown net of minimum tax less than $15 and refund amounts are shown net of refund or negative supplemental taxes less than $10 as of June 30, 2023.
(3) Includes current and prior years' taxes, penalties and interest collected (before refunds) as of June 30, 2023.
(4) Tax levy fluctuation from Fiscal Year 2020-21 through Fiscal Year 2022-23 is partially due to the stabilization of the property tax system for the Assessor, Tax Collector and Auditor which delayed processing all supplemental transactions.
Source: County Auditor-Controller/County Treasurer-Tax Collector.

The following table sets forth the assessed valuation by category and property type for Fiscal Year 2019-20 through Fiscal Year 2023-24:

TABLE 26
COUNTY OF RIVERSIDE
ASSESSED VALUATION HISTORY BY CATEGORY AND PROPERTY TYPE[(1)]
FISCAL YEARS 2018-19 THROUGH 2022-23
(IN MILLIONS)

Category	***2019-20***	***2020-21***	***2021-22***	***2022-23***	***2023-24***
SECURED PROPERTY:					
Land	$ 87,392	$ 90,586	$ 93,979	$ 100,649	$ 107,356
Structures	204,416	218,398	232,113	255,994	281,799
Fixtures	618	669	706	772	839
Living Improvements	81	81	85	85	86
Personal Property	889	948	947	980	1,097
Penalty	16	18	14	18	17
Utilities	6,317	6,956	6,813	8,026	8,858
Total Secured	$ 299,730	$ 317,655	$ 334,656	$ 366,524	$ 400,054
UNSECURED PROPERTY:					
Land	2	2	2	1	2
Structures	82	75	62	57	53
Fixtures	4,225	4,447	5,046	5,575	6,695
Personal Property	4,921	5,076	5,327	5,713	6,544
Penalty	95	83	80	85	124
Total Unsecured	$ 9,324	$ 9,683	$ 10,518	$ 11,431	$ 13,417
GRAND TOTAL	$ 309,054	$ 327,337	$ 345,174	$ 377,955	$ 413,471

(1) Assessed valuation is reported as of July 1 of each year at 100% of full taxable value. Pursuant to Article XIIIA of the California Constitution (Proposition 13), property is valued for tax purposes at the 1975 fair market value, adjusted annually for inflation (not to exceed 2%). Generally, property is reassessed at fair market value upon change of ownership and for new construction. Fiscal Year 2023-24 Equalized roll includes roll corrections up to August 16, 2023.

Source: County Auditor-Controller/County Assessor.

Assessed valuations can be reduced as a result of an assessment appeal or an assessor-initialized reduction. Property owners can appeal their initial valuation at the time of acquisition to establish their Proposition 13 basis. Subsequently, they may appeal the valuation under Proposition 8 to achieve a temporary reduction below the Proposition 13 value, as adjusted. The County Assessor is required under Proposition 8 to make reductions, should declines in market values call for such reductions. Following the decline in housing prices in the County during the 2008 recession, the Assessor proactively reviewed all residential properties purchased after January 1, 1999, in each year from Fiscal Year 2010-11 to Fiscal Year 2013-14, which resulted in a net decline in assessed valuation in each of those years. From and after Fiscal Years 2014-15, there were no additional proactive Proposition 8 reductions. Housing prices in the County have been showing increases in recent years. Assessed valuation in the County increased by at least 5% each year from Fiscal Year 2015-16 to 2020-21. Assessed valuation in the County increased by approximately 9.5% in Fiscal Year 2022-23 as compared to Fiscal Year 2021-22. Assessed valuation increased by 9.37% in Fiscal Year 2023-24 as compared to Fiscal Year 2022-23.

Property Tax Appeals. The County estimates that it has received assessment appeals applicable to Fiscal Year 2022-23 totaling approximately $16.2 billion of assessed value, although the County is still processing the case filings for Fiscal Year 2021-22 so the actual total assessed value subject to appeal may differ. Successful appeals result in either a refund of taxes paid or a reduction to an unpaid tax bill. A total of $576 million of assessed value was reduced from the County tax roll in Fiscal Year 2020-21 and Fiscal Year 2021-22 due to appeals, representing $5,760,000 in general purpose taxes over the two-fiscal year period. Approximately 9% of the Fiscal Year 2022-23 assessment appeals have been completed. The majority of the remaining Fiscal Year 2022-23 assessment appeals are expected to be completed by June 2024.

Motor Vehicle Fees In-Lieu of Property Taxes. The County receives an allocation of motor vehicle in-lieu tax from the State. The motor vehicle in-lieu tax is levied for the privilege of operating a vehicle on the public highways of the State. The motor vehicle registration fee is levied annually on all motor vehicles, trailer coaches, and other vehicles that use public highways of the State.

Teeter Plan

See the caption "THE COUNTY—Teeter Plan" in this Official Statement for information regarding the County's Teeter Plan.

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Largest Taxpayers

The following table shows the 25 largest property taxpayers by individual tax levied in the County for Fiscal Year 2023-24:

TABLE 27
COUNTY OF RIVERSIDE
TWENTY-FIVE LARGEST PROPERTY TAXPAYERS IN FISCAL YEAR 2023-24
BY TAX LEVIED[(1)]

Taxpayer	*Total Taxes Levied*	*Percentage of Total Tax Charge*
DUKE REALTY LTD PARTNERSHIP	$ 7,247,855.68	0.14%
COSTCO WHOLESALE CORP	5,442,110.32	0.10
FIRST INDUSTRIAL	5,398,152.58	0.10
DPIF3 CA 27 ARCHIBALD AVE	5,282,426.66	0.10
KB HOME COASTAL INC	5,029,608.56	0.10
IV1 CHERRY VALLEY LOGISTICS CENTER	4,365,927.26	0.08
KAISER FOUNDATION HOSPITALS	4,259,121.28	0.08
CHELSEA GCA REALTY PARTNERSHIP	4,144,303.08	0.08
TARPON PROP OWNERSHIP 2	3,934,487.64	0.08
DUKE REALTY WEBSTER RIDER	3,874,995.82	0.07
WALGREEN CO	3,831,526.78	0.07
RIVERSIDE HEALTHCARE SYSTEM	3,771,343.18	0.07
LA SIERRA UNIVERSITY	3,716,022.58	0.07
ROSS DRESS FOR LESS INC	3,645,628.62	0.07
SCG ATLAS ASHTON CO	3,644,252.64	0.07
TYLER MALL LTD PARTNERSHIP	3,641,534.60	0.07
WAL MART REAL ESTATE BUSINESS TRUST	3,631,410.82	0.07
GARDEN OF CHAMPIONS	3,598,607.70	0.07
RICHMOND AMERICAN HOMES OF MARYLAND INC	3,389,260.72	0.06
CLUBCORP MISSION HILLS COUNTRY CLUB INC	3,378,002.58	0.06
H N & FRANCES C BERGER FOUNDATION	3,376,949.94	0.06
RIVERSIDE COLD STORAGE	3,103,633.28	0.06
RIVERSIDE INLAND DEV	2,928,902.70	0.06
CASTLE & COOKE CORONA CROSSINGS	2,926,528.78	0.06
LPC BANNING	2,867,066.88	0.05
Total	**$ 100,428,660.68**	**1.93%**
Total Secured Tax Charge for 2023-24	**$5,216,136,282.90**	

(1) Includes secured property.
Source: County Treasurer-Tax Collector.

The 10 largest property owners in the County by assessed value for all properties, for Fiscal Year 2023-24 are shown below:

TABLE 28
COUNTY OF RIVERSIDE
TEN LARGEST PROPERTY OWNERS IN FISCAL YEAR 2023-24
BY ASSESSED VALUE

Assessee	***Assessed Value***
AMAZON COM SERVICES LLC	$ 745,960,853
DUKE REALTY LTD PARTNERSHIP	604,020,399
DPIF3 CA 27 ARCHIBALD AVE	473,393,501
FIRST INDUSTRIAL	470,833,052
COSTCO WHOLESALE CORP	455,287,689
SPECTRUM PACIFIC WEST LLC	366,868,856
KAISER FOUNDATION HOSPITALS	485,967,355
RIVERSIDE HEALTHCARE SYSTEM	335,746,167
DUKE REALTY WEBSTER RIDER	330,312,428
I10 LOGISTICS OWNER	328,602,166
Subtotal	$ 4,596,992,466
All Others	399,637,397,098
Total	**$ 404,234,389,564**[(1)]

(1) Excludes State-assessed property. Does not reflect any applicable exemptions.
Source: County Assessor.

Other Taxing Entities

The County does not retain all of the property taxes it collects for its own purposes. The majority of property taxes collected by the County are disbursed to other agencies. For both Fiscal Years 2021-22 and 2022-23, the County retained approximately 19% of the total amount collected (and is budgeted to retain 19% in Fiscal Year 2023-24). The remainder is distributed according to State law (AB 8), which established a tax-sharing formula, and State redevelopment law (See "—Redevelopment Agencies" below). Taxes levied for the purpose of repaying general obligation debt, special taxes and assessments are applied to pay such obligations, less any allowable collection charges.

Redevelopment Agencies

The California Community Redevelopment Law (California Health and Safety Code Section 33000 *et seq*.) authorized the redevelopment agency of any city or county to issue bonds payable from the allocation of tax revenues resulting from increases in assessed valuation of properties within the designated project areas. The net effect of the formation of a redevelopment area is to redistribute tax revenues away from the AB 8 formula. Local taxing authorities other than the former redevelopment agency realize tax revenues on a portion of the taxes generated in a project area including: 1) on the "frozen" tax base; 2) for project areas adopted prior to January 1, 1994, local taxing authorities may receive an additional amount based on any negotiated agreements with former redevelopment agencies to receive a share of tax increment proceeds; and, 3) for project areas adopted after January 1, 1994, local taxing authorities receive a pass-through payment based on statutory rules pursuant to section 33607.5 of the California Health and Safety Code.

The following table summarizes the community redevelopment agencies' frozen base value, full cash value increments, and total tax allocations for the last ten Fiscal Years.

TABLE 29
COUNTY OF RIVERSIDE
COMMUNITY REDEVELOPMENT AGENCIES'
FROZEN BASE VALUE, FULL CASH VALUE INCREMENTS
AND TOTAL TAX ALLOCATIONS

Fiscal Year	*Frozen Base Value*	*Full Cash Value Increments*(1)	*Total Tax Allocations*(2)(3)
2013-14	$16,352,697,201	$ 58,479,843,303	$ 688,683,052
2014-15	16,352,691,201	62,266,158,988	729,793,564
2015-16	16,352,657,201	65,770,021,482	772,866,457
2016-17	16,352,657,201	69,510,642,793	816,260,103
2017-18	16,352,657,201	73,397,406,955	866,983,038
2018-19	16,352,657,201	78,931,108,121	791,516,576
2019-20	16,352,657,201	83,774,752,955	838,352,528
2020-21	16,352,657,201	90,024,188,096	902,599,217
2021-22	16,352,657,201	96,060,913,816	963,039,899
2022-23	16,352,657,201	107,115,726,887	1,073,672,542
2023-24	16,352,657,201	119,565,526,587	1,198,688,200

(1) Full cash value for all redevelopment projects (including County projects) above the "frozen" base year valuations. This data represents growth in full cash values generating tax revenues for use by the former redevelopment agencies and includes State assessed properties; has not been adjusted for negative project area increment.
(2) Actual cash revenues collected by the County and available to the Redevelopment Property Tax Trust Fund (RPTTF) allocations under ABx126
(3) Includes estimated general purpose and debt; excludes negative treatment redevelopment projects where assessed value is less than frozen base value.
Source: County Auditor-Controller.

Legislation enacted as part of the State's 2011 Budget Act ("ABx1 26") eliminated redevelopment agencies, with formal dissolution effective February 1, 2012. The County had previously formed a redevelopment agency with project areas in 45 unincorporated communities. In accordance with ABx1 26, the County redevelopment agency dissolved on February 1, 2012 and the County's Board of Supervisors is acting as the successor agency to the County's redevelopment agency. At the time of its dissolution, the County redevelopment agency had a total land area of 82,334 acres, a base year assessed value, including State-owned land, of $3,971,824,734, and a Fiscal Year 2011-12 assessed value of $8,266,787,927. In Fiscal Year 2011-12, the pass-through payment to the County's General Fund from the County's redevelopment agency totaled $1,600,443, and was offset in its entirety pursuant to Health and Safety Code Section 33607.5. As a consequence of the dissolution of redevelopment agencies, the County receives only a fraction of the pass-through payments from the County redevelopment agency it previously received, but these amounts were relatively modest and are largely offset by the County's receipt of its tax allocation under the AB 8 formula. As the result of the dissolution, the County is receiving a share of residual, unencumbered low and moderate housing and other asset funding. The County received approximately $43,195,558 in residual funds for Fiscal Year 2021-22, approximately $55,351,436 in residual funds for Fiscal Year 2022-23, and has budgeted to receive approximately $59,822,194 in residual funds for Fiscal Year 2023-24.

In Fiscal Years 2021-22 and 2022-23, the County received approximately $135 million and $149 million, respectively, in pass-through payments pursuant to agreements with various city redevelopment agencies. The County is projected to receive approximately $160 million in Fiscal Year 2023-24. Pursuant to ABx1 26 and its following clarifying legislation, the County's negotiated pass-through agreements with these redevelopment agencies remain in full force and effect as enforceable obligations of the successor entity to each such redevelopment agency.

Enhanced Infrastructure Financing Districts

California Government Code Sections 53398.50-53398.88 (the "EIFD Law") enables cities and counties in the state of California to form enhanced infrastructure financing districts ("EIFDs") as a means of funding public improvements with a useful life of 15 years or more, that provide community wide benefit. To fund such improvements, the EIFD Law provides that an EIFD may issue bonds payable from, or utilize pay-as-you-go revenue generated from, *ad valorem* property tax increment and in-lieu Vehicle License Fee increment revenue resulting from increases in assessed valuation of property within designated EIFD areas. The net effect is that in EIFD areas, the County will realize tax revenues on a portion of the taxes generated in an EIFD area including: 1) on the "frozen" tax base; and 2) on the remaining portion of increment, after the Board of Supervisors approved percentage of increment has been allocated to the EIFD. The EIFD Law also provides that allocation of tax increment revenue to an EIFD is subordinate to allocation of increment revenue to obligations of any former redevelopment project areas, where EIFD boundaries might overlap with former redevelopment area boundaries.

On April 20, 2021, the County's Board of Supervisors adopted a Resolution of Intention to Establish the Temecula Valley Wine Country Enhanced Infrastructure Financing District (the "Temecula Valley Wine Country EIFD"); on November 9, 2021, the Temecula Valley Wine Country EIFD's Infrastructure Financing Plan was formally adopted; and on February 17, 2022, the State's Board of Equalization sent confirmation of establishment of the Temecula Valley Wine Country EIFD in the form of a Notice of Tax Rate Area Change. The Temecula Valley Wine Country EIFD area is comprised of 825 parcels located on approximately 9,007 acres; the EIFD's established base year was Fiscal Year 2022-23, and its first allocation of increment is expected in Fiscal Year 2023-24.

On May 24, 2022, the County's Board of Supervisors adopted a Resolution of Intention to Establish the Highway 74 Enhanced Infrastructure Financing District (the "Highway 74 EIFD"); on November 8, 2022, the Highway 74 EIFD's Infrastructure Financing Plan was formally adopted; and on February 17, 2023, the State's Board of Equalization sent confirmation of establishment of the Highway 74 EIFD in the form of a Notice of Tax Rate Area Change. The Highway 74 EIFD area is comprised of 475 parcels located on approximately 941 acres; the EIFD's established base year was also Fiscal Year 2022-23, and its first allocation of increment is also expected in Fiscal Year 2023-24.

The following table summarizes estimated increment revenue generation for both EIFDs for Fiscal Year 2023-24.

TABLE 30
COUNTY OF RIVERSIDE
COMMUNITY ENHANCED INFRASTRUCTURE FINANCING DISTRICTS' (EIFDs)
FROZEN BASE VALUE, FULL CASH VALUE INCREMENTS
AND TOTAL TAX ALLOCATIONS

Fiscal Year	*Frozen Base Value*	*Full Cash Value Increments*(1)	*Total Tax Allocations*(2)(3)
2023-24	$569,927,688	$73,760,608	$737,606

(1) The EIFD boundaries that also overlap the RDA boundary area are not reflected this Table 30. Such amounts are reported in Table 29.
(2) Full cash value for both enhanced infrastructure financing districts above the "frozen" base year valuations.
(3) Includes estimated general purpose and debt.
Source: County Auditor-Controller.

County of Riverside Treasurer-Tax Collector's Pooled Investment Fund

The County Treasurer-Tax Collector maintains one Pooled Investment Fund (the "PIF") for all local jurisdictions having funds on deposit in the County Treasury, including the County, schools and special districts within the County, and other discretionary depositors throughout the County. As of June 30, 2023, the portfolio assets comprising the PIF had a market value of $13,787,800,541.66.

State law requires that all operating moneys of the County, school districts, and certain special districts be held by the County Treasurer-Tax Collector. On June 30, 2022, the Auditor-Controller performed an analysis on the County Treasury, which resulted in the identification and classification of "mandatory" vs. "discretionary" depositors. The County Auditor-Controller reports that collectively, these mandatory deposits constituted approximately 78.39% of the funds on deposit in the County Treasury, while approximately 21.61% of the total funds on deposit in the County Treasury represented discretionary deposits. While State law permits other governmental jurisdictions to participate in the County's PIF, the desire of the County Treasurer-Tax Collector is to maintain a stable depositor base for those entities participating in the PIF.

All purchases of securities for the PIF are to be made in accordance with the County Treasurer's 2021 Statement of Investment Policy, which is more restrictive than the investments authorized pursuant to Sections 53601 and 53635 of the California Government Code. The Policy Statement requires that all investment transactions be governed by first giving consideration to the safety and preservation of principal and liquidity sufficient to meet daily cash flow needs prior to achieving a reasonable rate of return on the investment. Investments are not authorized in reverse-repurchase agreements except for an unanticipated and immediate cash flow need that would otherwise cause the Treasurer to sell portfolio securities prior to maturity at a principal loss.

The allocation of the investments in the PIF as of July 31, 2023 were as follows (numbers may not add up due to rounding of individual components):

TABLE 31
COUNTY OF RIVERSIDE
ALLOCATION OF INVESTMENTS IN THE POOLED INVESTMENT FUND
AS OF JULY 31, 2023

	Balance	***% of Pool***
Repurchase Agreement	$ 200,000,000.00	1.52%
U.S. Treasury Securities	2,033,063,931.40	15.43
Federal Agency Securities	7,078,673,338.84	53.72
Cash Equivalent & Money Market Funds	302,017,200.84	2.29
Commercial Paper	1,615,622,869.32	12.26
Int'l Bank for Reconstruction and Development (IBRD) & Int'l Finance Corp (IFC)	203,455,698.02	1.54
NCD	1,535,000,000.00	11.65
Medium Term Notes	24,843,015.17	0.19
Municipal Notes	184,924,721.02	1.40
Total Book Value	$ 13,177,600,774.60	100.00%
Book Yield:		3.86%
Weighted Average Maturity:		1.35 Years

Source: County Treasurer-Tax Collector.

As of July 31, 2023, the market value of the PIF was 97.80% of book value. The Treasurer estimates that sufficient liquidity exists within the portfolio to meet daily expenditure needs without requiring any sale of securities at a principal loss prior to their maturity.

In keeping with Sections 53684 and 53844 of the California Government Code, all interest, income, gains and losses on the portfolio are distributed quarterly to participants based upon their average daily balance except for specific investments made on behalf of a particular fund. In these instances, Sections 53844 requires that the investment income be credited to the specific fund in which the investment was made.

The Board has established an "Investment Oversight Committee" in compliance with California Government Code Section 27131. Currently, the Committee is composed of the Director of Finance, the County Treasurer-Tax Collector, the County Superintendent of Schools, a school district representative and a public member at large. The purpose of the committee is to review the prudence of the County's investment policy, portfolio holdings and investment procedures, and to make any findings and recommendations known to the Board. As of September 29, 2004, the State no longer required the County to have a local oversight committee; however, the County has elected to maintain the committee. The committee is utilized by the County to safeguard public funds and to perform other internal control measures.

The County has obtained a rating on the PIF of "Aaa/MR1" from Moody's Investors Service and "AAAf/S1" rating from Fitch Ratings. There is no assurance that such ratings will continue for any given period of time or that any such rating may not be lowered, suspended or withdrawn entirely by the respective rating agency if, in the judgment of such rating agency, circumstances so warrant.

Financial Statements and Related Issues

The County's accounting policies used in preparation of its audited financial statements conform to generally accepted accounting principles applicable to counties. The County's governmental funds use the modified accrual basis of accounting. This system recognizes revenues in the accounting period in which they become available and measurable. Expenditures, with the exception of unmatured interest on general long-term debt, are recognized in the accounting period in which the fund liability is incurred. Proprietary funds and fiduciary funds use the accrual basis of accounting, and revenues are recognized in the accounting period in which they are earned and become measurable, while expenses are recognized in the period during which they are incurred.

The County establishes sub-funds to track revenues and expenditures for certain designated programs administered by the County. Revenues held in sub-funds are generally restricted for the related programs. Currently, the County classifies restricted revenues as deferred inflows and recognizes the revenues when the associated expenditures are incurred, which may not be in the year in which the restricted revenues are received. A change in the recognition of the restricted revenues to the year in which the revenues are received rather than in the year in which the related expenditures are incurred would result in the acceleration of certain revenues currently held in the sub-funds. Revenues are reported in accordance with Generally Accepted Accounting Principles, and therefore there is no need to alter the current accounting practice related to the recognition of revenue held in sub-funds.

The State Government Code requires every county to prepare an annual financial report. The County Auditor-Controller prepares the "Annual Financial Report of the County of Riverside." Under the U.S. Single Audit Act of 1984 and State law, independent audits are required on all operating funds under the control of the Board of Supervisors and must be conducted annually. The County's financial statements for Fiscal Year 2021-22 were audited by Brown Armstrong Accountancy Corporation. See APPENDIX B — "COUNTY OF RIVERSIDE AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

The following table sets forth the County's Statement of Revenues, Expenditures and Change in Unreserved Funds Balances-General Fund for the last five Fiscal Years.

TABLE 32
COUNTY OF RIVERSIDE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN UNRESERVED FUND BALANCES – GENERAL FUND
FISCAL YEARS 2017-18 THROUGH 2021-22
(In Thousands)

	2017-18	***2018-19***	***2019-20***	***2020-21***	***2021-22***
BEGINNING FUND BALANCE	$ 348,231	$ 369,582	$ 410,455	$ 401,682	$ 564,179
REVENUES					
Taxes	$ 303,836	$ 326,991	$ 336,983	$ 397,329	$ 440,139
Licenses, permits and franchises	19,142	19,989	18,939	19,683	21,584
Fines, forfeiture sand penalties	64,525	64,521	54,332	61,802	62,975
Use of money and property–Interest	16,727	41,315	24,881	2,939	(19,520)[1]
Use of money and property–Rents and concessions	13,552	12,244	15,232	18,112	14,486
Government Aid–State	1,328,912	1,404,112	1,483,441	1,557,651	1,695,870
Government Aid–Federal	596,949	567,753	646,890	705,181	758,843
Governmental Aid-Other	110,656	117,264	126,723	137,642	143,497
Charges for current services	481,245	499,566	510,103	523,997	528,383
Other revenues	44,273	49,682	63,228	60,481	54,717
TOTAL REVENUES	$ 2,979,817	$ 3,103,437	$ 3,280,752	$ 3,484,817	$ 3,700,974
EXPENDITURES					
General government	$ 130,989	$ 118,662	$ 120,724	$ 120,250	$ 137,936
Public protection	1,328,734	1,382,395	1,477,295	1,573,840	1,591,388
Public ways and facilities	-	-	-	-	-
Health and sanitation	543,976	558,905	627,950	656,502	728,702
Public assistance	916,191	934,641	1,010,175	1,011,834	1,057,631
Education	628	678	628	490	512
Recreation and cultural	483	1,959	2,111	1,980	2,369
Capital Outlay	6,486	6,287	24,409	6,215	26,118
Debt service	17,357	23,422	29,400	28,292	21,175
TOTAL EXPENDITURES	$ 2,944,844	$ 3,026,949	$ 3,292,692	$ 3,399,403	$ 3,565,831
Excess (deficit) of revenues over (under) expenditures	34,973	76,488	(11,940)	85,414	135,143
OTHER FINANCING SOURCES (USES)					
Transfer from other reserves	$ 108,979	$ 114,208	$ 158,712	$ 289,535	$ 133,658
Transfer to other funds	(129,087)	(154,164)	(179,954)	(215,946)	(178,583)
Proceeds from sale of capital assets	-	-	-	-	-
Capital Leases	6,486	6,287	24,409	6,215	26,118
Total other Financing Sources (Uses)	$ (13,622)	$ (33,669)	$ 3,167	$ 79,804	$ (18,807)
NET CHANGE IN FUND BALANCES	$ 21,351	$ 42,819	$ (8,773)	$ 165,218	$ 116,336
FUND BALANCE, END OF YEAR	$ 369,582	$ 410,455[2]	$ 401,682	$ 564,179[3]	$ 680,515

(1) Decrease in use of money and property–interest reflects interest income of approximately $2.7 million and an unrealized investment loss of approximately $22.2 million on securities held by the County due to increasing interest rates.

(2) Fund balance does not foot because of subsequent restatement to reflect the prior period cost related to the implementation of GASB Statement No. 84 for Fiduciary Activities.

(3) Fund balance does not foot because of subsequent restatement to reflect a prior year advance received from grantor that was incorrectly recorded as revenue before the eligibility requirements had been met.

Source: County Auditor-Controller.

The following table sets forth the County's General Fund balance sheets for the last five Fiscal Years.

TABLE 33
COUNTY OF RIVERSIDE
GENERAL FUND BALANCE SHEETS
AT JUNE 30, 2018 THROUGH JUNE 30, 2022
(In Thousands)

	2017-18	*2018-19*	*2019-20*	*2020-21*	*2021-22*
ASSETS:					
Cash & Marketable Securities	$ 123,884	$ 207,950	$ 308,199	$ 362,675	$ 442,471
Taxes Receivable	9,025	10,499	12,206	8,813	8,101
Accounts Receivable	12,484	15,111	18,686	8,840	11,195
Interest Receivable	6,560	9,624	4,046	1,426	4,582
Lease Receivable	-	-	-	-	50,601
Advances to Other Funds	4,869	4,869	4,869	4,869	4,869
Due from Other Funds	11,242	9,961	20,597	8,387	8,380
Due from Other Governments	380,479	343,679	360,840	406,867	404,617
Inventories	2,360	2,087	2,075	2,390	3,465
Prepaid items	781	-	62	46	47
Restricted Assets	395,407	411,861	417,867	502,449	691,979
Total Assets	$ 947,091	$ 1,015,641	$ 1,149,447	$ 1,306,762	$ 1,630,307
LIABILITIES:					
Accounts Payable	$ 38,969	$ 39,870	$ 77,946	$ 66,145	$ 101,682
Salaries & Benefits Payable	103,293	107,031	126,347	69,780	79,499
Due To Other Funds	1,551	13,346	51,943	2,476	299
Due to Other Governments	76,507	64,974	126,314	131,994	123,356
Deferred Revenue	-	-	-	-	-
Deposits Payable	35	28	14	15	12
Advances from other funds	-	-	-	-	-
Advances from grantors and third parties	305,318	318,534	303,583	403,592	523,727
Total Liabilities	$ 525,673	$ 543,783	$ 686,147	$ 674,002	$ 828,575
Deferred inflows of resources	$ 51,836	$ 59,457	$ 61,618	$ 65,860	$ 121,217
FUND BALANCE:					
Nonspendable	$ 3,470	$ 2,416	$ 2,466	$ 2,756	$ 3,843
Restricted	95,881	102,288	112,711	142,367	184,315
Committed	23,290	18,320	14,844	15,070	13,185
Assigned	12,464	14,196	13,702	35,900	39,198
Unassigned	234,477	275,181	257,959	370,807	439,974
Fund Balance	$ 369,582	$ 412,401	$ 401,682	$ 566,900	$ 680,515
Total Liabilities and Fund Balance	$ 947,091	$ 1,015,641	$ 1,149,447	$ 1,306,762	$ 1,630,307

Source: County Auditor-Controller.

The following table sets forth the County's General Fund balances as of June 30 for the last ten Fiscal Years based on classification.

TABLE 34
COUNTY OF RIVERSIDE
GENERAL FUND BALANCES
AT JUNE 30, 2013 THROUGH JUNE 30, 2022
(In Thousands)

June 30,	*Nonspendable*	*Restricted*	*Committed*	*Assigned*	*Unassigned*	*Total*
2013	$3,247	$101,440	$42,183	$10,460	$199,919	$357,249
2014	2,045	117,595	32,820	7,772	203,444	363,676
2015	2,001	122,967	39,422	5,144	225,855	395,389
2016	2,369	99,639	40,310	11,870	217,322	371,510
2017	2,314	95,130	21,907	10,989	217,891	348,231
2018	3,470	95,881	23,290	12,464	234,477	369,582
2019	2,416	102,288	18,320	14,196	275,181	412,401
2020	2,466	112,711	14,844	13,702	257,959	401,682
2021	2,756	142,367	15,070	35,900	370,807	566,900
2022	3,843	184,315	13,185	39,198	439,974	680,515

Source: County Auditor-Controller.

SECTION V – DEBT OBLIGATIONS

Short-Term Obligations of County

On July 3, 2023, the County issued its 2023 Tax and Revenue Anticipation Note (the "2023 TRAN") in the principal amount of $360,000,000 to provide funds to meet the County's Fiscal Year 2023-24 General Fund expenditures, including current expenses, capital expenditures and prepayment of pension plan contributions. The 2023 TRAN is due on June 28, 2024. The 2023 TRAN is payable from taxes, income, revenues, cash receipts and other moneys of the County attributable to the County's 2023-24 Fiscal Year which are legally available for the payment thereof. Delinquent property taxes attributable to prior Fiscal Years are included in the Pledged Taxes pledged to the repayment of the Notes and are not available to pay debt service on the 2023 TRAN. The County has issued tax and revenue anticipation notes annually for over twenty consecutive years with timely repayment.

On October 19, 2022, the County issued its $84,055,000 Teeter Plan Obligation Notes 2022 Series A (the "2022 Teeter Notes") to refund a portion of the County's 2021 Series A Teeter Obligation Notes (Tax-Exempt) and to fund an advance of unpaid property taxes for Revenue Districts participating in the County's Teeter Plan. See "SECTION IV—FINANCIAL INFORMATION—Teeter Plan" above. The 2022 Teeter Notes are due on October 19, 2023. Taxes attributable to Fiscal Year 2022-23, which are pledged to the payment of the 2023 TRAN, are not pledged to the 2022 Teeter Notes. It is expected that the 2022 Teeter Notes will be paid from the proceeds of the Notes, together with delinquent taxes received through June 30, 2023. See the caption "ESTIMATED SOURCES AND USES OF FUNDS" in the Official Statement

Long-Term Obligations of County

Since its formation in 1893, to the best knowledge of County officials, the County has never failed to pay the principal of or interest on any of its bonded indebtedness. As of August 1, 2023, the County had $686,776,829 in direct General Fund obligations and $748,540,000 in pension obligation bond indebtedness, as reflected in the following table, and has no authorized but unissued general obligation debt.

The statement of direct and overlapping debt (the "Debt Report") set forth below was prepared by California Municipal Statistics, Inc., and is dated as of August 1, 2023. The Debt Report includes only such information as has been reported to California Municipal Statistics, Inc. by the issuers of the debt described therein and by others. The Debt Report is included for general information purposes only. The County has not independently verified its completeness or accuracy and makes no representations in connection therewith.

TABLE 35
COUNTY OF RIVERSIDE
ESTIMATED DIRECT AND OVERLAPPING OBLIGATIONS
(AS OF AUGUST 1, 2023)

2022-23 Assessed Valuation: $369,571,924,873 (includes unitary utility valuation)

OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt 8/1/23
Metropolitan Water District	6.634%	$1,274,723
Community College Districts	1.186-100.	1,004,810,182
Unified School Districts	1.044-100.	3,661,572,787
Perris Union High School District	100.	298,735,042
Elementary School Districts	100.	171,913,703
City of Riverside	100.	1,740,000
Eastern Municipal Water District Improvement Districts	100.	18,630,000
Riverside County Flood Control, Zone 4 Benefit Assessment District	100.	5,380,000
San Gorgonio Memorial Hospital District	100.	105,574,780
Community Facilities Districts	50.225-100.	3,401,779,388
Riverside County 1915 Act Bonds	100.	615,000
City and Special District 1915 Act Bonds (Estimated)	100.	128,164,634
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		$8,800,190,239
DIRECT AND OVERLAPPING GENERAL FUND DEBT:		
Riverside County General Fund Obligations	**100. %**	**$ 686,776,829**(1)
Riverside County Pension Obligations	**100.**	**748,540,000**
School Districts General Fund and Lease Tax Obligations	1.186-100.	410,624,580
City of Corona General Fund Obligations	100.	24,721,100
City of Moreno Valley General Fund Obligations	100.	75,330,773
City of Indio General Fund and Judgment Obligation Bonds	100.	145,335,000
City of Palm Springs Certificates of Participation and Pension Obligation Bonds	100.	117,724,005
City of Riverside Certificates of Participation	100.	175,115,220
City of Riverside Pension Obligation Bonds	100.	425,275,000
Other City General Fund Obligations	100.	413,876,857
Other Special District Certificates of Participation	100.	5,707,719
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT		$3,229,027,083
OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):		$1,890,062,319
COMBINED TOTAL DEBT		$13,919,279,641(2)

(1) Excludes issue to be sold.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2022-23 Assessed Valuation:
Overlapping Tax and Assessment Debt 2.38%
Combined Direct Debt ($1,435,316,829).......................................0.39%
Combined Total Debt...3.77%

Ratios to Successor Agency Redevelopment 2022-23 Incremental Valuation ($107,135,377,313):
Total Overlapping Tax Increment Debt 1.76%
Source: California Municipal Statistics, Inc.

Lease Obligations

The County has used nonprofit corporations and joint powers authorities to finance certain public facilities through the issuance of lease obligations. Pursuant to these arrangements, a nonprofit corporation or joint powers authority constructs or acquires facilities with the proceeds of lease revenue obligations, which are then leased to the County; the lease obligations are payable from the General Fund. Upon expiration of the lease, title to the facilities vests in the County.

The table on the following page sets forth the County's outstanding publicly offered lease obligations and the respective annual lease requirements as of August 1, 2023. In addition, as discussed below under "—Facilities Lease Agreements," the County has other substantial lease obligations payable from the General Fund.

TABLE 36
COUNTY OF RIVERSIDE
SUMMARY OF PUBLICLY OFFERED LEASE RENTAL OBLIGATIONS
(PAYABLE FROM THE COUNTY'S GENERAL FUND — (AS OF AUGUST 1, 2023))

	Final Maturity Year	*Original Lease Amount*	*Outstanding Obligations*	*Annual Base Rental*
Riverside County Hospital Project, Leasehold Revenue Bonds: 1997 Series A	2026	$ 41,170,073	$ 10,976,829	$ 3,877,594
County of Riverside Certificates of Participation (2009 Public Safety Communication and Woodcrest Library Refunding Projects)(1)	2039	45,685,000	4,695,000	170,000
County of Riverside Infrastructure Financing Authority (2015 A Lease Revenue Refunding Bonds)(2)	2037	72,825,000	43,390,000	3,265,000
County of Riverside Infrastructure Financing Authority (2016 A)(3)	2031	39,985,000	26,720,000	2,520,000
County of Riverside Infrastructure Financing Authority (2017 A Lease Revenue Refunding Bonds) (4)	2044	46,970,000	41,245,000	1,225,000
County of Riverside Infrastructure Financing Authority (2017 B & 2017 C Lease Revenue Bonds) (5)	2047	22,205,000	18,710,000	685,000
County of Riverside Asset Leasing Corporation (2019 A Technology Refunding Projects)(6)	2043	12,875,000	11,655,000	425,000
County of Riverside Infrastructure Financing Authority (2021 A & 2021 B Lease Revenue Refunding Bonds)(7)	2045	499,800,000	479,380,000	21,150,000
TOTAL		$ 781,515,073	$ 636,771,829	$ 33,317,594

(1) The 2009 Public Safety Communication and Woodcrest Library Refunding Project refunded the 2007B Public Safety Communication Refunding Project and the 2006 Capital Appreciation Notes.

(2) The 2015 Series A Infrastructure Financing Authority Lease Revenue Refunding Bonds refunded the County of Riverside Certificates of Participation (Capital Facilities Project) 2005 Series A, County of Riverside Certificates of Participation (Historic Courthouse Refunding Project) 2005 Series B and the County of Riverside Certificates of Participation (Capital Facilities Projects) 2006 A.

(3) The 2016 A & A-T Infrastructure Financing Authority Lease Revenue Refunding Bonds refunded the Riverside County Palm Desert Financing Authority Lease Revenue Bonds 2008 Series A.

(4) The County of Riverside Infrastructure Financing Authority (2017 A Lease Revenue Refunding Bonds) refunded the Riverside Community Properties Development, Inc. Lease Revenue Bonds (2013 Riverside County Law Building Project).

(5) The County of Riverside Infrastructure Financing Authority (2017 B Lease Revenue Bonds) refunded the County of Riverside Southwest Communities Financing Authority Lease Revenue Bonds, Series 2008 A.

(6) The County of Riverside Asset Leasing Corporation (2019 A Technology Refunding Projects) refunded a portion of the County of Riverside Leasehold Revenue Bonds (2013 Series A Public Defender/Probation Bldg. and Riverside County Technology Solution Center Projects).

(7) The County of Riverside Infrastructure Financing Authority (2021 A & 2021 B Lease Revenue Refunding Bonds) refunded, through redemption or defeasance as applicable, all of the outstanding: County of Riverside Asset Leasing Corporation Variable Rate Demand Leasehold Revenue Refunding Bonds, Series 2008A (Southwest Justice Center Refunding); County of Riverside Asset Leasing Corporation Lease Revenue Bonds (2012 County Administrative Center Refunding Project); County of Riverside Asset Leasing Corporation Lease Revenue Bonds, 2012 Series A (County of Riverside Capital Projects); Riverside County Public Financing Authority Lease Revenue Refunding Bonds (County Facilities Projects), Series 2012; County of Riverside Asset Leasing Corporation Lease Revenue Bonds, Series 2013A (Public Defender/Probation Building and Riverside County Technology Solutions Center Projects); County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014A; and Riverside County Public Financing Authority Lease Revenue Bonds (Capital Facilities Project), Series 2015.

Source: County Executive Office.

Facilities Lease Agreements

The following table sets forth the County's outstanding non-publicly offered lease obligations payable from the County's General Fund and the respective annual lease requirements as of August 1, 2023. More information is provided below.

TABLE 37
COUNTY OF RIVERSIDE
SUMMARY OF NON-PUBLICLY OFFERED LEASE RENTAL OBLIGATIONS
(PAYABLE FROM THE COUNTY'S GENERAL FUND — (AS OF AUGUST 1, 2023) (1)

	Year Incurred	*Final Maturity Year*	*Original Obligations*	*Outstanding Obligations(2)*	*Annual Rent*
County and Corona Medical Arts Plaza, LLC (Corona Care Clinic)(3)	2017	2032	$42,573,904	$28,496,851	$2,655,850
Jurupa Valley Medical Partners, LLC (Jurupa Valley Care Clinic)(4)	2017	2039	47,575,096	37,352,494	2,203,432
TC Riverside MOB, LLC (RUHS-Medical and Surgical Outpatient Office Bldg)(5)	2017	2044	438,469,834	390,534,305	13,642,432
CFP Riverside, LLC (Libraries)(6)	2019	2051	124,561,024	118,418,119	2,808,000
Sunquitz EMC, LLC (RUHS-Palm Springs Clinic)(7)	2019	2051	73,070,212	68,935,910	2,213,724

(1) Amounts are rounded to the nearest dollar. As discussed below, the Leases for the Corona Care Clinic, Jurupa Valley Care Clinic, and the Libraries projects are comprised of leases that do not distinguish between principal component and components, however they include ongoing management/administrative expenses. The Lease for the RUHS Medical and Surgical Center (MSC) Building does not distinguish between principal and interest components. The $438,469,834 figure cited above represents the total expected lease payments for which the County is obligated during the term of the MSC Lease. CFP Riverside lease payments are fixed for ten years and adjust every ten years thereafter. Sunquitz EMC, LLC is subject to a separate ground lease paid for by Sublessor.
(2) Includes base rent, tenant improvements, furniture rent, operating expenses, RCIT costs, utility costs and FM fees.
(3) Annual payments escalate by 2.75% annually.
(4) Annual payments escalate by 2.00% annually.
(5) Annual payments escalate by 4.00% annually.
(6) Base rent is scheduled to commence in Fiscal Year 2020-21 at $2.03 million per year, escalating to $3.261 million in Fiscal Year 2050-51.
(7) Base rent is scheduled to commence in Fiscal Year 2021-22 at $1.94 million, escalating to $5.95 million in Fiscal Year 2050-51.

Source: County of Riverside Facilities Management.

The County and Corona Medical Arts Plaza, LLC entered into a Lease dated as of September 13, 2016, as supplemented by the First Amendment to Lease (as supplemented, the "Corona Clinic Lease"), dated as of June 20, 2017, in order to fund the construction, operation and maintenance of a 45,204 square-foot medical clinic (the "Corona Care Clinic") for RUHS located in the City of Corona. The principal component of the lease obligation is estimated at $42,573,904. Pursuant to the terms of the Corona Clinic Lease, rental payments commenced upon substantial completion of construction and occupancy of the Corona Care Clinic (in the first quarter of 2018), and the County will continue to pay rental payments for 15 years thereafter, subject to certain early prepayment and purchase option provisions. The initial year's lease payment (Fiscal Year 2018-19) was approximately $2.6 million, escalating at 2.75% annually thereafter. Annual lease payments include utilities, one-time technology fees, an allowance for tenant improvements and FF&E, and an ongoing management fee of 5.28% to Riverside County Facilities Management. While RUHS management presently expects to receive federal funding that will cover the Corona Clinic Lease payments, the County may be required to advance monies from its General Fund. Ultimately, as the Lessee and obligor under the Corona Clinic Lease, the County is responsible for lease payments thereunder.

On July 11, 2017, the County and Jurupa Valley Medical Partners, LLC entered into a Lease (the "Jurupa Valley Clinic Lease") in order to fund the proposed construction, operation and maintenance of an approximately 40,000 square-foot medical clinic for RUHS located in the City of Jurupa Valley (the "Jurupa Valley Care Clinic"). Presently, the principal component of the lease obligation is estimated at $47,575,096. Pursuant to the terms of the Jurupa Valley Clinic Lease, it was anticipated that the County would commence rental payments upon substantial completion of construction and occupancy of the Jurupa Valley Care Clinic, and the County achieved substantial completion of construction on January 10, 2019. The County has commenced rental payments for the lease term and will continue to pay rental payments for approximately 20 years thereafter, subject to certain early prepayment and purchase option provisions. The initial year's lease payment (Fiscal Year 2019-20) is approximately $2.4 million, escalating at 2% annually thereafter. Annual lease payments include utilities, one-time technology fees, an allowance for tenant improvements and FF&E, and an ongoing management fee of 5.28% to Riverside County Facilities Management. While RUHS management presently expects to receive federal funding that will cover the Jurupa Valley Clinic Lease payments, the County may be required to advance monies from its General Fund. Ultimately, as the Lessee and obligor under the Jurupa Valley Clinic Lease, the County is responsible for lease payments thereunder.

On April 18, 2017, the County entered into a Facilities Lease Agreement with TC Riverside MOB, LLC to fund the proposed construction, operation, and maintenance of an approximately 200,000 square foot surgery center and medical office building complex (the "RUHS Medical and Surgical Outpatient Office Building") next to the RUHS Medical Center. The total cost, over the term of the lease, including base rent and additional rent, related to the lease obligation is estimated at $438,469,834. The final project budget and final rent schedule were approved by the County on November 14, 2017. Rental payments commenced upon the substantial completion of construction of the project on December 13, 2019, and the County will continue to pay rental payments for approximately 25 years thereafter, subject to certain early prepayment and purchase option provisions. The initial year's lease payment (Fiscal Year 2020-21) was approximately $13.3 million, escalating at 3% annually thereafter. Annual lease payments include utilities, operating costs, one-time technology fees and an ongoing management fee of 5.28% to Riverside County Facilities Management. While RUHS management presently expects that the RUHS Medical and Surgical Outpatient Office Building will attract a more favorable payor mix that will enable RUHS to make Facilities Lease Agreement payments from its operating revenues, the County may be required to advance monies from its General Fund. Ultimately, as the Tenant and obligor under the Facilities Lease Agreement, the County is responsible for Facilities Lease Agreement payments.

On August 28, 2019, the County entered into a Facilities Lease Agreement with CFP Riverside, LLC, a Minnesota non-profit limited liability company, for the design, construction, installation, equipping, furnishing, operation and maintenance of three separate public library facilities and related amenities in the cities of Desert Hot Springs and Menifee and in the unincorporated area of French Valley (the "Libraries"). The principal component of the lease obligation is $42,115,000. The construction of the Libraries was completed in May 2021. Upon completion and delivery of the Libraries to the County, the County commenced making rental payments on May 1, 2021. The County's lease obligations with respect to the Libraries will continue for 30 years thereafter, subject to certain early prepayment and purchase option provisions. The initial year's base rent payment in Fiscal Year 2021-22 was approximately $2.036 million, escalating to $3.261 million in Fiscal Year 2050-51.

On November 19, 2019, the County entered into a Facilities Sub-Lease Agreement with Sunquitz EMC, LLC, a California limited liability company for the design, construction and property management services for an approximately 35,000 square community health clinic located in the City of Palm Springs. The principal component of the lease obligation is $73,070,212. The County commenced making rental payments on June 29, 2021. The County's lease obligations with respect to the clinic will continue for 30 years thereafter, subject to County's right to purchase the improvements based upon the pricing provisions specified in the sublease agreement. Annual lease payments include utilities, operating costs, one-time technology fees and an ongoing management fee of 5.28% to Riverside County Facilities Management. The initial year's base rent payment in Fiscal Year 2021-22 was approximately $1.94 million, escalating to $5.95 million in Fiscal Year 2050-51.

Lease Lines of Credit

Lease line of credit agreements are reviewed and approved by the Debt Advisory Committee, and then presented to the Board of Supervisors for their final approval. The County may utilize the lines of credit to finance capital assets for a period of 24 to 120 months. No specific amortization is required by the lease lines of credit, and the County budgets to repay the outstanding amounts over the lifecycle of the financed assets.

The County has entered into several multi-year lease lines of credit with Banc of America Public Capital Corporation in connection with various capital and capital equipment purchases, on the dates and in the original principal amounts as further described in the following table.

On October 25, 2022, the County entered into a $50 million multi-year lease line of credit with JPMorgan Chase Bank, N.A. (in increments of $25 million). On October 12, 2023, the DAC recommended that the Board of Supervisors approve a $75 million increase to the line of credit with JPMorgan Chase Bank, N.A., which would bring the total principal amount of such lease line of credit to $125 million. The Board of Supervisors is expected to consider such increase at its meeting on October 17, 2023.

TABLE 38
COUNTY OF RIVERSIDE
SUMMARY OF LEASE LINES OF CREDIT
(PAYABLE FROM THE COUNTY'S GENERAL FUND — (AS OF AUGUST 1, 2023) (1)

Date Incurred	*Original Principal Amount*	*Outstanding Principal Amount(1)*	*Outstanding Interest (1)*	*Total Outstanding Obligations(1)*
February 4, 2014(2)	$ 40,000,000	$ 771,161	$ 19,788	$ 790,949
December 15, 2015(3)	40,000,000	3,533,402	194,431	3,727,833
July 31, 2018(4)	75,000,000	19,250,793	828,619	20,079,412
June 9, 2020(5)	40,000,000	27,674,398	2,220,259	29,894,657
October 25, 2022(6)	50,000,000	22,105,775	2,133,161	24,238,936
Total	**$ 245,000,000**	**$ 73,335,529**	**$ 5,396,258**	**$ 78,731,787**

(1) Outstanding amounts as of August 1, 2023.
(2) This line of credit was exhausted in March 2016.
(3) This line of credit was exhausted in December 2018.
(4) Original principal amount of $50 million increased to $75 million with County approval in April 2019. This line of credit was exhausted on June 3, 2020.
(5) As of August 1, 2023, the County has drawn down $39.9 million of this $40 million lease line of credit.
(6) As of August 1, 2023, the County has drawn down $22.9 million of this $50 million lease line of credit.

Capital Lease Purchase Agreements

On October 30, 2014, the County entered into a Lease Purchase Agreement with Banc of America Public Capital Corporation in the amount of $54,573,300 to finance the purchase and installation of certain solar equipment for the purpose of reducing County energy costs. As of March 31, 2017, the financing was restructured to a principal balance of $57,977,325. As of August 1, 2023, approximately $46,815,196 principal amount remained outstanding, which is scheduled to be repaid in full by August 30, 2035.

On June 15, 2019, the County entered into a subsequent Master Equipment Lease Purchase Agreement to finance Cisco SMARTnet for an additional amount of $5,107,584 which is scheduled to be repaid in full by Fiscal Year 2023-24. As of August 1, 2023, approximately $1,021,517 principal amount of this Master Equipment Lease Purchase Agreement remained outstanding.

On June 11, 2021, the County entered into an Equipment Lease Purchase Agreement to finance replacement Cisco network equipment and provide maintenance, support, and software fixes in an additional amount of $3,613,826, which is scheduled to be repaid in full by Fiscal Year 2025-26. As of August 1, 2023, approximately $1,445,530 principal amount of this Lease Purchase Agreement remained outstanding.

On September 30, 2021, the County entered into a Lease Purchase Agreement to finance the renewal of the Cisco Flex Enterprise License Agreement in the amount of $4,014,486, which is scheduled to be repaid in full by Fiscal Year 2025-26. As of August 1, 2023, approximately $1,907,243 principal amount of this Lease Purchase Agreement remained outstanding.

The following chart summarizes the County's outstanding equipment lease obligations:

TABLE 39
COUNTY OF RIVERSIDE
SUMMARY OF EQUIPMENT LEASE OBLIGATIONS
AS OF AUGUST 1, 2023

	Final Maturity Year	***Original Lease Amount***	***Outstanding Obligations***	***Annual Base Rental***
Lease Purchase Agreement – Solar Equipment	2035	$57,977,325[1]	$46,815,196	$3,155,289
Master Equipment Lease Purchase Agreement (6/15/2019)	2023	5,107,584	1,021,517	1,021,517
Master Equipment Lease Purchase Agreement (6/11/2021)	2025	3,613,826	1,445,530	722,765
Master Equipment Lease Purchase Agreement (9/30/2021)	2025	4,014,486	1,907,243	953,621

(1) Original lease amount of $54,573,300 was restructured to a principal balance of $57,977,325.

APPENDIX B

COUNTY OF RIVERSIDE AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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County of Riverside

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022

Paul Angulo, CPA, MA

County Auditor-Controller

COUNTY OF RIVERSIDE, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2022

PREPARED BY THE OFFICE OF:

PAUL ANGULO, CPA, MA

COUNTY AUDITOR-CONTROLLER

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COUNTY OF RIVERSIDE
ANNUAL COMPREHENSIVE FINANCIAL REPORT
June 30, 2022

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COUNTY OF RIVERSIDE
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INTRODUCTORY SECTION

COUNTY OF RIVERSIDE
OFFICE OF THE
AUDITOR-CONTROLLER

County Administrative Center
4080 Lemon Street, 11th Floor
P.O. Box 1326
Riverside, CA 92502-1326
(951) 955-3800
Fax (951) 955-3802

AUDITOR CONTROLLER
COUNTY OF RIVERSIDE

Paul Angulo, CPA, M.A.
County Auditor-Controller

Tanya S. Harris, DPA, CPA
Assistant Auditor-Controller

December 15, 2022

The Honorable Board of Supervisors
Citizens of the County of Riverside
4080 Lemon Street, 5th Floor
Riverside, California 92501

Members of the Board and Citizens of Riverside County:

The Annual Comprehensive Financial Report of the County (ACFR) of Riverside (the County) for the fiscal year ended June 30, 2022, is hereby submitted in accordance with the provisions of Section 25253 of the Government Code of the State of California (the State). The report contains financial statements that have been prepared in conformity with the United States generally accepted accounting principles (GAAP) prescribed for governmental entities. Responsibility for the accuracy of the data, the completeness, and fairness of the presentation, including all disclosures, rests with the management of the County. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and changes in financial position of the various funds and component units of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The management's discussion and analysis (MD&A) immediately follows the report of the independent auditors and provides a narrative, overview, and analysis of the basic financial statements. The MD&A was designed to complement this letter of transmittal and should be read in conjunction with it.

The financial reporting entity for the County includes all the funds of the primary government--the County of Riverside as legally defined--as well as all its component units. Component units are legally separate entities for which the primary government is financially accountable.

The County has eleven independent fiscal entities that are considered blended component units and one discretely presented component unit. These entities vary widely in function and provide essential services. For a more detailed overview of the County's component units, see the MD&A and the notes to the basic financial statements.

Brown Armstrong Accountancy Corporation has issued an unmodified ("clean") opinion on the County of Riverside's financial statements for the year ended June 30, 2022. The independent auditor's report is located at the front of the financial section of this report.

PROFILE OF THE GOVERNMENT

The County is the fourth largest county by area in the State. It encompasses more than 7,300 square miles and extends nearly 184 miles across Southern California, from the Arizona border west to within 10 miles of the Pacific Ocean. It is situated east of Los Angeles and Orange Counties, south of San Bernardino County, and north of San Diego and Imperial Counties.

There are 28 incorporated cities located within the County. The latest city to be incorporated was Jurupa Valley on July 1, 2011. The largest cities in the County are Riverside (the County seat) with a population of 317,847, Moreno Valley 209,407, Corona 156,778, Murrieta 111,183, and Temecula 109,925. Estimated population figures are developed by the California State Department of Finance, and each year it is revised on January 1, with a revised estimate for the prior year. The total County population as of January 1, 2022, was reported as 2,435,525, an increase of 0.5% as compared to the revised estimate for January 1, 2021. Approximately 16.3% of the residents live in unincorporated areas.

All legislative and policy making powers are vested in the County Board of Supervisors (the Board), which consists of an elected supervisor from each of the five districts. The Board Supervisors serve four-year terms, and annually elect a Chairman and Vice-Chairman. The Board is responsible for, among other duties, passing ordinances; adopting budgets; and appointing committees, the County Executive Officer (CEO), and non-elected department directors. The County has five elected department heads responsible for the offices of the Treasurer-Tax Collector, Auditor-Controller, District Attorney, Sheriff, and Assessor-County Clerk-Recorder.

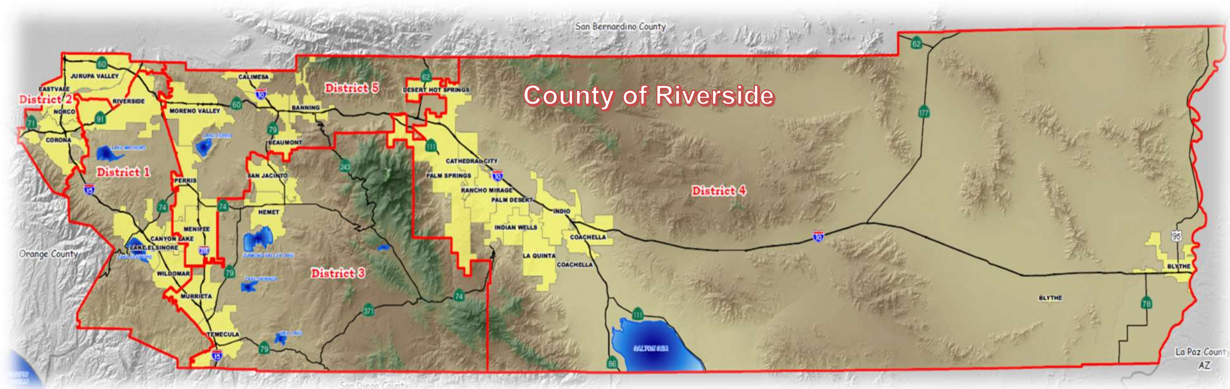
The First District includes areas within the cities of Riverside, Canyon Lake, Lake Elsinore, and Wildomar and the unincorporated communities of DeLuz, Gavilan Hills, Good Hope, Lake Hills, Lake Mathews, LaCresta, Mead Valley, Meadowbrook, Spring Hills, Temescal Valley, Tenaja, Warm Springs, and Woodcrest.

The Second District includes the cities of Corona, Norco, approximately one-third of the City of Riverside, Eastvale, and Jurupa Valley. The unincorporated communities consist of Home Gardens, El Cerrito, Coronita, and Highgrove.

District Three includes the cities of Hemet, Murrieta, San Jacinto, and Temecula. Major unincorporated areas in the District include Aguanga, Anza Valley, Idyllwild, Valle Vista, Winchester, Wine Country, and Pinyon Pines.

District Four is the largest district, covering the eastern two-thirds of the County. Within this District are the cities of Palm Springs (except the northern portion, which resides in District 5), Cathedral City, Rancho Mirage, Palm Desert, Indian Wells, La Quinta, Indio, Coachella, Desert Hot Springs, and Blythe. Major unincorporated areas include Bermuda Dunes, Thousand Palms, Sky Valley, Indio Hills, Desert Edge, Mecca, Thermal, Oasis, Vista Santa Rosa, North Shore, Chiriaco Summit, Desert Center, Lake Tamarisk, Eagle Mountain, Mesa Verde, Colorado River Communities, and Ripley.

The Fifth District includes the cities of Banning, Beaumont, Calimesa, Menifee, Moreno Valley, Perris, and the northern portion of Palm Springs. The unincorporated areas include Banning Bench, Cabazon, Cherry Valley, Desert Hills, Desert Hot Springs, El Nido area, Juniper Flats, Lake Perris, Lakeview, Lakeview Mountains, Mission Springs, Nuevo, North Palm Springs, Painted Hills, Quail Lake, Reche Canyon, San Jacinto Wildlife Reserve, San Timoteo Canyon, Snow Creek, the Sovereign Nation of the Morongo Band of Mission Indians, Twin Pines, West Garnet, Whitewater and Windy Point.



Source: Riverside County GIS

The County has over 23,700 employees and provides a variety of services and programs to its residences as the table below depicts.

The County provides a full range of services. These services are outlined in the table below:

Certificates, Licenses and Permits	**Human Services**
Birth, marriage, and death certificates; animal licensing; and building permits.	Assistance for families, custody issues, and veterans' services.
Children's Services	**Libraries and Museums**
Child Support Services, Mentor programs, Children Medical Services, CalWORKS, Child Health and Disability Prevention.	Edward Dean Museum and Riverside County Law Library.
Criminal Justice	**Parks and Recreation**
Departments dealing with criminal justice. District Attorney, Probation, Public Defender, and Sheriff. Legal resources and Online Crime Report Form.	Park & Open Space District, Golf Courses in Riverside County, and Riverside Bicycle Club.
Education	**Pets and Animal Services**
Office of Education.	Animal control, animal shelters, animal license inspection, animal rescue, report animal-control violations, and dog license fee.
Emergency Services	**Property Information**
Office of Emergency Services, Early Warning Notification System, Shelter Grant program, and Homeless programs.	Assessment appeals, building permit report, obtain property information via GIS, pay property taxes online, track your property taxes online, record map inquiry, information for new homeowners, and Riverside County land information.

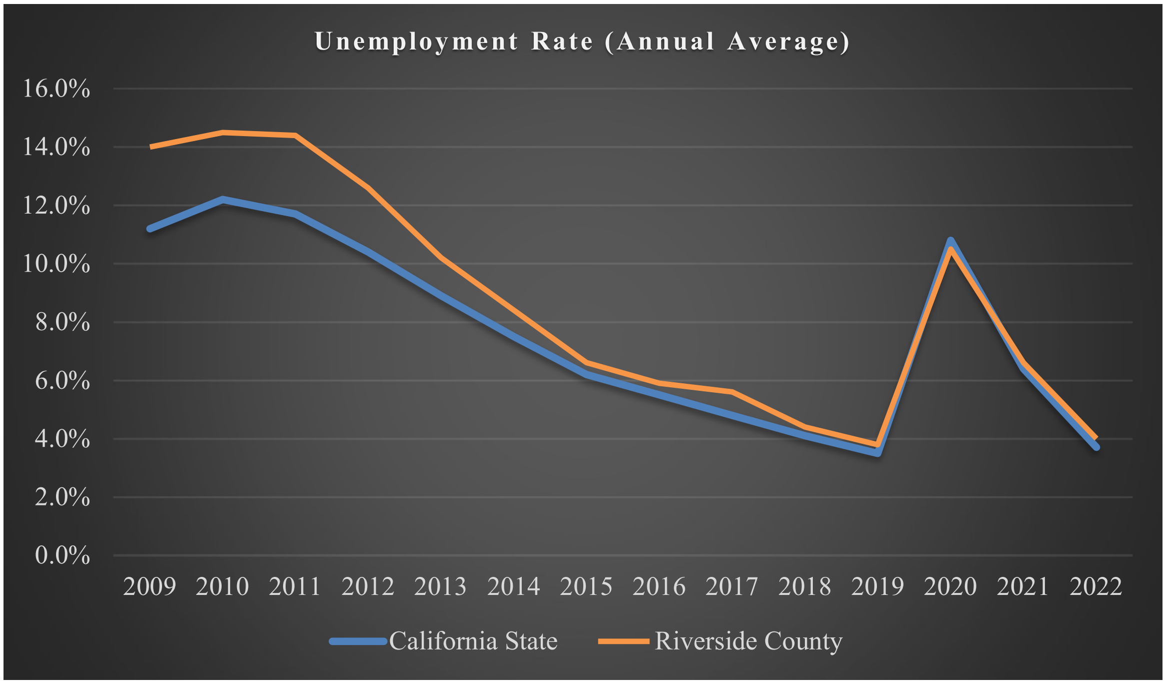
Environment	Public Works and Services
Solid waste, liquid waste, medical waste, sewage disposal, water systems, wells, backflow devices, food services, public pools and mobile home parks, vector control, hazardous materials services, fire protection services, waste reduction, and recycling.	Public infrastructure and municipal services including economic development, roads, flood control, waste resources, and code enforcement.
Flood Control	**Public and Official Records**
Flood Control and water conservation.	Official recorded documents, fictitious business names search, grantor/grantee search, vital records, and court records search.
Health	**Roads and Highways**
Family health centers, disease control, nutrition services, family planning, health education, injury prevention, emergency medical services, mental health services, industrial hygiene, laboratory, Epidemiology, and medical marijuana identification cards.	Road maintenance, land development, engineering services, and survey.
Housing	**Taxes**
First time home buyer programs, low-income housing, rental assistance program, homeless shelter, and neighborhood stabilization program.	Property tax portal, tax bills, Assessor-County Clerk-Recorder, Treasurer-Tax Collector, and Auditor-Controller.
Senior and Retirement	**Voting**
Aging & disability resource connection program, community outreach, community elderly abuse education, legal assistance, and senior employment.	Polling locations, vote by mail.

FACTORS AFFECTING ECONOMIC CONDITION

State Economy

The Governor's Budget Revision was issued in May 2022. The May Revision projects fiscal year 2022-23 general fund revenues and transfers of approximately $219.60 billion, total expenditures of approximately $227.40 billion and a year-end fund balance of approximately $7.70 billion, of which $4.30 billion would be reserved for liquidation of encumbrances and approximately $3.40 billion would be deposited in a reserve fund for economic uncertainties.

The May Revision includes a projected balance of $23.30 billion in the Budget Stabilization Account/Rainy Day Fund by the end of fiscal year 2022-23. As required by the California Constitution, $97.50 billion of the State budget surplus will increase school funding and budget reserves. This would leave approximately $49.20 billion for discretionary spending, of which 94.0% of the discretionary amount will be spent on one-time purposes, including approximately $18.10 billion in direct relief to help Californians offset the rising costs of inflation, and $37.00 billion for infrastructure. As of June 2022, California's unemployment rate dropped to 4.2%, a decrease from the 7.7% in June 2021. This improvement is a result of 19.9 thousand payroll jobs that were added to the economy. Furthermore, the State regained 2.6 million, or 93.6%, of the 2.8 million jobs that were lost in March and April 2020 due to the Coronavirus (COVID-19) pandemic.



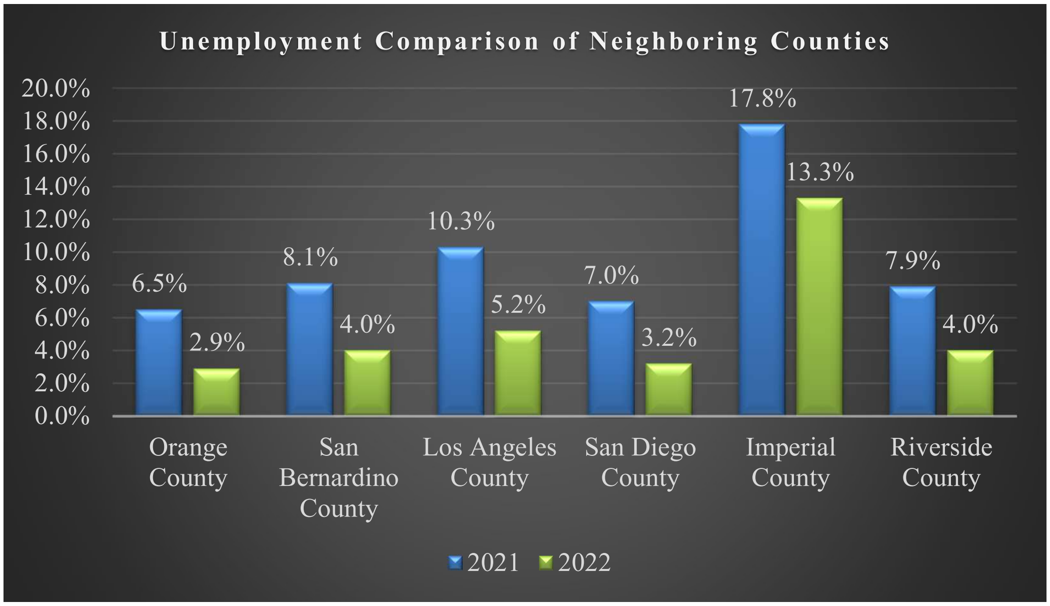
Source: Employment Development Department, Labor Market Information Division, Preliminary September 2022

With gains throughout most sectors of the regional and State economy, Riverside County's unemployment experienced an improvement. Where the County's unemployment rate was roughly below 7.0% during 2021, it dropped to 4.0% in September 2022. At the same time, California experienced a decrease in its unemployment reaching a rate below 4.0% in September 2022, a significant improvement from the State's unemployment rate of 6.4% during 2021.

Local Economy

The pandemic's impact on both Riverside County's real estate markets and economy was not as drastic as the initial predictions indicated. Unlike past business cycles that are traditionally driven by demand shock, the pandemic recession was driven by a supply shock. Such episodes have a short-run impact on the economy, and a rapid recovery is certain. However, according to the Revenue Forecast Report for the County of Riverside issued by the University of California (UC) Riverside School of Business, Center for Economic Forecasting, over $11.00 trillion in fiscal and monetary stimulus was thrust into the economy in less than two years, along with over $2.50 trillion in direct subsidies sent to support U.S. households. This led to an increase in disposable income and household savings despite the pandemic-driven recession. This excess in cash is the driving factor for the increase in consumer demand and spending, particularly in the real estate market.

Currently, in Riverside County, permits for new housing are trending roughly around the same rate as in the late 1990s when the County had 1 million fewer residents. Despite the federal stimulus and falling interest rates on homes encouraging families to enter the real-estate market, there are low levels of home production in Riverside County. The increase in demand has caused home prices to soar substantially. However, as much as home prices have risen, the ability of local buyers to afford housing has risen even faster considering incomes and low interest rates. The share of housing-cost-burdened owners in the County fell from 46.0% in 2010 to 31.0% in 2020, indicating that current price increases are sustainable. Additionally, the growth in housing prices is decelerating. Prices in Riverside County are up 35.0% in two years but only 19.0% in the past year. The Center for Economic Forecasting does not foresee any circumstances in which home prices in Riverside County will decrease, but an economic slowdown, driven by the withdrawal of stimulus, will lead to slower home transactions and new home-building permits. Furthermore, it is expected that the County's revenues driven by consumer and business spending will continue to trend above historic norms.



Source: Employment Development Department, Labor Market Division, June 2022

Riverside County's unemployment rate dropped to 4.0% in fiscal year 2021-2022. Similarly, the unemployment rate between the surrounding counties has also displayed a decline. The neighboring counties' unemployment decreased on average of 9.6% in fiscal year 2020-2021 to 5.4% in fiscal year 2021-2022.

Relevant Financial Policies

To achieve the goal of providing outstanding and cost-effective public services, the County of Riverside applies sound management practices and policies that enhance the quality of life of its citizens. Such financial management practices have been identified by the Government Finance Officers Association and recognized as best practices that promote financial soundness, efficiency in government and solvency in public finance. The following committees have been established to aid in the implementation of oversight and transparency of such relevant financial policies:

Debt Advisory Committee provides advice to the Board on debt issuance and management.

Pension Advisory Review Committee provides an institutional framework to help guide policy decisions about retirement benefits.

Deferred Compensation Advisory Committee provides assurance of the financial stability of the deferred compensation plan through prudent monitoring of investments and costs.

Investment Oversight Committee reviews the County's investment policies and compliance audits.

Financial Reporting Awards

The Government Finance Officers Association (GFOA) of the United States and Canada has awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the County for its ACFR for the fiscal year ended June 30, 2021. This was the thirty-fourth consecutive year the County has achieved this prestigious award. In order to be awarded a *Certificate of Achievement*, a government entity must publish an easily readable and efficiently organized ACFR. This report must satisfy both GAAP and applicable legal requirements.

The County has also been awarded for *Outstanding Achievement* in the preparation of the Popular Annual Financial Report (PAFR), which is also referred to as Financial Highlights for the fiscal year ended June 30, 2021. This was the sixteenth consecutive year the County has achieved this award. In order to receive an award for *Outstanding Achievement in Popular Annual Financial Reporting*, a government entity must publish a PAFR, with contents conforming to program standards of creativity, presentation, understandability, and reader appeal. A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR and PAFR continue to meet the Certificate of Achievement Program and Popular Annual Financial Reporting requirements and we are submitting both reports to GFOA to determine the eligibility for another certificate.

Acknowledgments

The preparation of this ACFR could not have been accomplished without the dedicated service of the entire staff of the Auditor-Controller's Office, especially the staff members of the General Accounting Division who consistently produce award winning financial reports. Special recognition goes to the staff members of the contributing component units and the County departments for their participation in the preparation of this report.

Additionally, I would like to extend my gratitude to the Board of Supervisors and County Executive Office for their leadership in making the County a great place to live, work, and to conduct business. Finally, I would like to thank our independent auditors, Brown Armstrong Accountancy Corporation, for their efforts throughout this audit engagement.

Respectfully,

Paul Angulo

PAUL ANGULO, CPA, MA
RIVERSIDE COUNTY AUDITOR-CONTROLLER

COUNTY OF RIVERSIDE

List of Principal Officials
As of June 30, 2022

ELECTED OFFICIALS

Board of Supervisors

KEVIN
JEFFRIES
First District

KAREN
SPIEGEL
Second District

CHUCK
WASHINGTON
Third District

V. MANUEL
PEREZ
Fourth District

JEFF
HEWITT
Fifth District

COUNTYWIDE ELECTED OFFICIALS

MICHAEL HESTRIN
District Attorney

CHAD BIANCO
Sheriff
Coroner
Public Administrator

PAUL ANGULO
Auditor
Controller

PETER ALDANA
Assessor
Clerk
Recorder

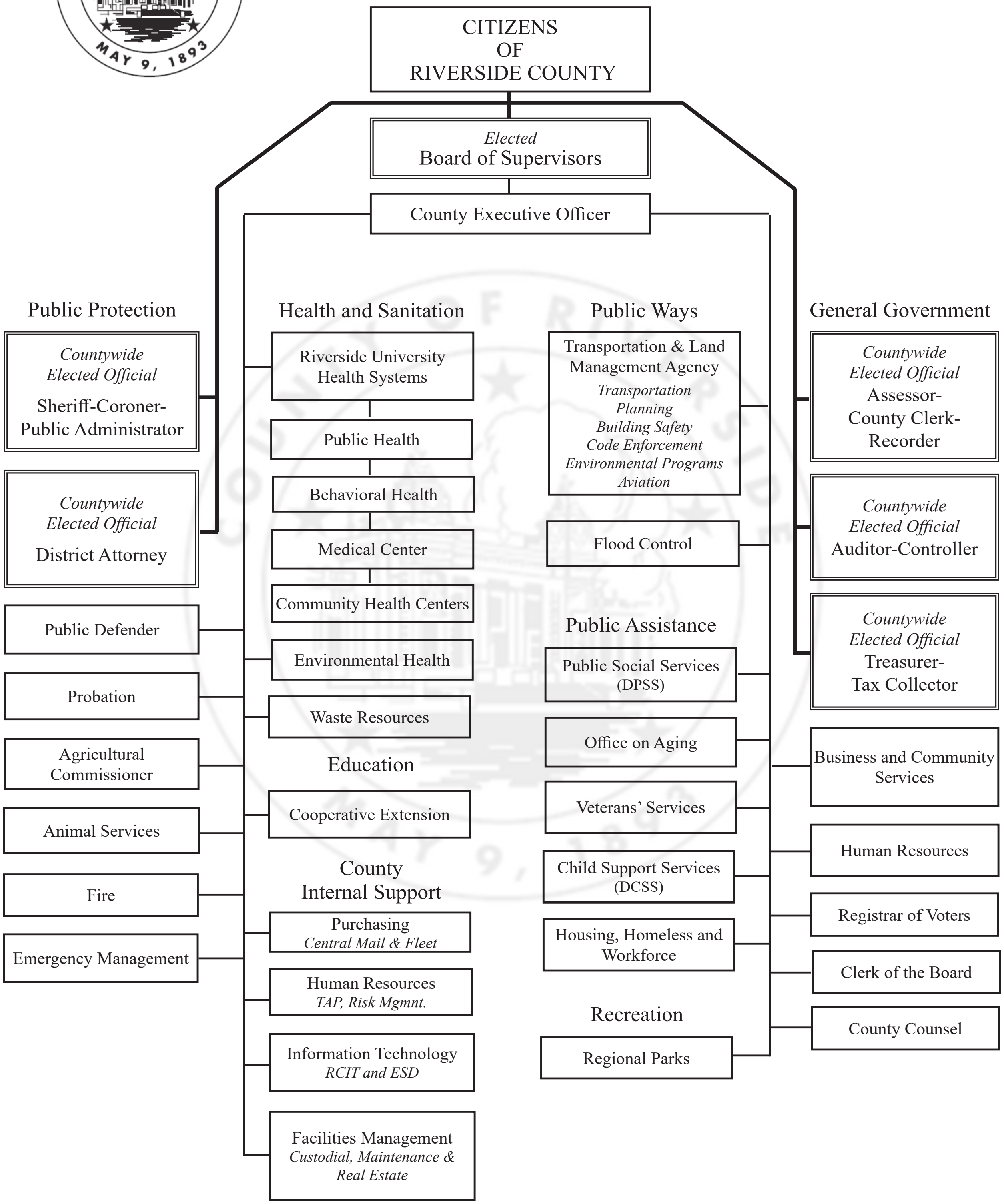
MATTHEW JENNINGS
Treasurer
Tax Collector

APPOINTED OFFICIALS

Jeffrey A. Van Wagenen, Jr.
County Executive Officer

VACANT
County Counsel

COUNTY OF RIVERSIDE ORGANIZATION CHART



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Riverside
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of Supervisors
County of Riverside, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Riverside, California (the County), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, the Transportation Special Revenue Fund, the Flood Control Special Revenue Fund, the CARES Act Coronavirus Relief Special Revenue Fund, and the ARP Act Coronavirus Relief Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

BAKERSFIELD
4200 Truxtun Avenue, Suite 300
Bakersfield, CA 93309
661-324-4971

FRESNO
10 River Park Place East, Suite 208
Fresno, CA 93720
559-476-3592

STOCKTON
2423 West March Lane, Suite 202
Stockton, CA 95219
209-451-4833

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

We did not audit the financial statements of the Riverside County Flood Control and Water Conservation District (the Flood Control), Housing Authority of the County of Riverside (the Housing Authority), Riverside County Regional Park and Open-Space District (the Park District), Perris Valley Cemetery District (the Cemetery District), Riverside County Redevelopment Successor Agency (the Successor Agency), and the Riverside County Children and Families Commission (the Commission), which represent the following percentages, respectively, of the assets and revenues of the following opinion units:

Opinion Unit	Assets	Revenues
Governmental Activities	17%	3%
Business-Type Activities	17%	10%
Aggregate Remaining Fund Information	1%	1%
Discretely Presented Component Unit	100%	100%

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Flood Control, the Housing Authority, the Park District, the Cemetery District, the Successor Agency, and the Commission, are based on reports of the other auditors.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis; the County's Retirement Plans' schedules relating to net pension liabilities, changes in net pension liabilities, and pension contributions; and the County's net and total other postemployment benefit (OPEB) liabilities, changes in net and total OPEB liabilities, and schedules of plan contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and respective budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and respective budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 14, 2022

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MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S

DISCUSSION AND ANALYSIS

It is presented as required supplementary information for the benefit of the readers of the Annual Comprehensive Financial Report.

Management's Discussion & Analysis *(Unaudited)*

This section of the County of Riverside's (the County) Annual Comprehensive Financial Report presents a narrative overview and analysis of the County's financial activities for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the Letter of Transmittal beginning on page vii and the County's basic financial statements which begin on page 27.

FINANCIAL HIGHLIGHTS

- At the close of fiscal year 2021-22, the County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $2.58 billion (*net position*). The net position included $4.34 billion of net investment in capital assets, $1.03 billion of restricted resources for the County's ongoing obligations related to programs with external restrictions, and $2.79 billion deficit of unrestricted resources.

- As of June 30, 2022, the County's governmental funds reported combined fund balances of $1.48 billion, an increase of $103.5 million in comparison with the prior year ($100.8 million change in net position and a net restatement of $2.7 million, see Note 3). Approximately 29.8% of this amount ($440.0 million) is available for spending at the County's discretion *(unassigned fund balance).*

- At the end of the fiscal year, unrestricted fund balance (the total of the *committed, assigned,* and *unassigned* components of *fund balance*) for the general fund was $492.4 million, or approximately 13.8% of total general fund expenditures.

- The change in capital assets net of accumulated depreciation resulted from increases in structures and improvements, infrastructure and leased assets. The increase in leased assets was related to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. The guidance requires lessees to recognize a right-to-use leased asset and a corresponding lease liability.

- In September 2021, the Board of Supervisors authorized the execution and delivery of a Ground Lease, a Lease Agreement, an Indenture and a Bond Purchase Agreement in connection with the Issuance of Riverside County Infrastructure Financing Authority Lease Revenue Refunding Bonds, Series 2021A and Riverside County Infrastructure Financing Authority Lease Revenue Refunding Bonds, Series 2021B (Federally Taxable). The 2021 Series A & B refunded seven revenue bonds into a single refunding issue. This will produce significant interest cost savings given that the low interest rates range from 0.4% to 5.0%. The reacquisition price exceeded the net carrying amount of the old debt by $18.5 million, which will be netted against the new debt and amortized over the new debt life. The transaction resulted in an economic gain of $32.1 million and a decrease of $67.7 million in future debt service payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

This management's discussion and analysis (MD&A) is intended to serve as an introduction to the County's basic financial statements which are comprised of the following three components: (1) Government-wide Financial Statements, (2) Fund Financial Statements, and (3) Notes to the Basic Financial Statements.

In addition to the basic financial statements, *Required Supplementary Information* is included to provide additional detail to support the basic financial statements.

Government-wide Financial Statements are designed to provide readers with a broad overview of County finances in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or declining. The statement of net position in summary can be found on page 9, and in more detail on page 27.

The *statement of activities,* presented on page 11 in summary and on pages 28-29 in detail, provides information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. For example, property tax revenues are recorded when accrued but not yet collected, and when expenditures for compensated absences are accrued, but not yet paid.

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities)*. The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and recreation and cultural services. Governmental activities include six major funds, twenty-one nonmajor funds, and a representative allocation of the County's internal service funds. The six major governmental funds are the general fund, transportation special revenue fund, flood control special revenue fund, Teeter debt service fund, CARES Act Coronavirus Relief special revenue fund, and ARP Act Coronavirus Relief special revenue fund. The business-type activities of the County include three major enterprise funds and four nonmajor funds. The major enterprise funds are the Riverside University Health Systems-Medical Center (RUHS-MC), Waste Resources, and the Housing Authority.

The government-wide financial statements also provide information regarding the County's component units, entities for which the County (the primary government) is considered to be financially accountable. Although blended component units are legally separate entities, they are, in substance, part of the County's operations. Accordingly, the financial information from these units is combined with financial information of the primary government.

The financial information for the Children and Families Commission (the Commission), a legally separate component unit whose governing body is appointed by and serves at the will of the County, is presented separately from the financial information of the primary government.

The blended component units are:

- County of Riverside Asset Leasing Corporation (CORAL)
- County of Riverside District Court Financing Corporation
- Housing Authority of the County of Riverside (Housing Authority)
- In-Home Supportive Services Public Authority
- Riverside County Flood Control and Water Conservation District (Flood Control)
- Riverside County Infrastructure Financing Authority (IFA)
- Riverside County Regional Park and Open-Space District
- Riverside County Public Financing Authority (PFA)
- Riverside County Service Areas
- Inland Empire Tobacco Securitization Authority
- Perris Valley Cemetery District

Fund Financial Statements, illustrated on pages 32-51, provide information regarding the three major categories of County funds – governmental, proprietary, and fiduciary. The focus of governmental and proprietary fund financial statements is on major funds. Major funds are determined based on minimum criteria set forth in Governmental Accounting Standards Board (GASB) Statement No. 34, as amended. Like other state and local governments, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund accounting is also used to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Governmental Funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. Unlike the government-wide financial statements, governmental fund financial statements often have a budgetary orientation; are prepared on the modified accrual basis of accounting; and focus primarily on the sources, uses, and balances of current financial resources. Governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year, unlike government-wide financial statements. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. The governmental funds' balance sheet and statement of revenues, expenditures, and changes in fund balances are accompanied by reconciliations to the government-wide financial statements in order to facilitate this comparison between *governmental funds* and *governmental activities.*

The County maintains several individual governmental funds organized according to their type (general, special revenue, debt service, capital projects, and permanent funds). The governmental fund financial statements present the financial information of each major fund (the general fund, transportation special revenue fund, flood control special revenue fund, Teeter debt service fund, CARES Act Coronavirus Relief special revenue fund, and ARP Act Coronavirus Relief special revenue fund) in separate columns.

Financial information for the remaining governmental funds (nonmajor funds) is combined into a single, aggregated presentation. Financial information for each of these nonmajor governmental funds is presented in the supplementary information section.

Budgetary comparison statements are also included in the fund financial statements. The statements present the County's annual estimated revenue and appropriation budgets for all governmental fund budgets except for District Court Financing Corporation, Inland Empire Tobacco Securitization Authority, and Perris Valley Cemetery Endowment Fund. The budgetary comparison statements have been provided to demonstrate compliance with their respective budgets.

Proprietary Funds are used to account for services for which the County charges customers, either outside customers or internal departments of the County. Proprietary funds statements, found on pages 46-49, provide the same type of information as shown in the government-wide financial statements with more detail. The County maintains the following two types of proprietary funds:

- *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for RUHS-MC, Waste Resources, Housing Authority, County Service Areas, Flood Control, Aviation and Riverside University Health Systems – Community Health Centers (RUHS-CHC). RUHS-MC, Waste Resources, and Housing Authority financial statements are reported in separate columns of the proprietary fund statements due to the materiality criteria defined by GASB Statement No. 34, as amended. Financial information for the remaining enterprise funds (nonmajor funds) is combined into a single, aggregated presentation. Individual fund statements for County Service Areas, Flood Control, Aviation and RUHS-CHC are presented in the supplementary information section.

- *Internal service funds* are used to report activities that provide supplies and services for certain County programs and activities. The County uses internal service funds to account for its fleet services, information services, central mail services, supply services, human resources, risk management, temporary assistance pool, economic development agency (facilities management), and flood control equipment. Because these services predominantly benefit governmental rather than business-type functions, they have been included within the *governmental activities* in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund financial information for each internal service fund is provided in the supplementary information section.

Fiduciary Funds report assets held in a trustee or agency capacity for others and therefore cannot be used to support the County's programs nor be reflected in the government-wide financial statements. Fiduciary funds maintained by the County include a pension trust fund, investment trust funds, private-purpose trust funds, and custodial funds. The fiduciary fund financial statements, on pages 50-51, are presented on the economic resources measurement focus and the accrual basis of accounting.

Notes to the Basic Financial Statements provide additional information other than that displayed on the face of the financial statements and are essential for fair presentation of the financial information in the government-wide and fund financial statements. The notes can be found on pages 53-136 of this report.

Required Supplementary Information provides changes in net pension liability and related ratios, employer contributions to the pension plans, changes in net other postemployment benefits (OPEB) liability and related ratios, employer contributions to the OPEB plans, and changes in total OPEB liability and related ratios. Required supplementary information can be found on pages 138-157 of this report.

Combining and individual fund statements and budgetary schedules provide information for nonmajor governmental funds, nonmajor enterprise funds, internal service funds, and fiduciary funds, and are presented immediately following the required supplementary information. Combining and individual fund statements and budgetary schedules can be found on pages 159-213 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator of a government's financial position. The table below focuses on the net position and changes in net position in the County's governmental and business-type activities. It presents an analysis of the County's net position as of June 30, 2022, in comparison to the prior fiscal year 2020-21. At the end of current fiscal year, the County reported positive net position in two of the three categories: net investment in capital assets and restricted net position. Total assets and deferred outflows of resources, as indicated below, exceeded liabilities and deferred inflows of resources by $2.58 billion, representing an increase of $443.8 million ($444.4 million change in net position and a net restatement of $631 thousand, see Note 3), or 20.8%. A more detailed statement can be found on page 27 in the government-wide financial statements.

STATEMENT OF NET POSITION
June 30, 2022 and 2021
(In thousands)

	Governmental Activities		Business-type Activities		Total		Total	
	2022	2021	2022	2021	2022	2021	Dollar Change	Percentage Change
Assets:								
Current and other assets	$ 3,852,331	$ 3,268,460	$ 576,787	$ 483,156	$ 4,429,118	$ 3,751,616	$ 677,502	18.1%
Capital and lease assets	5,361,506	5,063,602	559,313	565,852	5,920,819	5,629,454	291,365	5.2%
Total assets	9,213,837	8,332,062	1,136,100	1,049,008	10,349,937	9,381,070	968,867	10.3%
Deferred outflows of resources:	556,030	788,144	152,771	142,238	708,801	930,382	(221,581)	-23.8%
Total deferred outflows of resources	556,030	788,144	152,771	142,238	708,801	930,382	(221,581)	-23.8%
Liabilities:								
Current liabilities	1,642,203	1,271,990	378,033	310,420	2,020,236	1,582,410	437,826	27.7%
Long-term liabilities	4,268,634	5,447,297	760,330	1,021,026	5,028,964	6,468,323	(1,439,359)	-22.3%
Total liabilities	5,910,837	6,719,287	1,138,363	1,331,446	7,049,200	8,050,733	(1,001,533)	-12.4%
Deferred inflows of resources:	1,159,667	106,485	268,420	16,600	1,428,087	123,085	1,305,002	1060.2%
Total deferred inflows of resources	1,159,667	106,485	268,420	16,600	1,428,087	123,085	1,305,002	1060.2%
Net position:								
Net investment in capital assets	4,059,277	4,037,277	279,765	263,413	4,339,042	4,300,690	38,352	0.9%
Restricted	978,371	554,386	51,267	54,017	1,029,638	608,403	421,235	69.2%
Unrestricted	(2,338,285)	(2,297,229)	(448,944)	(474,230)	(2,787,229)	(2,771,459)	(15,770)	0.6%
Total net position	$ 2,699,363	$ 2,294,434	$ (117,912)	$ (156,800)	$ 2,581,451	$ 2,137,634	$ 443,817	20.8%

Analysis of Net Position

Below are the three components of net position and their respective balances as of June 30, 2022:

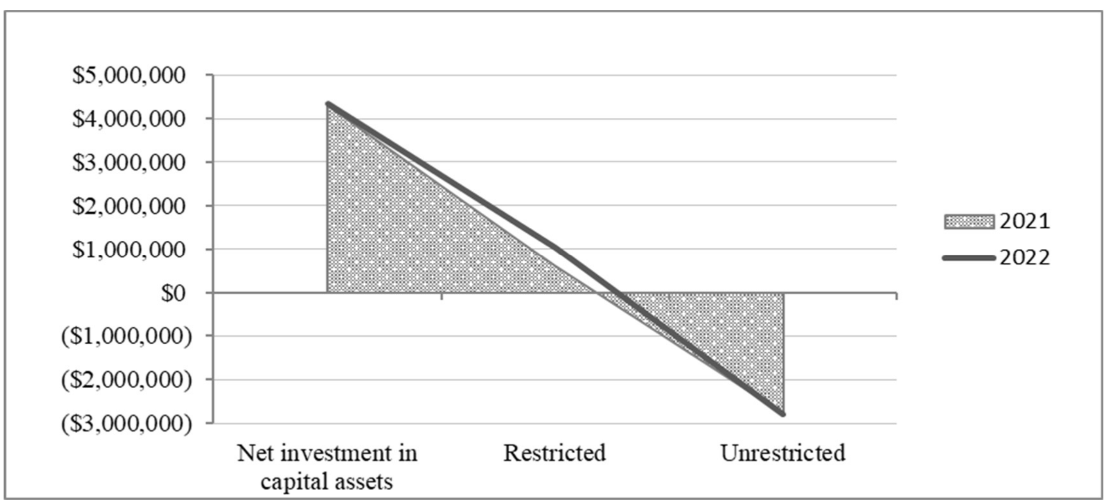
The largest portion of the County's net position reflects its net investment in capital assets of $4.34 billion, an increase of $38.4 million, or 0.9%, from prior fiscal year. This component consists of capital assets such as land and easements, structures and improvements, infrastructure, and equipment, net of accumulated depreciation. The amount is further reduced by any debt attributable to the acquisition, construction, or improvement of the assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

The restricted net position is $1.03 billion, an increase of $421.2 million, or 69.2%, from prior fiscal year, and represents resources that are subject to external restrictions on how they may be used. External restrictions include those imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

The unrestricted net position is negative $2.79 billion, a decrease of $15.8 million, or 0.6%, from the prior year. The negative unrestricted net position resulted from GASB Statement No. 68 related to pensions and its requirement to record a net pension liability on the government-wide financial statements as pension costs increased in the current year. The factors contributing to increased pension costs include salary increases, retirements, and retiree cost-of-living adjustments were greater than expected; terminations and retiree deaths were fewer than expected.

The overall increase in net position of governmental and business-type activities was attributed to several contributing factors. The annual contribution to retirement plans for fiscal year 2021-22 was $430.9 million, an increase of $34.4 million, or 8.7%, from fiscal year 2020-21. This was offset by an increase in charges for services of $17.9 million, primarily due to an increase in law enforcement services. There was also an increase of $30.7 million in property tax revenue due to a growth in property assessed values. The charges for services in business-type activities increased by $147.5 million, or 14.6%. This was due to an increase in patient services primarily related to COVID.

Statement of Net Position
June 30, 2022 and 2021
(In thousands)



The following table provides information from the Statement of Activities of the County for the fiscal year ended June 30, 2022, as compared to the prior year:

CHANGES IN NET POSITION
For the fiscal years ended June 30, 2022 and 2021
(In thousands)

	Governmental Activities		Business-type Activities		Total		Total	
	2022	2021	2022	2021	2022	2021	Dollar Change	Percentage Change
Revenues:								
Program revenues:								
Charges for services	$ 791,330	$ 773,439	$ 1,156,250	$ 1,008,735	$ 1,947,580	$ 1,782,174	$ 165,406	9.3%
Operating grants and contributions	2,687,567	2,741,915	-	-	2,687,567	2,741,915	(54,348)	-2.0%
Capital grants and contributions	37,701	29,455	494	559	38,195	30,014	8,181	27.3%
General revenues:								
Property taxes	487,468	456,794	-	-	487,468	456,794	30,674	6.7%
Sales and use taxes	48,984	39,204	-	-	48,984	39,204	9,780	24.9%
Unrestricted intergovernmental revenue	353,301	316,426	-	-	353,301	316,426	36,875	11.7%
Investment earnings	(32,732)	5,263	(2,178)	1,063	(34,910)	6,326	(41,236)	-651.8%
Other	239,901	336,867	-	-	239,901	336,867	(96,966)	-28.8%
Total revenues	4,613,520	4,699,363	1,154,566	1,010,357	5,768,086	5,709,720	58,366	1.0%
Expenses:								
General government	326,689	314,381	-	-	326,689	314,381	12,308	3.9%
Public protection	1,524,865	1,401,403	-	-	1,524,865	1,401,403	123,462	8.8%
Public ways and facilities	222,603	205,503	-	-	222,603	205,503	17,100	8.3%
Health and sanitation	689,742	655,911	-	-	689,742	655,911	33,831	5.2%
Public assistance	1,311,237	1,197,256	-	-	1,311,237	1,197,256	113,981	9.5%
Education	38,595	33,123	-	-	38,595	33,123	5,472	16.5%
Recreation and cultural services	19,050	20,891	-	-	19,050	20,891	(1,841)	-8.8%
Interest on long-term debt	62,652	96,782	-	-	62,652	96,782	(34,130)	-35.3%
Riverside University Health Systems - Medical Center	-	-	785,369	691,361	785,369	691,361	94,008	13.6%
Waste Resources	-	-	121,287	98,347	121,287	98,347	22,940	23.3%
Housing Authority	-	-	103,965	100,036	103,965	100,036	3,929	3.9%
County Service Areas	-	-	459	336	459	336	123	36.8%
Flood Control	-	-	2,443	2,365	2,443	2,365	78	3.3%
Riverside University Health Systems - Community Health Centers	-	-	108,019	105,421	108,019	105,421	2,598	2.5%
Aviation	-	-	6,664	3,759	6,664	3,759	2,905	100.0%
Total expenses	4,195,433	3,925,250	1,128,206	1,001,625	5,323,639	4,926,875	396,764	8.1%
Excess (deficiency) before transfers	418,087	774,113	26,360	8,732	444,447	782,845	(338,398)	-43.2%
Transfer in (out)	(12,527)	(54,670)	12,527	54,670	-	-	-	0.0%
Change in net position, before extraordinary items	405,560	719,443	38,887	63,402	444,447	782,845	(338,398)	-43.2%
Extraordinary items	-	-	-	-	-	-	-	100.0%
Change in net position	405,560	719,443	38,887	63,402	444,447	782,845	(338,398)	-43.2%
Net position, beginning of year, as restated	2,293,803	1,574,991	(156,799)	(220,201)	2,137,004	1,354,790	782,214	57.7%
Net position, end of year	$ 2,699,363	$ 2,294,434	$ (117,912)	$ (156,799)	$ 2,581,451	$ 2,137,635	$ 443,816	20.8%

Analysis of Changes in Net Position

The following are specific major factors that resulted in the net position changes in governmental activities between fiscal years 2021-22 and 2020-21 as shown in the table on page 11.

Revenues for governmental activities

Total revenues for governmental activities were $4.61 billion, a decrease of $85.8 million, or 1.8%, from the previous year. This decrease consisted of decreases in program revenues of $28.2 million and general revenues of $57.6 million. The largest share of program revenues was operating grants and contributions which accounted for 76.4%. Operating grants and contributions are monies received from parties outside the County and are generally restricted to one or more specific programs such as State and Federal revenue for public assistance and health and sanitation. Charges for services are revenues that arise from charges to external customers or applicants who purchase, use, or directly benefit from the goods, services, or privileges provided. General revenues are used to support program activities Countywide. Example of general revenues include property tax, sales and use tax, as well as other County levied tax, investment income, rents and concessions, contributions and donation, and sales of surplus property.

The decrease in program revenues was primarily comprised of the following:

- Charges for services increased by $17.9 million, or 2.3%. There was an increase in law enforcement services related to a strong demand of security guard and patrol services requested by the unincorporated communities.
- Operating grants and contributions decreased by $54.3 million, or 2.0%. There was a one-time Coronavirus Aid Relief Economic Security (CARES) Act funding of $350.5 million received in prior year for addressing the COVID-19 pandemic. The decrease was partially offset by the following operating grants and contributions increases. $103.8 million increase in rental relief program funds for the continuation of the emergency rental assistance program to provide rental, utility, housing stability assistance, eviction preventions and protection programs. $75.7 million increase in federal and state grants received for Epidemiology and Laboratory Capacity (ELC) expansion efforts and other various grants contributing to the remaining increase include Women, Infant, and Children (WIC), Nutrition Education and Obesity Prevention, Family Planning Title X, Targeted Case Management, Disease Control Infectious Disease Prevention and Control program, Ending the HIV Epidemic, Child Health and Disability Prevention Allocation program. $60.4 million increase in federal and state aids for major public assistance programs due to program funding changes including CalWORKs, Child Welfare Services, CalFresh, Foster Care, Medi-Cal, In-Home Support Services, and Adoption Assistance. The eligible age requirement for Adult Protective Service program was changed from age 65 to 60; this resulted in increased caseload. The Department of Public Social Service had established Continuum of Care (CoC) for Child Welfare Services (CWS) to provide additional placement options to address the increasing complex care needs of children and youth in foster care. $40.6 million increase in Proposition 172 statewide half-percent sales tax for support of local public safety functions in cities and counties, Juvenile Justice Crime Prevention Act (JJCPA) and the Community Corrections Subaccounts (AB109) realignment revenue allocation to public safety departments including Sheriff Patrol, Corrections Division, Court Services, and District Attorney's Office for meeting the state mandated programs and contracted services with other agencies. $15.4 million American Rescue Plan Act (ARPA) funding received for backfill of lost revenue resulted from negative economic impacts of COVID-19 pandemic.
- Capital Grants and Contributions increased by $8.2 million, or 28.0%. The increase was mainly due to the expansion of mental health treatment facilities, public roads and new regional trail construction and restoration projects.

The increase in general revenues was largely attributable to:

- Property tax revenues increased by $30.7 million, or 6.7%. The contributing factors to the increased property tax revenues included the growth in property assessed values driven by strong demand for real estate, redevelopment tax increment pass-through revenue, and documentary transfer tax from transfers of property ownership also increased.

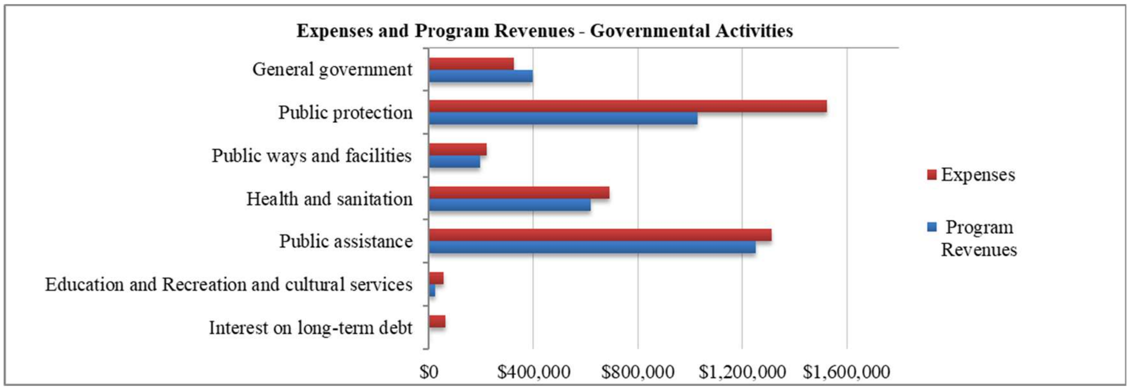
- Sales Tax revenues increased by $9.8 million, or 24.9%. The increase was mainly due to an increase in the pro-rata share of the statewide sales tax pool, consumer spending continued to increase, and the rise in consumer prices.
- Unrestricted intergovernmental revenue increased by $36.9 million, or 11.7%. The increase was due to the increase in motor vehicle fee revenue received in lieu of property taxes resulted from the growth in property assessed values, vehicle license fees, and state sales tax.
- Investment earnings decreased by $38.0 million, or 721.9%. There was a significant decrease in the fair value of investments due to the Federal Reserve increasing short-term interest rates to combat high inflation. As a result, the unrealized loss on investments was recognized.
- Other revenues decreased by $97.0 million, or 28.8%. The main contributing factor was a decline in premium collections for the self-insured medical plan. There was a decline in plan membership due to revised union agreements with other plan selections.

Expenses for governmental activities

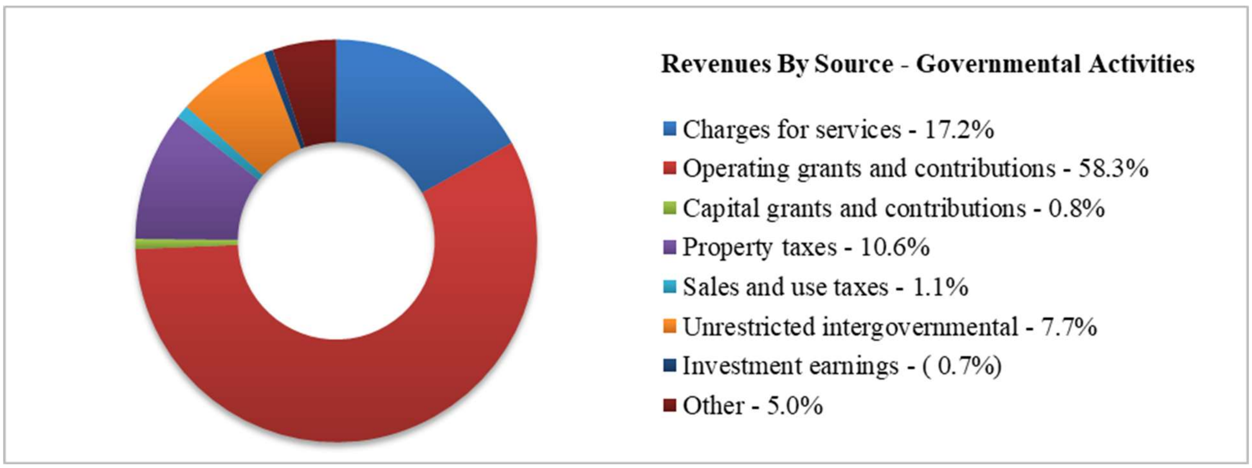
Total expenses for governmental activities were $4.20 billion for the current fiscal year, an increase of $270.2 million, or 6.9% ($304.3 million increase in functional expenses and $34.1 million decrease in interest expense), as compared to prior fiscal year. The following are the key components accounting for the variances:

- The expenses in general government increased by $12.3 million, or 3.9%, as a result of the implementation of the Voter's Choice Act for conducting the elections under a model that provides greater flexibility and convenience for voters. The temporary staffing, printing and postage increased for the June 2022 primary election and the Special Governor Recall Election for mailing out ballots to every registered voter and pre-paid return postage on all vote-by-mail ballots.
- The expenses in public protection increased by $123.5 million, or 8.8%. The increase was mainly due to a combination of rising labor costs and staffing needs, increases in merit, special pay and pension, the expansion of annual business fire safety inspection program, the continued phased in opening of the J. Benoit Detention Center, unincorporated communities patrol staffing, and other operational costs included County insurance rate increases, aviation maintenance and fuel, professional services for forensic pathologist, and utilities.
- The expenses in public ways and facilities increased by $17.1 million, or 8.3%. The increase was mainly caused by the construction costs associated with road improvement including extension and resurfacing due to recent development in the communities.
- The expenses in health and sanitation increased by $33.8 million, or 5.2%. The main contributing factor to the increase was the implementation of the social rehabilitation and community-based continuum of care treatment and wraparound support programs targeting those facing homelessness, and diversion of those with a serious mental illness and/or a co-occurring substance use disorder away from hospitalization or incarceration.
- The expenses in public assistance increased by $114.0 million, or 9.5%. The factors influencing the increase were programmatic funding changes by the state in CalWORKs Assistance, caseload growth in Foster Care, Emergency Assistance, Adoptions and General Assistance programs, increases in contracted services and labor costs.
- The expenses in interest expense decreased by $34.1 million, or 35.3 %. The decrease was mainly caused by redemption and defeasance of several lease revenue bonds, maturity of lease obligations, and lower interest rate in Tax Revenue Anticipation Notes (TRANS).

The following chart displays expenses and the associated program revenues by function for the governmental activities for the fiscal year ended June 30, 2022 (In thousands):



The chart below presents the percentage of total revenues by source for governmental activities:



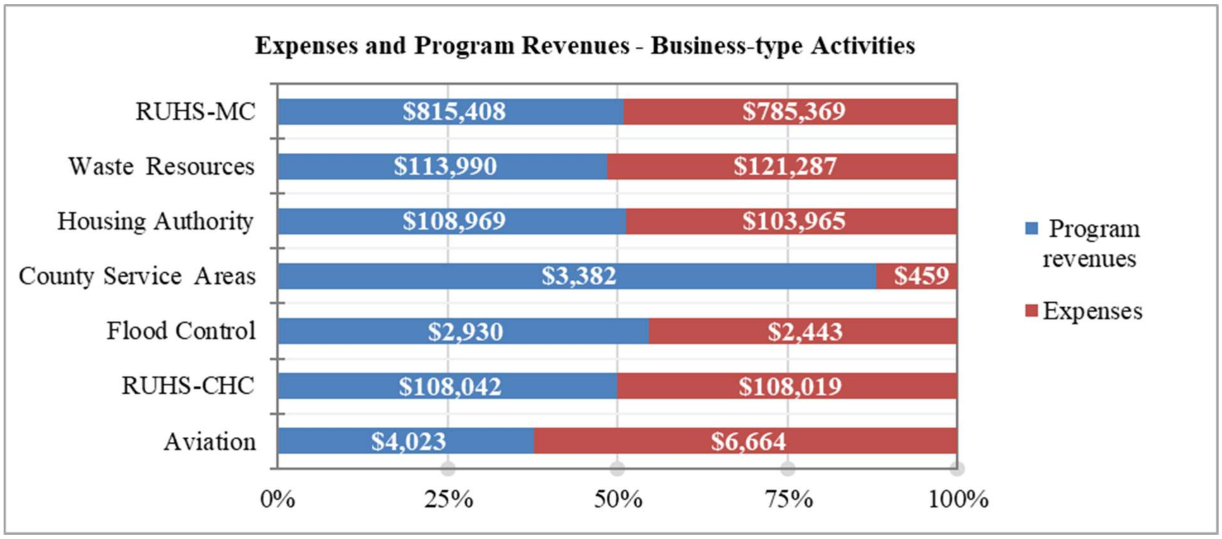
Business-type Activities

The County has three major business-type activity funds: RUHS-MC, Waste Resources, and Housing Authority. In addition, Flood Control, County Service Areas, Aviation and RUHS-CHC are included in the business-type activities of the County. Business-type activities recover all or a significant portion of their costs through user fees and charges and provide services primarily to non-County entities.

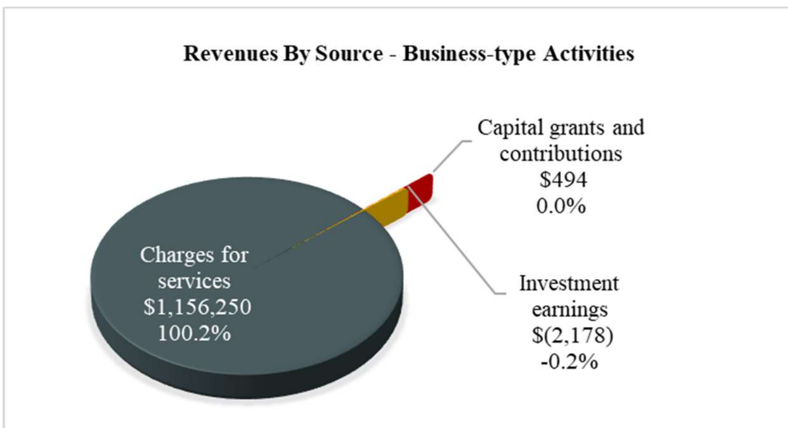
<u>Revenues</u>: For the current year, $1.16 billion, or 100.2%, of business-type activities program revenue was received from charges for services, a percentage consistent with the prior fiscal year. The majority of this revenue, $814.9 million, was received by RUHS-MC as compared to $680.1 million for the prior fiscal year. The increase was mainly attributed to higher patient revenue from in-patients and out-patients visits and therefore increases in insurance contracts revenues and other collection sources, as well as increased state compensation for care of patients with Medi-Cal insurance.

<u>Expenses</u>: Total expenses for business-type activities were $1.13 billion for the fiscal year compared to $1.00 billion for the prior fiscal year. This represents an increase of $126.6 million, or 12.6%. The majority of the increase in expenses was incurred by RUHS-MC of $94.0 million and Waste Resources Department of $22.9 million. The increase by RUHS-MC was mainly attributed to increases in health care staffing agencies, pharmaceuticals, professional services, and non-capital medical equipment and medical supplies for meeting the growing service needs in the community. The increase by Waste Resources Department was due to a significant increase in minimum deposits and liability for landfill remediation and post-closure required by the Regional Water Quality Control Board.

The following chart displays expenses and the associated program revenues by function for the business-type activities for the fiscal year ended June 30, 2022 (In thousands):



The chart below presents the percentage of total revenues (In thousands) by source for business-type activities:



FINANCIAL ANALYSIS OF FUND STATEMENTS

As noted earlier, the County uses *fund accounting* to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information on the sources, uses, and balances of spendable resources. Such information is useful in assessing the County's short-term financial requirements. In particular, the total fund balance less the nonspendable amount may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the County include the general fund, special revenue funds, capital projects funds, debt service funds, and the permanent fund.

As of June 30, 2022, the County's governmental funds reported combined fund balances of $1.48 billion, an increase of $103.5 million in comparison with the prior year ($100.8 million change in net position and a net restatement of $2.7 million, see Note 3). The components of total fund balance are as follows (See Note 16 - Fund Balances for additional information):

- Nonspendable fund balance – $7.0 million, amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.
- Restricted fund balance – $871.1 million, amounts that are constrained to being used for a specific purpose by external parties such as creditors, grantors, laws, or regulations.
- Committed fund balance – $50.4 million, amounts that are committed for a specific purpose. These funds require action from the Board of Supervisors to remove or change the specified use.
- Assigned fund balance – $108.3 million, amounts that have been set aside and are intended to be used for a specific purpose but are neither restricted nor committed. Assigned amounts cannot cause a deficit in unassigned fund balance.
- Unassigned fund balance – $440.0 million, funds that are not reported in any other category and are available for any purpose within the general fund.

Total governmental fund revenue increased by $42.0 million, or 0.9%, from the prior fiscal year with $4.58 billion being recognized for the fiscal year ended June 30, 2022. Expenditures increased by $250.1 million, or 5.8%, from the prior fiscal year with $4.56 billion being expended for governmental functions during fiscal year 2021-22. Overall, governmental fund balance increased by $103.5 million, or 7.5%. In comparison, fiscal year 2020-21 had an increase in governmental fund balance of $184.5 million, or 15.5%, over fiscal year 2019-20.

The general fund is the primary operating fund of the County. At the end of fiscal year 2021-22, the general fund's total fund balance was $680.5 million, as compared to $566.9 million in fiscal year 2020-21. As a measure of the general fund's liquidity, it is useful to compare both total fund balance and spendable fund balance to total fund expenditures. The nonspendable portion of fund balance was $3.8 million, and the spendable portion was $676.7 million. The current year unassigned fund balance is 12.3% of the total general fund expenditures of $3.57 billion, as compared to 10.9% of the prior year expenditures total of $3.40 billion. The total fund balance of the general fund for the current year is 19.1% of the total general fund expenditures as compared to 16.7% for the prior year.

The fund balance of the County's general fund increased by $116.3 million during the current fiscal year. The overall increase in fund balance was due to additional federal and state funding received in meeting mandated program needs, statewide sales tax and vehicle license fees. Other factors contributing to the increase in fund balance were the result of operations as discussed in the general fund financial analysis on pages 17 and 18.

Transportation fund balance increased by $11.9 million, or 9.4%, due mainly to an increase in funding related to Senate Bill (SB) 1.

Flood control fund balance increased by $13.1 million, or 4.8%. The increase in fund balance is primarily a result of an increase in property taxes and redevelopment revenues received during the current fiscal year.

CARES Act Coronavirus Relief fund decreased by $1.8 million, or 100.0%. The decrease was due to the remaining balance of CARES Act funding, which was required to be spent by December 31, 2021.

ARP Act Coronavirus Relief fund increased by $711.0 thousand, or 546.9%. The increase in fund balance is due to additional federal assistance received in response to the coronavirus pandemic.

Other Governmental Funds

The $36.8 million, or 9.1%, decrease in nonmajor governmental funds fund balance was primarily due to the contributions to other government funds from the CARES Act fund. The CARES Act funding was required to be spent by December 31, 2021.

Proprietary Funds

The County's proprietary funds financial statements provide the same type of information as the government-wide financial statements, but in more detail. The RUHS-MC, Waste Resources, and Housing Authority are shown in separate columns of the fund statements due to materiality criteria as defined by GASB Statement No. 34, as amended. In addition, the internal service funds are combined into a single, aggregated presentation in the proprietary fund statements with the individual fund data provided in the combining statements, which can be found in the supplemental information section.

At the end of the fiscal year, total proprietary fund net position was $68.4 million, compared to $12.4 million from prior fiscal year; this represents an increase of $56.0 million, or 453.6%. The funds accounting for the majority of the variance were RUHS-MC, Housing Authority, and Internal Service funds. The total increase in net position for RUHS-MC, Housing Authority, Internal Service funds, and Other were $44.4 million, $5.6 million, $5.3 million, and $9.0 million, respectively. These increases were offset by a decrease of $10.9 million in the Waste Resources department. Factors concerning the finances of these funds have been previously discussed in the business-type activities on page 14.

GENERAL FUND FINANCIAL ANALYSIS

Revenues and other financing sources for the general fund, including comparative amounts from the preceding year, are shown in the following tabulation:

General Fund - Revenues by Source
For the fiscal years ended June 30, 2022 and 2021
(In thousands)

	2022		2021		Increase / (Decrease)	
Revenues by Source	Amount	Percent of Total	Amount	Percent of Total	Amount	Percentage of Change
Taxes	$ 440,139	11.4%	$ 397,329	10.5%	$ 42,810	10.8%
Intergovernmental revenues	2,598,210	67.3%	2,400,474	63.5%	197,736	8.2%
Charges for services	528,383	13.7%	523,997	13.9%	4,386	0.8%
Other revenue	134,242	3.5%	163,017	4.3%	(28,775)	-17.7%
Other financing sources	159,776	4.1%	295,750	7.8%	(135,974)	-46.0%
Total	$ 3,860,750	100.0%	$ 3,780,567	100.0%	$ 80,183	2.1%

General fund revenues had an overall increase of $80.2 million, or 2.1%, from the prior year. The increase was due primarily to the changes in the following:

- The increase in *Taxes* of $42.8 million during the current fiscal year was mainly due to an increase of $13.8 million in secured taxes. Also, an increase of $11.3 million was due to a growth in redevelopment property tax partly due to documentary transfer tax recordings, growth of assessed property valuation, and an increase of value in all sectors of the commercial real estate and residential markets. In addition, an increase of $9.5 million is due to sales tax proceeds within the County. Finally, an increase of $6.4 million in transient occupancy taxes from hotels, motels and Airbnb's.

- The increase of $197.7 million in *Intergovernmental revenues* was primarily attributed to increases in additional State funding of $137.1 million. The additional State funding received increased by $76.3 million for Proposition 172 Public Sales Tax, $49.5 million in California Realignment programs, $5.5 million in SB 90 Mandated Costs, and $5.8 million in health services. Federal funding received an increase of $53.7 million in revenue. The primary increases of Federal funding revenue are due to $37.0 million in operating grants, $30.4 million in Federal public assistance programs, and $22.2 million in Federal medical grants, which were offset by a decrease of $35.9 million in Federal aid for disasters. Finally, an increase of $5.8 million in other intergovernmental revenue was attributed to an increase in contracts revenue for redevelopment.

- *Charges for services* increased by $4.4 million due to increases in contract law enforcement services that were previously impacted by the COVID-19 pandemic. During the COVID-19 pandemic, there was a halt in contracts for law enforcement services. As restrictions lifted and business returned to normality, contracts resumed.

- The decrease in *Other revenue* of approximately $28.8 million primarily relates to the decrease in investment earnings as interest rates declined during the current fiscal year.

- The decrease in *Other financing sources* of approximately $136.0 million was primarily related to a decrease in contributions from other County funds.

Expenditures and other financing uses for the general fund, including comparative amounts from the preceding year, are shown in the following tabulation:

General Fund - Expenditures by Function
For the fiscal years ended June 30, 2022 and 2021
(In thousands)

	2022		2021		Increase / (Decrease)	
Expenditures by Function	Amount	Percent of Total	Amount	Percent of Total	Amount	Percentage of Change
General government	$ 137,936	3.7%	$ 120,250	3.3%	$ 17,686	14.7%
Public protection	1,591,388	42.5%	1,573,840	43.5%	17,548	1.1%
Health and sanitation	728,702	19.5%	656,502	18.2%	72,200	11.0%
Public assistance	1,057,631	28.2%	1,011,834	28.0%	45,797	4.5%
Other expenditures	50,174	1.3%	36,977	1.0%	13,197	35.7%
Other financing uses	178,583	4.8%	215,946	6.0%	(37,363)	-17.3%
Total	$ 3,744,414	100.0%	$ 3,615,349	100.0%	$ 129,065	3.6%

General fund expenditures had an overall increase of $129.1 million, or 3.6%, from the prior year. Significant changes are as follows:

- The increase in *General government* of $17.7 million was due to a primary increase of $10.5 million by the Registrar of Voters Department related to the implementation of Senate Bill 450, the California Choice to Act which modernizes elections by providing flexibility and convenience for voters. The increases for the Registrar of Voters Department were seen in temporary staff, postage, printing, and election services for the June 2022 Riverside County General Election. An increase of $4.2 million in salary and employee benefits was noted in the Assessor's Office and the Human Resources Department. Finally, an increase of $2.6 million is related to an increase in costs for legal and professional services.

- The increase in *Public protection* of $17.5 million was due to increases in law enforcement salaries and employee benefits to pay for overtime and wage increases. There has also been an increase in services and supplies due to the rising cost of inflation.

- The increase in *Health and sanitation* of $72.2 million was attributed to a primary increase of $48.2 million by the Behavioral Health Department for increased private care provider costs. The Executive Office had an increase of $19.5 million related to an increase in expenditures for State realignment programs. An increase of $4.5 million by the Public Health Department was due to an increase in professional service costs.

- The increase in *Public assistance* of $45.8 million is primarily due to the Department of Public Social Services programs. The increase of $23.5 million in other charges relate to the support and care of persons, an increase of $16.2 million in salaries and employee benefits, and an increase of $6.1 million in professional services.

- The increase in *Other expenditures* of $13.2 million was primarily due to an increase of $20.2 million in capital outlay from financed purchase additions for leased buildings. This was offset by a decrease of $6.8 million in interest on short-term debt as the Tax and Revenue Anticipation Notes (TRANs) carried a lower interest rate.

- The decrease in *Other financing uses* of $37.4 million was attributed to a decrease of additional contributions to other funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

This section provides a summary of the primary factors attributing to the General Fund variances between 1) the original adopted and the final budget, and 2) the final budget and the actual revenue and expenditure amounts. The budgetary comparison statement displays the details of the comparison and is included in the governmental fund statements section.

Variance between General Fund Original Adopted and Final Budgets

Estimated Revenue Variances

The original adopted General Fund estimated revenue budget increased by $29.0 million, or 0.7%, from $3.90 billion to the final revenue budget of $3.93 billion. The major estimated revenue variances are described as follows:

<u>Federal</u>: Increased by $88.1 million, or 10.5% from $837.9 million to $926.0 million. The primary budget increase of $75.5 million from the Public Health Department was due to funding received for the COVID-19 pandemic support efforts. The Emergency Management Department received an increase of $9.2 million for grants awarded to support the Countywide response to the COVID-19 pandemic. There was an increase of $1.4 million related to the Sheriff Department for operating grants to fund safety programs.

<u>Charges for services</u>: Decreased by $79.9 million, or 12.5%, from $640.0 million to $560.1 million. The primary decrease was due to intergovernmental activities of $102.9 million, which was offset by budget increases related to contractual services. The Sheriff Department had an increase of approximately $12.4 million for law enforcement services and public protection. The Fire Protection Department had an increase of $3.3 million for contractual services and reimbursements of fire equipment that serve cities and local communities. There was an increase of $2.7 million related to the Department of Animal Services for billing contracts received from various cities and grant awards from granting agencies. The Facilities Management Department had an increase of $1.9 million for contractual services related to pass-through projects and increased utility costs. There was an increase of $1.5 million Countywide due to an increase in contractual services, fee collections, and special assessment revenue previously impacted by the COVID-19 pandemic. Finally, the Law Office of the Public Defender received an increase of $1.3 million to provide services to the Probation Department for the Juvenile Justice Crime Prevention Act program.

<u>Other revenue</u>: Decreased by $27.1 million, or 45.0%, from $60.2 million to $33.1 million. The primary decrease was due to intergovernmental activities of $30.7 million, which was offset by a budget increase of $3.9 million. The main increase of $1.9 million was related to the Emergency Management Department for contracts with cities and renewed annual rates with the medical transportation company, American Medical Response. The California Children Services Department had an increase of $1.1 million due to increased funding by the Healthy Family Optional Targeted Low Income Children's Program. The Sheriff Department received an increase of $900.0 thousand as CARES Act funding for labor in correctional facilities.

Expenditure Appropriation Variances

The original adopted General Fund appropriation budget increased by $22.1 million, or 0.6%, from $3.97 billion to the final appropriation budget of $3.99 billion. The major expenditure appropriation variances are described as follows:

<u>General government</u>: The original recommended appropriation budget for General government decreased by $67.7 million, or 27.0%, from $250.4 million to the final appropriation budget of $182.7 million. The major appropriation variances are described below.

- *Services and supplies* increased by $8.6 million, or 8.5%, from $100.9 million to $109.5 million. An increase of $2.6 million by the Facilities Management Department is due to increased utility costs and various infrastructure projects for building improvements. The Human Resources Department had an increase of $2.0 million related to moving costs and higher than expected legal services. Finally, an increase of $1.8 million from the Registrar of Voters Department related to Senate Bill 450, the California Voters Choice Act, for the June 2022 General Elections. The California Choice Act modernizes elections by providing flexibility and convenience for voters.

- *Other charges* decreased by $69.0 million, or 74.4%, from $92.7 million to $23.7 million. The primary decrease is due to intergovernmental activities.

- *Appropriation for contingencies* decreased by $7.4 million, or 36.9 %, from $20.0 million to $12.6 million. Contingency budgets are established to cover urgent, unforeseeable budget overrun and mission-critical issues. The primary decrease was due to the Executive Office advancing funds from contingencies of $2.4 million to Non-Executive Office Operations for increased Countywide legal fees. The Law Offices of the Public Defender and the Code Enforcement Department had expenditure increases of $1.4 million due to restructuring, requiring the hiring of additional staff. The Housing, Homelessness Prevention and Workforce Solutions received an advance of $750.0 thousand to fund the Riverside County Asylum Seeker Response Program.

<u>Public protection</u>: The original recommended appropriation budget for public protection increased by $45.4 million, or 2.7%, from $1.69 billion to the final appropriation budget of $1.73 billion. The major appropriation variances are described below.

- *Services and supplies* increased by $47.1 million, or 9.0%, from $523.8 million to $570.9 million. The Sheriff Department had an increase of $20.8 million related to the purchase of equipment, vehicle maintenance, maintenance for building and building improvements for increased community involvement. The Fire Protection Department had an increase of $7.3 million due to the purchase of equipment, higher than anticipated professional services, and year-end encumbrances. An increase of $7.1 million by the Emergency Management Department related to increased costs of purchasing equipment and professional services. An increase of $4.9 million by the Probation Department due to maintenance and building improvements of non-capital assets to improve the safety and health of youth within the institutions. The District Attorney's Office had an increase of $2.3 million related to improving existing infrastructure and the upgrade of an outdated data center. The Department of Animal Services increased its budget by $1.7 million to purchase new operational equipment.

- *Capital assets* increased by $43.9 million, or 508.5%, from $8.6 million to $52.5 million. The primary increase of $33.8 million was due to the Sheriff's Department building improvements and vehicle replacement plan. Also, there was an increase of $6.3 million by the Fire Protection Department related to year-end encumbrances. Finally, the Emergency Management Department had an increase of $2.9 million to purchase equipment to fulfill city contracts that were previously managed by the Fire Protection Department.

<u>Health and sanitation:</u> The original recommended appropriation budget for Health and sanitation increased by $64.8 million, or 8.2%, from $786.4 million to the final appropriation budget of $851.2 million. The major appropriation variances are described below:

- *Salaries and employee benefits* increased by $37.0 million, or 10.5% from $350.9 million to $387.9 million. The primary increase of $$39.4 million by the Public Health Department was due to the need for higher staffing levels to assist with the COVID-19 pandemic. The Correctional Health System Department had a decrease of $2.4 million due to salary cost savings.

- *Service and supplies* increased by $40.9 million, or 22.9% from $178.8 million to $219.7 million. An increase of $40.4 million from the Public Health Department is related to an increase of costs in purchasing food, medical supplies, medical equipment, leases, and professional services incurred because of the COVID-19 pandemic.

Variance between General Fund Actual Revenues and Expenditures and Final Budget

During the year, the General Fund had a positive budget variance of approximately $202.3 million resulting from unexpended appropriations of $428.1 million, or 10.7%, and revenues were below budget by $225.8 million, or 5.7%. The following contributed to the variance:

Revenue Variances

General Fund actual revenues of $3.70 billion were 5.7%, or $225.8 million, less than the final revenue budget of $3.93 billion. The major revenue variances are described as follows:

Taxes: Actual revenues of $440.1 million were $42.8 million, or 10.8%, more than the final budget of $397.3 million. An increase of $17.9 million is due to a rise in redevelopment property tax with an increase in documentary transfer tax revenue, growth of assessed property valuation, and the increase of value in all sectors of the commercial real estate and residential markets. In addition, an increase of $17.3 million is due to sales proceeds within the County and an increase of $7.4 million in transient occupancy taxes from hotels, motels, and Airbnb's.

Investment income (loss): Investment losses of $19.5 million were $22.2 million, or 841.1%, less than the final budget of $2.6 million. The decrease is due to the Federal Reserve increasing short-term interest rates by 150 basis points.

Federal: Actual revenues of $758.8 million were $167.2 million, or 18.1%, less than the final budget of $926.0 million. A decrease of $48.2 million came from the Behavior Health Department and a decrease of $52.9 million from the Public Health Department related to health and sanitation grant revenues. A decrease of $59.1 million came from the Department of Public Social Services due to decreased caseloads for their public assistance programs such as, CalWORKs, Foster Care, and Adoption Assistance Program. Also, a decrease of $8.3 million for the Emergency Management Department due to a reduction in operating grant funding. Finally, the County saw an increase of $2.4 million for the Department of Child Support Services due to additional funding for public assistance programs.

Other revenue: Actual revenues of $54.7 million were $21.6 million, or 65.2%, more than the final budget of $33.1 million. The primary increase of $12.0 million was due to the CARES Act and ARPA funding related to COVID-19 pandemic, along with an increase of $9.6 million in redevelopment pass through.

Expenditure Variances

General Fund actual expenditures of $3.60 billion were $428.1 million, or 10.7%, less than the final appropriation budget of $3.99 billion. The major appropriation variances are described as follows:

General government: Actual expenditures of $137.9 million were $44.8 million, or 24.5%, less than the final budget of $182.7 million.

- *Salaries and employee benefits* decreased by $10.8 million, or 8.5%. The primary decrease of $9.7 million was due to competitive labor markets which made it difficult for the County to compete with the private sector and was faced with recruitment challenges.
- *Service and supplies* decreased by $10.7 million, or 9.8%. The primary reduction in costs is due to the Assessor's Department decrease of $3.9 million from departmental cost saving reductions in salary and benefit reimbursement. The Executive Office had a decrease of $2.6 million in maintenance and building improvement expenditures. The Facilities Management Department had a decrease of $1.9 million due to reduction in project cost expense.
- *Other charges* decreased by $16.5 million, or 69.6%, mainly due to decreases in contributions to other funds as the Executive Office decreased additional contributions to other funds and intergovernmental activities.
- *Appropriation for contingencies* were $12.6 million, or 100.0%, less than budgeted. This budget is established to assist County departments with unforeseen budget shortfalls, but the transactions are recorded under the actual departmental fund.

Public protection: Actual expenditures of $1.59 billion were $139.6 million, or 8.1%, less than the final budget of $1.73 billion.

- *Services and supplies* decreased by $56.5 million, or 9.9% less than budgeted. The Sheriff Department had a decrease of $15.9 million related to maintenance for buildings, building improvements, and professional services expenses. The Fire Department had a decrease of $12.6 million in special departmental expenditures, professional specialization fees, field equipment, and expenses related to maintenance of equipment and building improvements. The Probation Department had a decrease of $5.3 million due to lower cost in maintenance for building, building improvements, legal services, rent for leased buildings, and office expenses. Also, a decrease of $7.9 million came from the Assessors Department, $4.9 million decrease from the Emergency Management Department, $3.5 million decrease from the Executive Office, and finally $3.4 million decrease from the District Attorney Department related to cost savings.
- *Other charges* decreased by $18.9 million, or 33.0%, mainly due to decreases in contributions to other funds as directed by the Executive Office and intergovernmental activities.
- *Capital assets* decreased by $34.9 million, or 66.5%, mainly due to postponed capital projects that impact the Assessor, Fire, and Sheriff Departments.
- *Intrafund transfers* decreased by $7.0 million, or 25.1%, mainly due to the decrease of $5.4 million from the Assessors Department related to recorder modernization expenditures. Also, a decrease of $1.5 million from the Emergency Management Department due to a reduction in grant funding.

Health and sanitation: Actual expenditures of $728.7 million were $122.5 million, or 14.4%, less than the final budget of $851.2 million.

- *Salaries and employee benefits* were $72.8 million, or 18.8%, less than the final budget mainly due to competitive labor markets which lead to the County losing employees to private companies who offered increased salaries and attractive benefit packages. A decrease of $38.6 million in cost savings for the Department of Public Health. The Behavioral Health Department had a decrease of $28.2 million, the Riverside University Hospital System Medical Center had a decrease of $2.4 million, and the Environmental Health Department had a decrease of $3.6 million in salary savings.
- *Services and supplies* were $58.5 million, or 26.6%, less than budgeted the primary decrease of $30.7 million from the Department of Public Health is due to lower costs incurred and the extension of grant fulfillment. A decrease of $26.9 million for the Behavior Health Department is due to cost savings in professional and specialized services expenses.
- *Intrafund transfers* were $15.3 million, or 20.1%, less than the final budget mainly due to a decrease of $11.6 million by the Behavior Health Department related to indirect costs. Also, a decrease of $3.5 million for the Department of Public Health for miscellaneous expenditures.

Public assistance: Actual expenditures of $1.06 billion were $133.4 million, or 11.2%, less than the final budget of $1.19 billion.

- *Salaries and employee benefits* decreased by $83.1 million, or 17.7%. This is primarily due to a decrease of $82.7 million from the Department of Public Social Services due to recruitment challenges. Competitive labor markets lead to the County facing recruitment challenges as private companies offered increased salaries and attractive benefit packages.
- *Services and supplies* were $18.2 million, or 13.1%, less than the final budget of $18.1 million primarily due to the Department of Public Social Services increasing telecommuting schedules which lead to a reduction in services and supplies. The reductions were seen in cost for building maintenance, building improvement, rent lease contracts for office space, and office expenses.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2022, the County's capital assets for both its governmental and business-type activities amounted to $5.92 billion (net of accumulated depreciation). The capital assets include land & easements, construction in progress, service concession arrangements, infrastructure, land improvements, structures and improvements, equipment, and leased assets. The County's infrastructure is comprised of channels, storm drains, levees, basins, roads, traffic signals, bridges, runways, parks, park trails, and landfill liners. The County's capital assets increased by approximately 5.1%, or $289.3 million, from $5.63 billion in fiscal year 2020-21 to $5.92 billion in fiscal year 2021-22.

Major capital asset events during the current fiscal year included the following:

- Construction in progress decreased approximately $459.8 million, or 41.2%. During the current fiscal year, construction in progress experienced additions in the amount of $196.5 million related to existing and new projects. The major increases were noted as follows: the Transportation and Land Management Agency incurred an additional $118.7 million for projects related to roads, bridges, sidewalks, and signal lights. The Facilities Management Department incurred $12.7 million in costs for new and existing projects, which includes the construction of various building improvements, as well as the Arlington Recovery Community Reintegration Renovation for $4.6 million. The Flood Control District incurred $19.2 million for debris basins, channels and storm drains and drainage; the Riverside University Health Systems – Medical Center incurred an additional $8.5 million in costs for various hospital projects; the Crest project incurred an additional $7.0 million towards the new integrated property management system; the Public Health Department incurred $14.0 million in new costs for the Public Health Expansion Lab. During the current fiscal year approximately $642.6 million of completed projects were transferred out of construction in progress to other capital asset classifications. The largest transfer was the completion of the John J. Benoit Detention Center for $362.7 million.
- Infrastructure increased approximately $129.6 million, or 6.4%. The increase was the result of donated infrastructure and the completion of various channels, storm drains, roads and traffic signals.
- Structures and improvements increased approximately $426.9 million, or 28.1%. An increase of $362.7 million was attributed to the completion of the John J. Benoit Detention Center. An additional increase was related to several other construction projects completed during the fiscal year.
- Equipment decreased approximately $31.9 million, or 10.1%. The decrease is primarily due to the depreciation for the current fiscal year and the retirement of field, computer, and office equipment by the Information Technology Department and the Public Safety Enterprise Communication (PSEC) Department.
- Leased assets increased by $227.7 million, or 100.0%. The increase was due to the implementation of GASB Statement No. 87, *Leases*. The guidance requires lessees to recognize a right-to-use leased asset and a corresponding lease liability.

Management's Discussion & Analysis *(Unaudited)*

Capital assets for the governmental and business-type activities are presented below to illustrate changes from the prior year:

CAPITAL ASSETS (Net of Accumulated Depreciation)
As of June 30, 2022 and 2021 (In thousands)

	Governmental Activities		Business-type Activities		Total		Total	
	2022	2021	2022	2021	2022	2021	Dollar Change	Percentage Change
Land and easements	$ 602,792	$ 605,384	$ 22,270	$ 22,270	$ 625,062	$ 627,654	$ (2,592)	-0.4%
Construction in progress	564,052	1,024,663	92,957	92,167	657,009	1,116,830	(459,821)	-41.2%
Service concession arrangements	-	-	8,830	8,830	8,830	8,830	-	0.0%
Infrastructure	2,116,257	1,989,490	51,194	48,312	2,167,451	2,037,802	129,649	6.4%
Land improvements	76	77	3,837	4,492	3,913	4,569	(656)	-14.4%
Structures and improvements	1,620,825	1,193,366	325,105	325,659	1,945,930	1,519,025	426,905	28.1%
Equipment	229,844	252,714	55,120	64,120	284,964	316,834	(31,870)	-10.1%
Leased assets	227,660	-	-	-	227,660	-	227,660	100.0%
Total outstanding	$ 5,361,506	$ 5,065,694	$ 559,313	$ 565,850	$ 5,920,819	$ 5,631,544	$ 289,275	5.1%

Additional information on the County's capital assets can be found in Note 8 on pages 80-82 of this report. The capital asset totals for fiscal year 2020-21 are reported as restated. See Note 3 on page 69 for additional information.

Debt Administration

Per Board of Supervisors policy, the County's Debt Advisory Committee reviews all debt issuances of the County and its financing component unit organizations and advises the Board of Supervisors accordingly. Net bonded debt per capita equaled $701.0 thousand as of June 30, 2022. The calculated legal debt limit for the County is $4.16 billion.

The following are credit ratings maintained by the County:

	Moody's Investors Services, Inc.	Standard & Poor's Corp.	Fitch
Tax and Revenue Anticipation Notes (TRANS)	Not Rated	SP-1+	F1+
Teeter Notes	MIG1	Not Rated	F1+
Long-Term General Obligations	Aa2	AA	AA-
Certificates of Participation	Aa3	AA-	A+
Pension Obligation Bonds	A1	AA	A+
Lease Revenue Bonds	Aa3	AA-	A+

The table below provides summarized information (including comparative amounts from the preceding year) for the County's outstanding long-term liabilities as of June 30, 2022.

COUNTY'S OUTSTANDING DEBT OBLIGATIONS
As of June 30, 2022 and 2021 (In thousands)

	Governmental Activities		Business-type Activities		Total		Total	
	2022	2021	2022	2021	2022	2021	Dollar Change	Percentage Change
Bonds payable	$ 1,704,321	$ 1,764,922	$ 37,741	$ 53,810	$ 1,742,062	$ 1,818,732	(76,670)	-4.2%
Certificates of participation	13,462	22,834	-	-	13,462	22,834	(9,372)	-41.0%
Financed Purchases	172,201	120,144	221,503	227,516	393,704	347,660	46,044	13.2%
Lease Payable	232,305	-	-	-	232,305	-	232,305	100.0%
Total outstanding	$ 2,122,289	$ 1,907,900	$ 259,244	$ 281,326	$ 2,381,533	$ 2,189,226	$ 192,307	8.8%

The County of Riverside's total debt increased by 8.8%, or $192.3 million, during the current fiscal year. The increase was primarily due to the implementation of GASB Statement No. 87, *Leases*. The guidance requires lessees to recognize a right-to-use leased asset and a corresponding lease liability. Additional information on the County's long-term debt can be found in Note 12 on pages 89-90 and in Note 14 on pages 92-100 of this report.

ECONOMIC FACTORS AND THE FISCAL YEAR 2022-23 BUDGET OUTLOOK

According to the University of California Riverside (UCR) Center for Economic Forecasting and Development, the economy has largely recovered from the pandemic-driven downturn. Services are making a comeback, although they are restricted by supply-chain issues in the form of labor shortages. While the current fiscal situation has largely improved, it is important to note that external and internal pressures will continue to build. Rising inflation, interruptions in the supply chain, and an uncertain long-term economic forecast will require us to remain vigilant and steadfast in our forecasting and decision making.

The following table reflects anticipated discretionary revenue totals and sources for fiscal year 2022-23.

Source	Final Budget Estimate (In millions)
Taxes	$ 459,400
Other taxes	141,600
Licenses, permits, franchise taxes	6,900
Fines, forfeitures, penalties	15,900
Use of money and property	11,000
State	330,100
Federal	3,500
Miscellaneous	44,900
Total	$ 1,013,300

The County's normal cost pension contribution rate for fiscal year 2021-22 for the miscellaneous plan is 11.2% and the safety plan contribution rate is 20.7%. The employer rate for both plans is subject to changes in future years, as it continues to reflect changes in investment returns and the County's growth rate, among other factors. Fiscal year 2022-23 total employer pension contribution rates are projected at 23.1% (Miscellaneous) and 36.4% (Safety). Additional information regarding the County's retirement plans is included in Notes 20 and 21 of the financial statements and schedules of changes in net pension liability and related ratios and contributions, which are included in the required supplementary information section.

Requests for Information

This financial report is designed to provide a general overview of the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County of Riverside, Office of the Auditor-Controller, County Administrative Center, 4080 Lemon Street - 11th Floor, P.O. Box 1326, Riverside, CA 92502-1326 Phone: (951) 955-3800; Fax: (951) 955-3802; website: www.auditorcontroller.org/ReportsPublications.aspx.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

COUNTY OF RIVERSIDE
Statement of Net Position
June 30, 2022
(Dollars in Thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Children and Families Commission
ASSETS:				
Cash and investments (Note 4)	$ 1,780,580	$ 170,686	$ 1,951,266	$ 43,192
Receivables, net (Notes 1 and 6)	518,203	335,624	853,827	2,765
Internal balances (Note 7)	251,632	(251,632)	-	-
Lease receivable (Note 12)	62,024	40,728	102,752	-
Inventories	7,384	18,264	25,648	-
Prepaid items and deposits	4,714	8,083	12,797	-
Restricted cash and investments (Notes 4 and 5)	1,199,060	118,698	1,317,758	-
Other noncurrent receivables (Note 6)	27,225	-	27,225	-
Loans receivable (Note 6)	-	100,399	100,399	-
Pension asset, net (Note 21)	1,509	-	1,509	-
Land held for resale	-	35,937	35,937	-
Capital assets (Note 8):				
Nondepreciable assets	1,166,844	124,057	1,290,901	373
Depreciable assets, net	3,967,002	435,256	4,402,258	1,467
Leased assets, net (Note 8):	227,660	-	227,660	-
Total assets	9,213,837	1,136,100	10,349,937	47,797
DEFERRED OUTFLOWS OF RESOURCES (Note 15)	556,030	152,771	708,801	2,625
LIABILITIES:				
Current liabilities:				
Cash overdrawn	260	5,661	5,921	-
Accounts payable	219,435	66,730	286,165	1,921
Salaries and benefits payable	124,869	23,679	148,548	240
Due to other governments	131,371	270,673	402,044	-
Interest payable	22,886	229	23,115	-
Deposits payable	1,203	28	1,231	-
Advances from grantors and third parties (Note 11)	1,051,921	-	1,051,921	9,218
Notes payable (Note 13)	87,715	-	87,715	-
Other liabilities	2,543	11,033	13,576	-
Noncurrent liabilities:				
Due within one year				
Lease payable (Note 12)	41,420	-	41,420	-
Long-term liabilities (Note 14)	349,068	54,634	403,702	391
Landfill closure/post-closure care costs (Note 10)	-	1,138	1,138	-
Pollution remediation (Note 23)	629	1,105	1,734	-
Due more than one year:				
Lease payable (Note 12)	190,885	-	190,885	-
Long-term liabilities (Note 14)	2,408,786	332,483	2,741,269	256
Landfill closure/post-closure care costs (Note 10)	-	112,635	112,635	-
Pollution remediation (Note 23)	-	54,126	54,126	-
Net pension liability (Notes 20 and 21)	1,120,467	169,300	1,289,767	3,254
OPEB liabilities (Note 22)	157,379	34,909	192,288	-
Total liabilities	5,910,837	1,138,363	7,049,200	15,280
DEFERRED INFLOWS OF RESOURCES (Note 15)	1,159,667	268,420	1,428,087	2,994
NET POSITION:				
Net investment in capital assets	4,059,277	279,765	4,339,042	1,840
Restricted for:				
Children's programs	-	-	-	30,308
Endowment care - nonexpendable	1,378	-	1,378	-
Community development	191,194	-	191,194	-
Debt service	140,919	34,520	175,439	-
Health and sanitation	21,225	10,973	32,198	-
Public protection	115,299	-	115,299	-
Public ways and facilities	476,925	-	476,925	-
Other programs	31,431	5,774	37,205	-
Unrestricted	(2,338,285)	(448,944)	(2,787,229)	-
Total net position	$ 2,699,363	$ (117,912)	$ 2,581,451	$ 32,148

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF RIVERSIDE

Statement of Activities

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
FUNCTION/PROGRAM ACTIVITIES:				
Primary government:				
Governmental activities:				
General government	$ 326,689	$ 192,832	$ 204,473	$ -
Public protection	1,524,865	470,508	558,629	-
Public ways and facilities	222,603	68,262	94,189	32,584
Health and sanitation	689,742	46,069	570,463	4,000
Public assistance	1,311,237	2,405	1,247,148	-
Education	38,595	512	11,275	-
Recreation and cultural services	19,050	10,742	1,390	1,117
Interest on long-term debt	62,652	-	-	-
Total governmental activities	4,195,433	791,330	2,687,567	37,701
Business-type activities:				
Riverside University Health Systems - Medical Center	785,369	814,914	-	494
Waste Resources Department	121,287	113,990	-	-
Housing Authority	103,965	108,969	-	-
County Service Areas	459	3,382	-	-
Flood Control	2,443	2,930	-	-
Riverside University Health Systems - Community Health Centers	108,019	108,042	-	-
Aviation	6,664	4,023	-	-
Total business-type activities	1,128,206	1,156,250	-	494
Total primary government	$ 5,323,639	$ 1,947,580	$ 2,687,567	$ 38,195
Component unit:				
Children and Families Commission	$ 28,698	$ -	$ 30,594	$ -
Total component unit	$ 28,698	$ -	$ 30,594	$ -

General revenues:

Taxes:

Property taxes

Sales and use taxes

Other taxes

Unrestricted intergovernmental revenue

Investment loss

Other

Transfers

Total general revenues and transfers

Changes in net position before extraordinary item

Extraordinary item

Extraordinary item

Changes in net position

NET POSITION, BEGINNING OF YEAR, AS RESTATED (Note 3)

NET POSITION, END OF YEAR

The notes to the basic financial statements are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Position				
Primary Government			Component Unit	
Governmental Activities	Business-type Activities	Total	Children and Families Commission	
				FUNCTION/PROGRAM ACTIVITIES:
				Primary government:
				Governmental activities:
$ 70,616	$ -	$ 70,616		General government
(495,728)	-	(495,728)		Public protection
(27,568)	-	(27,568)		Public ways and facilities
(69,210)	-	(69,210)		Health and sanitation
(61,684)	-	(61,684)		Public assistance
(26,808)	-	(26,808)		Education
(5,801)	-	(5,801)		Recreation and cultural services
(62,652)	-	(62,652)		Interest on long-term debt
(678,835)	-	(678,835)		Total governmental activities
				Business-type activities:
-	30,039	30,039		Riverside University Health Systems - Medical Center
-	(7,297)	(7,297)		Waste Resources Department
-	5,004	5,004		Housing Authority
-	2,923	2,923		County Service Areas
-	487	487		Flood Control
-	23	23		Riverside University Health Systems - Community Health Centers
-	(2,641)	(2,641)		Aviation
-	28,538	28,538		Total business-type activities
$ (678,835)	$ 28,538	$ (650,297)		Total primary government
				Component unit:
			$ 1,896	Children and Families Commission
			$ 1,896	Total component unit
				General revenues:
				Taxes:
$ 487,468	$ -	$ 487,468	$ -	Property taxes
48,984	-	48,984	-	Sales and use taxes
78,312	-	78,312	-	Other taxes
353,301	-	353,301	-	Unrestricted intergovernmental revenue
(32,732)	(2,178)	(34,910)	(659)	Investment loss
161,589	-	161,589	-	Other
(12,527)	12,527	-	-	Transfers
1,084,395	10,349	1,094,744	(659)	Total general revenues and transfers
405,560	38,887	444,447	1,237	Changes in net position before extraordinary item
				Extraordinary item
-	-	-	-	Extraordinary item
405,560	38,887	444,447	1,237	Changes in net position
2,293,803	(156,799)	2,137,004	30,911	NET POSITION, BEGINNING OF YEAR, AS RESTATED (Note 3)
$ 2,699,363	$ (117,912)	$ 2,581,451	$ 32,148	NET POSITION, END OF YEAR

The notes to the basic financial statements are an integral part of this statement.

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FUND FINANCIAL STATEMENTS

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COUNTY OF RIVERSIDE
Balance Sheet
Governmental Funds
June 30, 2022
(Dollars in Thousands)

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:	General	Transportation	Flood Control	Teeter Debt Service
Assets:				
Cash and investments (Note 4)	$ 442,471	$ 199,964	$ 295,553	$ -
Accounts receivable (Notes 1 and 6)	11,195	627	45	692
Interest receivable (Note 6)	4,582	267	515	41
Taxes receivable (Note 6)	8,101	27	869	58,578
Due from other governments (Note 6)	404,617	20,161	34	-
Due from other funds (Note 7)	8,380	-	-	299
Lease receivable (Note 12)	50,601	-	674	-
Inventories	3,465	1,743	-	-
Prepaid items and deposits	47	2,264	215	-
Restricted cash and investments (Notes 4 and 5)	691,979	-	3,297	36,306
Advances to other funds (Note 7)	4,869	-	-	-
Total assets	1,630,307	225,053	301,202	95,916
Deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	$ 1,630,307	$ 225,053	$ 301,202	$ 95,916
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:				
Liabilities:				
Cash overdrawn	$ -	$ -	$ -	$ -
Accounts payable	101,682	53,290	10,351	-
Salaries and benefits payable	79,499	2,654	971	-
Due to other governments	123,356	-	94	-
Due to other funds (Note 7)	299	121	23	8,201
Deposits payable	12	501	-	-
Advances from grantors and third parties (Note 11)	523,727	29,330	500	-
Teeter notes payable (Note 13)	-	-	-	87,715
Total liabilities	828,575	85,896	11,939	95,916
Deferred inflows of resources (Note 15)	121,217	-	1,529	-
Fund balances (Note 16):				
Nonspendable	3,843	1,744	1	-
Restricted	184,315	105,972	287,733	-
Committed	13,185	5,662	-	-
Assigned	39,198	25,779	-	-
Unassigned	439,974	-	-	-
Total fund balances	680,515	139,157	287,734	-
Total liabilities, deferred inflows of resources, and fund balances	$ 1,630,307	$ 225,053	$ 301,202	$ 95,916

The notes to the basic financial statements are an integral part of this statement.

CARES Act Coronavirus Relief	ARP Act Coronavirus Relief	Other Governmental Funds	Total Governmental Funds	
				ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:
				Assets:
$ -	$ -	$ 444,301	$ 1,382,289	Cash and investments (Note 4)
-	-	3,587	16,146	Accounts receivable (Notes 1 and 6)
-	486	551	6,442	Interest receivable (Note 6)
-	-	1,133	68,708	Taxes receivable (Note 6)
-	-	24,552	449,364	Due from other governments (Note 6)
-	-	-	8,679	Due from other funds (Note 7)
-	-	2,030	53,305	Lease receivable (Note 12)
-	-	-	5,208	Inventories
-	-	1,545	4,071	Prepaid items and deposits
-	427,244	40,234	1,199,060	Restricted cash and investments (Notes 4 and 5)
-	-	-	4,869	Advances to other funds (Note 7)
-	427,730	517,933	3,198,141	Total assets
-	-	-	-	Deferred outflows of resources
$ -	$ 427,730	$ 517,933	$ 3,198,141	Total assets and deferred outflows of resources
				LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:
				Liabilities:
$ -	$ -	$ 260	$ 260	Cash overdrawn
-	232	29,706	195,261	Accounts payable
-	2	37,372	120,498	Salaries and benefits payable
-	-	7,771	131,221	Due to other governments
-	-	7	8,651	Due to other funds (Note 7)
-	-	690	1,203	Deposits payable
-	426,655	71,709	1,051,921	Advances from grantors and third parties (Note 11)
-	-	-	87,715	Teeter notes payable (Note 13)
-	426,889	147,515	1,596,730	Total liabilities
-	-	1,864	124,610	Deferred inflows of resources (Note 15)
				Fund balances (Note 16):
-	-	1,429	7,017	Nonspendable
-	841	292,242	871,103	Restricted
-	-	31,561	50,408	Committed
-	-	43,322	108,299	Assigned
-		-	439,974	Unassigned
-	841	368,554	1,476,801	Total fund balances
$ -	$ 427,730	$ 517,933	$ 3,198,141	Total liabilities, deferred inflows of resources, and fund balances

The notes to the basic financial statements are an integral part of this statement.

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COUNTY OF RIVERSIDE

Reconciliation of the Balance Sheet of Governmental Funds to the
Statement of Net Position
June 30, 2022
(Dollars in Thousands)

Fund balances - total governmental funds (page 33)		$ 1,476,801
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		5,065,669
Net pension asset is not current financial resources and, therefore, are not reported in the governmental funds.		1,509
Deferred Outflows of Resources Related to OPEB and Pensions are not current financial resources and, therefore, are not reported in the governmental funds:		
Deferred Outflows of Resources Related to OPEB	$ 128,761	
Deferred Outflows of Resources Related to Pensions	403,387	532,148
Under the modified accrual basis of accounting, revenue cannot be recognized until it is available to liquidate liabilities of the current period; under accrual accounting, revenue must be recognized as soon as earned, regardless of its availability. Any liability of earned but unavailable revenue must be eliminated in the government-wide financial statements.		38,613
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Bonds payable	(1,704,321)	
Certificates of participation	(13,462)	
Finance purchases	(141,000)	
Lease payable	(744)	
Accrued interest payable	(22,886)	
Accreted interest payable	(275,552)	
Accrued remediation cost	(581)	
Compensated absences	(246,464)	
Net OPEB liability	(149,409)	
Net pension liability	(1,028,140)	(3,582,559)
Deferred Inflows of Resources Related to OPEB and Pensions are not current financial resources and, therefore, are not reported in the governmental funds:		
Deferred Inflows of Resources Related to OPEB	(8,914)	
Deferred Inflows of Resources Related to Pensions	(1,010,200)	(1,019,114)
Internal service funds are used by management to charge the costs of equipment, fleet management, printing, information technology, supply services, risk management, and temporary assistance to individual funds. Since internal service funds predominantly service governmental activities, the assets and liabilities of these funds are included as governmental activities in the statement of net position.		186,296
Net position of governmental activities (page 27)		$ 2,699,363

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF RIVERSIDE

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	General	Transportation	Flood Control	Teeter Debt Service
REVENUES:				
Taxes	$ 440,139	$ 11,897	$ 70,179	$ -
Licenses, permits, and franchise fees	21,584	4,922	-	-
Fines, forfeitures, and penalties	62,975	1	-	-
Use of money and property:				-
Investment income (loss)	(19,520)	(2,349)	(4,628)	79
Rents and concessions	14,486	-	206	-
Aid from other governmental agencies:				-
Federal	758,843	31,696	-	-
State	1,695,870	87,477	581	-
Other	143,497	6,744	-	-
Charges for services	528,383	52,078	7,295	-
Other revenue	54,717	17,207	24,877	-
Total revenues	3,700,974	209,673	98,510	79
EXPENDITURES:				
Current:				
General government	137,936	-	-	-
Public protection	1,591,388	7,510	-	-
Public ways and facilities	-	195,595	82,549	-
Health and sanitation	728,702	-	-	-
Public assistance	1,057,631	-	-	-
Education	512	-	-	-
Recreation and cultural services	2,369	-	-	-
Debt service:				-
Principal	11,679	1,957	-	-
Interest	9,103	47	-	498
Cost of issuance	393	-	-	343
Capital outlay	26,118	261	-	-
Total expenditures	3,565,831	205,370	82,549	841
Excess (deficiency) of revenues over (under) expenditures	135,143	4,303	15,961	(762)
OTHER FINANCING SOURCES (USES):				
Transfers in	133,658	23,559	-	762
Transfers out	(178,583)	(16,183)	(2,828)	-
Issuance of refunding bonds	-	-	-	-
Premium on long-term debt	-	-	-	-
Payment to escrow agent	-	-	-	-
Leases (lessee)	26,118	261	-	-
Total other financing sources (uses)	(18,807)	7,637	(2,828)	762
NET CHANGE IN FUND BALANCES	116,336	11,940	13,133	-
Fund balances, beginning of year, as previously reported	566,900	127,217	274,601	-
Adjustments to beginning fund balances (Note 3)	(2,721)	-	-	-
Fund balances, beginning of year, as restated	564,179	127,217	274,601	-
FUND BALANCES, END OF YEAR	$ 680,515	$ 139,157	$ 287,734	$ -

The notes to the basic financial statements are an integral part of this statement.

CARES Act Coronavirus Relief	ARP Act Coronavirus Relief	Other Governmental Funds	Total Governmental Funds	
				REVENUES:
$ -	$ -	$ 92,689	$ 614,904	Taxes
-	-	1,321	27,827	Licenses, permits, and franchise fees
-	-	754	63,730	Fines, forfeitures, and penalties
				Use of money and property:
28	934	(4,358)	(29,814)	Investment income (loss)
-	-	27,969	42,661	Rents and concessions
				Aid from other governmental agencies:
22,644	30,086	131,130	974,399	Federal
-	-	106,079	1,890,007	State
-	-	62,080	212,321	Other
-	-	70,024	657,780	Charges for services
-	-	31,100	127,901	Other revenue
22,672	31,020	518,788	4,581,716	Total revenues
				EXPENDITURES:
				Current:
-	2,967	60,301	201,204	General government
10,261	318	8,675	1,618,152	Public protection
-	-	17,259	295,403	Public ways and facilities
-	-	4,200	732,902	Health and sanitation
-	11,630	271,828	1,341,089	Public assistance
-	-	30,918	31,430	Education
-	-	17,912	20,281	Recreation and cultural services
				Debt service:
-	-	148,665	162,301	Principal
-	-	50,339	59,987	Interest
-	-	17,667	18,403	Cost of issuance
-	-	50,492	76,871	Capital outlay
10,261	14,915	678,256	4,558,023	Total expenditures
12,411	16,105	(159,468)	23,693	Excess (deficiency) of revenues over (under) expenditures
				OTHER FINANCING SOURCES (USES):
-	-	280,985	438,964	Transfers in
(14,192)	(15,394)	(221,874)	(449,054)	Transfers out
-	-	499,800	499,800	Issuance of refunding bonds
-	-	14,702	14,702	Premium on long-term debt
-	-	(493,054)	(493,054)	Payment to escrow agent
-	-	42,115	68,494	Leases (lessee)
(14,192)	(15,394)	122,674	79,852	Total other financing sources (uses)
(1,781)	711	(36,794)	103,545	NET CHANGE IN FUND BALANCES
1,781	130	405,348	1,375,977	Fund balances, beginning of year, as previously reported
-	-	-	(2,721)	Adjustments to beginning fund balances (Note 3)
1,781	130	405,348	1,373,256	Fund balances, beginning of year, as restated
$ -	$ 841	$ 368,554	$ 1,476,801	FUND BALANCES, END OF YEAR

The notes to the basic financial statements are an integral part of this statement.

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COUNTY OF RIVERSIDE

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

Net change in fund balances - total governmental funds (page 37)		$ 103,545
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay and other capital projects as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.		
Expenditures for capital assets	$ 317,833	
Less loss on disposal of capital assets	(17,291)	
Less current year depreciation and amortization	(224,274)	76,268
The issuance of long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Principal repayment or bond principal payments	574,188	
Lease principal payments	161	
Issuance of long-term debt or issuance of refunding bonds	(559,406)	
Lease proceeds	(905)	14,038
Under the modified accrual basis of accounting, revenue cannot be recognized until it is available to liquidate liabilities of the current period; under accrual accounting, revenue must be recognized as soon as earned, regardless of its availability. Also, any liability of earned but unavailable revenue must be eliminated in the government-wide financial statements.		1,701
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in accrued interest	2,276	
Change in accreted interest	(28,905)	
Change in long-term compensated absences	(85)	
Change in pollution remediation obligation	86	
OPEB expense	(23,430)	
Pension expense	245,626	195,568
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net income (loss) of the internal service funds is reported with governmental activities.		14,440
Change in net position of governmental activities (page 29)		$ 405,560

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF RIVERSIDE
Budgetary Comparison Statement
General Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final	Amounts	Over (Under)
REVENUES:				
Taxes	$ 397,340	$ 397,340	$ 440,139	$ 42,799
Licenses, permits, and franchise fees	20,969	20,969	21,584	615
Fines, forfeitures, and penalties	62,949	62,949	62,975	26
Use of money and property:				
Investment income (loss)	2,601	2,634	(19,520)	(22,154)
Rents and concessions	13,168	16,333	14,486	(1,847)
Aid from other governmental agencies:				
Federal	837,860	926,016	758,843	(167,173)
State	1,726,109	1,770,737	1,695,870	(74,867)
Other	136,483	136,513	143,497	6,984
Charges for services	640,061	560,124	528,383	(31,741)
Other revenue	60,186	33,128	54,717	21,589
Total revenues	3,897,726	3,926,743	3,700,974	(225,769)
EXPENDITURES:				
Current:				
General government:				
Salaries and employee benefits	127,581	128,020	117,173	(10,847)
Services and supplies	100,930	109,501	98,768	(10,733)
Other charges	92,651	23,701	7,196	(16,505)
Capital assets	78	129	87	(42)
Intrafund transfers	(90,870)	(91,265)	(85,288)	5,977
Appropriation for contingencies	20,000	12,618	-	(12,618)
Total general government	250,370	182,704	137,936	(44,768)
Public protection:				
Salaries and employee benefits	1,121,617	1,077,990	1,041,702	(36,288)
Services and supplies	523,763	570,865	514,394	(56,471)
Other charges	59,053	57,350	38,442	(18,908)
Capital assets	8,630	52,510	17,615	(34,895)
Intrafund transfers	(27,424)	(27,726)	(20,765)	6,961
Total public protection	1,685,639	1,730,989	1,591,388	(139,601)
Health and sanitation:				
Salaries and employee benefits	350,932	387,944	315,099	(72,845)
Services and supplies	178,810	219,670	161,146	(58,524)
Other charges	331,503	318,603	312,869	(5,734)
Capital assets	1,254	1,543	801	(742)
Intrafund transfers	(76,090)	(76,590)	(61,213)	15,377
Total health and sanitation	786,409	851,170	728,702	(122,468)

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF RIVERSIDE

Budgetary Comparison Statement

General Fund (Continued)

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final	Amounts	Over (Under)
Public assistance:				
Salaries and employee benefits	$ 469,013	$ 469,181	$ 386,053	$ (83,128)
Services and supplies	139,181	139,313	121,054	(18,259)
Other charges	602,318	582,671	550,636	(32,035)
Capital assets	90	128	12	(116)
Intrafund transfers	(236)	(236)	(124)	112
Total public assistance	1,210,366	1,191,057	1,057,631	(133,426)
Education:				
Salaries and employee benefits	345	345	236	(109)
Services and supplies	343	343	276	(67)
Total education	688	688	512	(176)
Recreation and cultural services:				
Salaries and employee benefits	244	214	160	(54)
Services and supplies	2,518	2,458	2,209	(249)
Other charges	498	6	-	(6)
Capital assets	1	1	-	(1)
Intrafund transfers	-	-	-	-
Total recreation and cultural services	3,261	2,679	2,369	(310)
Debt service:				
Principal	13,640	13,215	11,679	(1,536)
Interest	21,008	21,008	9,103	(11,905)
Cost of issuance	480	480	393	(87)
Total debt service	35,128	34,703	21,175	(13,528)
Capital outlay	-	-	26,118	26,118
Total expenditures	3,971,861	3,993,990	3,565,831	(428,159)
Excess (deficiency) of revenues over (under) expenditures	(74,135)	(67,247)	135,143	202,390
OTHER FINANCING SOURCES (USES):				
Transfers in	-	133,658	133,658	-
Transfers out	-	(178,583)	(178,583)	-
Leases (Lessee)	-	-	26,118	26,118
Total other financing sources (uses)	-	(44,925)	(18,807)	26,118
NET CHANGE IN FUND BALANCE	(74,135)	(112,172)	116,336	228,508
Fund balance, beginning of year, as restated	566,900	566,900	564,179	(2,721)
FUND BALANCE, END OF YEAR	$ 492,765	$ 454,728	$ 680,515	$ 225,787

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF RIVERSIDE
Budgetary Comparison Statement
Transportation Special Revenue Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Taxes	$ 8,834	$ 8,834	$ 11,897	$ 3,063
Licenses, permits, and franchise fees	3,628	4,128	4,922	794
Fines, forfeitures, and penalties	17	17	1	(16)
Use of money and property:				
Investment income (loss)	761	761	(2,349)	(3,110)
Aid from other governmental agencies:				
Federal	59,788	59,788	31,696	(28,092)
State	85,169	85,169	87,477	2,308
Other	2,593	2,593	6,744	4,151
Charges for services	118,329	99,264	52,078	(47,186)
Other revenue	25,797	22,203	17,207	(4,996)
Total revenues	304,916	282,757	209,673	(73,084)
EXPENDITURES:				
Current:				
Public protection	9,467	7,856	7,510	(346)
Public ways and facilities	256,162	244,828	195,595	(49,233)
Debt service:				
Principal	2,090	2,090	1,957	(133)
Interest	59	59	47	(12)
Capital outlay	-	-	261	261
Total expenditures	267,778	254,833	205,370	(49,463)
Excess (deficiency) of revenues over (under) expenditures	37,138	27,924	4,303	(23,621)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	23,559	23,559	-
Transfers out	-	(16,183)	(16,183)	-
Leases (Lessee)	-	-	261	261
Total other financing sources (uses)	-	7,376	7,637	261
NET CHANGE IN FUND BALANCE	37,138	35,300	11,940	(23,360)
Fund balance, beginning of year	127,217	127,217	127,217	-
FUND BALANCE, END OF YEAR	$ 164,355	$ 162,517	$ 139,157	$ (23,360)

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF RIVERSIDE

Budgetary Comparison Statement

Flood Control Special Revenue Fund

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Taxes	$ 65,160	$ 65,160	$ 70,179	$ 5,019
Use of money and property:				
Investment income (loss)	3,628	3,628	(4,628)	(8,256)
Rents and concessions	288	288	206	(82)
Aid from other governmental agencies:				
State	572	572	581	9
Charges for services	5,010	5,010	7,295	2,285
Other revenue	24,795	24,795	24,877	82
Total revenues	99,453	99,453	98,510	(943)
EXPENDITURES:				
Current:				
Public ways and facilities	178,196	175,367	82,549	(92,818)
Total expenditures	178,196	175,367	82,549	(92,818)
Excess (deficiency) of revenues over (under) expenditures	(78,743)	(75,914)	15,961	91,875
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(2,828)	(2,828)	-
Total other financing sources (uses)	-	(2,828)	(2,828)	-
NET CHANGE IN FUND BALANCE	(78,743)	(78,742)	13,133	91,875
Fund balance, beginning of year	274,601	274,601	274,601	-
FUND BALANCE, END OF YEAR	$ 195,858	$ 195,859	$ 287,734	$ 91,875

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF RIVERSIDE
Budgetary Comparison Statement
CARES Act Coronavirus Relief Special Revenue Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES				
Use of money and property:				
Investment income (loss)	$ -	$ 150	$ 28	$ (122)
Aid from other governmental agencies:				
Federal	22,000	22,644	22,644	-
Total revenues	22,000	22,794	22,672	(122)
EXPENDITURES				
Current:				
Public protection	22,000	10,378	10,261	(117)
Total expenditures	22,000	10,378	10,261	(117)
Excess (deficiency) of revenues over (under) expenditures	-	12,416	12,411	(5)
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(14,192)	(14,192)	-
Total other financing sources (uses)	-	(14,192)	(14,192)	-
NET CHANGE IN FUND BALANCE	-	(1,776)	(1,781)	(5)
Fund balance, beginning of year	1,781	1,781	1,781	-
FUND BALANCE, END OF YEAR	$ 1,781	$ 5	$ -	$ (5)

COUNTY OF RIVERSIDE
Budgetary Comparison Statement
ARP Act Coronavirus Relief Special Revenue Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Over (Under)
REVENUES				
Use of money and property:				
Investment income (loss)	$ -	$ -	$ 934	$ 934
Aid from other governmental agencies:				
Federal	-	33,061	30,086	(2,975)
Total revenues	-	33,061	31,020	(2,041)
EXPENDITURES				
Current:				
General government	-	4,640	2,967	(1,673)
Public protection	-	386	318	(68)
Public assistance	-	12,640	11,630	(1,010)
Total expenditures	-	17,666	14,915	(2,751)
Excess (deficiency) of revenues over (under) expenditures	-	15,395	16,105	710
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(15,394)	(15,394)	-
Total other financing sources (uses)	-	(15,394)	(15,394)	-
NET CHANGE IN FUND BALANCE	-	1	711	710
Fund balance, beginning of year	130	130	130	-
FUND BALANCE, END OF YEAR	$ 130	$ 131	$ 841	$ 710

COUNTY OF RIVERSIDE
Statement of Net Position
Proprietary Funds
June 30, 2022
(Dollars in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities
ASSETS:	Riverside University Health Systems - Medical Center	Waste Resources	Housing Authority	Other	Total	Internal Service Funds
Current assets:						
Cash and investments (Note 4)	$ 7,060	$ 139,060	$ 15,084	$ 9,482	$ 170,686	$ 398,291
Accounts receivable - net (Notes 1 and 6)	50,825	7,895	2,220	1,298	62,238	2,808
Interest receivable (Note 6)	-	385	-	27	412	669
Taxes receivable (Note 6)	-	-	-	6	6	-
Due from other governments (Note 6)	258,746	109	-	14,113	272,968	1,291
Due from other funds (Note 7)	-	-	-	-	-	25
Lease receivable (Note 12)	-	594	-	40,134	40,728	8,719
Advances to other funds (Note 7)	-	18,469	-	-	18,469	-
Inventories	17,101	474	-	689	18,264	2,176
Land held for sale	-	-	35,937	-	35,937	-
Prepaid items and deposits	7,970	-	78	35	8,083	643
Restricted cash and investments (Notes 4 and 5)	23,278	81,504	7,213	6,703	118,698	-
Total current assets	364,980	248,490	60,532	72,487	746,489	414,622
Noncurrent assets:						
Loans receivable (Note 6)	-	-	100,399	-	100,399	-
Nondepreciable assets	87,411	25,516	10,937	193	124,057	1,599
Depreciable assets, net	319,063	74,442	13,525	28,226	435,256	67,334
Leased assets, net (Note 8)	-	-	-	-	-	226,904
Total noncurrent assets	406,474	99,958	124,861	28,419	659,712	295,837
Total assets	771,454	348,448	185,393	100,906	1,406,201	710,459
DEFERRED OUTFLOWS OF RESOURCES (Note 15)	92,517	9,933	1,684	48,637	152,771	23,882
LIABILITIES:						
Current liabilities:						
Cash overdrawn	-	-	-	5,661	5,661	-
Accounts payable	51,110	7,260	206	8,154	66,730	24,175
Salaries and benefits payable	19,143	1,119	429	2,988	23,679	4,371
Due to other governments	251,999	1,150	-	17,524	270,673	150
Due to other funds (Note 7)	-	-	-	1	1	52
Interest payable	210	-	-	19	229	-
Deposits payable	-	-	-	28	28	-
Other liabilities	7,958	794	2,275	6	11,033	2,543
Accreted interest payable (Note 14)	1,282	-	-	-	1,282	-
Accrued closure and post-closure care costs (Note 10)	-	1,138	-	-	1,138	-
Accrued remediation costs (Note 23)	-	1,105	-	-	1,105	47
Compensated absences (Notes 1 and 14)	30,876	1,425	146	3,080	35,527	7,951
Lease payable (Note 12)	-	-	-	-	-	41,280
Finance purchases (Note 14)	11,081	-	-	1,974	13,055	7,476
Bonds payable (Note 14)	4,770	-	-	-	4,770	-
Estimated claims liabilities (Notes 14 and 17)	-	-	-	-	-	84,210
Total current liabilities	378,429	13,991	3,056	39,435	434,911	172,255
Noncurrent liabilities:						
Compensated absences (Note 2)	15,208	2,138	1,311	1,733	20,390	5,946
Advances from other funds (Note 7)	18,469	-	1,527	-	19,996	3,342
Accreted interest payable (Note 14)	51,372	-	-	-	51,372	-
Accrued closure and post-closure care costs (Note 10)	-	112,635	-	-	112,635	-
Accrued remediation costs (Note 23)	-	54,126	-	-	54,126	1
Lease payable (Note 12)	-	-	-	-	-	190,281
Finance purchases (Note 14)	181,922	-	-	26,526	208,448	23,725
Bonds payable (Note 14)	32,971	-	-	-	32,971	-
Estimated claims liabilities (Notes 14 and 17)	-	-	-	-	-	247,747
Net OPEB liability (Notes 14 and 22)	26,344	1,597	-	3,831	31,772	7,970
Total OPEB liability (Notes 14 and 22)	-	3,137	-	-	3,137	-
Net pension liability (Notes 14 and 20)	129,696	19,204	7,980	12,420	169,300	92,327
Other long-term liabilities (Note 14)	-	-	19,302	-	19,302	-
Total noncurrent liabilities	455,982	192,837	30,120	44,510	723,449	571,339
Total liabilities	834,411	206,828	33,176	83,945	1,158,360	743,594
DEFERRED INFLOWS OF RESOURCES (Note 15)	173,508	23,478	4,515	66,919	268,420	54,555
NET POSITION:						
Net investment in capital assets	175,730	99,958	4,158	(81)	279,765	33,075
Restricted for debt service	34,520	-	-	-	34,520	-
Restricted for health and sanitation	-	10,973	-	-	10,973	-
Restricted other	193	-	5,581	-	5,774	-
Unrestricted	(354,391)	17,144	139,647	(1,240)	(198,840)	(96,883)
Total net position	$ (143,948)	$ 128,075	$ 149,386	$ (1,321)	132,192	$ (63,808)
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds					(250,104)	
Net position of business-type activities					$ (117,912)	

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF RIVERSIDE

Statement of Revenues, Expenses, and Changes in Net Position

Proprietary Funds

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities
	Riverside University Health Systems - Medical Center	Waste Resources	Housing Authority	Other	Total	Internal Service Funds
OPERATING REVENUES:						
Net patient revenue (Notes 1 and 18)	$ 808,108	$ -	$ -	$ 51,813	$ 859,921	$ -
Charges for services	3,352	109,141	4,295	25,817	142,605	298,664
Other revenue	3,454	4,849	104,674	40,747	153,724	151,365
Total operating revenues	814,914	113,990	108,969	118,377	1,156,250	450,029
OPERATING EXPENSES:						
Cost of materials used	-	234	-	-	234	1,166
Personnel services	385,279	26,219	13,173	52,781	477,452	93,028
Communications	1,297	176	-	318	1,791	9,449
Insurance	12,118	901	868	1,349	15,236	51,462
Maintenance of building and equipment	14,736	3,792	2,518	2,639	23,685	37,016
Insurance claims	-	-	-	-	-	161,196
Supplies	89,730	3,328	61	4,228	97,347	17,793
Purchased services	207,835	5,150	1,485	30,959	245,429	32,683
Depreciation and amortization	24,035	8,933	1,172	5,239	39,379	60,382
Rents and leases of equipment	9,357	2,355	-	12,518	24,230	38,315
Public assistance	-	7	83,743	-	83,750	-
Utilities	6,647	476	884	998	9,005	3,009
Closure and post-closure care costs	-	9,287	-	-	9,287	-
Remediation costs	-	11,298	-	-	11,298	-
Other	19,237	48,742	62	1,054	69,095	9,204
Total operating expenses	770,271	120,898	103,966	112,083	1,107,218	514,703
Operating income (loss)	44,643	(6,908)	5,003	6,294	49,032	(64,674)
NONOPERATING REVENUES (EXPENSES):						
Investment income (loss)	(102)	(3,305)	981	248	(2,178)	(2,919)
Interest expense	(7,234)	-	(101)	(1,931)	(9,266)	(4,941)
Gain (loss) on disposal of capital assets	-	124	161	(2,824)	(2,539)	566
Other nonoperating revenues / (expenses), net	-	-	-	-	-	(661)
Total nonoperating revenues (expenses)	(7,336)	(3,181)	1,041	(4,507)	(13,983)	(7,955)
Income (loss) before capital contributions and transfers	37,307	(10,089)	6,044	1,787	35,049	(72,629)
Capital contributions	494	-	-	-	494	80,323
Transfers in (Note 7)	22,562	-	-	9,711	32,273	1,780
Transfers out (Note 7)	(16,005)	(859)	(420)	(2,462)	(19,746)	(4,217)
Change in net position before extraordinary item	44,358	(10,948)	5,624	9,036	48,070	5,257
CHANGE IN NET POSITION	44,358	(10,948)	5,624	9,036	48,070	5,257
Net position, beginning of year, as previously reported	(188,306)	139,023	143,762	(10,357)		(71,770)
Adjustments to beginning net position (Note 3)	-	-	-	-		2,705
Net position, beginning of year, as restated	(188,306)	139,023	143,762	(10,357)		(69,065)
NET POSITION, END OF YEAR	$ (143,948)	$ 128,075	$ 149,386	$ (1,321)		$ (63,808)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					(9,183)	
Change in net position of business-type activities					$ 38,887	

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF RIVERSIDE
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities
	Riverside University Health Systems - Medical Center	Waste Resources	Housing Authority	Other	Total	Internal Service Funds
Cash flows from operating activities						
Cash receipts from customers	$ 743,284	$ 115,299	$ 108,073	$ 119,600	$1,086,256	$ 1,015
Cash receipts from other funds	-	1	-	-	1	450,617
Cash payments due to other funds	-	-	-	(6)	(6)	(29)
Cash paid to suppliers for goods and services	(294,248)	(64,277)	(90,735)	(59,523)	(508,783)	(362,885)
Cash paid to employees for services	(422,718)	(26,012)	(14,427)	(61,187)	(524,344)	(107,925)
Program loans	-	-	(223)	-	(223)	-
Net cash provided by (used in) operating activities	26,318	25,011	2,688	(1,116)	52,901	(19,207)
Cash flows from noncapital financing activities						
Advances from other funds	-	1,000	-	-	1,000	-
Contributions to others	-	-	-	-	-	(661)
Transfers received	22,562	-	-	9,711	32,273	1,780
Transfers paid	(16,005)	(859)	(420)	(2,462)	(19,746)	(1,755)
Net cash provided by (used in) noncapital financing activities	6,557	141	(420)	7,249	13,527	(636)
Cash flows from capital and related financing activities						
Proceeds from sale of capital assets	-	124	161	-	285	909
Acquisition and construction of capital assets	(16,447)	(9,341)	(2,536)	(1,698)	(30,022)	(4,080)
Cash paid for lease liabilities-principal portion	-	-	-	-	-	(41,012)
Cash paid for finance purchases-principal portion	(11,863)	-	-	(1,878)	(13,741)	(9,744)
Capital contributions	494	-	-	-	494	80,323
Principal paid on bonds payable	(26,272)	-	-	-	(26,272)	-
Interest paid on long-term debt	(7,024)	-	(101)	(1,923)	(9,048)	(4,941)
Cash received as lessor-principal portion	-	14	-	1,691	1,705	2,571
Cash received as lessor-interest portion	-	11	-	658	669	78
Net cash provided by (used in) capital and related financing activities	(61,112)	(9,192)	(2,476)	(3,150)	(75,930)	24,104
Cash flows from investing activities						
Investment income (loss)	(102)	(3,570)	982	(431)	(3,121)	(3,446)
Net cash provided by (used in) investing activities	(102)	(3,570)	982	(431)	(3,121)	(3,446)
Net increase (decrease) in cash and cash equivalents	(28,339)	12,390	774	2,552	(12,623)	815
Cash and cash equivalents, beginning of year	58,677	208,174	21,523	7,972	296,346	397,476
Cash and cash equivalents, end of year	$ 30,338	$ 220,564	$ 22,297	$ 10,524	$ 283,723	$ 398,291
Reconciliation of cash and cash equivalents to the Statement of Net Position						
Cash and investments per Statement of Net Position	$ 7,060	$ 139,060	$ 15,084	$ 3,821	$ 165,025	$ 398,291
Restricted cash and investments per Statement of Net Position	23,278	81,504	7,213	6,703	118,698	-
Total cash and cash equivalents per Statement of Net Position	$ 30,338	$ 220,564	$ 22,297	$ 10,524	$ 283,723	$ 398,291

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF RIVERSIDE
Statement of Cash Flows
Proprietary Funds (Continued)
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities
	Riverside University Health Systems - Medical Center	Waste Resources	Housing Authority	Other	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities						
Operating income (loss)	$ 44,643	$ (6,908)	$ 5,003	$ 6,294	$ 49,032	$ (64,674)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Depreciation and amortization	24,035	8,933	1,172	5,239	39,379	60,382
Decrease (Increase) accounts receivable	(8,655)	1,193	(896)	2,378	(5,980)	613
Decrease (Increase) taxes receivable	-	1	-	(6)	(5)	-
Decrease (Increase) due from other funds	-	-	-	-	-	(25)
Decrease (Increase) due from other governments	(62,975)	116	-	(1,155)	(64,014)	986
Decrease (Increase) inventories	(1,720)	(90)	-	39	(1,771)	(154)
Decrease (Increase) prepaid items and deposits	(1,346)	-	2,375	353	1,382	18
Increase (Decrease) accounts payable	24,080	(51)	(24)	(619)	23,386	(13,659)
Increase (Decrease) due to other funds	-	-	-	1	1	(40)
Increase (Decrease) due to other governments	45,763	342	-	(5,238)	40,867	94
Increase (Decrease) deposits payable	(1)	-	-	3	2	-
Increase (Decrease) accrued closure costs	-	9,287	-	-	9,287	-
Increase (Decrease) accrued remediation costs	-	11,298	-	-	11,298	(1)
Increase (Decrease) other liabilities	(67)	524	(3,465)	1	(3,007)	(182)
Increase (Decrease) estimated claims liability	-	594	-	-	594	12,332
Increase (Decrease) net pension liability	(230,171)	(19,108)	(6,059)	(1,233)	(256,571)	(67,977)
Increase (Decrease) net OPEB liability	731	969	-	112	1,812	(191)
Increase (Decrease) deferred OPEB	167,599	159	-	(300)	167,458	-
Increase (Decrease) deferred pensions	16,444	17,967	4,925	(8,099)	31,237	54,380
Increase (Decrease) service concession arrangement	-	(435)	-	-	(435)	-
Increase (Decrease) salaries and benefits payable	2,410	254	36	683	3,383	(418)
Increase (Decrease) compensated absences	5,548	(34)	(156)	431	5,789	(691)
Decrease (Increase) loans receivable	-	-	(223)	-	(223)	-
Net cash provided by (used in) operating activities	$ 26,318	$ 25,011	$ 2,688	$ (1,116)	$ 52,901	$ (19,207)

	Riverside University Health Systems - Medical Center	Waste Resources	Housing Authority	Other	Total	Internal Service Funds
Noncash investing, capital, and financing activities						
Lease receivable recognized on lessor lease transaction		$ 608		$ 41,825	$ 42,433	$ 11,290
Lease liability for the acquisition of right-to-use leased assets		-		-	-	272,573
Finance purchase		-		7,728	-	6,614
Total noncash investing, capital, and financing activities		$ 608		$ 49,553	$ 42,433	$ 290,477

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF RIVERSIDE
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022
(Dollars in Thousands)

				Custodial Funds		
	Pension Trust	Investment Trust	Private-Purpose Trust	External Investment Pool	Other Custodial Funds	Total
ASSETS:						
Cash and investments	$ 11,110	$ -	$ 72,264	$ -	$ 295,140	$ 378,514
Receivables:						
Accounts receivable	662	-	-	-	45	707
Interest receivable	9	-	48	13,265	270	13,592
Taxes receivable	-	-	-	-	28,153	28,153
Investment at fair value:						
Short-term investments	-	-	-	724,417	-	724,417
Federal agency	-	-	-	2,513,579	-	2,513,579
Mutual funds	108,912	-	-	-	-	108,912
Commercial paper	-	-	-	966,699	-	966,699
Negotiable CDs	-	-	-	1,624,670	-	1,624,670
Municipal bonds	-	-	-	160,441	-	160,441
Bonds - U.S. Treasury	-	-	-	2,113,287	-	2,113,287
Prepaid items and deposits	-	-	3,226	-	-	3,226
Due from other governments	-	-	1,079	-	-	1,079
Land held for sale	-	-	13,281	-	-	13,281
Total assets	120,693	-	89,898	8,116,358	323,608	8,650,557
DEFERRED OUTFLOWS OF RESOURCES						
Deferred charge on refunding	-	-	30,842	-	-	30,842
LIABILITIES:						
Accounts payable	-	-	-	-	153,158	153,158
Due to other governments	11,708	-	-	-	61,891	73,599
Interest payable	-	-	6,298	-	-	6,298
Accreted interest payable	-	-	17,226	-	-	17,226
Bonds payable	-	-	621,659	-	-	621,659
Total liabilities	11,708	-	645,183	-	215,049	871,940
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources	-	-	1,469	-	-	1,469
NET POSITION:						
Restricted for:						
Pensions	108,985	-	-	-	-	108,985
Pool Participants	-	-	-	8,116,358	-	8,116,358
Individuals, Orgs & Oth Govt's	-	-	(525,912)	-	108,559	(417,353)
Total net position (deficit)	$ 108,985	$ -	$ (525,912)	$ 8,116,358	$ 108,559	$ 7,807,990

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF RIVERSIDE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Pension Trust	Investment Trust	Private-Purpose Trust	Custodial Funds: External Investment Pool	Custodial Funds: Other Custodial Funds	Total
ADDITIONS						
Contributions:						
Members	$ 2,136	$ -	$ -	$ -	$ -	$ 2,136
Employer	21,875	-	-	-	-	21,875
Contributions to pooled investments	-	1,311	-	2,380,767	-	2,382,078
Total contributions	24,011	1,311	-	2,380,767	-	2,406,089
Property taxes-Successor Agency Redevelopment Property Tax Trust Fund Distribution	-	-	47,865	-	-	47,865
Investment earnings (loss):						
Net increase (decrease) in fair value of investments	(20,287)	-	(345)	(125,252)	(755)	(146,639)
Interest, dividends, and other	1,937	-	65	12	-	2,014
Total investment earnings (loss)	(18,350)	-	(280)	(125,240)	(755)	(144,625)
Less investment costs:						
Investment activity costs	-	-	-	-	-	-
Net investment earnings (loss)	(18,350)	-	(280)	(125,240)	(755)	(144,625)
Property tax collection other governments	-	-	-	-	5,815,276	5,815,276
Other custodial fund collections	-	-	-	-	516,108	516,108
Gain or (loss) on sale of property	-	-	(95)	-	-	(95)
Total additions	5,661	1,311	47,490	2,255,527	6,330,629	8,640,618
DEDUCTIONS						
Benefits paid to participants or beneficiaries	9,134	-	-	-	-	9,134
Administrative expense	411	-	1,367	-	485	2,263
Distributions to shareholders	-	1,300	-	692,954	-	694,254
Beneficiary payments to individuals, organizations and other gov'ts	-	-	-	-	514,123	514,123
Property taxes distributed to other governments	-	-	-	-	5,801,067	5,801,067
Interest expense	-	-	26,193	-	-	26,193
Total deductions	9,545	1,300	27,560	692,954	6,315,675	7,047,034
Net increase (decrease) in fiduciary net position	(3,884)	11	19,930	1,562,573	14,954	1,593,584
Net position, beginning of the year	112,869	(11)	(545,842)	6,553,785	93,605	6,214,406
Net position, end of the year	$ 108,985	$ -	$ (525,912)	$ 8,116,358	$ 108,559	$ 7,807,990

The notes to the basic financial statements are an integral part of this statement.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The County of Riverside (the County) is a legal subdivision of the State of California charged with general governmental powers. The County's powers are exercised through a five member Board of Supervisors (the Board), which, as the governing body of the County, is responsible for the legislative and executive control of the County. Services provided by the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and recreation and cultural services.

Component Units

While each of these component units is legally separate from the County, the County is financially accountable for these entities. Financial accountability is primarily demonstrated by the County's Board acting as, or appointing, the governing board for each of the component units and its ability to impose its will. Because of their relationship with the County and the nature of their operations, component units are, in substance, part of the County's operations and, accordingly, the activities of these component units are combined, or blended, with the activities of the County for purposes of reporting in the accompanying basic financial statements. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the County.

In conformity with accounting principles generally accepted in the United States of America, the financial statements of twelve component units have been included and combined with financial data of the County. Eleven component units have an integral relationship with and serve as an extension of the County. Using the criteria of Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity*, management has determined that each entity is presented as a blended component unit due to the composition of each governing board and the control of the day-to-day activities through the budget process. One component unit is presented discretely. Each blended and discretely presented component unit has a June 30 fiscal year-end.

Blended Component Units

Housing Authority of the County of Riverside (Housing Authority). The Board is the governing body of the Housing Authority. Among its duties, it approves the Housing Authority's budget, rates and charges for the use of facilities, and appoints the management. The County is responsible for all financial debt. The Housing Authority is reported as a proprietary fund type.

Riverside County Flood Control and Water Conservation District (Flood Control). The Board is the governing body of Flood Control. Among its duties, it approves Flood Control's budget, tax rates and contracts, and appoints the management. The County is responsible for all financial debt. Flood Control is reported as both governmental and proprietary fund types.

Riverside County Regional Park and Open-Space District (Park District). The Board is the governing board of the Park District. Among its duties, it approves the Park District's budget, contracts, fees and charges for park use, and appoints the management. The County is responsible for all financial debt and management has operational responsibility. The Park District is reported as both governmental and fiduciary fund types.

County of Riverside Asset Leasing Corporation (CORAL). The Board is the governing body of CORAL. CORAL provides services entirely to the County through the purchase of land and construction of facilities, which are then leased back to the County. The County is responsible for all financial debt, and management has operational responsibility. CORAL is reported as a governmental fund type.

Riverside County Service Areas (CSAs). The Board is the governing body of the CSAs. Among its duties, it approves the CSAs' budgets, approves parcel fees, and appoints the management. The County is responsible for all financial debt and management has operational responsibility. The CSAs are reported as either governmental or proprietary fund types.

Riverside County Public Financing Authority (Public Financing Authority). The Board is the governing body of the Public Financing Authority. The Public Financing Authority was formed for the purpose of assisting in financing

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Blended Component Units (Continued)

public improvements of the County, the Riverside County Redevelopment Successor Agency and other local agencies. The County is responsible for all financial debt and management has operational responsibility. The Public Financing Authority is reported as a governmental fund type.

Riverside County Infrastructure Financing Authority (IFA). The Board is the governing body of the IFA and the County is responsible for all its financial debt. The IFA is a joint exercise of powers authority, duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement dated September 15, 2015, by and between the County and the Riverside County Flood Control and Water Conservation District. The IFA is authorized and empowered to issue bonds for the purpose of financing and refinancing public capital improvements of the County. The IFA is reported as a governmental fund type.

County of Riverside District Court Financing Corporation (District Corporation). The Board is the governing body of the District Corporation. The District Corporation assists the County by providing for the acquisition, construction and renovation of U.S. District Court facilities. The County is responsible for all financial debt, and management has operational responsibility. The District Corporation is reported as a governmental fund type.

In-home Support Services Public Authority (IHSS PA). The Board is the governing body of the IHSS PA. The IHSS PA acts as the employer of record for purposes of collective bargaining for Riverside In-home Support Services providers and performs other IHSS PA functions as required and retained by the County. Management has operational responsibility. The IHSS PA is reported as a governmental fund type.

Perris Valley Cemetery District (the District). The Board is the governing body of the District. The District is a public cemetery district operating under the provisions of the Health and Safety Code of the State of California. The District was created in July 1927 for the purpose of operating a public cemetery for the residents of Perris Valley. Management has operational responsibility. The District is reported as a governmental fund type.

Inland Empire Tobacco Securitization Authority (the Authority). The Board appoints two of the three members of the governing board of the Authority. The San Bernardino County Board of Supervisors appoints the third member. The Authority was created by a Joint Exercise of Powers Agreement (the Agreement) effective as of July 18, 2007, between Riverside County and San Bernardino County. The Authority was created for the purpose of securitizing the payments to be received by the County from the nation-wide Tobacco Settlement Agreement (the Payments) for such purposes as, but not limited to, the issuance, sale, execution and delivery of bonds secured by those Payments or the lending of money based on thereof, or to securitize, sell, purchase or otherwise dispose of some or all of such Payments of the County. The Authority is a blended component unit of the County because the Authority is providing services solely to the County and the County's Board has the ability to impose its will by removing the Authority's governing board at will. The County is responsible for all financial debt. The Authority is reported as a governmental fund type.

Additional detailed financial information, including separately issued financial statements can be obtained from County of Riverside, Office of the Auditor-Controller, County Administrative Center, 4080 Lemon Street - 11th Floor, P.O. Box 1326, Riverside, CA 92502-1326 Phone: (951) 955-3800; Fax: (951) 955-3802; website: www.auditorcontroller.org/ReportsPublications.aspx.

Discretely Presented Component Units

Riverside County Children and Families Commission (the Commission). The County Board established First 5 Riverside, also known as Riverside County Children and Families Commission, in 1999 under the provisions of the California Children and Families Act of 1998. The Commission was formed to develop, adopt, promote, and implement early childhood development programs. A governing board of nine members, that administers the Commission, is appointed by the County Board. The Commission includes one member of the County Board. The Commission is a component unit of the County because the County's Board has the ability to remove some of the Commission's governing board at will. It is discretely presented because its governing board is not substantially the same as the County's governing board and it does not provide services entirely or exclusively to the County. Additional detailed financial information, including separately issued financial statements can be obtained from Riverside County Children and Families Commission, 585 Technology Court, Riverside, California 92507.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Presentation of Financial Information Related to County Fiduciary Responsibilities

The basic financial statements also include an Investment Trust fund to account for cash and investments held by the County Treasurer for numerous self-governed school and special districts. The financial reporting for these governmental entities, which are independent of the County, is limited to the total amount of cash and investments and other assets. School and special district boards that are separately elected and that are independent of the County Board administer activities of the school districts and special districts. The County Auditor-Controller makes disbursements upon the request of the responsible self-governed special district officers. The Board has no effective authority to govern, manage, approve budgets, assume financial accountability, establish revenue limits, or appropriate surplus funds available in these entities. Therefore, these entities are fiscally independent of the County. Twenty-eight cities and numerous self-governed special districts provide services to the residents of the County. The operations of these entities have been excluded from the basic financial statements since each entity conducts its own day-to-day operations and is controlled by its own governing board.

Basis of Presentation

Government-wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, excluding fiduciary activities. These statements distinguish between the *governmental* and *business-type activities* of the County, and between the County and its discretely presented component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities that rely, to a significant extent, on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Expenses by function have been adjusted for any internal service profit/loss existing at fiscal year-end. In addition, 38.1%, or $26.4 million, of the County's $69.2 million indirect costs, allocated through the Countywide Cost Allocation Program (COWCAP), have been included in the expenses of those functions, which can obtain reimbursement through State and Federal Programs or other charges. Program revenues include (1) charges paid by the recipients of goods or services offered by the programs and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Proprietary fund *operating* revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. *Operating* expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All expenses not meeting this definition are reported as *nonoperating* expenses.

The County reports the following major governmental funds:

General fund is the County's primary operating fund. It is used to account for all revenues and expenditures necessary to carry out the basic governmental activities of the County that are not accounted for through other funds. For the

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

County, the general fund includes such activities as general government, public protection, health and sanitation, public assistance, education, and recreation and cultural services.

Transportation fund accounts for revenue consisting primarily of the County's share of highway user taxes which are supplemented by Federal funds, vehicle code fines, and fees and reimbursements for engineering services provided. The fund was established to provide for maintenance and construction of roadways and for specialized engineering services to other governmental units and the public.

Flood Control special revenue fund accounts for revenues and expenditures related to providing flood control in various geographical zones. The fund is primarily financed by ad valorem property taxes, developer fees, and local cooperative agreements.

CARES Act Coronavirus Relief fund accounts for revenues and expenditures related to the federal funding from the Coronavirus Relief Fund provided in the Coronavirus Aid, Relief, and Economic Security (CARES) Act in response to the Coronavirus (COVID-19) pandemic.

Teeter debt service fund accounts for revenue from the collection of delinquent taxes, which is then used to pay principal of the debt issued to finance the Teeter plan.

American Rescue Plan (ARP) Act Coronavirus Relief fund accounts for revenues and expenditures related to the federal funding from the Coronavirus State and Local Fiscal Recovery Funds to accelerate the United States' recovery from the economic and health impacts of the COVID-19 pandemic.

The County reports the following major enterprise funds:

Riverside University Health Systems - Medical Center (RUHS-MC) accounts for the maintenance of physical plant facilities and providing quality care to all patients in accordance with accreditation standards; the bylaws, rules and regulations of the medical staff; and the RUHS-MC. Revenue for this fund is primarily from charges for services, and secondarily from the County's general fund.

Waste Resources Department (Waste Resources) accounts for solid waste revenues, expenses, and the allocation of net income for solid waste projects initiated for the public's benefit. The fund facilitates management and accounting of solid waste projects. Waste Resources prepares and maintains the County's solid waste management plan, provides environmental monitoring in accordance with state and federal mandates, and administers landfill closure and acquisition.

Housing Authority was established to provide affordable, decent, safe housing opportunities to low and moderate income families including elderly and handicapped persons, while supporting programs to foster economic self-sufficiency.

The County reports the following additional fund types:

Internal service funds account for the County's fleet services, central mail services, supply services, purchasing, Riverside County Information Technology (RCIT) enterprise solutions division project (accounting, purchasing, and human resources information system), risk management, temporary assistance pool, custodial services, maintenance services, real estate, and flood control equipment on a cost-reimbursement basis. Internal service funds are presented in summary form as part of the proprietary fund financial statements. In the government-wide financial statements, the changes in net position at the end of the fiscal year, as presented in the statement of activities, were allocated to the functions of both the governmental and business-type activities, to reflect the entire activity for the year. Since the predominant users of the internal services are the County's governmental activities, the asset and liability balances of the internal service funds are consolidated into the governmental activities column at the government-wide level.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Pension trust fund accounts for resources held in trust for the members and beneficiaries of a defined benefit pension plan for County employees not eligible for social security or California Public Employees' Retirement System (CalPERS) participation. The County's pension trust fund uses the economic resources measurement focus and accrual basis of accounting.

Investment trust fund accounts for the external portion of the County Treasurer's investment pool held in trust, as defined by GASB Statement No. 84, *Fiduciary Activities*. External investment pool participants include entities legally separate from the County, such as school and special districts governed by local boards, regional boards, and authorities. This fund accounts for assets, primarily cash and investments, held or invested by the County Treasurer and the related County liability to disburse these monies on demand to the related external entities. The County's investment trust fund uses the economic resources measurement focus and accrual basis of accounting.

Private-purpose trust fund accounts for resources held and administered by the County in a fiduciary capacity for individuals, private organizations, or other governments based on trust arrangements. The fund accounts for the resources held and administered by the County in a fiduciary capacity for the Redevelopment Successor Agency. The County's private-purpose trust fund uses the economic resources measurement focus and accrual basis of accounting.

Custodial funds account for assets held by the County in a custodial capacity. The funds reported as custodial funds are not required to be reported in pension (and other employee benefit) trust funds or investment trust funds, or private-purpose trust funds. The *External Investment* Pool is used to account for the receipt, temporary investment, and remittance to individuals, private organizations, or other governments and include property taxes and special assessments collected on behalf of cities, special districts, and other taxing agencies. The County's custodial funds use the economic resources measurement focus and accrual basis of accounting.

The government-wide, proprietary, pension trust, investment trust, and private-purpose trust fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements, and donations. On an accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales taxes are recognized when the underlying transactions occur. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental fund type financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues and other governmental fund type financial resources (e.g., bond issuance proceeds) are recognized when they become both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property and sales taxes are considered available for the year levied and are accrued when received within sixty days after fiscal year-end. Revenue received from expenditure driven (cost-reimbursement) grants, as defined by GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*, is considered available and accrued if expected to be received within twelve months after fiscal year-end. All other revenue streams are considered available and accrued if they are expected to be received within ninety days after the fiscal year-end. Since revenue from these sources is not available to meet current period liabilities, these sources are financed through proceeds received from Tax and Revenue Anticipation Notes (TRANs) which are outstanding for a twelve month period. General capital assets acquisitions are reported as expenditures in governmental fund financial statements. Proceeds of general long-term debt and lease are reported as other financing sources.

Reconciliations are presented to explain the adjustments necessary to reconcile the governmental fund financial statements to the government-wide financial statements. These reconciliations are presented because governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements for governmental activities.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Cash and Investments

The County pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance of the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the County's pooled investments.

For purposes of the statement of cash flows, the County considers all highly liquid investments (including restricted cash and investments) with an original maturity of three months or less when purchased to be cash equivalents.

Securities, including U.S. Treasury and Agency securities, are carried at fair value/cost based on current market prices on a monthly basis. Repurchase agreements are carried at fair value based on quoted market prices, except for repurchase agreements maturing within ninety days of June 30, 2022, which are carried at cost. Bond anticipation notes are carried at fair value/cost. Commercial paper is carried at amortized cost/cost. Investments in bankers' acceptances and nonparticipating guaranteed investment contracts are carried at cost. Participating guaranteed investment contracts are carried at fair value based on net realizable value. Mutual funds are carried at fair value based on the funds' share price. Local Agency Obligations are carried at cost based on the value of each participating dollar.

The fair value of a participant's position in the pool is not the same as the value of the pooled shares. The method used to determine the value of participants' equity withdrawn is based on the book value, amortized cost, and accrued interest of the participants' percentage participation at the date of such withdrawal.

State law requires that the County Treasurer hold all operating monies of the County, school districts, and certain special districts. Collectively, these mandatory deposits constituted approximately 78.4% of the funds on deposit in the County treasury. In addition, the Auditor-Controller determined districts and agencies constituting approximately 21.6% of the total funds on deposit in the County treasury represented discretionary deposits.

Receivables

The RUHS-MC accounts receivable are reported at their gross value and, where appropriate, are reduced by contractual allowances and the estimated uncollectible amounts. The estimated allowance for uncollectibles and allowance for contractuals are $176.9 million and $335.4 million, respectively. The RUHS-MC has contracted with a Medi-Cal managed care plan to provide services to patients enrolled with Medicare and Medi-Cal programs. The RUHS-MC receives a fixed monthly premium payment for each patient enrolled. Revenue under this agreement is recognized in the period in which the RUHS-MC is required to provide services.

Property Taxes

All jurisdictions within California derive their taxing authority from the State Constitution and various legislative provisions contained in the Government Code and the Revenue and Taxation Code. Property is assessed by the County Assessor and State Board of Equalization at 100.0% of full cash or market value (with some exceptions) pursuant to Article XIIIA of the California State Constitution and statutory provisions. The total for fiscal year 2021-22 gross assessed valuation (for tax purposes) of the County was $345.17 billion.

The property tax levy to support general operations of the various local government jurisdictions is limited to 1.0% of the full cash value of taxable property and distributed in accordance with statutory formulas. Amounts needed to finance the annual requirements of voter-approved debt (approved by the electorate prior to June 20, 1978) are excluded from this limitation and are calculated and levied each fiscal year. The rates are formally adopted by either the Board or the city councils and, in some instances, the governing board of a special district.

The County is divided into tax rate areas, which are unique combinations of various jurisdictions servicing a specific geographic area. The rates levied within each tax rate area vary only in relation to levies assessed as a result of voter-approved indebtedness.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Property taxes are levied on both real and personal property and are recorded as receivables at the date of levy. Secured property taxes are levied on or before the first business day of September of each year. These taxes become a lien on real property on January 1 proceeding the fiscal year for which taxes are levied. Tax payments can be made in two equal installments; the first is due November 1 and is delinquent with penalties after December 10; the second is due February 1 and is delinquent with penalties after April 10. Secured property taxes that are delinquent and unpaid as of June 30 are declared to be tax defaulted and are subject to redemption penalties, costs, and interest when paid. If the delinquent taxes are not paid at the end of five years, the property is sold at public auction and the proceeds are used to pay the delinquent amounts due and any excess is remitted, if claimed, to the taxpayer.

Supplemental tax liens are created when there is a change in ownership of property or upon completion of new construction. Tax bills for these new tax liens are issued throughout the fiscal year and contain various payments and delinquent dates but are generally due within one year. If the new tax liens are lower, the taxpayer receives a tax refund rather than a tax bill.

Unsecured personal property taxes are not a lien against real property. These taxes are due on January 1, and become delinquent, if unpaid, on August 31. During fiscal year 1993-94, the County authorized an alternative property tax distribution method referred to as the "Teeter plan." This method allows for a 100.0% distribution of the current secured property tax levy to entities electing the alternative method, as compared to the previous method where only the current levy less any delinquent taxes was distributed. This results in the general fund receiving distributions of approximately 50.0-55.0% in December, 40.0-45.0% in April and the remaining balance in the fall of each year.

The Teeter plan also provides that all the payments of redemption penalties and interest on delinquent secured property taxes of participating agencies flow to a Tax Loss Reserve Fund (TLRF). Any amounts on deposit in the TLRF greater than 1.0% of the tax levy for participating entities may flow to the County general fund. For fiscal year 2021-22, $27.0 million was transferred from the TLRF to the general fund.

Prepaid Items and Inventories

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The prepaid items recorded in the governmental funds do not reflect current appropriable resources and thus, an equivalent portion of fund balance is nonspendable. The consumption method is used to account for prepaid items. Under the consumption method, prepaid items are recorded as expenditures during the period benefited by the prepayment.

Inventories, which consist of materials and supplies held for consumption, are valued at cost (on a first-in, first-out basis). Inventories for all governmental funds are valued at average cost. The consumption method is used to account for inventories. Under the consumption method of accounting, inventories are recorded as expenditures when consumed rather than when purchased. Material amounts of inventory are reported as assets of the respective fund. Reported inventories of governmental funds are equally offset by a nonspendable fund balance reservation to indicate that portion of fund balance not available for future appropriation.

Capital Assets

Capital assets (including infrastructure) are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Capital assets received by the County through a Service Concession Arrangement and donated capital assets, including works of art and historical treasures, are recorded at the estimated acquisition value at the date of donation. Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, bridges, traffic signals, park trails and improvements, flood control channels, storm drains, dams, and basins. The capitalization threshold for equipment is $5.0 thousand; buildings, land and land improvements is $5.0 thousand; and infrastructure and intangibles is $150.0 thousand. Betterments result in more productive, efficient, or long-lived assets. Significant betterments are considered capital assets when they result in an improvement of $5.0 thousand or more. The County also records the right-to-use leased assets based on the underlying leased assets in accordance with GASB Statement No. 87, *Leases*. The right-to-use leased asset is amortized each year for the term of the contract. The capitalization threshold for right-to-use leased assets is $10.0 thousand.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Capital assets used in operations are depreciated using the straight-line method over their estimated useful lives in the government-wide financial statements and proprietary funds. The estimated useful lives are as follows:

Infrastructure			
Flood channels	99 years	Buildings	25-50 years
Flood storm drains	65 years	Improvements	10-20 years
Flood dams and basins	99 years	Equipment	2-20 years
Roads	20 years		
Traffic signals	10 years		
Parks trails and improvements	20 years		
Bridges	50 years		

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements, which significantly increase values, change capacities, or extend useful lives, are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the changes in financial position.

Right -to-use leased assets are recognized at the lease commencement date and represent the County's right to use an underlying asset for the lease term. Right-to-use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the leased asset into service. Right-to-use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 2 to 38 years.

Leases Receivables

The lease receivable is recognized at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, leases below the capitalization threshold of $10.0 thousand, and leases that transfer ownership of the underlying asset. A lessor should not derecognize the assets underlying the lease. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The present value of the future lease payments to be received are discounted based on the interest rate the County charges the lessee or Consumer Price Index (CPI) rate. The County uses the interest rate identified in the contract as the discount rate. If no interest rate is specified, the County uses implicit rate as the discount rate. The lease term includes the noncancelable period of the lease and extensions the County is reasonably certain to exercise. The County monitors changes in circumstances that are expected to significantly affect the amount of a lease receivable that may require a remeasurement of its lease.

Restricted Assets

The County maintains various restricted asset accounts as a result of debt agreements and certain state statutes. The agreements authorizing the issuance of CORAL, Housing Authority, and IFA obligations include certain covenants pertaining to the disposition of bond proceeds for construction, acquisition, and bond redemption purposes. Waste Resources has restricted assets to meet requirements of state and federal laws and regulations to finance closure and post-closure maintenance activities at landfill sites. The general fund has restricted assets for program money where use is legally or contractually restricted.

Employee Compensated Absences

County policy permits employees in some bargaining units to accumulate earned, but unused vacation, holiday, and sick pay benefits. Vacation and holiday pay are accrued when incurred. For other bargaining units, annual leave is earned and accrued, but not vacation or sick leave. Proprietary funds report accrued vacation and holiday pay as a liability of the individual fund while governmental funds record amounts that are due and payable at year-end as a liability of the fund and amounts due in the future as a liability in the government-wide financial statements. At June

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

30, 2022, the amount of accrued vacation, holiday pay, and sick leave reported in the government-wide statement of net position was $316.9 million.

The County allows unlimited accumulation of sick leave. Upon service retirement, disability retirement, or death of an employee or officer, and subject to the provisions of any applicable agreement between the employing agency and CalPERS, unused accumulated sick leave for most employees with at least 5 but less than 15 years of service shall be credited at the rate of 50.0% of current salary value thereof provided, however, that the total payment shall not exceed a sum equal to 960 hours of full pay.

Unused accumulated sick leave for employees with more than 15 or more years of service shall be credited at the rate of the current salary value provided, however, that the total payment shall not exceed a sum equal to 960 hours of full pay. In addition, the employee may also elect to place the payable amount of sick leave into a VEBA (Voluntary Employee Beneficiary Association) account, which may be used for future health care costs.

Deferred Outflows of Resources

Pursuant to GASB Statement No. 63 and GASB Statement No. 65, the County recognizes deferred outflows of resources and inflows of resources. The deferred outflow of resources represents a consumption of net assets that applies to future periods. Refer to Note 15 for a detailed listing of the deferred outflows of resources the County has recognized.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

The County has four types of items that qualify for reporting in this category. The first item, unavailable revenue from property taxes, arises under a modified accrual basis of accounting and is reported only in the governmental funds balance sheet. Delinquent property taxes not collected within 60 days of year-end are deferred and recognized as an inflow of resources in the governmental funds in the period the amounts become available. The second item is property taxes levied for subsequent years, which represent property taxes received or reported as a receivable before the period for which the taxes are levied, and is reported as a deferred inflow of resources in both the government-wide statement of net position and the governmental funds balance sheet. Property taxes levied for subsequent years are deferred and recognized as an inflow of resources in the government-wide financial statements in the year for which they are levied and in the governmental fund financial statements during the year for which they are levied, if available. The third item is deferred inflows related to pension and other postemployment benefits (OPEB) plans as a result of various estimate differences that will be recognized as expenses in future years, reported in the government-wide statement of net position. The fourth item is deferred inflows related to leases where the County is the lessor and is reported in the balance sheet and statement of net position. The deferred inflow of resources is measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods. The inflows of resources (revenue) is recognized as inflows of resources in a systematic and rational manner over the term of the lease.

Long-term Debt

The County reports long-term debt of governmental funds in the government-wide statement of net position. Certain other governmental fund obligations not expected to be financed with current available financial resources are also reported in the government-wide statement of net position. Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate proprietary fund and the government-wide statement of net position.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts, bond issuance costs, and deferred losses on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount, and deferred losses on refunding.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. Issuance costs are reported as debt service expenditures whether or not withheld from the actual debt proceeds received.

The lease liability is recognized at the commencement of the lease term, unless the lease is a short-term lease, below the lease capitalization threshold of $10.0 thousand, or it transfers ownership of the underlying asset. The lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives) based on a borrowing rate specified in the contract or implicit rate. The lease term includes the noncancelable period of the lease and extensions the County is reasonably certain to exercise. The County monitors changes in circumstances that are expected to significantly affect the amount of a lease liability that may require a remeasurement of its lease.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position has been determined on the same basis as it is reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Landfill Closure and Post-Closure Care Costs

Waste Resources provides for closure and post-closure care costs over the life of the operating landfills as the permitted airspace of the landfill is used. Accordingly, the entire closure and post-closure care cost is recognized as expense by the time the landfills are completely filled. Waste Resources also recognizes as expense closure and post-closure care costs for inactive landfills that have been closed under state and federal regulations.

Waste Resources, under state and federal regulations, may be required to perform corrective action for contaminate releases at any of its active or inactive landfills. Waste Resources provides for remediation costs for landfills upon notification from the local water quality board that a specific landfill is considered to be in the evaluation monitoring phase. Upon notification, Waste Resources provides for these costs based on the most recent cost study information available.

Interfund Transactions

Interfund transactions are reflected as loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables, as appropriate. These transactions are subject to elimination upon consolidation and are referred to as either "due to/due from other funds" (the current portion of interfund loans) or "advances to/advances from other funds" (the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances." Advances between funds, as reported in the governmental fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are neither available for appropriation nor available as financial resources.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

Net Position

The government-wide financial statements and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted net position, or unrestricted net position.

Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted Net Position – This category presents net position with external restrictions imposed on its use by creditors, grantors, contributors, laws and regulations of other governments, or restrictions imposed by law through constitutional provisions or legislation.

Unrestricted Net Position – This category represents net position of the County, not restricted for any project or other purpose.

Fund Balance

In the governmental fund financial statements, fund balance may be categorized as nonspendable, restricted, committed, assigned, and unassigned. All of the County's governmental fund balances will be comprised of the following categories:

- Nonspendable fund balance – amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact.
- Restricted fund balance – amounts that are constrained to being used for a specific purpose by external parties such as creditors, grantors, laws, or regulations.
- Committed fund balance – amounts that are committed can only be used for specific purposes determined by formal action from the Board, the County's highest level of decision-making authority. Commitments may be changed or lifted only by the County's Board taking the same formal action that imposed the constraint originally.
- Assigned fund balance – amounts that have been set aside and are intended to be used for a specific purpose but are neither restricted nor committed. The Board delegates the County Executive Officer or an Executive Officer designee for the establishment of assignments within the general fund. Assigned amounts cannot cause a deficit in unassigned fund balance.
- Unassigned fund balance – funds that are not reported in any other category and are available for any purpose within the general fund.

Fund Balance Policy

On September 13, 2011, the Board approved Policy B-30, Governmental fund balance policy, to ensure fund balance is accurately classified and reported on the annual financial statements per GASB Statement No. 54. This policy applies to governmental fund types which include the general fund, special revenue funds, capital projects funds, debt service funds, and permanent funds.

The purpose of this policy is to establish the guidelines for:

- The use of reserves with a restricted purpose versus an unrestricted purpose when both are available for expenditures.
- The establishment of stabilization arrangements for governmental funds.
- The minimum fund balance allowable for governmental funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

The Board establishes, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution (ordinances and resolutions are considered of equal authority with respect to fund balance). This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

Spending Prioritization for Fund Categories

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the Board to consider restricted amounts to be reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the Board that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts.

Minimum Fund Balance Policy for Governmental Funds

Establishing guidelines for minimum fund balance for governmental funds is essential to ensuring a prudent level of fund balance is maintained for unanticipated expenditures, delays in revenue receipt, or revenue shortfalls.

The County shall commit a portion of the general fund for disaster relief. The use of these funds will be restricted to one-time or short-term expenditures that are the result of a natural disaster or act of terrorism. The funds restricted for this purpose shall be at least 2.0% of discretionary revenue or $15.0 million, whichever is greater.

No formal action is required to remove an assignment. Assignments within the general fund must be established by the County Executive Officer or an Executive Officer designee.

Special revenue fund balances shall be kept at the higher of the minimum level dictated by the funding source or an amount that does not fall below zero. In the event that the fund balance drops below the established minimum levels, the department with primary responsibility for expending the special revenue will develop a plan to replenish the balance to established minimum levels within 2 years and submit the plan to the Board for approval.

The County shall maintain a minimum unassigned fund balance in its general fund of at least 25.0% of the fiscal year's estimated discretionary revenue. A significant portion of the minimum unassigned fund balance may be used for one-time or short-term expenditures caused by an economic crisis and should be designated within an "Economic Uncertainty" account. Use of these stabilization funds should be as the last resort in balancing the County budget. The general fund unassigned fund balance of $440.0 million is 47.8% of discretionary revenue.

Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Current Governmental Accounting Standards Board Statements

Governmental Accounting Standards Board Statement No. 87

As of July 1, 2021, the County adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain right-to-use leased assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. As a result of implementing this standard the County recognized a lease receivable and deferred inflow of resources in the amount of $110.3 million and $110.3 million as of July 1, 2021, respectively. The County also recognized a right-to-use leased asset and lease liability of $273.5 million and $273.5 million as of July 1, 2021, respectively. There was no restatement of net position as it was impractical. The additional disclosures required by this standard are included in Notes 8 and 12.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Current Governmental Accounting Standards Board Statements (Continued)

Governmental Accounting Standards Board Statement No. 89

In June 2018, GASB Statement No. 89*, Accounting for Interest Cost Incurred before the End of a Construction Period.* The objectives of this statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. GASB Statement No. 89 is effective for reporting periods beginning after December 5, 2020.

Governmental Accounting Standards Board Statement No. 92

In January 2020, GASB Statement No. 92, *Omnibus 2020*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. GASB Statement No. 92 is effective for reporting periods beginning after June 15, 2021.

Governmental Accounting Standards Board Statement No. 93

In March 2020, GASB Statement No. 93, *Replacement of Interbank Offered Rates***.** Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing
fallback provisions related to the reference rate. GASB Statement No. 93 is effective for reporting periods beginning after June 15, 2021.

Governmental Accounting Standards Board Statement No. 97

In May 2020, GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32.* The primary objectives of this statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. GASB Statement No. 97 for paragraphs 6-9 is effective for reporting periods beginning after June 15, 2021. All other requirements of this statement are effective for reporting periods beginning after June 15, 2021.

Future Governmental Accounting Standards Board Statements

Governmental Accounting Standards Board Statement No. 91

In May 2019, GASB Statement No. 91*, Conduit Debt Obligations.* The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB Statement No. 91 is effective for reporting periods beginning after December 15, 2021. The County has elected not to early implement this statement.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Future Governmental Accounting Standards Board Statements (Continued)

Governmental Accounting Standards Board Statement No. 94

In March 2020, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements.* The primary objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. GASB Statement No. 94 is effective for reporting periods beginning after June 15, 2022. The County has elected not to early implement this statement.

Governmental Accounting Standards Board Statement No. 96

In May 2020, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.* This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). GASB Statement No. 96 is effective for reporting periods beginning after June 15, 2022. The County has elected not to early implement this statement.

Governmental Accounting Standards Board Statement No. 99

In April 2022, GASB Statement No. 99*, Omnibus 2022.* The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB statements and (2) accounting and financial reporting for financial guarantees. GASB Statement No. 99 is effective upon issuance except for requirements related to leases, PPPs, and SBITAs which are effective for reporting periods beginning after June 15, 2022, and requirements related to financial guarantees and the classification and reporting of derivative instructions within the scope of Statement No. 53 are effective for reporting periods beginning after June 15, 2023. The County has elected not to early implement this statement.

Governmental Accounting Standards Board Statement No. 100

In June 2022, GASB Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. GASB Statement No. 100 is effective for reporting periods beginning after June 15, 2023. The County has elected not to early implement this statement.

Governmental Accounting Standards Board Statement No. 101

In June 2022, GASB Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain required disclosures. GASB Statement No. 101 is effective for reporting periods beginning after December 15, 2023. The County has elected not to early implement this statement.

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NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Data

On or before October 2 of each fiscal year, after conducting public hearings concerning the proposed budget, the County Board adopts a budget in accordance with the provisions of Sections 29000-29144 and 30200 of the Government Code of the State of California (the Government Code), commonly known as the County Budget Act, and Board Resolution No. 90-338. Annual budgets are adopted on the modified accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Budgeted governmental funds consist of the general fund, major funds, some nonmajor funds including all special revenue funds, certain debt service funds such as CORAL, Flood Control, Public Financing Authority, Infrastructure Financing Authority, Teeter, and Pension Obligation, and certain capital projects funds such as Flood Control, Public Facilities Improvement, Regional Parks and Open Space District, and CREST. Annual budgets are not adopted for the CORAL, Public Financing Authority, and Infrastructure Financing Authority capital projects funds and the Perris Valley Cemetery Permanent Fund.

As adopted by the Board, expenditures are controlled by the County at the budgetary unit level, which is the organization level, for each appropriation (object) class. Examples of an organizational unit include Board of Supervisors, Clerk of the Board, Auditor-Controller, Assessor, Treasurer, and County Counsel. The appropriation classes are salaries and benefits, services and supplies, other charges, capital assets, transfers out, and intrafund transfers. The separately prepared Expenditure by Appropriation – Budget and Actual report, showing budgetary comparisons at the object level of control, is available in the Auditor-Controller's Office.

Each year the original budget, as published in a separate report titled the "Adopted Budget," is adjusted to reflect increases or decreases in revenues and changes in fund balance. These changes are offset by an equal change in available appropriations. The County Executive Officer is authorized by the Board to transfer appropriations between appropriation classes within the same budgetary unit. Transfers of appropriations between budgetary units require approval of the Board (legal level of control). Any deficiency of budgeted revenues and other financing sources over expenditures and other financing uses is financed by beginning available fund balances as provided for in the County Budget Act. All annual appropriations lapse at year-end.

Budgetary comparison statements are prepared for the general fund, special revenue funds, certain debt service funds, and certain capital projects funds. The budgetary comparison statements are a part of the basic financial statements. Each budgetary comparison statement provides three separate types of information: (1) the original adopted budget; (2) the final budget, which included legally authorized changes regardless of when they occurred; and (3) the actual amount of inflows and outflows in the budget-to-actual comparison.

Individual Fund Deficits

For the year ended June 30, 2022, Enterprise funds (EF) and Internal Service Funds (ISF) individual Fund Deficits are as follows (In thousands):

Proprietary Funds:		
EF - Riverside University Health Systems - Medical Center	$	143,948
EF - Flood Control	$	1,416
EF - Riverside University Health Systems - Community Health Centers	$	7,664
ISF - Information Services	$	38,221
ISF - Central Mail Services	$	67
ISF - Supply Services	$	359
ISF - Risk Management	$	33,567
ISF - Facilities Management	$	27,745

The primary reason for the fund deficits in all funds listed is due to the net pension liability and net OPEB liability related to GASB Statement No. 68 and GASB Statement No. 75, respectively.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Excess of Expenditures over Appropriations

For the year ended June 30, 2022, expenditures exceeded appropriations in capital outlay by $26.4 million in the general fund and transportation fund, and $42.1 million in community services special revenue fund. This excess of expenditures resulted from the acquisition of $68.5 million of leases. Accordingly, this is being funded by other financing sources-leases.

NOTE 3 – RESTATEMENTS OF BEGINNING FUND BALANCES / NET POSITION

The County's beginning net position or fund balance has been restated to reflect the cumulative effect of prior year adjustments. A summary of the restatements as of June 30, 2022 is as follows (In thousands):

Government-wide:

	Primary Government	
Description	Governmental Activities	Business-type Activities
Government-wide net position as of June 30, 2021, as previously reported	$ 2,294,434	$ (156,799)
Government-wide financial statements:		
Prior period adjustments:		
Capital assets adjustment (1)	2,090	-
Fund financial statements:		
Prior period adjustments:		
Advance from grantor (2)	(2,721)	-
Net position as of June 30, 2021, as restated	$ 2,293,803	$ (156,799)

Fund Financials:

	Governmental Funds	Proprietary Funds		
	Major Funds	Internal Service Funds		
Description	General Fund	PSEC	Information Services	Temporary Assistance Pool
Fund balances or net position as of June 30, 2021, as previously reported	$ 566,900	$ -	$ (32,097)	$ (3,958)
Prior Period Adjustments:				
Advance from grantor (2)	(2,721)	-	-	-
Net pension liability adjustment (3)	-	-	-	2,705
Fund type reclassification (4)	-	9,058	(9,058)	-
Fund balances or net position as of June 30, 2021, as restated	$ 564,179	$ 9,058	$ (41,155)	$ (1,253)

(1) The adjustment was made for correcting the prior period costs not previously reported.

(2) The adjustment was made due to prior year advance received from grantor that was incorrectly recorded as revenue before the eligibility requirements had been met.

(3) The adjustment was made due to employees were transferred from internal service fund department to general fund department.

(4) The operational activities of Public Safety Enterprise Communication Fund was transferred from Information Technology to Sheriff Department due to reorganization.

NOTE 4 – CASH AND INVESTMENTS

As of June 30, 2022, cash and investments are classified in the accompanying financial statements as follows (In thousands):

	Governmental Activities	Business-type Activities	Discretely Presented Component Unit	Fiduciary Funds	Total
Cash and investments	$ 1,780,580	$ 170,686	$ 43,192	$ 8,590,519	$ 10,584,977
Restricted cash and investments	1,199,060	118,698	-	-	1,317,758
Total cash and investments	$ 2,979,640	$ 289,384	$ 43,192	$ 8,590,519	$ 11,902,735

As of June 30, 2022, cash and investments consist of the following (In thousands):

Deposits	$ 121,714
Investments	11,781,021
Total cash and investments	$ 11,902,735

Investment in State Investment Pool

The County is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The State Treasurer's Office reports its investments at fair value. The fair value of securities in the State Treasurer's pooled investment program, including LAIF, generally is based on quoted market prices. The State Treasurer's Office performs a quarterly fair value valuation of the pooled investment program portfolio and a monthly fair value valuation of all securities held against carrying cost. The quarterly report on the resources Pooled Money Investment Account is posted to the State Treasurer's Office website at www.treasurer.ca.gov. The fair value of the County's investment in this pool is reported in the accompanying financial statements at amounts based upon the County's prorated share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. As of June 30, 2022, reported under investments, RUHS-Medical Center had $9.4 million in LAIF. Also, under restricted cash, Housing Authority had $260.0 thousand.

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements of the respective component units, rather than the general provisions of the California Government Code or the County's investment policy. These provisions allow for the acquisition of investment agreements with maturities of up to 30 years.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the measurement of how changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the more sensitive to changes in market interest rates is its fair value. One of the ways the County Treasurer manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities, so a portion of the portfolio is maturing or coming close to maturity to ensure the cash flow and liquidity required for operations.

Concentration of Credit Risk

The investment policy of the County contains certain limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. In accordance with GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, the County should provide information about the concentration of credit risk associated with its investments in any one issuer that represent 5% or more of total County investments.

NOTE 4 – CASH AND INVESTMENTS (Continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under State law or a letter of credit issued by the Federal Home Loan Bank of San Francisco (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure County deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. GASB Statement No. 40 requires that a disclosure is made with respect to custodial credit risks relating to deposits. The County has cash deposits with fiscal agents in excess of federal depository insurance limits held in collateralized accounts with securities held by Union Bank in the amount of $70.0 million. Investment securities are registered and held in the name of the County.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Investments Authorized by the California Government Code and the County's Investment Policy

The table below identifies the investment types that are authorized for the County by the California Government Code or the County's investment policy, whichever is more restrictive. The table also identifies certain provisions that address interest rate, credit risk, and concentration of credit risk. A copy of the County's investment policy can be found at www.countytreasurer.org/.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Municipal bonds (MUNI)	4 Years	15%	5% **
U.S. treasuries	5 Years	100%	N/A
Local agency obligations (LAO)	3 Years	2.5%	2.5%
Federal agencies	5 Years	100%	N/A
Commercial paper (CP)	270 Days	40%	5% *
Certificate & time deposits (NCD & TCD)	1 Years	25%	5% *
Int'l bank for reconstruction and development and int'l finance corporation	4 Years	20%	N/A
Repurchase agreements (REPO)	45 Days	40%	25%
Reverse REPOS	60 Days	10%	10%
Medium term notes (MTNO) or Corporate Notes	3 Years	20%	5% *
CalTRUST short term fund	Daily Liquidity	1%	1%
Money market mutual funds (MMF)	Daily Liquidity	20%	N/A
Local agency investment fund (LAIF)	Daily Liquidity	Max $50M	N/A
Cash/deposit account	N/A	N/A	N/A

* Maximum of 5% per issuer in combined commercial paper, certificate & time deposits, and medium term notes.
** For credit rated below AA-/Aa3, 2% maximum in one issuer only for State of California debt.

NOTE 4 – CASH AND INVESTMENTS (Continued)

Investments Authorized by the California Government Code and the County's Investment Policy (Continued)

As of June 30, 2022, the County and Component Units had the following investments (In thousands):

	June 30, 2022	Interest Rate Range	Maturity	Weighted Average Maturity (Years)	Minimum Legal Rating (I)
County treasurer investments					
Investments by fair value level					
U.S. treasuries	$ 3,010,849	0.12 - 3.22%	7/2022 - 5/2027	1.21	N/A
Agency	3,425,589	0.13 - 4.70%	7/2022 - 6/2027	2.29	N/A
Agency MBS	77,392	2.94 - 4.18%	7/2023 - 3/2027	2.59	N/A
Non-US Gov	52,219	0.16 - 2.54%	8/2022 - 9/2024	0.64	AA/Aa/AA
Municipal notes	138,589	0.42 - 1.57%	8/2022 - 10/2025	0.63	AA-/Aa3/AA-
Total County treasurer investments by fair value level	6,704,638				
Investments measured at amortized cost					
Negotiable certificates of deposit	2,360,001	0.16 - 3.71%	7/2022 - 6/2023	0.28	A1/P1/F1
Commercial paper	1,405,761	0.63 - 2.20%	7/2022 - 1/2023	0.16	A1/P1/F1
Municipal notes-other	88,770	0.13 - 0.16%	7/2022	0.40	AA-/Aa3/AA-
Non-US gov-other	95,265	0.27 - 1.10%	8/2024 - 1/2025	1.17	AA/Aa/AA
Mutual Fund-CalTRUST short-term fund	94,017	0.00%	7/2022	0.00	N/A
Money market mutual funds (II)	804,963	0.70 - 1.50%	7/2022	0.00	AAA
Total investments measured at amortized cost	4,848,777				
Total County treasurer investments	11,553,415				
Blended component unit investments					
Investments measured at amortized cost					
Money market funds	84,991	0.01 - 1.37%	7/2022	0.00	AAA
Certificates of deposit	1,000	0.05%	10/2022	0.00	A1/P1/F1
U.S. treasuries	4,987	0.77%	10/2024	0.00	N/A
Local agency investment fund	9,370	0.00%	7/2022	0.00	N/A
Mutual funds	126,886	0.01 - 6.97%	7/2022	0.00	AAA
Investment agreements	372	4.83%	2/2035	0.00	N/A
Total blended component unit investments measured at amortized cost	227,606				
Total blended component unit investments	227,606				
Total investments	$ 11,781,021				

(I) Investment ratings are from Standard and Poor's (S&P), Moody's Investor Service (Moody's) and Fitch.
(II) Government Code requires money market mutual funds to be rated.
N/A — Not Applicable
N/R — Not Required

NOTE 4 – CASH AND INVESTMENTS (Continued)

Fair Value Measurements

The County has the following recurring fair value measurements as of June 30, 2022 (In thousands):

		Fair Value Measurements Using				
Rating (I) June 30, 2022	% of Portfolio	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	June 30, 2022	
						County treasurer investments
						Investments by fair value level
AA+/Aaa	26.06%	$ 3,010,849	$ -	$ -	$ 3,010,849	U.S. treasuries
AA+/Aaa	29.65%	-	3,425,589	-	3,425,589	Agency
AA+/Aaa	0.67%	-	77,392	-	77,392	Agency MBS
AAA/Aaa	0.45%	-	52,219	-	52,219	Non-US Gov
AA+/Aa2	1.20%	-	138,589	-	138,589	Municipal notes
	58.03%	3,010,849	3,693,789	-	6,704,638	Total County treasurer investments by fair value level
						Investments measured at amortized cost
AA/P1	20.43%	-	-	-	2,360,001	Negotiable certificates of deposit
AA/P1	12.17%	-	-	-	1,405,761	Commercial paper
AA+/Aa2	0.77%	-	-	-	88,770	Municipal notes-other
AAA/Aaa	0.82%	-	-	-	95,265	Non-US gov-other
N/A	0.81%	-	-	-	94,017	Mutual Fund-CalTRUST short-term fund
AAA/Aaa	6.97%	-	-	-	804,963	Money market mutual funds (II)
	41.97%	-	-	-	4,848,777	Total investments measured at amortized cost
	100.00%	3,010,849	3,693,789	-	11,553,415	Total County treasurer investments
						Blended component unit investments
						Investments measured at amortized cost
AAA/Aaa	37.34%	-	-	-	84,991	Money market funds
N/R	0.44%	-	-	-	1,000	Certificates of deposit
N/R	2.19%	-	-	-	4,987	U.S. treasuries
N/A	4.12%	-	-	-	9,370	Local agency investment fund
N/A	55.75%	-	-	-	126,886	Mutual funds
N/A	0.16%	-	-	-	372	Investment agreements
	100.00%	-	-	-	227,606	Total blended component unit investments measured at amortized cost
	100.00%	-	-	-	227,606	Total blended component unit investments
		$ 3,010,849	$ 3,693,789	$ -	$ 11,781,021	Total investments

(I) Investment ratings are from Standard and Poor's (S&P) and Moody's Investor Service (Moody's).
(II) Government Code requires money market mutual funds to be rated.
N/A — Not Applicable
N/R — Not Required

The County and its component units categorize their fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 — Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the County has the ability to access.

Level 2 — Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 — Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the County's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the County's own data.

NOTE 5 – RESTRICTED CASH AND INVESTMENTS

The amount of assets restricted by legal and contractual requirements at June 30, 2022, is as follows (In thousands):

Governmental Activities		
General Fund		$ 691,979
Flood Control		3,297
Teeter Debt Service		36,306
ARP Act Coronavirus Relief		427,244
Other Governmental Funds		
CORAL	3,161	
Infrastructure Financing Authority	6,085	
Inland Empire Tobacco Securitization	12,142	
Pension Obligation	18,846	
Total Other Governmental Funds		40,234
Total Governmental Activities		**1,199,060**
Business-type Activities		
Riverside University Health Systems - Medical Center		
Local Agency Investment Fund	9,370	
Restricted Cash and Other Investments	13,908	
Total Riverside University Health Systems - Medical Center		23,278
Waste Resources		81,504
Housing Authority		7,213
Flood Control		6,703
Total Business-type Activities		**118,698**
Total Restricted Cash and Investments		**$ 1,317,758**

NOTE 6 – RECEIVABLES

Receivables at year-end of major individual funds, nonmajor funds, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows (In thousands):

Governmental activities:	Accounts	Interest	Taxes	Due From Other Govts	Total Governmental Activities
General Fund	$ 11,195	$ 4,582	$ 8,101	$ 404,617	$ 428,495
Transportation	627	267	27	20,161	21,082
Flood Control	45	515	869	34	1,463
Teeter Debt Service	692	41	58,578	-	59,311
CARES Act Coronavirus Relief	-	-	-	-	-
ARP Act Coronavirus Relief	-	486	-	-	486
Other Governmental Funds	3,587	551	1,133	24,552	29,823
Internal Service Funds	2,808	669	-	1,291	4,768
Total receivables	$ 18,954	$ 7,111	$ 68,708	$ 450,655	$ 545,428

Business-type activities:	Accounts	Interest	Taxes	Loans	Due From Other Govts	Allowance for Uncollectibles	Business-type Activities
Riverside University Health Systems - Medical Center	$ 563,169	$ -	$ -	$ -	$ 258,746	$ (512,344)	$ 309,571
Waste Resources	7,895	385	-	-	109	-	8,389
Housing Authority	2,521	-	-	100,399	-	(301)	102,619
Other	1,298	27	6	-	14,113	-	15,444
Total receivables	$ 574,883	$ 412	$ 6	$ 100,399	$ 272,968	$ (512,645)	$ 436,023

NOTE 7 – INTERFUND TRANSACTIONS

(a) Interfund Receivables/Payables

The composition of interfund balances as of June 30, 2022 is as follows (In thousands):

Due to/from other funds :

	Receivable Fund				
Payable Fund	General Fund	Teeter Debt Service	Internal Service Funds	Total Payable	
General Fund					General Fund
Delinquent property tax	$ -	$ 299	$ -	$ 299	Delinquent property tax
Total General Fund				299	**Total General Fund**
Transportation					Transportation
Interfund activity	121	-	-	121	Interfund activity
Total Transportation				121	**Total Transportation**
Flood Control					Flood Control
Interfund activity	-	-	23	23	Interfund activity
Total Flood Control				23	**Total Flood Control**
Teeter Debt Service					Teeter Debt Service
Interfund activity	8,201	-	-	8,201	Interfund activity
Total Teeter Debt Service				8,201	**Total Teeter Debt Service**
Other Governmental Funds					Other Governmental Funds
Interfund activity	7	-	-	7	Interfund activity
Total Other Governmental Funds				7	**Total Other Governmental Funds**
Other Enterprise Funds					Other Enterprise Funds
Interfund activity	1	-	-	1	Interfund activity
Total Other Enterprise Funds				1	**Total Other Enterprise Funds**
Internal Service Funds					Internal Service Funds
Interfund activity	50	-	2	52	Interfund activity
Total Internal Service Funds				52	**Total Internal Service Funds**
Total Receivable	$ 8,380	$ 299	$ 25	$ 8,704	**Total Receivable**

These interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, and (2) payments between funds are made.

Advances to/from other funds:

The General Fund advanced $3.3 million to the Economic Development Agency for the internal service fund start up costs.

The General Fund advanced the Housing Authority $1.5 million to pay off the principal and interest on predevelopment loans.

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NOTE 7 – INTERFUND TRANSACTIONS (Continued)

Transfers

(b) Between Funds within the Governmental Activities:[1]

Transfer Out	Transfers In: General Fund	Transportation	Teeter Debt Service	Other Governmental Funds
General Fund				
*To finance capital projects	$ -	$ -	$ -	$ 32,889
*For debt service payments	-	-	762	28,281
*Operating contribution	10,133	-	-	12,992
*For professional services	550	-	-	4,668
*To fund pension obligation	-	-	-	65,345
Total General Fund				
Transportation				
*To finance capital projects	-	-	-	668
*For debt service payments	-	-	-	184
*Operating contribution	-	-	-	6,449
*For professional services	-	-	-	6,501
*To fund pension obligation	-	-	-	2,381
Total Transportation				
Flood Control				
*For debt service payments	-	-	-	2,824
*For professional services	-	-	-	2
*To fund pension obligation	-	-	-	2
Total Flood Control				
CARES Act Coronavirus Relief				
*For professional services	5	-	-	-
*Operating contribution	10,154	-	-	-
*To fund pension obligation	-	-	-	1
Total CARES Act Coronavirus Relief				
ARP Act Coronavirus Relief				
*For professional services	-	-	-	55
*Operating contribution	5,338	-	-	3,250
*To fund pension obligation	-	-	-	1
Total ARP Act Coronavirus Relief				
Other Governmental Funds				
*To finance capital projects	2,685	4,841	-	7,498
*For debt service payments	236	-	-	81,251
*For fire protection services	75,605	-	-	-
*For professional services	15,189	8,969	-	-
*Operating contribution	13,763	9,749	-	5
*To fund pension obligation	-	-	-	1,777
Total Other Governmental Funds				
Riverside University Health Systems-Medical Center				
*To fund pension obligation	-	-	-	16,005
Total Riverside University Health Systems-Medical Center				
Waste Resources				
*To fund pension obligation	-	-	-	859
Total Waste Resources				
Housing Authority				
*To fund pension obligation	-	-	-	420
Total Housing Authority				
Other Enterprise Funds				
*To fund pension obligation	-	-	-	2,462
Total Other Enterprise Funds				
Internal Service Funds				
*To fund pension obligation	-	-	-	4,215
Total Internal Service Funds				
Total transfers in	$ 133,658	$ 23,559	$ 762	$ 280,985

1) These transfers were eliminated in the consolidation, by column, for the Governmental and Business-type Activities.

NOTE 7 – INTERFUND TRANSACTIONS (Continued)

Transfers (Continued)

(b) Between Governmental and Business-type Activities:[1]

Transfers In: Riverside University Health Systems - Medical Center	Other Enterprise Funds	Internal Service Funds	Total Transfers Out	*Principal purpose for transfer
				General Fund
$ -	$ 450	$ -	$ 33,339	*To finance capital projects
11,537	-	-	40,580	*For debt service payments
8,723	500	1,753	34,101	*Operating contribution
-	-	-	5,218	*For professional services
-	-	-	65,345	*To fund pension obligation
			178,583	**Total General Fund**
				Transportation
-	-	-	668	*To finance capital projects
-	-	-	184	*For debt service payments
-	-	-	6,449	*Operating contribution
-	-	-	6,501	*For professional services
-	-	-	2,381	*To fund pension obligation
			16,183	**Total Transportation**
				Flood Control
-	-	-	2,824	*For debt service payments
-	-	-	2	*For professional services
-	-	-	2	*To fund pension obligation
			2,828	**Total Flood Control**
				CARES Act Coronavirus Relief
-	-	-	5	*For professional services
2,302	1,730	-	14,186	*Operating contribution
-	-	-	1	*To fund pension obligation
			14,192	**Total CARES Act Coronavirus Relief**
				ARP Act Coronavirus Relief
-	-	-	55	*For professional services
-	6,750	-	15,338	*Operating contribution
-	-	-	1	*To fund pension obligation
			15,394	**Total ARP Act Coronavirus Relief**
				Other Governmental Funds
-	-	-	15,024	*To finance capital projects
-	-	-	81,487	*For debt service payments
-	-	-	75,605	*For fire protection services
-	-	27	24,185	*For professional services
	279	-	23,796	*Operating contribution
-	-	-	1,777	*To fund pension obligation
			221,874	**Total Other Governmental Funds**
				Riverside University Health Systems-Medical Center
-	-	-	16,005	*To fund pension obligation
			16,005	**Total Riverside University Health Systems-Medical Center**
				Waste Resources
-	-	-	859	*To fund pension obligation
			859	**Total Waste Resources**
				Housing Authority
-	-	-	420	*To fund pension obligation
			420	**Total Housing Authority**
				Other Enterprise Funds
-	-	-	2,462	*To fund pension obligation
			2,462	**Total Other Enterprise Funds**
				Internal Service Funds
-	2	-	4,217	*To fund pension obligation
			4,217	**Total Internal Service Funds**
$ 22,562	$ 9,711	$ 1,780	$ 473,017	**Total transfers in**

NOTE 8 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, was as follows (In thousands):

	Restated Balance July 1, 2021	Additions	Deletions/ Adjustments	Transfers	Balance June 30, 2022
Governmental activities:					
Capital assets, not being depreciated:					
Land & easements	$ 605,384	$ 5,024	$ (345)	$ (7,271)	$ 602,792
Construction in progress	1,024,663	187,275	(5,316)	(642,570)	564,052
Total capital assets, not being depreciated	1,630,047	192,299	(5,661)	(649,841)	1,166,844
Capital assets, being depreciated:					
Infrastructure	3,924,434	41,431	(21,982)	213,980	4,157,863
Land improvements	110	14	-	(14)	110
Structures and improvements	1,859,127	60,909	(23,112)	435,037	2,331,961
Equipment	655,167	29,748	(49,407)	1,005	636,513
Total capital assets, being depreciated	6,438,838	132,102	(94,501)	650,008	7,126,447
Less accumulated depreciation for:					
Infrastructure	(1,934,944)	(130,522)	21,992	1,868	(2,041,606)
Land improvements	(33)	(1)	-	-	(34)
Structures and improvements	(665,761)	(63,293)	19,833	(1,915)	(711,136)
Equipment	(402,453)	(45,020)	40,924	(120)	(406,669)
Total accumulated depreciation	(3,003,191)	(238,836)	82,749	(167)	(3,159,445)
Total capital assets, being depreciated, net	3,435,647	(106,734)	(11,752)	649,841	3,967,002
Governmental activities capital assets, net	$ 5,065,694	$ 85,565	$ (17,413)	$ -	$ 5,133,846

Right-to-use leased asset activity for the year ended June 30, 2022, was as follows (In thousands):

	Balance June 30, 2021	Additions	Deletions/ Adjustments	Transfers	Balance June 30, 2022
Governmental activities:					
Right-to-use leased assets, being amortized:					
Right-to-use leased land	$ -	$ 4,776	$ -	$ -	$ 4,776
Right-to-use leased structures and improvements	-	267,799	-	-	267,799
Right-to-use leased equipment	-	905	-	-	905
Total right-to-use leased assets, being amortized	-	273,480	-	-	273,480
Less accumulated amortization for:					
Right-to-use leased land	-	(370)	-	-	(370)
Right-to-use leased structures and improvements	-	(45,301)	-	-	(45,301)
Right-to-use leased equipment	-	(149)	-	-	(149)
Total accumulated amortization	-	(45,820)	-	-	(45,820)
Total right-to-use leased assets, being amortized, net	-	227,660	-	-	227,660
Governmental activities right-to-use leased assets, net	$ -	$ 227,660	$ -	$ -	$ 227,660

NOTE 8 – CAPITAL ASSETS (Continued)

Capital asset activity for the year ended June 30, 2022, was as follows (In thousands):

	Balance June 30, 2021	Additions	Deletions/ Adjustments	Transfers	Balance June 30, 2022
Business-type activities:					
Capital assets, not being depreciated:					
Land & easements	$ 22,270	$ -	$ -	$ -	$ 22,270
Construction in progress	92,167	9,188	(1,651)	(6,747)	92,957
Service concession arrangements	8,830	-	-	-	8,830
Total capital assets, not being depreciated	123,267	9,188	(1,651)	(6,747)	124,057
Capital assets, being depreciated:					
Infrastructure	118,343	3,277	(4,114)	6,747	124,253
Land improvements	21,426	-	-	-	21,426
Structures and improvements	491,414	9,381	-	-	500,795
Equipment	250,667	15,294	(3,712)	8	262,257
Total capital assets, being depreciated	881,850	27,952	(7,826)	6,755	908,731
Less accumulated depreciation for:					
Infrastructure	(70,031)	(4,574)	1,546	-	(73,059)
Land improvements	(16,934)	(655)	-	-	(17,589)
Structures and improvements	(165,755)	(9,935)	-	-	(175,690)
Equipment	(186,547)	(24,215)	3,633	(8)	(207,137)
Total accumulated depreciation	(439,267)	(39,379)	5,179	(8)	(473,475)
Total capital assets, being depreciated, net	442,583	(11,427)	(2,647)	6,747	435,256
Business-type activities capital assets, net	$ 565,850	$ (2,239)	$ (4,298)	$ -	$ 559,313

Depreciation/Amortization

Depreciation/amortization expense was charged to governmental functions as follows (In thousands):

General government	$ 63,578
Public protection	17,463
Health and sanitation	1,127
Public assistance	38
Public ways and facilities	131,679
Recreation and cultural services	2,656
Education	7,733
Depreciation/amortization on capital assets held by the County's internal service funds is charged to the various functions based on their use of the assets	60,382
Total depreciation/amortization expense – governmental functions	$ 284,656

NOTE 8 – CAPITAL ASSETS (Continued)

Depreciation expense was charged to business-type functions as follows (In thousands):

RUHS-Medical Center	$ 24,035
Waste Resources	8,933
Aviation	127
Housing Authority	1,172
RUHS-CHC	5,096
Flood Control	8
County Service Areas	8
Total depreciation expense – business-type functions	$ 39,379

Financed Purchases

Leased property under financed purchases by major class (In thousands):

	Governmental Activities	Business-type Activities
Structures and improvements	$ 61,120	$ 190,733
Equipment	149,353	43,985
Less: Accumulated amortization	(73,959)	(43,684)
Total leased property, net	$ 136,514	$ 191,034

Discretely Presented Component Unit

Activity for the Riverside County Children and Families Commission for the year ended June 30, 2022, was as follows (In thousands):

	Balance June 30, 2021	Additions	Deletions/ Adjustments	Transfers	Balance June 30, 2022
Capital assets, not being depreciated:					
Land	$ 373	$ -	$ -	$ -	$ 373
Total capital assets, not being depreciated	373	-	-	-	373
Capital assets, being depreciated					
Building and improvements	1,898	-	-	-	1,898
Machinery and equipment	90	-	-	-	90
Total capital assets, being depreciated	1,988	-	-	-	1,988
Less accumulated depreciation for:					
Building and improvements	(383)	(54)	-	-	(437)
Machinery and equipment	(81)	(3)	-	-	(84)
Total accumulated depreciation	(464)	(57)	-	-	(521)
Total capital assets, being depreciated, net	1,524	(57)	-	-	1,467
Total capital assets, net	$ 1,897	$ (57)	$ -	$ -	$ 1,840

NOTE 9 – SERVICE CONCESSION ARRANGEMENTS (SCA)

GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements (SCA)*, defines an SCA as a type of public-private or public-public partnership. As used in GASB Statement No. 60, an SCA is an arrangement between a government (the transferor) and an operator in which all of the following criteria are met:

a) The transferor conveys to the operator the right and related obligation to provide public service through the use and operation of a capital asset (referred to in the statement as a "facility") in exchange for significant consideration, such as an up-front payment, installment payments, a new facility, or improvements to an existing facility.
b) The operator collects and is compensated by fees from third parties.
c) The transferor determines or has the ability to modify or approve what services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services.

The County has determined that the following arrangements meet the criteria set forth above (where the County is the transferor) and therefore included these SCAs in the County's financial statements. GASB Statement No. 60 also provides guidance on accounting treatment if the County were acting as an operator of another government's facility. The County has determined that there are no incidences where the County would qualify as such an operator.

McIntyre Park Campground
On October 15, 1985, and as later amended, the Park District (the Park) entered into an agreement with California East Coast, Inc. (the "Company"), under which the Company will operate and collect user fees from a campground, camp store, boat launch and recovery ramp, day-use area and marina fuel station through a lease with the Park at McIntyre County Park through the year 2047. The Company will pay the Park between 10.0% and 17.0% of the revenues it earns from the operation of the campground. The Company is required to operate and maintain the campground in accordance with the Lease Contract. The Park reports the campground as a capital asset with a carrying amount of $51.6 thousand at year-end. The Park has received no upfront payments or installment payments that are required to be reported as a deferred inflow of resources on the financial statements. The Park also has no contractual obligations to sacrifice financial resources that meet the criteria to be recognized as a liability.

Cove RV Resort
On or about January 1, 1970, and as later amended, the County and later the Park entered into an agreement with Cavan Inc. The lease was assigned to J&W Enterprises, then to Alpine Capital LLC, then Reynolds Riviera Resorts, and lastly to The Cove RV Resort (the "Company") as of December 2016. Under the terms of the agreement, the Company is permitted to engage in the operation of a travel trailer park, rental of spaces in the park, food service operations including a grocery store, boat launching ramp, and other associated camping functions through June 2044. The Company will pay the Park the greater of $833 or 7.0% of gross receipts earned from operation of the RV Park. The Park reports the RV Park as a capital asset with a carrying amount of $192.3 thousand at year-end. The Park has received no upfront payments or installment payments that are required to be reported as a deferred inflow of resources on the financial statements. The Park also has no contractual obligations to sacrifice financial resources that meet the criteria to be recognized as a liability.

Lake Skinner Recreation Area
On November 1, 2007, the Park entered into an agreement with Pyramid Enterprise, Inc. d.b.a. Rocky Mountain Recreation Company of Piru, California (the "Company") to sublease its rights to Lake Skinner Recreation Area Concessionaire. Under the provisions of the agreement, the Company is permitted to engage in the operation of a marina, camp store, cafe, parking lots, laundry facility, fueling station, and bike shop. The monthly payment from the Company to the Park will be the greater of the combination of 7.0% of all retail gross sales, 9.0% of all rental gross sales, and 2.0% of all fuel gross sales or $2.5 thousand. The Park has received no upfront payments or installment payments that are required to be reported as a deferred inflow of resources on the financial statements. The Park also has no contractual obligations to sacrifice financial resources that meet the criteria to be recognized as a liability. The term of the agreement is 10 years, renewable in 5 year increments.

NOTE 9 – SERVICE CONCESSION ARRANGEMENTS (SCA) (Continued)

Gopher Hole Camp Store
On February 7, 2018, the Park entered into an agreement with Pyramid Enterprises, Inc. d.b.a. Rocky Mountain Recreation Company of Piru, California (the "Company") to lease the Rancho Jurupa Regional Park Gopher Hole camp store. Under the provisions of the agreement, the Company is permitted to engage in the operation of the store, office, storage 107, and storage 102. The Company will pay the Park ten percent of gross receipts earned from operation of the store each month. All remaining areas will remain under the control and responsibility of the Park. The term of the agreement is 3 years, with the option to renew 2 more years.

Edom Hill Transfer Station
On November 2, 2002, the Department of Waste Resources entered into a 30-year agreement with Burrtec Recovery and Transfer LLC (Burrtec), under which Burrtec has the rights to construct the Edom Hill Transfer Station in order to serve the traditional users/waste-shed of the closed Edom Hill Landfill and operate the transfer station.

Cove Waterpark and Dropzone Waterpark
On April 18, 2017, the Economic Development Agency (the Agency) entered into a 5-year agreement with Standguard Aquatics, Inc., a Georgia Corporation (the "Company") to operate and maintain the Cove Waterpark and the Dropzone Waterpark (the "Waterparks") in a clean, safe and good condition. The Waterparks are to be operated as paid recreational and competitive use facilities with food and beverage and other concessions as provided by the Agency. The Company shall pay the Agency a quarterly percentage rent. The percentage rent shall be calculated by multiplying the gross revenues from the Waterparks for the applicable quarterly period by a factor of 10.0%. The Agency has received no upfront payments or installment payments that are required to be reported as a deferred inflow of resources on the financial statements. The Agency also has no contractual obligations to sacrifice financial resources that meet the criteria to be recognized as a liability. The term of the agreement is 5 years, renewable in one 5 year extension.

A summary of the important details and capital assets pertaining to the SCAs are described below (In thousands).

	Date SCA Entered Into	Term of SCA	Expiration of SCA	Revenue Sharing	Minimum Rent Payment (per month)
McIntyre Park Campground	10/15/1985	62 years	10/15/2047	Between 10.0% and 17.0% of the revenues it earns from the operation of the campground.	$ -
Cove RV Resort	01/01/1970	74 years	06/30/2044	Greater of $833 or 7.0% of gross receipts earned from operation of the RV park.	-
Lake Skinner Recreation Area	11/01/2007	15 years	10/31/2022	Greater of the combination of 7.0% of all retail gross sales, 9.0% of all rental gross sales, and 2.0% of all fuel gross sales or $2.5 thousand.	-
Gopher Hole Camp Store	02/07/2018	5 years	02/07/2023	10.0% of monthly gross revenues from the operation of the store.	-
Edom Hill Transfer Station	11/02/2002	30 years	11/02/2032	Service Fee ranging from $4.41 to $4.13 per ton, Disposal fee of $23.00 per ton, and City Mitigation Fee of $1 per ton for all incoming solid waste.	-
Cove and Dropzone Waterparks	04/18/2017	5 years	05/18/2027	10.0% of the quarterly gross revenues from the operation of the waterparks.	-
					$ -

NOTE 9 – SERVICE CONCESSION ARRANGEMENTS (SCA) (Continued)

Capital assets balance for the SCAs for the fiscal year ended June 30, 2022, and over the terms of the agreements are as follows (In thousands):

	Land, Structures, & Structure Improvements
McIntyre Park Campground	$ 52
Cove RV Resort	192
Lake Skinner Recreation Area	-
Gopher Hole Camp Store	-
Edom Hill Transfer Station	8,830
Cove and Dropzone Waterparks	42,567
	$ 51,641

The deferred inflows of resources activity for the SCA for the year ended June 30, 2022 are as follows (In thousands):

SCA Capital Assets	Balance July 1, 2021	Additions/ Restatements	Amortization[1]	Balance June 30, 2022
McIntyre Park Campground[2]	$ -	$ -	$ -	$ -
Cove RV Resort[2]	-	-	-	-
Lake Skinner Recreation Area[2]	-	-	-	-
Gopher Hole Camp Store[2]	-	-	-	-
Edom Hill Transfer Station	4,922	-	(434)	4,488
Cove and Dropzone Waterparks[2]	-	-	-	-
Total deferred inflows	$ 4,922	$ -	$ (434)	$ 4,488

[1] Amortization calculated using the straight-line method for the term of the agreement for the SCA.

[2] No upfront payments received or installment payments that are required to be reported as a deferred inflow of resources.

NOTE 10 - LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS

State and federal laws and regulations require Waste Resources to place a final cover on all active landfills when closed and to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. Waste Resources will recognize the remaining estimated cost of $9.0 million as the remaining estimated capacity of 13.1 million tons is filled. Waste Resources expects all currently permitted landfill capacities to be filled by 2107. The total estimated closure liability of $25.1 million and post-closure care costs of $53.0 million is based on what it would cost to perform all closure and post-closure care costs at present value. Actual costs may be different due to inflation, changes in technology, or changes in regulations.

In addition to the liability amounts calculated per the California Department of Resources, Recycling, and Recovery (CalRecycle) regulations that are designated to the Escrow Funds, Waste Resources is also responsible for the post-closure care costs related to twenty-six (26) other landfill sites that have been inactive or closed since before 1988. Liability for these sites fluctuates dependent on the needs of each site and changes to, or the implementation of, laws and regulations. As of June 30, 2022, the post-closure liability is estimated at $35.7 million.

Cumulative expenses, percentage of landfill capacity used to date, outstanding recognized liability, and the estimated remaining landfill life by operating landfill are as follows (In thousands):

Facility Name (City)	Total Estimate	Capacity Used as of June 30, 2022	Outstanding Recognized Liability	Estimated Years Remaining
Badlands (Moreno Valley)	$ 11,372	81.4%	$ 9,290	1
Blythe (Blythe)	5,498	36.5%	2,066	26
Edom Hill (Cathedral City)	6,119	100.0%	6,119	0
Lamb Canyon (Beaumont)	8,560	62.4%	5,479	8
Desert Center (Desert Center)	475	59.1%	281	86
Mecca II (Mecca)	1,075	98.8%	1,062	0
Oasis (Oasis)	933	85.0%	795	24
Total Closure Estimate	$ 34,032		$ 25,092	

NOTE 10 - LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS (Continued)

Post-Closure Escrow Fund Landfill Sites

Facility Name (City)	Estimated Liability	
Badlands (Moreno Valley)	$	9,888
Blythe (Blythe)		2,811
Coachella (Coachella)		2,742
Double Butte (Winchester)		6,959
Edom Hill (Cathedral City)		4,124
Highgrove (Riverside)		4,670
Lamb Canyon (Beaumont)		10,643
Mead Valley (Perris)		3,747
Anza (Anza)		2,833
Desert Center (Desert Center)		1,367
Mecca II (Mecca)		1,688
Oasis (Oasis)		1,508
Total Post-Closure Estimate	$	52,980

Waste Resources is required by state and federal laws and regulations to make annual contributions to a trust fund to finance closure and post-closure care. Title 27 of the California Code of Regulations (CCR) requires solid waste landfill operators to demonstrate the availability of financial resources to conduct closure and post-closure maintenance activities. Waste Resources expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional closure and post-closure requirements are determined (due to changes in technology or applicable laws or regulations), these costs may need to be covered by charges to future landfill users.

In accordance with Sections 22228 and 22245 of the CCR, the County has implemented Pledge of Revenue agreements between the County and the California Department of Resources, Recycling and Recovery (CalRecycle) for the six active landfills and the six closed landfills to demonstrate financial responsibility for post-closure maintenance costs. Waste Resources has determined that the projected net revenues, after current operating costs, from tipping fees during the 30-year period of post-closure care maintenance will, during each year of this period, be greater than the yearly monitoring and post-closure care maintenance costs for each landfill. It is agreed that the amount of these Pledge of Revenue agreements may increase or decrease to match any adjustments to the identified cost estimates, which is mutually agreed to by Waste Resources and CalRecycle.

NOTE 11 – ADVANCES FROM GRANTORS AND THIRD PARTIES

Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when earned. Therefore, the government-wide statement of net position as well as governmental and enterprise funds defer revenue recognition in connection with resources that have been received as of year-end, but not yet earned. Assets recognized in connection with a transaction before the earnings process is complete are offset by a corresponding liability for advances from grantors and third parties.

The balance as of June 30, 2022, of advances from grantors and third parties is as follows (In thousands):

	Balance June 30, 2022
Government-wide advances from grantors and third parties:	
Governmental activities:	
Advances from grantors and third parties	$ 1,051,921
Total governmental activities	$ 1,051,921
Total government-wide advances from grantors and third parties	$ 1,051,921
Governmental funds advances from grantors and third parties:	
General Fund:	
Advances for election services	$ 1
Advances for planning and engineering services	654
Advances on state and federal grants for fire protection services	266
Advances on state and federal grants for mental health services	253,696
Advances on state and federal grants for sheriff services	17,009
Advances on state funding for social services	167,839
Advances on state grants and other third party advances for animal services	824
Advances on state grants and other federal grants for environmental health services	2,009
Advances on state grants and third party advances for emergency management services	1,064
Advances on state grants and third party advances for public health services	28,287
Advances on state grants for district attorney services	6,380
Advances on state grants for probation services	40,253
Advances on state grants for public defender services	1,543
Other advances	58
State funding for reimbursing the repeal of various criminal fees	3,844
Total general fund	523,727
Transportation Special Revenue Fund:	
Developer fees	24,406
Advances from developers for road and construction projects	3,984
Survey fees	940
Total transportation special revenue fund	29,330
Flood Control Special Revenue Fund:	
Advances for flood control projects	500
Total flood control special revenue fund	500
ARP Act Coronavirus Relief Fund:	
Advances from the federal government for COVID-19 related expenditures	426,655
Total ARP act coronavirus relief fund	426,655
Other Governmental Funds:	
Advances on state grant for homeless housing relief programs	66,381
Advances on state grants and third party advances for emergency management services	11
Advances for facility renewal projects	1,011
Camping and recreation fees	775
Advances on state funding for social services	3,273
Developer impact fees	258
Total other governmental funds	71,709
Total governmental funds advances from grantors and third parties	$ 1,051,921
Discretely presented component unit	
Advances from grantor:	
Advances from the federal government for COVID-19 related expenditures	$ 9,218
Total discretely presented component unit advances from grantor	$ 9,218

NOTE 12 – LEASES

County as Lessor

The County leases its facilities to private and corporate companies and aircraft users for office space, airport hangar and land leases. The lease terms are two to fifty years including the noncancelable period of the lease and extensions the County is reasonably certain to exercise and vary with each contract. The agreements allow for 2.0% – 4.0% annual increases to the lease payments on the anniversary of the agreement. During the fiscal year, the County recognized $7.6 million in lease revenue and $1.5 million in interest income related to these agreements. At June 30, 2022, the County recorded $102.8 million in lease receivables for these arrangements. Also, the County has a deferred inflows of resources associated with these leases that will be recognized as revenue over the lease terms. As of June 30, 2022, the balance of deferred inflows of resources was $102.6 million.

A summary of lease receivable for year ended June 30, 2022, was as follows:

	Balance at June 30, 2021	Addition	Payments	Balance at June 30, 2022
Governmental activities:				
Lease receivable				
Building	$ -	$ 63,787	$ (5,693)	$ 58,094
Land	-	4,113	(183)	3,930
Governmental activities total	$ -	$ 67,900	$ (5,876)	$ 62,024
Business-type activities:				
Lease receivable				
Building	$ -	$ 350	$ (56)	$ 294
Land	-	42,084	(1,650)	40,434
Business-type activities total	$ -	$ 42,434	$ (1,706)	$ 40,728

Remaining amounts to be received associated with these leases are as follows:

Fiscal Year Ended June 30	Governmental Activities	Business-type Activities	Total
2023	$ 6,578	$ 1,703	$ 8,281
2024	5,544	1,805	7,349
2025	4,754	1,902	6,656
2026	4,822	1,996	6,818
2027	4,822	1,990	6,812
2028-2032	19,422	11,118	30,540
2033-2037	15,709	8,420	24,129
2038-2042	174	5,348	5,522
2043-2047	199	2,678	2,877
2048-2052	-	1,432	1,432
2053-2057	-	434	434
2058-2062	-	504	504
2063-2067	-	583	583
2068-2072	-	670	670
2073-2077	-	145	145
Total:	$ 62,024	$ 40,728	$ 102,752

NOTE 12 – LEASES (Continued)

County as Lessee

The County entered into noncancelable leases with various third parties. Current lease activities include the right-to-use office space, land lease, vehicles, voting machine and other equipment. For contracts with variable payments, the County pays a monthly base fee and variable costs based on index or Consumer Price Index (CPI) rate. The County is required to make principal and interest payments through July 2058. The lease agreements have interest rates between 0.12% and 3.43% based on the borrowing rate specified in the contract. For leases without interest rate specified in the contract, the federal reserve prime rate is used for machinery and equipment, and IRS implicit rates or applicable federal rates for office space and land leases. The County also paid operating expenses which are not included in the measurement of the lease liability as they are variable in nature. The County paid $3.5 million during the year toward those variable costs. At June 30, 2022, the County has recognized a lease liability of $232.3 million. Refer to Note 8, Capital Assets for information related to the Right-to-Use assets accounted for through these leases. During the fiscal year, the County recorded $41.2 million in amortization expense and $3.2 million in interest expense for these arrangements.

At June 30, 2022, the County recognized the following lease payables by asset category:

	Balance June 30, 2021	Addition	Payments	Balance June 30, 2022	Amounts Due Within One Year
Governmental activities:					
Lease payable					
Structure and Improvement	$ -	$ 267,799	$ (40,753)	$ 227,046	$ 41,010
Equipment	-	905	(161)	744	140
Land	-	4,775	(260)	4,515	270
Total lease payable	$ -	$ 273,479	$ (41,174)	$ 232,305	$ 41,420

Remaining principal and interest payments on leases are as follows:

	Governmental Activities		
Year Ending June 30	Principal	Interest	Total Payment
2023	$ 41,420	$ 3,175	$ 44,595
2024	37,309	2,787	40,096
2025	29,948	2,398	32,346
2026	23,846	2,054	25,900
2027	19,146	1,755	20,901
2028-2032	41,277	5,869	47,146
2033-2037	13,769	3,310	17,079
2038-2042	10,315	2,006	12,321
2043-2047	7,595	1,199	8,794
2048-2052	7,539	341	7,880
2053-2057	94	11	105
2058-2062	47	2	49
Total	$ 232,305	$ 24,907	$ 257,212

NOTE 13 – SHORT-TERM DEBT

Tax and Revenue Anticipation Notes (TRANs)

On July 1, 2021, the County issued $340.0 million of tax exempt Tax and Revenue Anticipation Notes (TRANs), which was paid by June 30, 2022. The notes were issued with a yield rate of 0.070% and a stated interest rate of 2.0%. This was to provide needed cash to cover the projected intra-period cash-flow deficits of the County's General Fund during the fiscal year July 1 through June 30.

Tax-Exempt Notes (Teeter)

In December 1993, the County adopted the Teeter Plan, the alternative method for the distribution of secured property taxes and other assessments. In order to fulfill the requirements of the plan, the County obtained cash for the "buyout" of delinquent secured property taxes and the annual advance of current unpaid taxes to all entities that elected to participate in the Teeter Plan. The current financing takes place through the sale of Tax-Exempt One Year Fixed Rate Notes (Teeter Notes). During fiscal year 2021-22, the County retired $99.8 million and issued $87.7 million 2021 Series A Teeter obligation notes (tax-exempt) which includes a premium of $305.0 thousand, leaving an outstanding balance of $87.7 million at June 30, 2022.

Short-term debt activity for the year ended June 30, 2022, was as follows (In thousands):

	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022
TRANs	$ -	$ 340,000	$ (340,000)	$ -
Teeter notes	99,798	87,715	(99,798)	87,715
Total	$ 99,798	$ 427,715	$ (439,798)	$ 87,715

NOTE 14 – LONG-TERM OBLIGATIONS

Long-term obligations of the County consist of financed purchases obligations, bonds, notes, and other liabilities that are payable from the general, debt service, enterprise, and internal service funds. The calculated legal debt limit for the County is $4.16 billion.

Finance purchases for governmental funds are recorded both as capital expenditures and as other financing sources at inception in the fund financial statements, with the liability and the asset recorded in the government-wide statement of net position. Finance purchases are secured by a pledge of the leased capital asset.

See Note 8 (Capital Assets) for assets under finance purchases and related disclosure information by major asset class.

The following is a schedule by year of future minimum lease payments under finance purchases, together with the present value of the net minimum lease payments as of June 30, 2022 (In thousands):

Fiscal Year Ending June 30	Governmental Activities	Business-type Activities
2023	$ 24,733	$ 18,782
2024	19,423	18,720
2025	18,241	17,295
2026	16,028	15,880
2027	12,618	15,751
2028-2032	53,730	76,531
2033-2037	38,932	76,634
2038-2042	18,032	91,151
2043-2047	20,419	44,768
2048-2052	13,960	-
Total minimum payments	236,116	375,512
Less amount representing interest	(63,915)	(154,009)
Present value of net minimum lease payments	$ 172,201	$ 221,503

The following is a summary of governmental activities long-term liabilities transactions for the year ended June 30, 2022 (In thousands):

	Balance June 30, 2021	New Additions	Payments / Reclass	Balance June 30, 2022	Amounts Due Within One Year
Governmental activities:					
Debt long-term liabilities:					
Bonds payable, net of unamortized premium and discount	$ 1,764,922	$ 491,816	$ (552,417)	$ 1,704,321	$ 99,580
Certificates of participation, net of unamortized premium and discount	22,834	-	(9,372)	13,462	2,660
Finance purchases	120,144	74,202	(22,145)	172,201	19,232
Total debt long-term liabilities	1,907,900	566,018	(583,934)	1,889,984	121,472
Other long-term liabilities:					
Accreted interest payable	246,647	28,905	-	275,552	-
Compensated absences (a)	260,577	1,893	(2,109)	260,361	143,386
Estimated claims liabilities (b)	319,625	97,095	(84,763)	331,957	84,210
Total other long-term liabilities	826,849	127,893	(86,872)	867,870	227,596
Total governmental activities – long-term liabilities	$ 2,734,749	$ 693,911	$ (670,806)	$ 2,757,854	$ 349,068

(a) General Fund, Special Revenue Funds, and Internal Service Funds are used to liquidate the compensated absences.
(b) Internal Service Funds are used to liquidate the estimated claims liabilities.

NOTE 14 – LONG-TERM OBLIGATIONS (Continued)

The following is a summary of business-type and discretely presented component unit activities long-term liabilities transactions for the year ended June 30, 2022 (In thousands):

	Balance June 30, 2021	New Additions	Payments / Reclass	Balance June 30, 2022	Amounts Due Within One Year
Business-type activities:					
Debt long-term liabilities:					
Bonds payable, net of unamortized premium	$ 53,810	$ 22,685	$ (38,754)	$ 37,741	$ 4,770
Finance purchases	227,516	7,728	(13,741)	221,503	13,055
Total debt long-term liabilities	281,326	30,413	(52,495)	259,244	17,825
Other long-term liabilities:					
Accreted interest payable	62,857	4,926	(15,129)	52,654	1,282
Compensated absences	50,128	5,979	(190)	55,917	35,527
Other long-term liabilities (a)	19,328	-	(26)	19,302	-
Total other long-term liabilities	132,313	10,905	(15,345)	127,873	36,809
Total business-type activities – long-term liabilities	$ 413,639	$ 41,318	$ (67,840)	$ 387,117	$ 54,634

(a) For Business-type Activities under Other long-term liabilities consists of the following:
Housing Authority has five notes payable, totaling $19.3 million.

	Balance June 30, 2021	New Additions	Payments / Reclass	Balance June 30, 2022	Amounts Due Within One Year
Discretely Presented Component Unit					
Other long-term liabilities:					
Compensated absences	$ 554	$ 270	$ (177)	$ 647	$ 391
Total discretely presented component unit – long-term liabilities	$ 554	$ 270	$ (177)	$ 647	$ 391

The County has an unused line of credit in the amount of $16.3 million.

The following schedules provide details of all certificates of participation, bonds payable, and notes payable for the County that are outstanding as of June 30, 2022 (In thousands):

Type of Indebtedness	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding at June 30, 2022
Governmental activities:				
Certificates of Participation				
CORAL				
2009 Series A - Public Safety Communication and Woodcrest Library Refunding Projects	$ 45,685	Variable	2039	$ 4,855
Total CORAL	45,685			4,855
Flood Control				
Zone 4 - 2015 Negotiable Promissory Note	21,000	2.00% - 5.00%	2025	8,607
Total Flood Control	21,000			8,607
Total certificates of participations	$ 66,685			$ 13,462

NOTE 14 – LONG-TERM OBLIGATIONS (Continued)

Type of Indebtedness	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding at June 30, 2022
Bonds payable				
CORAL				
2019 Taxable Lease Revenue Refunding, Series A	$ 12,875	1.87% - 3.12%	2043	$ 12,070
Total CORAL	12,875			12,070
Taxable Pension Obligation Bonds				
Pension Obligation Bonds (Series 2005-A)	400,000	4.91% - 5.04%	2035	160,525
Pension Obligation Bonds (Series 2020)	719,995	2.17% - 3.17%	2038	659,535
Total Taxable Pension Obligation Bonds	1,119,995			820,060
Inland Empire Tobacco Securitization Authority				
Series 2007 C-1	$ 53,542	6.63%	2036	$ 53,542
Series 2007 C-2	29,653	6.75%	2045	29,653
Series 2007 D	23,458	7.00%	2057	23,457
Series 2007 E	18,948	7.63%	2057	18,949
Series 2007 F	27,076	8.00%	2057	27,076
Series 2019	100,000	3.68%	2028	70,960
Total Inland Empire Tobacco Securitization Authority	252,677			223,637
Riverside County Infrastructure Financing Authority				
Series 2015 A	72,825	2.00% - 5.00%	2038	59,915
Series 2016 A	36,740	2.00% - 4.00%	2032	32,559
Series 2017 A	46,970	3.00% - 4.00%	2045	44,643
Series 2017 B	11,595	3.00% - 5.00%	2038	10,408
Series 2017 C	10,610	3.13% - 5.00%	2047	10,214
Series 2021 A	59,090	5.00%	2033	72,790
Series 2021 B	418,025	0.40% - 3.27%	2046	418,025
Total Riverside Infrastructure Financing Authority	655,855			648,554
Total bonds payable	$ 2,041,402			$ 1,704,321
Total governmental activities	$ 2,108,087			$ 1,717,783
Business-Type Activities:				
Bonds payable				
Riverside University Health Systems - Medical Center (RUHS-MC)				
1997 A Serial Capital Appreciation Bonds (net of future capital appreciation of $130.5 million)	$ 41,170	5.70% - 6.01%	2026	$ 15,102
Series 2021 B	22,685	0.40% - 1.98%	2029	22,639
Total RUHS-MC	63,855			37,741
Total bonds payable	$ 63,855			$ 37,741
Total business-type activities	$ 63,855			$ 37,741

NOTE 14 – LONG-TERM OBLIGATIONS (Continued)

As of June 30, 2022, annual debt service requirements of governmental activities to maturity are as follows (In thousands):

Governmental	Bonds Payable		Certificates of Participation	
Fiscal Year Ending June 30	Principal	Interest	Principal	Interest
2023	$ 99,580	$ 53,018	$ 2,660	$ 513
2024	106,940	49,373	2,795	378
2025	97,505	45,788	2,935	241
2026	82,255	42,671	190	170
2027	87,240	40,233	200	162
2028 - 2032	495,755	155,660	1,185	678
2033 - 2037	334,572	78,125	1,580	404
2038 - 2042	184,115	29,361	1,190	73
2043 - 2047	121,083	9,167	-	-
2048 - 2052	-	-	-	-
2053 - 2057	69,482	4,671	-	-
Total requirements	1,678,527	508,067	12,735	2,619
Bond discount/premium, net	25,794	-	727	-
Total	$ 1,704,321	$ 508,067	$ 13,462	$ 2,619

As of June 30, 2022, annual debt service requirements of business-type activities unit to maturity are as follows (In thousands):

Business-type	Bonds Payable		Other Long-term Liabilities	
Fiscal Year Ending June 30	Principal	Interest	Principal	Interest
2023	$ 4,770	$ 15,772	$ -	$ -
2024	4,538	16,016	2,028	-
2025	4,315	16,234	-	-
2026	4,115	16,437	-	-
2027	675	368	-	-
2028 - 2032	19,374	376	6,795	-
2033 - 2037	-	-	525	-
2038 - 2042	-	-	-	-
2043 - 2047	-	-	-	-
2048 - 2052	-	-	-	-
2053 - 2057	-	-	-	-
2058 - 2062	-	-	-	-
2063 - 2067	-	-	-	-
2068 - 2072	-	-	3,704	-
2073 - 2077	-	-	-	-
2078 - 2082	-	-	6,250	-
Total requirements	37,787	65,203	19,302	-
Bond discount/premium, net	(46)	-	-	-
Total	$ 37,741	$ 65,203	$ 19,302	$ -

NOTE 14 – LONG-TERM OBLIGATIONS (Continued)

Accreted Interest Payable

The following is a summary of the changes in accreted interest payable for the year ended June 30, 2022 (In thousands):

	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022
Governmental Activities:				
Bonds:				
Inland Empire Tobacco Securitization Authority	$ 246,647	$ 28,905	$ -	$ 275,552
Total governmental-type activities	$ 246,647	$ 28,905	$ -	$ 275,552
Business-type Activities:				
Lease Revenue Bonds:				
Riverside University Health Systems - Medical Center (1997A Hosp)	$ 62,857	$ 4,926	$ (15,129)	$ 52,654
Total business-type activities	$ 62,857	$ 4,926	$ (15,129)	$ 52,654

The accreted interest payable balances at June 30, 2022, represent accreted interest on the 2007 Inland Empire Tobacco Securitization Authority Bonds and the 1997 A Hospital Serial Capital Appreciation Bonds. The original issues were $294.1 million for the 2007 Inland Empire Tobacco Securitization Authority Bonds and $41.2 million for the 1997 A Hospital Serial Capital Appreciation Bonds. The total accreted value on the bonds upon maturity will be $171.6 million for the 1997 A Hospital Serial Capital Appreciation Bonds and $3.47 billion for the 2007 Inland Empire Tobacco Securitization Authority Bonds. The County is under no obligation to make payments of accreted value or redemption premiums, if any, or interest on the Series 2007 Bonds. The increases of $28.9 million and $4.9 million represent current year's accretion for governmental activities and business-type activities, respectively.

The accumulated accretion for business-type activities was $52.7 million at June 30, 2022. The accumulated accretion for the Inland Empire Tobacco Securitization Authority in governmental activities was $275.6 million. The un-accreted balances at June 30, 2022 are $10.3 million for the 1997-A Hospital RUHS-MC project and $3.19 billion for the Inland Empire Tobacco Securitization Authority Bonds.

Bonds, Certificate of Participation/Refunding

In September 2021, the Infrastructure Financing Authority issued 2021 Series A & B lease revenue refunding bonds for $59.1 million and $440.7 million, respectively. The bonds were issued to: (i) refund, through redemption or defeasance as applicable, all of the outstanding (a) County of Riverside Asset Leasing Corporation Variable Rate Demand Leasehold Revenue Refunding Bonds, Series 2008A (Southwest Justice Center Refunding), (b) County of Riverside Asset Leasing Corporation Lease Revenue Bonds (2012 County Administrative Center Refunding Project), (c) County of Riverside Asset Leasing Corporation Lease Revenue Bonds, 2012 Series A (County of Riverside Capital Projects), (d) Riverside County Public Financing Authority Lease Revenue Refunding Bonds (County Facilities Projects), Series 2012, (e) County of Riverside Asset Leasing Corporation Lease Revenue Bonds, Series 2013A (Public Defender/Probation Building and Riverside County Technology Solutions Center Projects), (f) County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014A, and (g) Riverside County Public Financing Authority Lease Revenue Bonds (Capital Facilities Project), Series 2015, (ii) pay the termination fee associated with an interest rate hedge agreement related to the Series 2008A (Southwest Justice Center Refunding) Bonds, (iii) pay the cost of issuance in connection with the issuance of the Bonds, and (iv) fund a property conveyance fund. The reacquisition price exceeded the net carrying amount of the old debt by $18.5 million. This amount will be netted against the new debt and amortized over the new debt life. The transaction resulted in an economic gain of $32.1 million and a decrease of $67.7 million in future debt service payments.

NOTE 14 – LONG-TERM OBLIGATIONS (Continued)

Defeasance of Debt

In December 2009, CORAL issued $24.7 million of certificates of participation (2009 Larson Justice Center Project Refunding Certificate of Participation) to provide funds to refund and prepay the certificates of participation relating to the 1998 Larson Justice Center Project with an outstanding principal amount of $23.7 million; to fund the reserve fund; and to pay certain costs of issuance incurred in connection with this refunding. The requisition price exceeded the net carry amount of the old debt by $1.0 million. This amount is being netted against the new debt and amortized over the new debt's life. The transaction resulted in an economic gain of $3.7 million and a reduction of $1.5 million in future debt service payments.

In December 2009, CORAL also issued $45.7 million of certificates of participation (2009 Public Safety Communication and Woodcrest Library Projects Refunding Certification of Participation) to provide funds to refund and redeem the certificates of participation relating to 2007 Series B Public Safety Communication Project with an outstanding principal amount of $37.4 million; to provide funds to refund and retire the series 2006 Certificates of Participation Anticipation Note relating to Woodcrest Library Project with an outstanding principal amount of $6.0 million; to fund capitalized interest on a portion of the certificates of participation through July 1, 2012; to fund a security deposit with respect to base rental payable under the sublease; and to pay certain costs of issuance incurred in connection with this refunding. The reacquisition price exceeded the net carry amount of the old debts by $2.3 million. This amount is being netted against the new debt and amortized over the new debt's life. The transaction resulted in an economic gain of $3.3 million and an addition of $6.9 million in future debt service payments.

In February 2012, CORAL issued $33.4 million in lease revenue bonds (2012 County Administrative Center Refunding Projects) to provide funds to refund and prepay the certificates of participation relating to 2001 County Administrative Center (CAC) Annex with an outstanding principal amount of $31.4 million; to fund the reserve fund; to pay certain costs of issuance incurred in connection with this refunding; and to acquire two office buildings located in Indio, California. The requisition price exceeded the net carry amount of the old debt by $2.0 million. This amount is being netted against the new debt and amortized over the new debt's life. The transaction resulted in an economic gain of $5.0 million and a reduction of $3.6 million in future debt service payments.

In July 2012, CORAL issued $90.5 million in lease revenue bonds (2012 Series A County of Riverside Capital Projects) to provide funds to refund and prepay CORAL's Leasehold Revenue Bonds, 1997 Series B with an outstanding principal amount of $64.4 million; to provide funds ($30.0 million) for improvements to the Medical Center Campus; deposit funds into the debt service reserve fund; and pay certain costs of issuance incurred in connection with this refunding. The refunding resulted in a redemption premium of $639.4 thousand for the 1997 Series B lease revenue bonds and a net premium of $6.9 million for the 2012 Series A. The reacquisition price exceeded the net carry amount of the old debt by $26.6 million. This amount is being netted against the new debt and amortized over the new debt's life. The transaction resulted in an economic gain of $8.0 million and a reduction of $7.1 million in future debt service payments.

In June 2014, CORAL issued $18.5 million in lease revenue bonds (2014 A Court Facilities Project) to provide funds mainly to refund the 2003 A Historic Courthouse Projects, 2003 B Capital Facilities Project Refunding, and 2003 Bankruptcy Court Project (a County bond) with a total outstanding principal amount of $20.0 million; and to pay certain costs of issuance incurred in connection with this refunding. The refunding resulted in a premium of $756.0 thousand for the 2014 A and B Court Facilities Project. The reacquisition price exceeded the net carry amount of the old debt by $1.5 million. This amount is being netted against the new debt and amortized over the new debt life. The transaction resulted in an economic gain of $4.2 million and a reduction of $3.3 million in future debt service payments.

In October 2016, the Infrastructure Finance Authority issued $36.7 million in lease revenue bonds (2016 Series A) for the purpose of refunding the outstanding Riverside County Palm Desert Financing Authority Lease Revenue Bonds (County Facilities Projects) 2008 Series A, with a total outstanding principal amount of $40.4 million, to finance the acquisition, construction and installation of certain capital improvements to be owned and operated by the County,

NOTE 14 – LONG-TERM OBLIGATIONS (Continued)

Defeasance of Debt (continued)

and to pay costs incurred in connection with the issuance of the bonds. The refunding resulted in an unamortized bond premium of $5.2 million, loss on refunding of $3.8 million, and a net carry amount of $41.3 million. The reacquisition price exceeded the net carry amount of the old debt by $3.8 million. This amount is being netted against the new debt and amortized over the new debt life. The transaction resulted in an economic loss of $451 thousand and an increase of $273 thousand in future debt service payments.

In December 2017, the Infrastructure Financing Authority issued $47.0 million in lease revenue refunding bonds, 2017 Series A. The 2017 Series bond is being issued for the purpose of refunding the outstanding Riverside Community Properties Development, Inc. Lease Revenue Bonds, 2013 (Riverside County Law Building Project) and pay the costs incurred in connections with the issuance of the bonds. The reacquisition price exceeded the net carry amount of the old debt by $3.8 million. This amount is being netted against the new debt and amortized over the new debt life. The transaction resulted in an economic gain of $8.3 million and a decrease of $4.4 million in future debt service payments.

In December 2017, the Infrastructure Financing Authority also issued 2017 Series B & C lease revenue bonds (County of Riverside Capital Projects) for $11.6 million and $10.6 million, respectively. The 2017 Series B lease revenue bonds were issued to refund the outstanding Southwest Communities Financing Authority 2008 Lease Revenue Bonds Series A with a principal balance outstanding of $13.2 million. The 2017 Series C lease revenue bonds were issued to provide funds to finance the acquisition and construction of certain capital improvements to be owned and operated by the County. The reacquisition price exceeded the net carry amount of the old debt by $2.0 million. This amount is being netted against the new debt and amortized over the new debt life. The transaction resulted in an economic gain of $11.9 million and a decrease of $7.4 million in future debt service payments.

In May 2019, the Inland Empire Tobacco Securitization Authority (the Authority) issued $100.0 million of tobacco settlement asset-backed refunding bonds, Series 2019 Turbo Current Interest Bonds. The proceeds of Series 2019 Turbo Current Interest Bonds along with other available funds under the Authority, were deposited into an escrow account to refund and defease the outstanding 2007 Series A Turbo Current Interest Bonds and 2007 Series B Turbo Convertible Capital Appreciation Bonds, to fund the Debt Service Reserve Account and Debt Service Account for the Series 2019 Turbo Current Interest Bonds, and pay the cost of issuance incurred in connection with the issuance of the Series 2019 Turbo Current Interest Bonds. The bonds have an interest rate of 3.68%. The reacquisition price exceeded the net carry amount of the old debt by $3.8 million. This amount is being netted against the new debt and amortized over the new debt life. The transaction resulted in an economic gain of $6.7 million and a decrease of $22.9 million in future debt service payments.

In September 2019, CORAL issued $12.9 million in taxable lease revenue refunding bonds, Taxable Lease Revenue Refunding Bonds, 2019 Series A. The 2019 Series A Bonds are being issued for the purpose of refunding a portion of the outstanding 2013 Series A Bonds (Public Defender/Probation Building and Riverside County Technology Solutions Center Projects) and pay the cost incurred in connection with the issuance of the bonds. The transaction resulted in an economic gain of $513.0 thousand and a reduction of $2.8 million in future debt service payments.

In September 2021, the Infrastructure Financing Authority issued 2021 Series A & B lease revenue refunding bonds for $59.1 million and $440.7 million, respectively. The bonds were issued to: (i) refund, through redemption or defeasance as applicable, all of the outstanding (a) County of Riverside Asset Leasing Corporation Variable Rate Demand Leasehold Revenue Refunding Bonds, Series 2008A (Southwest Justice Center Refunding), (b) County of Riverside Asset Leasing Corporation Lease Revenue Bonds (2012 County Administrative Center Refunding Project), (c) County of Riverside Asset Leasing Corporation Lease Revenue Bonds, 2012 Series A (County of Riverside Capital Projects), (d) Riverside County Public Financing Authority Lease Revenue Refunding Bonds (County Facilities Projects), Series 2012, (e) County of Riverside Asset Leasing Corporation Lease Revenue Bonds, Series 2013A (Public Defender/Probation Building and Riverside County Technology Solutions Center Projects), (f) County of Riverside Asset Leasing Corporation Lease Revenue Refunding Bonds (Court Facilities Project), Series 2014A, and (g) Riverside County Public Financing Authority Lease Revenue Bonds (Capital Facilities Project), Series 2015, (ii)

NOTE 14 – LONG-TERM OBLIGATIONS (Continued)

Defeasance of Debt (continued)

pay the termination fee associated with an interest rate hedge agreement related to the Series 2008A (Southwest Justice Center Refunding) Bonds, (iii) pay the cost of issuance in connection with the issuance of the Bonds, and (iv) fund a property conveyance fund. The reacquisition price exceeded the net carrying amount of the old debt by $18.5 million. This amount will be netted against the new debt and amortized over the new debt life. The transaction resulted in an economic gain of $32.1 million and a decrease of $67.7 million in future debt service payments.

Single Family and Multi-Family Mortgage Revenue Bonds

Single Family Mortgage Revenue Bonds have been issued to provide funds to purchase mortgage loans secured by first trust deeds on newly constructed single-family residences. The purpose of this program is to provide low interest rate home mortgage loans to persons who are unable to qualify for conventional mortgages at market rates. Multi-Family Mortgage Revenue Bonds are issued to provide permanent financing for apartment projects located in the County to be partially occupied by persons of low or moderate income. A total of $17.3 million of Mortgage Revenue Bonds have been issued. The number of Bonds outstanding and the aggregate principal amount payable is unknown. Neither the County nor Housing Authority has a central repository. When completely paid or called they must notify Housing Authority of this event. These bonds do not constitute an indebtedness of the County. The bonds are payable solely from payments made on and secured by a pledge of the acquired mortgage loans and certain funds and other monies held for the benefit of the bondholders pursuant to the bond indentures. In the opinion of the County officials, these bonds are not payable from any revenues or assets of the County, and neither the full faith and credit nor the taxing authority of Housing Bond Conduit Financing the County, the State, or any political subdivision thereof is obligated to the payment of the principal or interest on the bonds. Accordingly, no liability has been recorded in the basic financial statements.

Special Assessment Bonds

Various special districts in the County reporting entity have issued special assessment bonds, totaling $106.9 million at June 30, 2022, to provide financing or improvements benefiting certain property owners. Special assessment bonds consist of Community Facilities District Bonds and Assessment District Bonds. The County, including its special districts, is not liable for the payment of principal or interest on the bonds, which are obligations solely of the benefited property owners. Certain debt service transactions relating to certain special assessment bonds are accounted for in the agency funds.

The County is not obligated and does not expect to advance any available funds from the County general fund to the Community Facilities Districts or the Assessment Districts for any current or future delinquent debt service obligations. The County Special Districts continue to use all means available to bring current any delinquent special assessment taxes, including workouts, settlement agreements, and foreclosure actions when necessary.

State Appellate Court Financing

In November 1997, the Public Financing Authority of the County issued $930.0 thousand of Lease Revenue Bonds for the State of California Court of Appeal Fourth Appellate District, Division Two Project. The State of California executed a lease coincident with the term of the financing and those lease payments are the sole security for the financing. The State is the ultimate obligor under the terms of the financing and neither the County nor the Public Financing Authority will have any ongoing payment obligation. The State has committed to indemnify the County in the lease.

Interest Rate Swap

Objective of the Interest Rate Swap: As a means to lower financing costs and to reduce the risks to CORAL associated with the fluctuation in market interest rates, CORAL entered into an amended and restated interest rate swap in connection with the Southwest Justice Center Series 2008 Series A Leasehold Revenue Bonds in the notional amount of $76.3 million. The intention of the swap was to effectively change the variable interest rate on the bonds to a synthetic fixed-rate of 5.2%.

NOTE 14 – LONG-TERM OBLIGATIONS (Continued)

Interest Rate Swap (Continued)

Terms: The bonds and the related swap agreement mature on November 1, 2032, and the swap's notional amount of $76.3 million approximately matches a portion of $78.9 million variable-rate bonds. The swap was effective at the same time the bonds were issued on May 24, 2000 and was amended and restated as of December 10, 2008. The interest rate swap agreement was novated in January 2012 to substitute Wells Fargo Bank, N.A. as the new counterparty. The notional value of the swap and the principal amount of the associated debt decline starting in fiscal year 2014-15. Under the amended and restated swap agreement, CORAL pays Wells Fargo Bank, N.A. a fixed payment rate of 5.2%.

The interest rate swap was redeemed in fiscal year 2022 as part of the September 2021 Infrastructure Financing Authority 2021 Series Lease Revenue Refunding Bond.

Disclosure of Pledged Revenues

Inland Empire Tobacco Securitization Authority, a blended component unit of the County, issued $252.7 million of tobacco asset-backed bonds. The bonds are solely secured by pledging a portion of County Tobacco Assets made payable to the County pursuant to agreements with the State and other parties. The County Tobacco Assets are tobacco settlement revenues required to be paid to the State of California under the Master Settlement Agreement. The Agreement was entered into by participating cigarette manufacturers, 46 states, including California, and six other U.S. jurisdictions, in November 1998 in settlement of certain cigarette smoking-related litigation. The portion of revenues that will be used to pay the debt service are the County Tobacco Assets to the extent consisting of or relating to amounts due to the County after the first $10.0 million has been paid to the County in each year beginning on January 1, 2008 and ending on December 31, 2020. Beginning on January 1, 2021 and ending on December 31, 2026 the portion of revenues that will be used to pay the debt service are the County Tobacco Assets to the extent consisting of or relating to amounts due to the County after the first $11.5 million has been paid to the County in each year. Finally, the County Tobacco Assets to the extent consisting of or relating to amounts due to the County from and after January 1, 2027, and the County Tobacco Assets to the extent consisting of or relating to the applicable percentage of a lump sum payment of 10.8% to the County and 85.9% to the Inland Empire Tobacco Securitization Authority for calendar year 2019. During the fiscal year ended June 30, 2022, $26.0 million was received by the Inland Empire Tobacco Securitization Authority; $11.5 million, or 44.4 %, was distributed to the County per the above agreement, leaving $14.5 million, or 55.6 %, of the specific tobacco settlement revenues available to be pledged (see page 179). The County is under no obligation to make payments of the principal or accreted value or redemption premiums, if any, or interest on the Series 2007 bonds in the event that revenues are insufficient for the payment thereof.

NOTE 15 – DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the County recognized deferred outflows of resources in the government-wide financial statements. These items are a consumption of net position or fund balance by the County that is applicable to a future reporting period. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. The County has two items that are reportable on the government-wide statement of net position: the first item relates to outflows from changes in the net pension liability (Notes 20 and 21) and the second item relates to changes in the OPEB liability (Note 22) that have met all requirements other than timing. Deferred outflows of resources that are reported in the proprietary funds are included in the government-wide statement of net position.

Deferred outflows of resources balances for the year ended June 30, 2022 were as follows (In thousands):

	Balance June 30, 2022
Government-wide deferred outflows of resources:	
Governmental activities:	
OPEB	136,275
Pension	419,755
Total governmental activities	556,030
Business-type activities:	
OPEB	34,588
Pension	118,183
Total business-type activities	152,771
Total government-wide deferred outflows of resources	$ 708,801
Discretely presented component unit deferred outflows of resources:	
Pension	$ 2,625
Total discretely presented component unit deferred outflows of resources	$ 2,625

NOTE 15 – DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES (Continued)

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the County recognized deferred inflows of resources in the government-wide and governmental fund financial statements. These items are an acquisition of net position or fund balance by the County that is applicable to a future reporting period. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities.

The largest portions of the County's deferred inflows of resources are pensions, Senate Bill (SB) 90, Teeter tax loss reserve, and Leases. Pensions are related to GASB Statement No. 68, which can be found in Notes 20 and 21. Leases are related to GASB Statement No. 87, which can be found in Note 12. SB90 is California SB90 of 1972, which established a requirement that the State of California reimburse local government agencies for the costs of new programs or increased levels of service on programs mandated by the State. Teeter tax loss reserve pursuant to California Revenue and Taxation Code Section 4703 was established as a tax loss reserve fund for covering losses that may occur in the amount of tax liens as a result of special sales of tax defaulted property.

Deferred inflows of resources balances for the year ended June 30, 2022 were as follows (In thousands):

	Balance June 30, 2022
Government-wide deferred inflows of resources:	
Governmental activities:	
Teeter tax loss reserve	$ 32,873
OPEB	9,437
Pension	1,055,513
Leases related	61,844
Total governmental activities	1,159,667
Business-type activities:	
Service concession arrangement	4,487
OPEB	2,394
Pension	220,811
Leases related	40,728
Total business-type activities	268,420
Total government-wide deferred inflows of resources	$ 1,428,087
Governmental funds deferred inflows of resources:	
General Fund:	
SB 90	$ 25,498
Teeter tax loss reserve	32,873
Property tax	4,111
Miscellaneous unavailable revenue	8,135
Leases related	50,600
Total general fund	121,217
Flood Control Special Revenue Fund:	
Property tax	800
Special assessments	69
Leases related	660
Total flood control special revenue fund	1,529
Other Governmental Funds:	
Leases related	1,864
Total other governmental funds	1,864
Total governmental funds deferred inflows of resources	$ 124,610
Discretely presented component unit deferred inflows of resources:	
Pension	$ 2,994
Total discretely presented component unit deferred inflows of resources	$ 2,994

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NOTE 16 – FUND BALANCES

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned. (See Note 1 for a description of each category.) A detailed schedule of fund balances as of June 30, 2022 is as follows (In thousands):

	Major Funds				
	General Fund	Transportation	Flood Control	ARP Act Coronavirus Relief	Total Major Governmental Funds
Fund balances:					
Nonspendable					
Inventory	$ 3,465	$ 1,743	$ 1	$ -	$ 5,209
Prepaid items	47	-	-	-	47
Imprest cash	331	1	-	-	332
Permanent fund	-	-	-	-	-
Total nonspendable	**3,843**	**1,744**	**1**	**-**	**5,588**
Restricted					
Air quality planning	122	-	-	-	122
Airport	-	-	-	-	-
ARP Act	-	-	-	841	841
Auto theft interdiction	2,706	-	-	-	2,706
CAP local initiative program	-	-	-	-	-
Construction & capital projects	7,091	-	-	-	7,091
Court services	8,416	-	-	-	8,416
Debt services	3,220	-	-	-	3,220
District attorney	18,588	-	-	-	18,588
Domestic violence	3,270	-	-	-	3,270
Emergency medical services	5,189	-	-	-	5,189
Emergency preparedness	-	-	-	-	-
Environmental health	441	-	-	-	441
Fire protection	-	-	-	-	-
Geographical info system	-	-	-	-	-
Hazmat	2,573	-	-	-	2,573
Humane services	134	-	-	-	134
Landscape maintenance	-	4,540	-	-	4,540
Libraries	-	-	-	-	-
Mental health	12,423	-	-	-	12,423
Modernization	14,191	-	-	-	14,191
Other purposes	1,777	-	-	-	1,777
Parks and recreation	-	-	-	-	-
Public assistance	71,978	-	-	-	71,978
Public health	2,108	-	-	-	2,108
Public protection	13,075	-	-	-	13,075
Public ways & facilities	-	-	287,733	-	287,733
Roads	-	101,432	-	-	101,432
Sheriff patrol	9,023	-	-	-	9,023
Teeter tax losses	7,990	-	-	-	7,990
Total restricted	**184,315**	**105,972**	**287,733**	**841**	**578,861**

Note: Encumbrances - see Note 23 – Contingencies and Commitments

NOTE 16 – FUND BALANCES (Continued)

Special Revenue Funds (Nonmajor Funds)	Debt Service Funds (Nonmajor Funds)	Capital Projects Funds (Nonmajor Funds)	Permanent Fund (Nonmajor Funds)	Total Nonmajor Governmental Funds (Nonmajor Funds)	Total Governmental Funds	
						Fund balances:
						Nonspendable
$ -	$ -	$ -	$ -	$ -	$ 5,209	Inventory
15	-	-	-	15	62	Prepaid items
36	-	-	-	36	368	Imprest cash
-	-	-	1,378	1,378	1,378	Permanent fund
51	**-**	**-**	**1,378**	**1,429**	**7,017**	**Total nonspendable**
						Restricted
1,530	-	-	-	1,530	1,652	Air quality planning
835	-	-	-	835	835	Airport
-	-	-	-	-	841	ARP Act
-	-	-	-	-	2,706	Auto theft interdiction
14,620	-	-	-	14,620	14,620	CAP local initiative program
-	-	121,748	-	121,748	128,839	Construction & capital projects
-	-	-	-	-	8,416	Court services
-	30,470	-	-	30,470	33,690	Debt services
-	-	-	-	-	18,588	District attorney
-	-	-	-	-	3,270	Domestic violence
-	-	-	-	-	5,189	Emergency medical services
2,546	-	-	-	2,546	2,546	Emergency preparedness
-	-	-	-	-	441	Environmental health
2	-	3,053	-	3,055	3,055	Fire protection
1,982	-	-	-	1,982	1,982	Geographical info system
-	-	-	-	-	2,573	Hazmat
-	-	-	-	-	134	Humane services
38,465	-	-	-	38,465	43,005	Landscape maintenance
26,888	-	-	-	26,888	26,888	Libraries
-	-	-	-	-	12,423	Mental health
-	-	-	-	-	14,191	Modernization
556	-	-	-	556	2,333	Other purposes
3,501	-	8,402	-	11,903	11,903	Parks and recreation
1,873	-	-	-	1,873	73,851	Public assistance
4,205	-	-	-	4,205	6,313	Public health
1,468	-	-	-	1,468	14,543	Public protection
-	-	14,649	-	14,649	302,382	Public ways & facilities
1,340	-	-	-	1,340	102,772	Roads
14,109	-	-	-	14,109	23,132	Sheriff patrol
-	-	-	-	-	7,990	Teeter tax losses
113,920	**30,470**	**147,852**	**-**	**292,242**	**871,103**	**Total restricted**

NOTE 16 – FUND BALANCES (Continued)

	Major Funds				
	General Fund	Transportation	Flood Control	ARP Act Coronavirus Relief	Total Major Governmental Funds
Fund balances:					
Committed					
Code enforcement	$ -	$ 5,662	$ -	$ -	$ 5,662
Construction & capital projects	500	-	-	-	500
EDA special projects	-	-	-	-	-
Environmental programs	1,127	-	-	-	1,127
Other purposes	713	-	-	-	713
Parks	-	-	-	-	-
Public Assistance	-	-	-	-	-
Sheriff correction	10,550	-	-	-	10,550
Youth protection	295	-	-	-	295
Total committed	**13,185**	**5,662**	**-**	**-**	**18,847**
Assigned					
Airports	-	-	-	-	-
Code enforcement	637	-	-	-	637
Construction & capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Equipment	-	9,831	-	-	9,831
Other purposes	944	-	-	-	944
Probation	5,151	-	-	-	5,151
Professional services	1,250	-	-	-	1,250
Public health	2,582	-	-	-	2,582
Public protection	11,452	-	-	-	11,452
Public Ways & facilities	521	-	-	-	521
Roads	-	15,948	-	-	15,948
Sheriff correction	16,661	-	-	-	16,661
Total assigned	**39,198**	**25,779**	**-**	**-**	**64,977**
Unassigned	**439,974**	**-**	**-**	**-**	**439,974**
Total fund balances	**$ 680,515**	**$ 139,157**	**$ 287,734**	**$ 841**	**$ 1,108,247**

Note: Encumbrances - see Note 23 – Contingencies and Commitments

NOTE 16 – FUND BALANCES (Continued)

Nonmajor Funds: Special Revenue Funds	Nonmajor Funds: Debt Service Funds	Nonmajor Funds: Capital Projects Funds	Nonmajor Funds: Permanent Fund	Nonmajor Funds: Total Nonmajor Governmental Funds	Total Governmental Funds	
						Fund balances:
						Committed
$ -	$ -	$ -	$ -	$ -	$ 5,662	Code enforcement
-	-	11,050	-	11,050	11,550	Construction & capital projects
558	-	-	-	558	558	EDA special projects
-	-	-	-	-	1,127	Environmental programs
-	-	-	-	-	713	Other purposes
12,242	-	-	-	12,242	12,242	Parks
7,711	-	-	-	7,711	7,711	Public Assistance
-	-	-	-	-	10,550	Sheriff correction
-	-	-	-	-	295	Youth protection
20,511	**-**	**11,050**	**-**	**31,561**	**50,408**	**Total committed**
						Assigned
520	-	-	-	520	520	Airports
-	-	-	-	-	637	Code enforcement
-	-	34,466	-	34,466	34,466	Construction & capital projects
-	4,750	-	-	4,750	4,750	Debt service
-	-	-	-	-	9,831	Equipment
3,586	-	-	-	3,586	4,530	Other purposes
-	-	-	-	-	5,151	Probation
-	-	-	-	-	1,250	Professional services
-	-	-	-	-	2,582	Public health
-	-	-	-	-	11,452	Public protection
-	-	-	-	-	521	Public Ways & facilities
-	-	-	-	-	15,948	Roads
-	-	-	-	-	16,661	Sheriff correction
4,106	**4,750**	**34,466**	**-**	**43,322**	**108,299**	**Total assigned**
-	**-**	**-**	**-**	**-**	**439,974**	**Unassigned**
$ 138,588	**$ 35,220**	**$ 193,368**	**$ 1,378**	**$ 368,554**	**$ 1,476,801**	**Total fund balances**

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NOTE 17 – RISK MANAGEMENT

The County is self-insured for general liability, medical malpractice, and workers' compensation claims. The County records estimated liabilities for general liability, medical malpractice, and workers' compensation claims filed or estimated to be filed for incidents that have occurred. Estimated liability accruals include those incidents that are reported as well as an amount for those incidents that were incurred but are not reported (IBNR) at fiscal year-end. The funding of these estimates is based on actuarial experience and projections. The County fully self-insures unemployment insurance. Life insurance and long-term disability programs are fully insured. Depending on the plan, group health, dental, and vision may be either self-insured or fully insured. The County transitioned from full self-insured Short Term Disability to the State of California State Disability Insurance (SDI) program in fiscal year 2021-22.

The County supplements its self-insurance for general liability, medical malpractice, and workers' compensation with catastrophic excess insurance coverage. General liability claims are self-insured to $5 million for each occurrence with a $2 million corridor and the balance (to $25 million for each occurrence of with an excess of the underlying policy of $25 million for a total of $50 million) is insured through PRISM (Public Risk Innovation, Solutions, and Management; formerly CSAC Excess Insurance Authority), a joint powers authority and insurance risk sharing pool consisting of 55 counties in the State, as well as other non-county public entities. Medical malpractice is self-insured for the first $1.1 million for each claim with a $1.5 million limit on a claims-made basis in excess of the County's self-insured retention, followed by a $20 million limit on an occurrence basis through PRISM, for a total limit of $21.5 million in excess of the County's self-insured retention. Workers' compensation claims are self-insured to $2 million for each occurrence and the balance of statutory limits (unlimited) is insured through PRISM. Long-term disability income claims are fully insured by an independent carrier.

The County's property insurance program provides insurance coverage for all risk subject to a $50,000 per occurrence deductible; flood coverage is subject to a $100,000 per occurrence deductible within a 100-year flood zone and a $50,000 deductible outside of a 100-year flood zone. To diversify risk, property exposure amongst all members within the program are categorized into "Towers" based on geography and building type. The County participates in four Towers, each of which provides $100 million in all-risk including Earthquake and Flood limits. A $300 million excess all risk only sits above the Towers, providing a total of $600 million in all-risk limits for Towers I-VIII. With respect to earthquake coverage, each of the four Towers in which the County participates has a limit of $100 million, with a $365 million excess rooftop layer shared by Towers I-VI that is triggered by the depletion of the initial limit for one or more of the Towers in a policy year. The County has $765 million in shared earthquake coverage that covers scheduled locations and buildings equal to or greater than $1 million in value and lesser valued locations where such coverage is required by contract. Earthquake coverage is subject to a deductible equal to 5% of total value per unit per occurrence, subject to a $100,000 minimum. Boiler and Machinery provides up to $100 million in limits, subject to a $5,000 deductible per event. Property insurance limits in each Tower are shared with other counties within that Tower on a per event basis. If a catastrophic event occurs and losses exceed the limits, the County would be responsible for such amounts.

The activities related to such programs are accounted for in Internal Service Funds (ISF). Accordingly, estimated liabilities for claims, including loss adjustment expenses, filed or to be filed, for incidents that have occurred through June 30, 2022 are reported in these funds. Where certain ISF funds have an accumulated deficit or insufficient reserves, the County provides funding to reduce the deficit and increase the reserves. For fiscal year 2021-22, the Board approved the funding at 60.0% confidence level for the general liability ISF, workers' compensation ISF, and medical malpractice ISF. Revenues for these internal service funds are primarily provided by other County departments and are intended to cover the self-insured claim payments, insurance premiums, and operating expenses. The cash is available in the risk management and workers' compensation ISF at June 30, 2022, plus revenues to be collected during fiscal year 2022-23, are $332.0 million. The liabilities are discounted at 2.0% for general liability and medical malpractice and 2.5% for workers' compensation.

	Auto & General Liabilities	Medical Malpractice	Workers' Compensation	Total
Unpaid claims, beginning of FY 2020-21	$ 155,204	$ 22,391	$ 142,030	$ 319,625
Increase in provision for insured events of prior years	4,985	535	6,147	11,667
Incurred claims for current year	40,533	16,955	27,940	85,428
Claim payments	(32,231)	(22,433)	(30,099)	(84,763)
Unpaid claims, end of FY 2021-22	$ 168,491	$ 17,448	$ 146,018	$ 331,957

NOTE 18 – MEDI-CAL AND MEDICARE PROGRAMS

RUHS-MC provides services to patients covered by various reimbursement programs. The principal programs are Medicare, the State of California Medi-Cal, the County Medically Indigent Services Program (MISP) and the Medi-Cal Managed Care Assembly Bill (AB) 85 Expansion Program. Net patient service revenue is recorded at the estimated net realizable amounts from patients, third-party payers, and others for services rendered. In addition, net patient service revenue includes a provision for doubtful accounts and estimated retroactive adjustments under reimbursement agreements with federal and state government programs and other third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Inpatient services rendered to Medi-Cal program beneficiaries are reimbursed at a per diem rate based upon estimated certified public expenditures (CPEs) and outpatient services are reimbursed under a schedule of maximum allowable reimbursement provided by the California Department of Health Care Services. Inpatient acute care services rendered to Medicare program beneficiaries are reimbursed based upon pre-established rates for diagnostic-related groups. Inpatient non-acute services, certain outpatient services, and defined capital and medical education costs related to Medicare beneficiaries are paid based on a cost-reimbursement methodology subject to payment caps and indexing formulas. RUHS-MC is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by RUHS-MC and audit thereof by the Medicare fiscal intermediary. Normal estimation differences between final settlements and amounts accrued in previous years are reflected in net patient services revenue. The fiscal intermediary has audited RUHS-MC's Medicare cost reports through June 30, 2018 and Medi-Cal cost reports through June 30, 2017. RUHS-MC has received notices of program reimbursement (NPR), a written notice reflecting the intermediary's final determination of the total amount of reimbursement due to the medical center for Medicare through June 30, 2017. For Medi-Cal Fee for Service, RUHS-MC is settled through the California public hospital P-14 cost reports. Notice of final settlement has been received through June 30, 2009.

California's 1115 Waiver Renewal Medi-Cal 2020 was approved on December 30, 2015 by the Centers for Medicare and Medicaid Services. In connection with Medi-Cal 2020, the Global Payment Program (GPP) establishes a statewide pool of funding for uninsured by combining Disproportionate Share Hospital Program (DSH) and uncompensated care funding. GPP incentivizes Designated Public Hospitals (DPH) to deliver more cost-effective and higher value care for indigent, uninsured individuals. GPP combines funding into global budgets for DPHs to draw down by earning points for services provided to uninsured patients. For fiscal year ending June 30, 2022, RUHS-MC recognized $89.2 million of GPP revenue. The Public Hospital Redesign and Incentives in Medi-Cal (PRIME) program is designed to build upon the foundational delivery system transformation work, expansion of coverage, and increased access to coordinated primary care achieved through the prior California Section 1115 Bridge to Reform demonstration. PRIME is a pay-for-performance program that uses evidence-based quality improvement methods to achieve performance targets and improve health outcomes for patients. RUHS-MC recognized $7.2 million in PRIME for fiscal year ending June 30, 2022.

Redirection of 1991 State Health Realignment

Realignment was affected by California electing to implement a state-run Medicaid Expansion program through the Affordable Care Act (ACA). The State anticipates that counties' costs and responsibilities for the health care services for the indigent population has decreased for much of this population who became eligible for coverage through Medi-Cal or the Healthcare Exchange offering affordable coverage through Covered California. On June 27, 2013, Governor Brown signed into law AB 85 that provides a mechanism for the State to redirect State health realignment funding to fund social service programs.

The redirected amount was determined according to an agreed to formula option for California's twelve public hospital system counties, thirty-four County Medical Services Program (CMSP) counties, and the remaining twelve counties (Article 13 counties). The formula options were developed in consultation with the counties and California Department of Health Care Services (DHCS) to ensure continued viability of the County safety net. For CMSP counties, AB 85 outlines that 60% of health-realignment that would have otherwise been received will be redirected,

NOTE 18 – MEDI-CAL AND MEDICARE PROGRAMS (Continued)

while the remaining two county groups had an option to either have 60% of health realignment redirected, or to use a formula-based approach that takes into account a County's cost and revenue experience, and redirect 80% (70% in fiscal year 2013-14) of the savings realized by the County.

RUHS-MC is fully reserved for any estimated liabilities due back to the State for any State health realignment overpayments. RUHS-MC recognized $2.6 million in revenue for the fiscal year ending June 30, 2022 from state health realignment.

NOTE 19 – JOINTLY GOVERNED ORGANIZATIONS

Under Title I (Section 6500 et seq.) of the Government Code, the County has participated in jointly governed organizations with various entities for a variety of purposes. The board of directors for each of these organizations is composed of one representative of each member organization. The County maintains no majority influence or budgetary control over the following entities and County transactions with these jointly governed organizations are not material to the financial statements. The following jointly governed organizations were not included as either blended or discretely presented component units in these financial statements.

A representation of the jointly governed organizations on which the County served at June 30, 2022 follows:

The Public Risk Innovation, Solutions, and Management (PRISM), formerly CSAC Excess Insurance Authority, was formed in October 1979 and has a current membership of 55 California counties. The PRISM operates programs for excess workers' compensation, two excess liability programs, two property programs, and medical malpractice. It also provides support services for selected programs such as claims administration, risk management, loss prevention and training, and subsidies for actuarial studies and claims audits.

Coachella Valley Association of Governments (the Association) was formed in November 1973. Currently, the Association includes the following members: the cities of Blythe, Cathedral City, Coachella, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs, and Rancho Mirage; the local tribes of Agua Caliente Band of Cahuilla Indians and the Cabazon Band of Mission Indians; and Riverside County. The purpose of the Association is to conduct studies and projects designed to improve and coordinate the common governmental responsibilities and services on an area-wide and regional basis.

Western Riverside Council of Governments was formed in November 1989 with the cities of Banning, Beaumont, Calimesa, Canyon Lake, Corona, Hemet, Lake Elsinore, Moreno Valley, Murrieta, Norco, Perris, Riverside, San Jacinto, and Temecula for the purpose of serving as a forum for consideration, study, and recommendation on area-wide and regional problems.

Riverside County Habitat Conservation Agency (RCHCA) was formed in July 1990. The RCHCA is a Joint Powers Agreement Agency comprised of the cities of Corona, Hemet, Lake Elsinore, Moreno Valley, Murrieta, Perris, Riverside, and Temecula, and the County of Riverside for the purpose of planning, acquiring, administering, operating, and maintaining land and facilities for ecosystem conservation and habitat reserves for the Stephen's Kangaroo Rat and other endangered species under Article 1, Chapter 5, Division 7, Title 1 of the Government Code.

Riverside County Abandoned Vehicle Abatement Authority was formed in June 1993 with those cities within the County that have elected to create and participate in the authority, pursuant to Vehicle Code Section 22710. The purpose of the authority is to implement a program and plan for the abatement of abandoned vehicles.

The March Joint Powers Commission was formed in August 1993 with the cities of Moreno Valley, Perris, and Riverside to formulate and implement plans for the use and reuse of March Air Force Base.

NOTE 19 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

The Salton Sea Authority was formed in August 1993 with Imperial County, Imperial Irrigation District, and Coachella Valley Water District to direct and coordinate actions relating to improvement of water quality, stabilization of water elevation, and to enhance recreational and economic development potential of the Salton Sea and other beneficial uses.

Coachella Valley Regional Airport Authority was formed in April 1994 with the cities of Coachella, Indian Wells, Indio, La Quinta, and Palm Desert for the purpose of acting as a planning commission for the continued growth and development of Thermal Airport and the surrounding area.

Inland Empire Health Plan was formed with the County of San Bernardino in June 1994 to be the administrative body and governing board to form and develop a managed health care system for Medi-Cal recipients in the two counties through the Local Initiative.

Palm Springs Visitors and Convention Bureau was formed in December 1995 with those member cities located in the Coachella Valley area of the County. The purpose of the authority is to encourage and promote all aspects of the hospitality, convention, and tourism industry in the Coachella Valley.

Western Riverside County Regional Conservation Authority / Multi-Species Habitat Conservation Plan was formed in January 2004 with the responsibility of issuing the permits required to implement the Multi-Species Habitat Conservation Plan, which will ultimately create a 500,000-acre reserve system in the County. The conservation plan's proposed reserve system protects habitat for 146 varieties of species.

Coachella Valley Conservation Commission (CVCC) was formed in October 2005. The CVCC is a Joint Powers Agreement Agency comprised of the cities of Coachella, Cathedral City, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs, Rancho Mirage and Riverside, and the Coachella Valley Water District as well as the Imperial Irrigation District. The purpose of the CVCC is to implement the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP). The CVMSHCP's goal is to enhance and maintain biological diversity and ecosystem processes while allowing future economic growth.

Southern California Regional Airport Authority (SCRAA) was originally founded in 1985 by the joint powers authority to begin the process of regionalizing aviation. It has been reactivated in an attempt to reduce projected future passenger loads at Los Angeles International Airport (LAX) by spreading the growth in commercial air traffic to other regional airports. The Southern California Association of Governments (SCAG) has also coordinated dispersal planning of the significant new MAP (million air passengers) that would have to be absorbed at other airports if LAX's future MAP is reduced.

Coachella Valley Enterprise Zone Authority (CVEZA) was formed in September 2010 by the Joint Powers Agreement comprised of the County of Riverside, the City of Indio, and the City of Coachella. The purpose of the authority is to manage, coordinate, market, and administer economic development programs and projects in the enterprise zone areas.

NOTE 20 – RETIREMENT PLAN

General Information about the Pension Plans

Plan descriptions. The County, Flood Control, Park District, and Waste Resources contract with the CalPERS to provide retirement benefits to their employees. CalPERS is a common investment and administrative agent for participating public entities within the State of California. State statutes, governed by the Public Employees' Retirement Law (PERL), have established benefit provisions as well as other requirements. The County may select from a variety of optional benefit provisions offered by CalPERS. Upon selecting the benefit provisions and entering into a contractual agreement with CalPERS, the benefit provisions may be adopted through local ordinance. CalPERS issues an annual comprehensive financial report which details its plan assets, liabilities, and plan activity. The County receives an annual actuarial valuation report which summarizes plan assets, liabilities, and employer rates for its plans. Under GASB Statement No. 68, both the County (Miscellaneous and Safety) and Flood Control (Miscellaneous) are agent multiple-employer defined benefit pension plans, while the Park District (Miscellaneous) and Waste Resources (Miscellaneous) are cost-sharing multiple-employer defined benefit pension plans due to their pooling composite. Copies of the CalPERS annual comprehensive financial report may be obtained from: California Public Employees' Retirement System, 400 Q Street, P.O. Box 942701, Sacramento, CA 94229-2701.

Benefits provided. CalPERS provides retirement (service and disability) benefits, annual cost-of-living adjustments (COLA), and death benefits to plan members and plan beneficiaries. The County has three retirement Tiers through the California Public Employee's Retirement System (CalPERS). Tier I - Applicable to employees hired prior to August 23, 2012. Formula is 3.0% at age 50 for County Safety plan employees and 3.0% at age 60 for other Miscellaneous plan employees. Tier II - Applicable to employees hired after August 23, 2012 through December 31, 2012. Formula is 2.0% at age 50 for County Safety plan employees and 2.0% at age 60 for other Miscellaneous plan employees. Tier III - Applicable to new CalPERS members hired on or after January 1, 2013, as a result of Public Employees' Pension Reform Act of 2013 (PEPRA). Formula is 2.7% at age 57 for County Safety plan employees and 2.0% at age 62 for other Miscellaneous plan employees. PEPRA resulted in lower retirement benefit formulas, final compensation periods, and contribution requirements being implemented. New members who were hired by Waste Resources after August 23, 2012 are applicable to the County Miscellaneous plan. Listed below is a table with the new retirement options and provision changes by plan.

	Plan	Employer Paid Member Contribution (EPMC)	Earliest Retirement Age	PEPRA Compensation Limits	Final Compensation	Effective Date
Tier I						
County Miscellaneous	3.0% at 60	No	50	N/A	12 months	N/A
County Safety	3.0% at 50	No	50	N/A	12 months	N/A
Flood Control Miscellaneous	3.0% at 60	No	50	N/A	12 months	N/A
Park District Miscellaneous	3.0% at 60	No	50	N/A	12 months	N/A
Waste Resources Miscellaneous	3.0% at 60	No	50	N/A	12 months	N/A
Tier II						
County Miscellaneous	2.0% at 60	No	50	N/A	36 months	8/23/2012
County Safety	2.0% at 50	No	50	N/A	36 months	8/23/2012
Flood Control Miscellaneous	2.0% at 60	No	50	N/A	36 months	8/23/2012
Park District Miscellaneous	2.0% at 60	No	50	N/A	36 months	8/23/2012
Waste Resources Miscellaneous	N/A	N/A	N/A	N/A	N/A	N/A
Tier III (PEPRA)						
County Miscellaneous	2.0% at 62	No	52	$ 128,059	36 months	1/1/2013
County Safety	2.7% at 57	No	50	$ 153,671	36 months	1/1/2013
Flood Control Miscellaneous	2.0% at 62	No	52	$ 128,059	36 months	1/1/2013
Park District Miscellaneous	2.0% at 62	No	52	$ 128,059	36 months	1/1/2013
Waste Resources Miscellaneous	N/A	N/A	N/A	N/A	N/A	N/A

NOTE 20 – RETIREMENT PLAN (Continued)

General Information about the Pension Plans (Continued)

Employees covered by benefit terms. At June 30, 2022, the following employees were covered by the benefit terms:

	County Miscellaneous	County Safety	Flood Control Miscellaneous	Park District Miscellaneous	Waste Resources Miscellaneous
Inactive employees or beneficiaries currently receiving benefits	12,557	2,999	283	106	124
Inactive employees entitled to but yet receiving benefits	14,584	1,418	152	226	33
Active employees	17,467	3,404	223	91	11
	44,608	7,821	658	423	168

Contributions. Active plan members in CalPERS may be required to contribute up to 8.0% (Miscellaneous employees) and up to 12.5% (Safety employees) of their annual covered salary as specified in the governing Memorandum of Understanding or as provided by state statute.

The employer contribution rate is established based on the CalPERS annual actuarial valuation. The actuarial methods and assumptions used to establish the employer contribution rate are adopted by the CalPERS Board of Administration. The County, Flood Control, Park District, and Waste Resources are required to contribute the actuarially determined annual determined contributions necessary to fund the plans.

For fiscal year 2022, the employer and employee contribution rates were:

	County Miscellaneous	County Safety	Flood Control Miscellaneous	Park District Miscellaneous	Waste Resources Miscellaneous
County's normal cost contribution rates:					
County Tier I	11.2%	20.7%	11.2%	16.2%	16.2%
County Tier II	11.2%	20.7%	11.2%	9.3%	N/A
County Tier III	11.2%	20.7%	11.2%	7.7%	N/A
Plan Members contribution rates					
County Tier I	8.0%	9.0%	8.0%	8.0%	8.0%
County Tier II	7.0%	9.0%	7.0%	7.0%	N/A
County Tier III	7.3%	12.5%*	6.3%	7.3%	N/A

* In accordance with Government Code Section 7522.30(b), new members shall have an initial contribution rate of at least 50% of the normal cost rate.

Net Pension Liability

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020.

NOTE 20 – RETIREMENT PLAN (Continued)

Actuarial assumptions. For the measurement period ending June 30, 2021 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2020 total pension liability. The June 30, 2020 total pension liability was based on the following actuarial methods and assumptions:

By Plan	County Miscellaneous	County Safety	Flood Control Miscellaneous	Park District Miscellaneous	Waste Resources Miscellaneous
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Actuarial Assumptions:					
Discount Rate	7.15%	7.15%	7.15%	7.15%	7.15%
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%
Salary Increases	Varies by Entry Age and Services	Varies by Entry Age and Services	Varies by Entry Age and Services	Varies by Entry Age and Services	Varies by Entry Age and Services
Investment Rate of Return	7.15%	7.15%	7.15%	7.15%	7.15%
Mortality Rate Table (1)	Derived using CalPERS' Membership Data for all Funds				
Post Retirement Benefit Increase	The lesser of contract COLA or 2.5% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.5% thereafter				

(1) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90.0% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

Change of assumptions. None in 2019-2021. In 2018, the demographic assumptions and inflation rate were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions from December 2017. There were no changes in the discount rate.

Discount rate. The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

NOTE 20 – RETIREMENT PLAN (Continued)

The expected real rates of return by asset class are as follows:

Asset Class(1)	Assumed Assets Allocation	Real Return Years 1 - 10 (2)	Real Return Years 11+ (3)
Public Equity	50.0%	4.8%	6.0%
Fixed Income	28.0%	1.0%	2.6%
Inflation Assets	0.0%	0.8%	1.8%
Private Equity	8.0%	6.3%	7.2%
Real Assets	13.0%	3.8%	4.9%
Liquidity	1.0%	0.0%	-0.9%

(1) Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(2) An expected inflation of 2.00% used for this period.

(3) An expected inflation of 2.92% used for this period.

Changes in the Net Pension Liability for Agent Multiple-Employer Defined Benefit Pension Plans

The following table shows the changes in net pension liability recognized over the measurement period (In thousands).

Measurement Period June 30, 2021	County Miscellaneous	County Safety	Flood Control Miscellaneous	Total
Total pension liability				
Service cost	$ 215,136	$ 94,221	$ 3,163	$ 312,520
Interest	624,197	280,939	15,201	920,337
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(76,589)	(18,708)	(7)	(95,304)
Changes of assumptions	-	-	-	-
Benefit payments, including refunds of employee contributions	(377,358)	(166,291)	(11,597)	(555,246)
Net change in total pension liability	385,386	190,161	6,760	582,307
Total pension liability - beginning (a)	8,633,779	3,983,948	216,828	12,834,555
Total pension liability - ending (c)	$ 9,019,165	$ 4,174,109	$ 223,588	$ 13,416,862
Plan fiduciary net position				
Contributions - employer	$ 267,034	$ 113,527	$ 19,469	$ 400,030
Contributions - employee	95,060	34,632	1,376	131,068
Net investment income	1,529,500	727,664	34,443	2,291,607
Benefit payments, including refunds of employee contributions	(377,358)	(166,291)	(11,597)	(555,246)
Administrative expense	(6,715)	(3,206)	(195)	(10,116)
Other miscellaneous expense	-	-	-	-
Net change in plan fiduciary net position	1,507,521	706,326	43,496	2,257,343
Plan fiduciary net position - beginning (b)	6,514,934	3,222,029	145,862	9,882,825
Plan fiduciary net position - ending (d)	$ 8,022,455	$ 3,928,355	$ 189,358	$ 12,140,168
Net pension liability - beginning (a) - (b)	$ 2,118,845	$ 761,919	$ 70,966	$ 2,951,730
Net pension liability - ending (c) - (d)	$ 996,710	$ 245,754	$ 34,230	$ 1,276,694

NOTE 20 – RETIREMENT PLAN (Continued)

Changes in Proportionate Share of the Net Pension Liability for Cost-Sharing Multiple-Employer Defined Benefit Pension Plans

The following table shows the proportionate share of the net pension liability over the measurement period.

	Park District Miscellaneous Increase (Decrease)			Waste Resources Miscellaneous Increase (Decrease)			
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c) = (a) - (b)	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c) = (a) - (b)	Total Net Pension Liability
Balance at 06/30/2020	$ 50,130	$ 37,759	$ 12,371	$ 54,968	$ 39,004	$ 15,964	$ 28,335
Balance at 06/30/2021	$ 51,886	$ 44,845	$ 7,041	$ 55,957	$ 46,671	$ 9,286	$ 16,327
Net changes during 2020-21	$ 1,756	$ 7,086	$ (5,330)	$ 989	$ 7,667	$ (6,678)	$ (12,008)

Net Pension Liability

The following table shows the total net pension liability for both Agent and Cost-Sharing Multiple-Employer plans by primary government and component unit.

	Governmental Activities	Business-type Activities	Discretely Presented Component Unit	Total Net Pension Liability
County Miscellaneous	$ 835,213	$ 158,243	$ 3,254	$ 996,710
County Safety	245,754	-	-	245,754
Flood Control Miscellaneous	32,459	1,771	-	34,230
Park District Miscellaneous	7,041	-	-	7,041
Waste Resources Miscellaneous	-	9,286	-	9,286
Total:	$ 1,120,467	$ 169,300	$ 3,254	1,293,021

Sensitivity of the net pension liability to changes in the discount rate. The following presents the County's net pension liability, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate (In thousands):

County's net pension liability	Governmental Activities	Business-type Activities	Primary Government Total	Discretely Presented Component Unit
1% Discount Rate Decrease (6.15%)	$ 2,670,994	$ 611,536	$ 3,282,530	$ 7,493
Current Discount Rate (7.15%)	$ 1,120,467	$ 169,300	$ 1,289,767	$ 3,254
1% Discount Rate Increase (8.15%)	$ (303,156)	$ (19,131)	$ (322,287)	$ (231)

Pension plan fiduciary net position. Detailed information about the pension's plan fiduciary net position is available in the separately issued CalPERS financial report. The pension's plan fiduciary net position may differ from the plan assets reported in the actuarial valuation report due to several reasons. First, CalPERS must keep deficiency reserves, fiduciary self-insurance, and Other Postemployment Benefit (OPEB) expense as assets. These amounts are excluded for rate setting purposes in the actuarial valuation report. In addition, differences may result from early Annual Comprehensive Financial Report closing and final reconciled reserves.

Subsequent events. On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM

NOTE 20 – RETIREMENT PLAN (Continued)

Subsequent events (continued)

process concluded, and the board could make its final decision on the asset allocation in November 2021. On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

Recognition of gains and losses

Under GASB Statement No. 68, gains and losses related to changes in total pension liability and plan fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred inflows of resources and deferred outflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is five year straight-line amortization. All other amounts are straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning measurement period.

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired).

The EARSL for the plan for the 2020-21 measurement period was obtained by dividing the total service years of the sum of remaining service lifetimes of the active employees by the total number of participants (active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. The future service is based on the members' probability of decrementing due to an event other than receiving cash refund.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the measurement period ending June 30, 2021, the Park District and Waste Resources reported a liability of $7.0 million and $9.3 million, respectively, for their proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. The proportion of the net pension liability was based on a projection of long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the Park District's and Waste Resources' proportions were 0.37083% and 0.48902%, respectively, which was an increase of 0.07754% and 0.11056%, respectively, from their proportion measured as of June 30, 2020.

For the year-ended June 30, 2022, the County recognized $162.5 million in pension expense. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

NOTE 20 – RETIREMENT PLAN (Continued)

At June 30, 2022, the deferred outflows of resources and deferred inflows of resources related to pensions are reported from the following sources (In thousands):

	Agent Multiple-Employer			Cost-Sharing Multiple-Employer		
Deferred Outflows of Resources By Plan:	County Miscellaneous	County Safety	Flood Control Miscellaneous	Park District Miscellaneous	Waste Resources Miscellaneous	Total
Difference between projected and actual earnings on pension plan investments - investment earnings less than projected	$ -	$ -	$ -	$ -	$ -	$ -
Difference between expected and actual experience	18,995	3,766	649	790	1,041	25,241
Change of assumptions	-	35,837	-	-	-	35,837
Adjustment due to differences in proportions	-	-	-	203	132	335
Sub-total	18,995	39,603	649	993	1,173	61,413
Contributions subsequent to measurement date recognized as deferred outflows of resources (GASB Statement No. 71)	292,832	149,823	19,317	1,525	3,635	467,132
Total	$ 311,827	$ 189,426	$ 19,966	$ 2,518	$ 4,808	$ 528,545

$467.1 million reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023.

	Agent Multiple-Employer			Cost-Sharing Multiple-Employer		
Deferred Inflows of Resources By Plan:	County Miscellaneous	County Safety	Flood Control Miscellaneous	Park District Miscellaneous	Waste Resources Miscellaneous	Total
Difference between projected and actual earnings on pension plan investments - investment earnings greater than projected	$ (756,100)	$ (358,387)	$ (17,238)	$ (6,147)	$ (8,106)	$ (1,145,978)
Difference between expected and actual experience	(73,622)	(37,434)	(5)	-	-	(111,061)
Change of assumptions	(6,496)	(5,065)	-	-	-	(11,561)
Adjustment due to differences in proportions	-	-	-	-	(920)	(920)
Difference in employer contributions and proportionate share of contributions	-	-	-	(398)	-	(398)
Total	$ (836,218)	$ (400,886)	$ (17,243)	$ (6,545)	$ (9,026)	$ (1,269,918)

The follow table summarizes the total deferred outflows of resources and deferred inflows of resources by primary government and component unit.

	Governmental Activities	Business-type Activities	Primary Government Total	Discretely Presented Component Unit	Total
Deferred Outflows of Resources	$ 407,737	$ 118,183	$ 525,920	$ 2,625	$ 528,545
Deferred Inflows of Resources	$ (1,046,113)	$ (220,811)	$ (1,266,924)	$ (2,994)	$ (1,269,918)
Pension Expense	$ 137,625	$ 24,294	$ 161,919	$ 595	$ 162,514

NOTE 20 – RETIREMENT PLAN (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (In thousands):

Year Ended June 30	County Miscellaneous	County Safety	Flood Control Miscellaneous	Park District Miscellaneous	Waste Resources Miscellaneous	Total
2023	$ (205,131)	$ (64,434)	$ (3,769)	$ (1,176)	$ (1,714)	$ (276,224)
2024	(195,856)	(97,064)	(3,950)	(1,266)	(1,871)	(300,007)
2025	(201,303)	(94,798)	(4,135)	(1,411)	(2,028)	(303,675)
2026	(214,933)	(104,268)	(4,740)	(1,699)	(2,240)	(327,880)
2027	-	(719)	-	-	-	(719)
Thereafter	-	-	-	-	-	-
	$ (817,223)	$ (361,283)	$ (16,594)	$ (5,552)	$ (7,853)	$ (1,208,505)

Payable to the Pension Plan

At June 30, 2022, there is no outstanding amount of contributions payable to the pension plan required for the year ended June 30, 2022.

NOTE 21 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description. The County provides a Part-time and Temporary Employees' Retirement Plan (the Plan) to provide retirement benefits to eligible employees as a substitute for benefits under social security. The Plan is an IRS Section 401(a) defined benefit plan and agent multiple-employer defined benefit pension plan under GASB Statement No. 68. This Plan is self-funded and self-administered. Effective July 20, 2010, the County Board of Supervisors appointed U.S. Bank as the Plan's investment consultant, investment manager and trustee. Contributions made to the Plan are deposited with U.S. Bank, who maintains the responsibility of investing contributions in a diversified portfolio and reported at fair value. No financial report has been issued separately for public view under the defined benefit pension plan.

Benefits provided. Retirement benefits are determined as 2.0% of the employee's eligible compensation and payable as a single life annuity. The eligible retirement age is 65. Participants are immediately 100.0% vested in the Plan upon enrollment. If the value is $5.0 thousand or more, the benefits are payable for the life of the employee only at age 65 or termination. The normal retirement benefit is accrued to the date of termination. A lump sum distribution is paid if the actuarial equivalent benefit is less than $5.0 thousand. Actuarial Equivalence for this purpose is based on the greater of the factor produced under the UP1984 unisex mortality table at 6.0% or the applicable mortality table and interest rate under 417(e).

Employees covered by benefit terms. For the measurement date June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	381
Inactive employees entitled to but yet receiving benefits	8,823
Active employees	1,809
	11,013

NOTE 21 – DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

Contributions. Participants in the Plan are required to contribute 3.75% of their compensation to the Plan. According to the June 30, 2021 valuation, the County's current required contribution rate is 5.58%. As of June 30, 2021, the funded ratio is 81.5%. In order to maintain a funded status over 80.0%, the County will continue to contribute 5.58%. Overall, the Plan's Net Pension Liability decreased from the prior valuation due to the following offsetting factor: 1) assets were higher than expected due to the favorable investment return; 2) demographic experience was different due to more new entrants, resulting in a liability loss; 3) mortality assumptions were updated to reflect the recent improvement scale MP-2021 resulting in a liability increase; and 4) lump sum conversion mortality table was updated to the 2021 applicable table under IRC Section 417(e), resulting in a small liability decrease. The Plan actuary calculates the minimum recommended employer contribution rate through preparation of an actuarial valuation report and the County determines the contribution rates. Administrative costs of the Plan are paid by the Trustee from Plan assets.

Net Pension Liability

The County's net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age
Asset Valuation Method	Market Value of Assets
Actuarial Assumptions	
Inflation	2.50%
Salary Increases	2.75%
Payroll Growth	2.75%
Investment Rate of Return:	6.00%

The mortality rates for active employees are based on Pub-2010 amount-weighted tables for general employees of all income levels, projected using improvement scale MP-2021 from 2010.

The actuarial assumption used in the June 30, 2021 valuation was based on the results of an actuarial experience study for the period July 1, 2020 - June 30, 2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Expected Nominal Return	Expected Volatility
Cash	1.46%	0.4%	0.3%
Domestic Equity	50.26%	4.4%	15.5%
Developed International Equity	17.96%	6.1%	19.0%
Aggregate Fixed Income	30.32%	0.5%	3.1%

NOTE 21 – DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability (Continued)

Discount rate. The discount rate used to measure the total pension liability was 6.0%. The projected cash flow used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and the County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (In thousands):

	Governmental Activities Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability/(Asset) (c) = (a) - (b)**
Measurement Period June 30, 2020	**$ 54,846**	**$ 45,366**	**$ 9,480**
Changes of the year:			
Service cost	1,099	-	1,099
Interest cost	3,290	-	3,290
Differences between expected and actual experience	2,832	-	2,832
Change of assumptions	119	-	119
Contributions - employer	-	2,282	(2,282)
Contributions - employee	-	2,268	(2,268)
Net investment income (loss)	-	14,069	(14,069)
Benefit payments, including refunds of employee contributions	(2,270)	(2,270)	-
Administrative expense	-	(290)	290
Net changes	5,070	16,059	(10,989)
Measurement Period June 30, 2021	**$ 59,916**	**$ 61,425**	**$ (1,509)**

Change of assumptions. The mortality improvement scale was updated from MP-2020 to MP-2021. The lump sum conversion mortality table was updated from the 2020 applicable table to the 2021 applicable table under IRC Section 417(e).

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 6.0%, as well as what the County's net pension liability would be if it were using a discount rate that is 1-percentage-point lower (5.0%) or 1-percentage-point higher (7.0%) than the current rate (In thousands):

	1.0% Decrease (5.0%)	Current Discount Rate (6.0%)	1.0% Increase (7.0%)
Net Pension Liability/(Asset)	$ 8,490	$ (1,509)	$ (9,337)

NOTE 21 – DEFINED BENEFIT PENSION PLAN (Continued)

Pension plan fiduciary net position

Statement of Fiduciary Net Position
June 30, 2022

ASSETS	Pension Trust
Cash and investments	$ 51,096
Accounts receivable	231
Total assets	51,327
LIABILITIES	
Accounts payable	-
Total liabilities	-
NET POSITION	
Restricted for pension benefits	$ 51,327

Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2022

ADDITIONS:	
Contributions to pension trust:	
Employer	$ 3,200
Employee	2,136
Investment loss	(10,647)
Total additions	(5,311)
DEDUCTIONS:	
Benefits paid to participants	4,513
Administrative and other expenses	218
Total deductions	4,731
Net position, beginning of the year	61,369
Net position, end of the year	$ 51,327

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Recognition of Gains and Losses

Under GASB Statement No. 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred inflows of resources and deferred outflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is five-year straight-line amortization. All other amounts are straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning measurement period.

The EARSL is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired).

The EARSL for the Plan for the 2020-21 measurement period is 8.24 years, which was obtained by dividing the total service years of 90,857 (the sum of remaining service lifetimes of the active employees) by 11,013 (total number of participants: active, inactive, and retired). Note that inactive employees and retirees have remaining service lifetimes equal to 0. Also note that total future service is based on the members' probability of decrementing due to an event other than receiving cash refund.

NOTE 21 – DEFINED BENEFIT PENSION PLAN (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

For the year ended June 30, 2022, the County recognized pension credit of $1.2 million. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources (In thousands):

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 6,202	$ (287)
Changes of assumptions	2,618	(628)
Net difference between projected and actual earnings on pension plan investments	-	(8,485)
Sub-total	8,820	(9,400)
Contributions subsequent to measurement date recognized as deferred outflows of resources (GASB Statement No. 71)	3,198	-
Total	$ 12,018	$ (9,400)

$3.2 million reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a deduction of the net pension liability in the year ended June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (In thousands):

Year Ended June 30:	Deferred Outflows/(Inflows) of Resources
2023	$ (458)
2024	(396)
2025	(855)
2026	(1,141)
2027	925
Thereafter	1,345
	$ (580)

Payable to the Pension Plan

At June 30, 2022, there was no outstanding amount of contributions payable to the pension plan required for the year ended June 30, 2022.

NOTE 22 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

General Information about the OPEB Plan

Plan description. The County and its Special Districts, Flood Control, Park District, and Waste Resources provide a postemployment benefits plan to all full-time general and public safety employees. The postemployment benefit plan is an agent multiple-employer defined benefit OPEB plan. A qualified Internal Revenue Code Section 115 Trust has been established for the County and its Special Districts, with the exception of Waste Resources, with the California Employers' Retiree Benefit Trust (CERBT) for the purpose of receiving employer contributions that will prefund health and other postemployment costs for retirees and their beneficiaries. The CERBT administers each plan's assets and issues a financial report available for public review, which includes financial statements and required supplementary information for the trust fund. The CERBT report may be obtained from CalPERS Affiliate Programs Services Division, CERBT (OPEB), P.O. Box 1494 Sacramento, CA 95812-1494. Waste Resources Postretirement Benefits Plan is a single employer defined benefit OPEB plan administered by the Waste Resources Department and no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits provided. The County provides retiree medical benefits for eligible retirees enrolled County sponsored plans. Benefit provisions are established and amended through negotiations between the County and the respective unions. Former employees eligible for CalPERS pension benefits but who are not eligible for retirement at termination of employment are not eligible for retiree health benefits. The benefits are provided in the form of monthly County contributions toward the retiree's medical premium and contribution of $25 to $256 per month (varies by bargaining unit). Previously, the County allowed certain retirees to receive coverage prior to age 65 by paying premiums that were developed by blending active and retiree costs, which resulted in an implicit subsidy to retirees. The implicit subsidy has been discontinued since January 1, 2011. In fiscal year 2019-20, management and SEIU employees were offered medical benefits through CalPERS. LIUNA was offered medical benefits through CalPERS in fiscal year 2020-2021.

Employees covered by benefit terms. For the measurement date June 30, 2021, the following employees were covered by the benefit terms:

	County Miscellaneous and Safety	Flood Control Miscellaneous	Park District Miscellaneous	Waste Resources Miscellaneous
Inactive employees or beneficiaries currently receiving benefit payments	2,781	58	12	31
Inactive employees entitled to but not yet receiving benefit payments	-	-	-	-
Active employees	19,750	227	89	12
	22,531	285	101	43

Contributions. Contribution requirements of the plan members and the County are established and may be amended through negotiations between the County and the respective bargaining units. The County contributes a portion of an eligible retiree's medical plan premium under a County's sponsored health plan (either at retirement or during a subsequent annual enrollment) for the retiree's lifetime. The current monthly amount paid by the County ranges from $25 - $256, depending on the retiree's bargaining unit at retirement. Contributions are based on the employee's bargaining unit at the time of retirement, as shown on next page:

NOTE 22 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

	Monthly Contribution			
Bargaining Unit	County Miscellaneous and Safety	Flood Control Miscellaneous	Park District Miscellaneous	Waste Resources Miscellaneous
Confidential	$ 256.00	$ 256.00	N/A	N/A
Law Enforcement Management Unit	$ 149.00	N/A	N/A	N/A
Law Enforcement Executive Staff	$ 256.00	N/A	N/A	N/A
LIUNA	$ 149.00	$ 149.00	N/A	$ 149.00
Management (General)	$ 256.00	$ 256.00	$ 256.00	$ 256.00
Management (128)	N/A	$ 149.00	N/A	$ 149.00
District Attorneys	$ 256.00	N/A	N/A	N/A
RSA Law Enforcement	$ 25.00	N/A	N/A	N/A
RSA Public Safety	$ 149.00	N/A	N/A	N/A
SEIU	$ 149.00	$ 149.00	$ 143.00	$ 149.00
Unrepresented	$ 256.00	N/A	N/A	N/A

Net OPEB (Asset)/Liability

The net OPEB (asset)/liability of the County, Flood Control and Park District was measured as of June 30, 2021, and the total OPEB (asset)/liability used to calculate the net OPEB (asset)/liability was determined by an actuarial valuation as of July 1, 2021.

Actuarial assumptions. The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

	County Miscellaneous and Safety	Flood Control Miscellaneous	Park District Miscellaneous
Inflation	2.50%	2.50%	2.50%
Salary Increases	2.75%	2.75%	2.75%
Investment Rate of Return*	7.00%	6.20%	7.00%

*Net of Plan Investment Expenses, including inflation

County Miscellaneous and Safety Plan: The healthcare cost trend rate for the Pre Medicare Plan was 6.3%, decreasing 0.4% per year to an ultimate rate of 4.5% for 2022 and later years. The healthcare cost trend rate for the Post Medicare Plan was 7.2%, decreasing 0.5% per year to an ultimate rate of 4.5% for 2022 and later years.

Flood Control: The healthcare cost trend rate for the Pre Medicare Plan was 6.7%, decreasing 0.4% per year to an ultimate rate of 4.5% for 2022 and later years. The healthcare cost trend rate for the Post Medicare Plan was 7.7%, decreasing 0.5% per year to an ultimate rate of 4.5% for 2022 and later years.

Park District Miscellaneous: The healthcare cost trend rate for the Pre Medicare Plan was 6.7%, decreasing 0.3% per year to an ultimate rate of 4.5% for 2022 and later years. The healthcare cost trend rate for the Post Medicare Plan was 7.7%, decreasing 0.5% per year to an ultimate rate of 4.5% for 2022 and later years.

NOTE 22 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Net OPEB (Asset)/Liability (Continued)

Mortality rates are based on the Pub-2010 headcount-weighted tables for general employees of all income levels, with generational future improvements scale MP-2021.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of the 2017 CalPERS Experience Study.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	County Miscellaneous and Safety Target Allocation Strategy 1	Flood Control Miscellaneous Target Allocation Strategy 1	Park District Miscellaneous Target Allocation Strategy 1	Long-Term Expected Real Rate of Return
Global Equity	59.0%	59.0%	59.0%	5.98%
Fixed Income	25.0%	25.0%	25.0%	2.62%
Treasury Inflation-Protected Securities	5.0%	5.0%	5.0%	1.46%
Real Estate Investment Trust	8.0%	8.0%	8.0%	5.00%
Commodities	3.0%	3.0%	3.0%	2.87%
Total	100.0%	100.0%	100.0%	

Discount rate. The discount rate used to measure the total OPEB liability was 7.00% (County Miscellaneous and Safety), 6.20% (Flood Control Miscellaneous), and 7.00% (Park District Miscellaneous). The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Total OPEB Liability

The Waste Resources' total OPEB liability of $3.1 million was measured as of June 30, 2021, and was determined by the most recent actuarial valuation as of July 1, 2021.

Actuarial assumptions and other inputs. The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

NOTE 22 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Total OPEB Liability (Continued)

	Waste Resources Miscellaneous
Inflation	2.50%
Salary Increases	2.75%
Discount rate	2.16%
Healthcare cost trend rates	All benefits are assumed to decrease by 0.3% per year for the Pre Medicare Plan and 0.5% per year for the Post Medicare Plan to an ultimate rate of 4.5% for 2021 and later years.
Retiree's share of benefit-related costs	Retirees pay the premiums in excess of the County contributions.

Since the plan is unfunded, the discount rates used in the valuation equal to 20-year municipal bond yields that are in effect as of July 1, 2020 and July 1, 2021.

Mortality rates are based on the Pub-2010 headcount-weighted tables for general employees of all income levels, with generational future improvements using scale MP-2021.

The actuarial assumptions used in the most recent actuarial valuation as of July 1, 2021 were based on the assumptions developed in the 2017 CalPERS Experience Study.

Changes in the Net OPEB (Asset)/Liability for Agent Multiple-Employer Defined Benefit OPEB Plan Administered Through Trusts

Measurement Period June 30, 2021	County Miscellaneous and Safety	Flood Control Miscellaneous	Park District Miscellaneous	Total
Total OPEB liability				
Service cost	$ 10,517	$ 99	$ 72	$ 10,688
Interest on the total OPEB liability	14,885	215	111	15,211
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	4,515	285	-	4,800
Changes of assumptions	2,505	1,208	66	3,779
Benefit payments	(7,567)	(171)	(42)	(7,780)
Net change in total OPEB liability	24,855	1,636	207	26,698
Total OPEB liability - beginning (a)	235,267	3,317	1,475	240,059
Total OPEB liability - ending (c)	$ 260,122	$ 4,953	$ 1,682	$ 266,757
Plan fiduciary net position				
Contributions - employer	$ 17,163	$ 2,171	$ 42	$ 19,376
Contributions - employee	-	-	-	-
Net investment income	11,036	357	99	11,492
Benefit payments	(7,567)	(171)	(42)	(7,780)
Administrative expense	(30)	-	-	(30)
Net change in plan fiduciary net position	20,602	2,357	99	23,058
Plan fiduciary net position - beginning (b)	53,005	1,187	356	54,548
Plan fiduciary net position - ending (d)	$ 73,607	$ 3,544	$ 455	$ 77,606
Net OPEB (asset)/liability - beginning (a) - (b)	$ 182,262	$ 2,130	$ 1,119	$ 185,511
Net OPEB (asset)/liability - ending (c) - (d)	$ 186,515	$ 1,409	$ 1,227	$ 189,151

NOTE 22 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Changes in the Net OPEB (Asset)/Liability for Agent Multiple-Employer Defined Benefit OPEB Plan Administered Through Trusts (Continued)

The assumptions were changed from the prior valuation as follow:

1) The discount rate was updated due to the change in expected return assumption, 2) The claims table was updated to reflect most recent CalPERS monthly premiums available for 2021, 3) Incorporated a change to provide LIUNA bargaining group access to CalPERS health plans which lead to higher costs and participant rates, 4) Future CalPERS vs County health plan elections for participants eligible for both was changed from 90%/10% to 95%/5%, for CalPERS/County respectively, 5) Mortality improvement was updated from scale MP-2020 to scale MP-2021, and 6) a lapse rate assumption, deferred election rate, and a liability load for deferred retires were developed based on an experience study that was carried out in 2021.

Given the events related to COVID-19, participant information, as available, including terminations, retirements, and deaths over the year were reviewed to compare plan experience against the assumptions used in the valuation to determine whether a modification to future assumptions may be warranted. Evaluation of the information provided did not suggest a significant impact to the plan or justify a change to assumptions other than those already used.

Changes in the Total OPEB Liability for Agent Multiple-Employer Defined Benefit OPEB Plan Not Administered Through Trusts

Measurement Period June 30, 2021	Business-type Activities Waste Resources Miscellaneous
Changes for the year:	
Service cost	$ 25
Interest	48
Changes of benefit terms	-
Differences between expected and actual experience	526
Changes in assumptions or other inputs	413
Benefit payments	(82)
Net changes	930
Total OPEB liability - beginning	2,207
Total OPEB liability - ending	$ 3,137

As of July 1, 2021, the discount rate was changed from 2.21% to 2.16%. All other information is based on the census data, actuarial assumption, and plan provisions used in the most recent actuarial valuation as of July 1, 2021. The access to CalPERS health plans given to LIUNA bargaining group had lead to higher costs and participant rates. The future CalPERS vs County health plan elections for participants eligible for both was changed from 90%/10% to 95%/5%, for CalPERS/County respectively. A lapse rate assumption and deferred election rate were developed based on an experience study that was carried out in 2021.

Given the events related to COVID-19, participant information, as available, including terminations, retirements, and deaths over the year were reviewed to compare plan experience against the assumptions used in the valuation to determine whether a modification to future assumptions may be warranted. Evaluation of the information provided did not suggest a significant impact to the plan or justify a change to assumptions other than those already used.

NOTE 22 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

The following tables shows the Net OPEB Asset and Liability, and Total OPEB Liability by primary government (In thousands).

	Governmental Activities	Business-type Activities	Total
Net OPEB (Asset)	$ -	$ -	$ -
Net OPEB Liability	$ 157,379	$ 31,772	$ 189,151
Total OPEB Liability	$ -	$ 3,137	$ 3,137

Sensitivity of the net OPEB (asset)/liability to changes in the discount rate. The following presents the net OPEB (asset)/liability, as well as what the net OPEB (asset)/liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	Net OPEB (Asset)/Liability		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
County Miscellaneous and Safety	$ 220,078	$ 186,515	$ 158,639
	Net OPEB (Asset)/Liability		
	1% Decrease (5.20%)	Discount Rate (6.20%)	1% Increase (7.20%)
Flood Control Miscellaneous	$ 2,002	$ 1,409	$ 915
	Net OPEB (Asset)/Liability		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Park District Miscellaneous	$ 1,481	$ 1,227	$ 1,023

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	Total OPEB Liability		
	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Waste Resources Miscellaneous	$ 3,667	$ 3,137	$ 2,718

Sensitivity of the net OPEB (asset)/liability to changes in the healthcare cost trend rates. The following presents the net OPEB (asset)/liability, as well as what the net OPEB (asset)/liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Net OPEB (Asset)/Liability		
	1% Decrease (5.7% decreasing to 3.5%)	Healthcare Cost Trend Rates (6.7% decreasing to 4.5%)	1% Increase (7.7% decreasing to 5.5%)
County Miscellaneous and Safety (Pre Medicare Plan)	$ 220,078	$ 186,515	$ 158,639

NOTE 22 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

	Net OPEB (Asset)/Liability		
	1% Decrease (6.7% decreasing to 3.5%)	Healthcare Cost Trend Rates (7.7% decreasing to 4.5%)	1% Increase (8.7% decreasing to 5.5%)
County Miscellaneous and Safety (Post Medicare Plan)	$ 220,078	$ 186,515	$ 158,639

	Net OPEB (Asset)/Liability		
	1% Decrease (6.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% decreasing to 4.5%)	1% Increase (8.0% decreasing to 5.5%)
Flood Control Miscellaneous (Pre Medicare Plan)	$ 857	$ 1,409	$ 2,087

	Net OPEB (Asset)/Liability		
	1% Decrease (7.2% decreasing to 3.5%)	Healthcare Cost Trend Rates (8.2% decreasing to 4.5%)	1% Increase (9.2% decreasing to 5.5%)
Flood Control Miscellaneous (Post Medicare Plan)	$ 857	$ 1,409	$ 2,087

	Net OPEB (Asset)/Liability		
	1% Decrease (6.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% decreasing to 4.5%)	1% Increase (8.0% decreasing to 5.5%)
Park District Miscellaneous (Pre Medicare Plan)	$ 979	$ 1,227	$ 1,545

	Net OPEB (Asset)/Liability		
	1% Decrease (7.2% decreasing to 3.5%)	Healthcare Cost Trend Rates (8.2% decreasing to 4.5%)	1% Increase (9.2% decreasing to 5.5%)
Park District Miscellaneous (Post Medicare Plan)	$ 979	$ 1,227	$ 1,545

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Total OPEB Liability		
	1% Decrease (6.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% decreasing to 4.5%)	1% Increase (8.0% decreasing to 5.5%)
Waste Resources Miscellaneous (Pre Medicare Plan)	$ 2,718	$ 3,137	$ 3,659

NOTE 22 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

	Total OPEB Liability		
	1% Decrease (7.2% decreasing to 3.5%)	Healthcare Cost Trend Rates (8.2% decreasing to 4.5%)	1% Increase (9.2% decreasing to 5.5%)
Waste Resources Miscellaneous (Post Medicare Plan)	$ 2,718	$ 3,137	$ 3,659

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CERBT financial report.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, $38.6 million was recognized as OPEB expense. At June 30, 2022, the deferred outflows of resources and deferred inflows of resources related to OPEB were reported from the following sources.

Deferred Outflows of Resources By Plan:	County Miscellaneous and Safety	Flood Control Miscellaneous	Park District Miscellaneous	Waste Resources Miscellaneous	Total
Difference between expected and actual experience	$ 10,971	$ 391	$ 32	$ 73	$ 11,467
Difference between expected and actual earnings on OPEB plan investments	-	-	-	-	-
Changes of assumptions	140,043	3,067	1,136	57	144,303
Sub-total	151,014	3,458	1,168	130	155,770
Contributions subsequent to measurement date recognized as deferred outflows of resources (GASB Statement No. 71)	15,093	-	-	-	15,093
Total	$ 166,107	$ 3,458	$ 1,168	$ 130	$ 170,863

$15.1 million reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023.

Deferred Inflows of Resources By Plan:	County Miscellaneous and Safety	Flood Control Miscellaneous	Park District Miscellaneous	Waste Resources Miscellaneous	Total
Difference between expected and actual experience	$ (6,047)	$ -	$ (30)	$ -	$ (6,077)
Difference between expected and actual earnings on OPEB plan investments	(5,492)	(211)	(49)	-	(5,752)
Changes of assumptions	-	(1)	(1)	-	(2)
Total	$ (11,539)	$ (212)	$ (80)	$ -	$ (11,831)

The table below summarizes the total deferred outflows of resources and deferred inflows of resources by primary government (In thousands).

	Governmental Activities	Business-type Activities	Total
Deferred Outflows of Resources	$ 136,275	$ 34,588	$ 170,863
Deferred Inflows of Resources	$ (9,437)	$ (2,394)	$ (11,831)
Pension expense/expenditures	$ 35,818	$ 2,783	$ 38,601

NOTE 22 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	County Miscellaneous and Safety	Flood Control Miscellaneous	Park District Miscellaneous	Waste Resources Miscellaneous	Total
2023	$ 16,959	$ 398	$ 123	$ 130	$ 17,610
2024	16,926	396	124	-	17,446
2025	16,937	398	123	-	17,458
2026	16,775	401	120	-	17,296
2027	17,729	448	133	-	18,310
Thereafter	54,149	1,205	465	-	55,819
Total	$ 139,475	$ 3,246	$ 1,088	$ 130	$ 143,939

Payable to the OPEB Plan

At June 30, 2022, there was no outstanding amount of contributions payable to the OPEB plan required for the year ended June 30, 2022.

NOTE 23 – COMMITMENTS AND CONTINGENCIES

Lawsuits and Other Claims

The County has been named as a defendant in various lawsuits and claims arising in the normal course of operations. In the aggregate, these claims seek monetary damages in significant amounts. To the extent the outcome of such litigation has been determined to result in probable financial loss to the County, such loss has been accrued in the accompanying basic financial statements. Litigation where loss to the County is reasonably possible has not been accrued. In the opinion of management, the ultimate outcome of these claims will not materially affect the operations of the County.

Federal Grant Revenue

Compliance examinations for the fiscal year ended June 30, 2021, indicated no items found of noncompliance with Federal grants and regulations. The fiscal year 2021-22 Single Audit of federal awards report is expected to be submitted to the Federal Audit Clearinghouse on or before March 31, 2023.

Commitments

At June 30, 2022, the County had various non-cancelable contracts and construction-in-progress with outside contractors. These contracts were financed through either the general fund or capital projects funds. $173.5 million will be payable upon future performance under the contracts.

Landfill Construction and Consulting Contracts

Waste Resources enters into various construction and consulting contracts to facilitate its landfill operations and continues the process of installing landfill liners as needed at Badlands and Lamb Canyon landfills, in accordance with state and federal laws and regulations. Waste Resources does not anticipate a new area landfill expansion at the Lamb Canyon landfill in the next five years, but does plan to complete three expansion projects at Badlands landfill which will increase refuse airspace and days of site life in the current burial area. The P251 Liner Expansion at the Badlands landfill will cost approximately $27.3 million, the P252 Liner Expansion is estimated at $18.5 million, and the Southwest Basin Expansion is estimated at $2.5 million. These Badlands landfill projects are expected to be completed in the next five years.

Remediation Contingencies

Governmental Activities

Release of gasoline and diesel fuel has been reported at seven underground storage tanks. Orders have been issued by the California Regional Water Quality Control Board (CRWQCB) to assess and cleanup these sites by specific dates. It has determined the remediation plan and monitoring action is required. In addition to groundwater contamination, asbestos has been found in six facilities. As of June 30, 2022, the accrued remediation liability is $629.2 thousand. The liability has been calculated using the expected cash flow technique. The liability is subject to change over time. Cost may vary due to price fluctuations, changes in technology, results of environmental studies, changes to statute or regulations and other factors that could result in revisions to these estimates.

Business-type Activities

The Waste Resources Department has established restricted cash funds to set aside for future remediation costs as they are required to be performed. Investments of $42.2 million are held for these purposes at June 30, 2022 and are classified as accrued remediation in the statements of net position.

The Waste Resources Department is aware of air/gas contamination at 17 landfills, 11 of which are closed, and required to have corrective action plans. Based on engineering studies, Waste Resources estimates the present value of the total costs of corrective action for foreseeable water quality contaminant releases, and/or non-water quality corrective action measures, at $50.1 million as of June 30, 2022.

NOTE 23 – COMMITMENTS AND CONTINGENCIES (Continued)

Remediation Contingencies (Continued)

In addition to the liability amounts calculated per CalRecycle regulations that are designated to the Escrow Funds, the Waste Resources Department is also responsible for the corrective action costs related to 19 other landfill sites that have been inactive or closed since before 1988. Liability for these sites fluctuates dependent on the needs of each site and changes to or the implementation of laws and regulations. As of June 30, 2022, the post-closure liability is estimated at $4.2 million.

Encumbrances

The County uses "encumbrances" to control expenditure commitments for the year. Encumbrances represent commitments related to executor contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of monies are encumbered to reserve applicable appropriations. Depending on the source(s) of funding, encumbrances are reported as part of restricted or assigned fund balance on the governmental funds balance sheet. As of June 30, 2022, the encumbrance balances for the governmental funds are reported as follows (In thousands):

	Restricted	Committed	Assigned	Total
Major Governmental Funds				
General Fund:				
Fire protection	$ -	$ -	$ 7,173	$ 7,173
General government	-	-	1,744	1,744
Health care programs	-	-	2,582	2,582
Probation programs	-	-	5,151	5,151
Public assistance	-	-	257	257
Public protection	-	-	5,648	5,648
Sheriff correction	-	-	10,314	10,314
Sheriff court services	-	-	1,894	1,894
Sheriff patrol	-	-	3,052	3,052
Sheriff support	-	-	1,228	1,228
Recreation and cultural services	-	-	167	167
Transportation:				
Construction projects	430	-	-	430
General government	54	-	-	54
Public protection	34	-	-	34
Public ways and facilities	221	-	1,185	1,406
Nonmajor Governmental Funds				
Special Revenue Funds:				
Education	271	-	-	271
General government	653	-	251	904
Parks projects	11	38	-	49
Public protection	402	-	-	402
Public ways and facilities	320	-	-	320
Sheriff correction	33	-	-	33
Capital Projects Funds:				
Parks projects	77	-	-	77
Public ways and facilities	81	-	-	81
Capital improvement projects	100	-	2,081	2,181
Total Encumbrances	**$ 2,687**	**$ 38**	**$ 42,727**	**$ 45,452**

NOTE 24 – SUBSEQUENT EVENTS

Tax and Revenue Anticipation Notes (TRANs)

On July 1, 2022, the County issued $360.0 million in Tax and Revenue Anticipation Notes which mature June 30, 2023. The stated interest rate for the notes is 5.0%, with a yield of 2.2%. In accordance with California law, the TRANs are general obligations of the County and are payable only out of the taxes, income, revenues, cash receipts, and other monies of the County attributable to fiscal year 2023 and legally available for payment thereof. Proceeds for the notes will be used for fiscal year 2023 general fund expenditures, including current expenditures, capital expenditures, and the discharge of other obligations or indebtedness of the County. The Notes were assigned a rating of SP-1+ by Standard and Poor's, and F1+ by Fitch Ratings.

Teeter Obligation Notes, Series A

On October 19, 2022, the County issued $84.1 million of Teeter Plan Obligation Notes, 2022 Series A to refund the outstanding Teeter Plan Obligation Notes, 2021 Series A, and fund an advance of unpaid property taxes for agencies participating in the County's Teeter plan, and to pay the cost of issuance related to the notes. The stated interest rate for the Notes is 3.7%, with a yield of 3.3%. The Notes mature October 19, 2023 and were assigned a MIGI rating by Moody's Investors Service.

CalPERS Contribution Rates

The CalPERS miscellaneous and safety plan contribution rates for fiscal year 2022-23 are 23.1% and 36.4%, respectively. Fiscal year 2023-24 contribution rates for miscellaneous and safety are estimated at 23.1% and 37.3%, respectively. They will be accounted for in fiscal year 2022-23 and future budget years.

Finance Purchases of Capital Assets

On October 25, 2022, the Board of Supervisors authorized a Master Lease Purchase Agreement for a $25.0 million line of credit, with the option for an additional $25.0 million after the initial funds are exhausted. The line of credit will be used as necessary to purchase new equipment or replacements when the useful life has expired.

REQUIRED SUPPLEMENTARY INFORMATION

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COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2022

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS DURING THE MEASUREMENT PERIOD

(Dollar amounts in thousands)

County Miscellaneous, Agent Multiple-Employer Plan

Measurement Period	2020-21 (1)	2019-20 (1)	2018-19 (1)	2017-18 (1)
Total pension liability				
Service cost	$ 215,136	$ 212,955	$ 211,449	$ 215,186
Interest on total pension liability	624,197	597,364	567,030	532,726
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(76,589)	(27,739)	41,592	51,597
Changes of assumptions	-	-	-	(58,382)
Benefit payments, including refunds of employee contributions	(377,358)	(350,397)	(321,474)	(291,902)
Net change in total pension liability	385,386	432,183	498,597	449,225
Total pension liability - beginning	8,633,779	8,201,596	7,702,999	7,253,774
Total pension liability - ending (a)	$ 9,019,165	$ 8,633,779	$ 8,201,596	$ 7,702,999
Plan fiduciary net position				
Contributions - employer	$ 267,034	$ 625,349	$ 216,533	$ 185,512
Contributions - employee	95,060	88,580	87,918	87,471
Net investment income	1,529,500	307,235	377,088	449,040
Benefit payments, including refunds of employee contributions	(377,358)	(350,397)	(321,474)	(291,902)
Administrative expense	(6,715)	(8,590)	(4,088)	(8,297)
Other miscellaneous expense	-	32	220	(15,755)
Net change in plan fiduciary net position	1,507,521	662,209	356,197	406,069
Plan fiduciary net position - beginning	6,514,934	5,852,725	5,496,528	5,090,459
Plan fiduciary net position - ending (b)	$ 8,022,455	$ 6,514,934	$ 5,852,725	$ 5,496,528
Plan's net pension liability - ending (a) - (b)	$ 996,710	$ 2,118,845	$ 2,348,871	$ 2,206,471
Plan fiduciary net position as a percentage of the total pension liability	88.9%	75.5%	71.4%	71.4%
Covered payroll (2)	$ 1,199,223	$ 1,168,452	$ 1,144,873	$ 1,068,222
Plan's net pension liability as a percentage of covered payroll	83.1%	181.3%	205.2%	206.6%

(1) 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.

(2) Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73.*

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2022

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

County Miscellaneous, Agent Multiple- Employer Plan

2016-17 (1)	2015-16 (1)	2014-15 (1)	2013-14 (1)	Measurement Period
				Total pension liability
$ 211,842	$ 175,662	$ 162,257	$ 158,164	Service cost
501,855	457,630	418,860	377,221	Interest on total pension liability
-	-	-	-	Changes of benefit terms
151,001	141,472	15,756	-	Differences between expected and actual experience
450,226	-	(109,320)	-	Changes of assumptions
(259,302)	(234,668)	(217,701)	(195,420)	Benefit payments, including refunds of employee contributions
1,055,622	540,096	269,852	339,965	**Net change in total pension liability**
6,198,152	5,658,056	5,388,204	5,048,239	**Total pension liability - beginning**
$ 7,253,774	$ 6,198,152	$ 5,658,056	$ 5,388,204	**Total pension liability - ending (a)**
				Plan fiduciary net position
$ 164,307	$ 157,639	$ 98,867	$ 134,673	Contributions - employer
87,201	82,884	76,078	69,872	Contributions - employee
540,579	24,832	104,069	666,911	Net investment income
(259,302)	(234,668)	(217,701)	(195,420)	Benefit payments, including refunds of employee contributions
(7,122)	(2,894)	(5,345)	-	Administrative expense
-	-	-	-	Other miscellaneous expense
525,663	27,793	55,968	676,036	**Net change in plan fiduciary net position**
4,564,796	4,537,003	4,481,035	3,804,999	**Plan fiduciary net position - beginning**
$ 5,090,459	$ 4,564,796	$ 4,537,003	$ 4,481,035	**Plan fiduciary net position - ending (b)**
$ 2,163,315	$ 1,633,356	$ 1,121,053	$ 907,169	**Plan's net pension liability - ending (a) - (b)**
70.2%	73.6%	80.2%	83.2%	**Plan fiduciary net position as a percentage of the total pension liability**
$ 1,056,636	$ 1,010,690	$ 909,644	$ 842,865	**Covered payroll** (2)
204.7%	161.6%	123.2%	107.6%	**Plan's net pension liability as a percentage of covered payroll**

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

(Dollar amounts in thousands)

County Safety, Agent Multiple-Employer Plan

Measurement Period	2020-21 (1)	2019-20 (1)	2018-19 (1)	2017-18 (1)
Total pension liability				
Service cost	$ 94,221	$ 91,805	$ 93,738	$ 99,309
Interest on total pension liability	280,939	267,982	255,679	241,592
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(18,708)	(25,905)	(3,563)	(14,902)
Changes of assumptions	-	-	-	(15,727)
Benefit payments, including refunds of employee contributions	(166,291)	(155,865)	(145,095)	(129,977)
Net change in total pension liability	190,161	178,017	200,759	180,295
Total pension liability - beginning	3,983,948	3,805,931	3,605,172	3,424,877
Total pension liability - ending (a)	$ 4,174,109	$ 3,983,948	$ 3,805,931	$ 3,605,172
Plan fiduciary net position				
Contributions - employer	$ 113,527	$ 468,163	$ 104,161	$ 92,283
Contributions - employee	34,632	32,468	30,029	30,586
Net investment income	727,664	139,287	169,980	202,786
Benefit payments, including refunds of employee contributions	(166,291)	(155,865)	(145,095)	(129,977)
Administrative expense	(3,206)	(3,865)	(1,845)	(3,760)
Other miscellaneous expense	-	(32)	(200)	(7,102)
Net change in plan fiduciary net position	706,326	480,156	157,030	184,816
Plan fiduciary net position - beginning	3,222,029	2,741,873	2,584,843	2,400,027
Plan fiduciary net position - ending (b)	$ 3,928,355	$ 3,222,029	$ 2,741,873	$ 2,584,843
Plan's net pension liability - ending (a) - (b)	$ 245,754	$ 761,919	$ 1,064,058	$ 1,020,329
Plan fiduciary net position as a percentage of the total pension liability	94.1%	80.9%	72.0%	71.7%
Covered payroll (2)	$ 320,489	$ 311,708	$ 300,890	$ 322,749
Plan's net pension liability as a percentage of covered payroll	76.7%	244.4%	353.6%	316.1%

(1) 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.

(2) Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73.*

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2022

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

(Dollar amounts in thousands)

County Safety, Agent Multiple- Employer Plan

2016-17 (1)	2015-16 (1)	2014-15 (1)	2013-14 (1)	Measurement Period
				Total pension liability
$ 101,987	$ 86,039	$ 80,457	$ 77,706	Service cost
229,003	212,548	195,332	181,393	Interest on total pension liability
-	-	-	-	Changes of benefit terms
13,324	47,893	22,825	-	Differences between expected and actual experience
215,024	-	(53,617)	-	Changes of assumptions
(115,929)	(105,002)	(97,869)	(91,921)	Benefit payments, including refunds of employee contributions
443,409	241,478	147,128	167,178	**Net change in total pension liability**
2,981,468	2,739,990	2,592,862	2,425,684	**Total pension liability - beginning**
$ 3,424,877	$ 2,981,468	$ 2,739,990	$ 2,592,862	**Total pension liability - ending (a)**
				Plan fiduciary net position
$ 85,091	$ 76,363	$ 65,364	$ 72,947	Contributions - employer
33,623	32,073	30,313	28,396	Contributions - employee
243,597	10,790	46,730	312,502	Net investment income
(115,929)	(105,002)	(97,869)	(91,921)	Benefit payments, including refunds of employee contributions
(3,184)	(1,306)	(2,398)	-	Administrative expense
-	-	-	-	Other miscellaneous expense
243,198	12,918	42,140	321,924	**Net change in plan fiduciary net position**
2,156,829	2,143,911	2,101,771	1,779,847	**Plan fiduciary net position - beginning**
$ 2,400,027	$ 2,156,829	$ 2,143,911	$ 2,101,771	**Plan fiduciary net position - ending (b)**
$ 1,024,850	$ 824,639	$ 596,079	$ 491,091	**Plan's net pension liability - ending (a) - (b)**
70.1%	72.3%	78.2%	81.1%	**Plan fiduciary net position as a percentage of the total pension liability**
$ 340,897	$ 341,419	$ 320,550	$ 279,508	**Covered payroll** (2)
300.6%	241.5%	186.0%	175.7%	**Plan's net pension liability as a percentage of covered payroll**

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2022

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

Flood Control Miscellaneous, Agent Multiple-Employer Plan

Measurement Period	2020-21 (1)	2019-20 (1)	2018-19 (1)	2017-18 (1)
Total pension liability				
Service cost	$ 3,163	$ 3,020	$ 3,114	$ 3,239
Interest on total pension liability	15,201	14,738	14,237	13,568
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(7)	339	2,633	(883)
Changes of assumptions	-	-	-	(1,005)
Benefit payments, including refunds of employee contributions	(11,597)	(11,094)	(10,190)	(9,835)
Net change in total pension liability	6,760	7,003	9,794	5,084
Total pension liability - beginning	216,828	209,825	200,031	194,947
Total pension liability - ending (a)	$ 223,588	$ 216,828	$ 209,825	$ 200,031
Plan fiduciary net position				
Contributions - employer	$ 19,469	$ 12,731	$ 5,020	$ 4,253
Contributions - employee	1,376	1,307	1,240	1,269
Net investment income	34,443	6,807	8,617	10,586
Benefit payments, including refunds of employee contributions	(11,597)	(11,094)	(10,190)	(9,835)
Administrative expense	(195)	(192)	(94)	(196)
Other miscellaneous expense	-	-	-	(373)
Net change in plan fiduciary net position	43,496	9,559	4,593	5,704
Plan fiduciary net position - beginning	145,862	136,303	131,710	126,006
Plan fiduciary net position - ending (b)	$ 189,358	$ 145,862	$ 136,303	$ 131,710
Plan's net pension liability - ending (a) - (b)	$ 34,230	$ 70,966	$ 73,522	$ 68,321
Plan fiduciary net position as a percentage of the total pension liability	84.7%	67.3%	65.0%	65.8%
Covered payroll (2)	$ 17,908	$ 16,890	$ 17,305	$ 17,581
Plan's net pension liability as a percentage of covered payroll	191.1%	420.2%	424.9%	388.6%

(1) 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.

(2) Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73.*

Notes to Schedule:

Benefit changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2019 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2019 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of assumptions: None in 2019-2020. In 2018, demographic assumptions and the inflation rate were changed in accordance with the CalPERS Experience Study and Review of Assumptions in December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65% to 7.15%. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.50%

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2022

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

(Dollar amounts in thousands)

Flood Control Miscellaneous, Agent Multiple-Employer Plan

2016-17 (1)	2015-16 (1)	2014-15 (1)	2013-14 (1)	Measurement Period
				Total pension liability
$ 3,196	$ 2,736	$ 2,606	$ 2,659	Service cost
13,182	12,356	11,562	10,889	Interest on total pension liability
-	-	-	-	Changes of benefit terms
4,317	3,136	1,641	-	Differences between expected and actual experience
11,057	-	(2,831)	-	Changes of assumptions
(8,387)	(7,290)	(6,729)	(6,007)	Benefit payments, including refunds of employee contributions
23,365	10,938	6,249	7,541	**Net change in total pension liability**
171,582	160,644	154,395	146,854	**Total pension liability - beginning**
$ 194,947	$ 171,582	$ 160,644	$ 154,395	**Total pension liability - ending (a)**
				Plan fiduciary net position
$ 3,899	$ 3,445	$ 2,918	$ 2,793	Contributions - employer
1,343	1,356	1,276	1,394	Contributions - employee
12,842	666	2,660	17,670	Net investment income
(8,387)	(7,290)	(6,729)	(6,007)	Benefit payments, including refunds of employee contributions
(171)	(73)	(133)	-	Administrative expense
-	-	-	-	Other miscellaneous expense
9,526	(1,896)	(8)	15,850	**Net change in plan fiduciary net position**
116,480	118,376	118,384	102,534	**Plan fiduciary net position - beginning**
$ 126,006	$ 116,480	$ 118,376	$ 118,384	**Plan fiduciary net position - ending (b)**
$ 68,941	$ 55,102	$ 42,268	$ 36,011	**Plan's net pension liability - ending (a) - (b)**
64.6%	67.9%	73.7%	76.7%	**Plan fiduciary net position as a percentage of the total pension liability**
$ 17,428	$ 16,643	$ 15,838	$ 15,385	**Covered payroll** (2)
395.6%	331.1%	266.9%	234.1%	**Plan's net pension liability as a percentage of covered payroll**

(net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.50% discount rate.

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2022

SCHEDULE OF PLAN CONTRIBUTIONS
(Dollar amounts in thousands)

County Miscellaneous, Agent Multiple-Employer Plan

*Fiscal Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	**Covered payroll	Contributions as a percentage of covered payroll
2014-15	$ 126,838	$ (132,619)	$ (5,781)	$ 909,644	14.6%
2015-16	$ 143,300	$ (159,154)	$ (15,854)	$ 1,010,690	15.7%
2016-17	$ 160,437	$ (178,196)	$ (17,759)	$ 1,056,636	16.9%
2017-18	$ 184,572	$ (182,070)	$ 2,502	$ 1,068,222	17.0%
2018-19	$ 224,862	$ (207,080)	$ 17,782	$ 1,144,873	18.1%
2019-20	$ 243,748	$ (243,748)	$ -	$ 1,168,452	20.9%
2020-21	$ 285,626	$ (285,626)	$ -	$ 1,199,223	23.8%
2021-22	$ 292,832	$ (292,832)	$ -	$ 1,231,946	23.8%

* 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.

** Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73.*

County Safety, Agent Multiple- Employer Plan

*Fiscal Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	**Covered payroll	Contributions as a percentage of covered payroll
2014-15	$ 62,624	$ (71,228)	$ (8,604)	$ 320,550	22.2%
2015-16	$ 69,936	$ (83,166)	$ (13,230)	$ 341,419	24.4%
2016-17	$ 85,699	$ (91,330)	$ (5,631)	$ 340,897	26.8%
2017-18	$ 98,314	$ (91,224)	$ 7,090	$ 322,749	28.3%
2018-19	$ 117,149	$ (98,581)	$ 18,568	$ 300,890	32.8%
2019-20	$ 126,333	$ (126,333)	$ -	$ 311,708	40.5%
2020-21	$ 146,179	$ (146,179)	$ -	$ 320,489	45.6%
2021-22	$ 149,823	$ (149,823)	$ -	$ 327,404	45.8%

* 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.

** Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73.*

SCHEDULE OF PLAN CONTRIBUTIONS (Continued)

(Dollar amounts in thousands)

Flood Control Miscellaneous, Agent Multiple-Employer Plan

*Fiscal Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	**Covered payroll	Contributions as a percentage of covered payroll
2014-15	$ 2,918	$ (2,918)	$ -	$ 15,838	18.4%
2015-16	$ 3,442	$ (3,442)	$ -	$ 16,643	20.7%
2016-17	$ 3,896	$ (3,896)	$ -	$ 17,428	22.4%
2017-18	$ 4,252	$ (4,252)	$ -	$ 17,581	24.2%
2018-19	$ 5,019	$ (5,019)	$ -	$ 17,305	29.0%
2019-20	$ 6,015	$ (12,731)	$ (6,716)	$ 16,890	35.6%
2020-21	$ 6,891	$ (19,469)	$ (12,578)	$ 17,908	38.5%
2021-22	$ 6,478	$ (19,318)	$ (12,840)	$ 18,400	35.2%

* 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.

** Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73.*

Notes to Schedule

The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2021-22 were derived from the June 30, 2020 funding valuation report.

	County Miscellaneous	County Safety	Flood Control Miscellaneous
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
Remaining amortization period	25 Years as of the Valuation Date	25 Years as of the Valuation Date	25 Years as of the Valuation Date
Asset valuation method	Market Value of Assets	Market Value of Assets	Market Value of Assets
Inflation	2.50%	2.50%	2.50%
Salary increases	Varies by Entry Age and Service	Varies by Entry Age and Service	Varies by Entry Age and Service
Payroll growth	2.75%	2.75%	2.75%
Investment rate of return*	7.15%	7.15%	7.15%

The Retirement Age is determined by the probabilities of retirement which are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.

The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

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

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2022

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

As of the Measurement Date
(Dollar amounts in thousands)

Park District Miscellaneous, Cost-Sharing Multiple-Employer Plan

Measurement Period (1)	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered payroll (2)	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Pension plan's fiduciary net position as a percentage of the total pension liability
2013-14	0.09946%	$ 6,189	$ 4,992	124.0%	81.8%
2014-15	0.25620%	$ 7,029	$ 5,799	121.2%	80.2%
2015-16	0.26345%	$ 9,151	$ 6,791	134.8%	75.9%
2016-17	0.27243%	$ 10,739	$ 6,201	173.2%	75.3%
2017-18	0.27877%	$ 10,506	$ 5,415	194.0%	77.1%
2018-19	0.28803%	$ 11,534	$ 5,439	212.1%	76.1%
2019-20	0.29329%	$ 12,371	$ 5,464	226.4%	75.3%
2020-21	0.37083%	$ 7,041	$ 4,927	142.9%	86.4%

(1) 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.

(2) Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73.*

Waste Resources Miscellaneous, Cost-Sharing Multiple-Employer Plan

Measurement Period (1)	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered payroll (2)	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Pension plan's fiduciary net position as a percentage of the total pension liability
2013-14	0.13583%	$ 8,452	$ 3,082	274.2%	79.8%
2014-15	0.35266%	$ 9,675	$ 2,298	421.0%	77.4%
2015-16	0.35378%	$ 12,290	$ 2,339	525.4%	72.9%
2016-17	0.35839%	$ 14,128	$ 1,981	713.2%	72.1%
2017-18	0.36801%	$ 13,869	$ 1,816	763.7%	73.2%
2018-19	0.37300%	$ 14,937	$ 1,615	924.9%	72.3%
2019-20	0.37846%	$ 15,964	$ 1,356	1177.3%	71.0%
2020-21	0.48902%	$ 9,286	$ 1,250	742.9%	83.4%

(1) 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.

(2) Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73.*

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2022

SCHEDULE OF PLAN CONTRIBUTIONS
(Dollar amounts in thousands)

Park District Miscellaneous, Cost-Sharing Multiple-Employer Plan

*Fiscal Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	**Covered payroll	Contributions as a percentage of covered payroll
2014-15	$ 950	$ (950)	$ -	$ 5,799	16.4%
2015-16	$ 1,062	$ (1,062)	$ -	$ 6,791	15.6%
2016-17	$ 1,094	$ (1,094)	$ -	$ 6,201	17.6%
2017-18	$ 1,094	$ (1,094)	$ -	$ 5,415	20.2%
2018-19	$ 1,229	$ (1,229)	$ -	$ 5,439	22.6%
2019-20	$ 1,515	$ (1,515)	$ -	$ 5,464	27.7%
2020-21	$ 1,414	$ (1,414)	$ -	$ 4,927	28.7%
2021-22	$ 1,525	$ (1,525)	$ -	$ 4,861	31.4%

* 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.

** Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73.*

Waste Resources Miscellaneous, Cost-Sharing Multiple-Employer Plan

*Fiscal Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	**Covered payroll	Contributions as a percentage of covered payroll
2014-15	$ 623	$ (189)	$ 434	$ 2,298	8.2%
2015-16	$ 863	$ (411)	$ 452	$ 2,339	17.6%
2016-17	$ 905	$ (832)	$ 73	$ 1,981	42.0%
2017-18	$ 1,020	$ (900)	$ 120	$ 1,816	49.6%
2018-19	$ 1,166	$ (1,022)	$ 144	$ 1,615	63.3%
2019-20	$ 1,141	$ (1,141)	$ -	$ 1,356	84.1%
2020-21	$ 1,257	$ (1,257)	$ -	$ 1,250	100.6%
2021-22	$ 3,635	$ (3,635)	$ -	$ 1,054	344.9%

* 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.

** Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73.*

Notes to Schedule

Changes of assumptions: The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2022

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

Measurement Period	2020-21 (1)	2019-20 (1)	2018-19 (1)	2017-18 (1)
Total pension liability				
Service cost	$ 1,099	$ 1,255	$ 1,082	$ 1,300
Interest cost	3,290	3,200	2,747	2,548
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	2,832	(365)	2,732	1,621
Changes of assumptions	119	(259)	2,985	40
Benefit payments, including refunds of employee contributions	(2,270)	(2,107)	(2,222)	(1,726)
Net change in total pension liability	5,070	1,724	7,324	3,783
Total pension liability - beginning	54,846	53,122	45,798	42,015
Total pension liability - ending (a)	$ 59,916	$ 54,846	$ 53,122	$ 45,798
Plan fiduciary net position				
Contributions - employer	$ 2,282	$ 812	$ 832	$ 816
Contributions - employee	2,268	1,722	1,701	1,633
Net investment income (loss)	14,069	1,622	1,939	3,648
Benefit payments, including refunds of employee contributions	(2,270)	(2,107)	(2,222)	(1,726)
Administrative expense	(290)	(258)	(251)	(347)
Other	-	-	-	-
Net change in plan fiduciary net position	16,059	1,791	1,999	4,024
Plan fiduciary net position - beginning	45,366	43,575	41,576	37,552
Plan fiduciary net position - ending (b)	$ 61,425	$ 45,366	$ 43,575	$ 41,576
Net pension liability (asset) - ending (a) - (b)	$ (1,509)	$ 9,480	$ 9,547	$ 4,222
Plan fiduciary net position as a percentage of the total pension liability (asset) - (b)/(a)	102.5%	82.7%	82.0%	90.8%
Covered payroll (2)	$ 54,111	$ 39,633	$ 43,593	$ 43,357
Net pension liability (asset) as a percentage of covered payroll	2.8%	23.9%	21.9%	9.7%

(1) 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.

(2) Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73.*

Notes to Schedule:

Change of assumptions. The mortality improvement scale was updated from MP-2020 to MP-2021 since the prior valuation. The lump sum conversion mortality table was updated from 2020 applicable table to the 2021 applicable table under IRC section 417(e). The administrative expense was updated from $225.0 thousand to $300.0 thousand to better reflect the recent experience.

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2022

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

(Dollar amounts in thousands)

Riverside County – Part-time and Temporary Help Retirement

2016-17 (1)	2015-16 (1)	2014-15 (1)	2013-14 (1)	**Measurement Period**
				Total pension liability
$ 1,914	$ 1,718	$ 1,512	$ 1,557	Service cost
2,358	2,186	1,983	1,800	Interest cost
-	-	-	-	Changes of benefit terms
1,457	1,524	795	1,146	Differences between expected and actual experience
(746)	(594)	2,939	-	Changes of assumptions
(1,757)	(1,507)	(1,511)	(1,762)	Benefit payments, including refunds of employee contributio
3,226	3,327	5,718	2,741	**Net change in total pension liability**
38,789	35,462	29,744	27,003	**Total pension liability - beginning**
$ 42,015	$ 38,789	$ 35,462	$ 29,744	**Total pension liability - ending (a)**
				Plan fiduciary net position
$ 1,341	$ 668	$ 607	$ 956	Contributions - employer
1,674	1,399	1,267	1,394	Contributions - employee
4,289	(117)	131	4,437	Net investment income (loss)
(1,757)	(1,507)	(1,511)	(1,762)	Benefit payments, including refunds of employee contributio
(128)	(189)	(217)	(228)	Administrative expense
-	-	-	-	Other
5,419	254	277	4,797	**Net change in plan fiduciary net position**
32,133	31,879	31,602	26,805	**Plan fiduciary net position - beginning**
$ 37,552	$ 32,133	$ 31,879	$ 31,602	**Plan fiduciary net position - ending (b)**
$ 4,463	$ 6,656	$ 3,583	$ (1,858)	**Net pension liability (asset) - ending (a) - (b)**
89.4%	82.8%	89.9%	106.2%	**Plan fiduciary net position as a percentage of the total pension liability (asset) - (b)/(a)**
$ 44,525	$ 39,761	$ 32,963	$ 29,517	**Covered payroll** (2)
10.0%	16.7%	10.9%	6.3%	**Net pension liability (asset) as a percentage of covered payroll**

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2022

SCHEDULE OF PLAN CONTRIBUTIONS
(Dollar amounts in thousands)

Riverside County – Part-time and Temporary Help Retirement

*Fiscal Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	**Covered payroll	Contributions as a percentage of covered payroll
2014-15	$ 252	$ (529)	$ (277)	$ 32,963	1.6%
2015-16	$ 122	$ (639)	$ (517)	$ 39,761	1.6%
2016-17	$ 727	$ (1,365)	$ (638)	$ 44,525	3.1%
2017-18	$ 657	$ (773)	$ (116)	$ 43,357	1.8%
2018-19	$ 475	$ (833)	$ (358)	$ 43,593	1.9%
2019-20	$ 801	$ (801)	$ -	$ 39,633	2.0%
2020-21	$ 2,256	$ (2,256)	$ -	$ 54,111	4.2%
2021-22	$ 3,198	$ (3,198)	$ -	$ 58,337	5.5%

* 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.

** Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73.*

Notes to Schedule

Valuation date: July 1, 2021
Methods and assumptions used to determine contribution rates:
Actuarial cost method: Entry Age Normal
Amortization method: Level Percentage of Payroll
Remaining amortization period: 20–year Amortization of Unfunded Liability, plus Normal Cost, less expected Employee Contributions
Asset valuation method: Market Value
Inflation: 2.50%
Salary increases: 2.75%
Investment rate of return: 6.0% (net of administrative expense)
Retirement age: 65
Mortality: The mortality rate is based on Pub-2010 amount weighted tables for general employees of all income levels, projected using improvement scale MP-2021 from 2010.

Age	30	40	50	60	70	80	90
Male	0.04%	0.07%	0.30%	0.61%	0.70%	1.73%	14.67%
Female	0.02%	0.04%	0.02%	0.38%	0.49%	1.33%	11.49%

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2022

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
(Dollar amounts in thousands)

County Miscellaneous and Safety, Agent Multiple-Employer Plan Administered Through Trusts

Measurement Period	2020-21 (1)	2019-20 (1)	2018-19 (1)	2017-18 (1)	2016-17 (1)
Total OPEB liability					
Service cost	$ 10,517	$ 2,965	$ 1,434	$ 882	$ 700
Interest cost	14,885	7,280	4,581	3,445	3,010
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experiences	4,515	(7,464)	2,528	4,061	5,814
Changes of assumptions	2,505	133,857	29,676	11,334	3,186
Benefit payments	(7,567)	(4,468)	(3,500)	(3,262)	(2,841)
Net change in total OPEB liability	24,855	132,170	34,719	16,460	9,869
Total OPEB liability - beginning	235,267	103,097	68,378	51,918	42,049
Total OPEB liability - ending (a)	$ 260,122	$ 235,267	$ 103,097	$ 68,378	$ 51,918
Plan fiduciary net position					
Contributions - employer	$ 17,163	$ 10,066	$ 5,500	$ 4,262	$ 1,909
Contributions - employee	-	-	-	-	-
Net investment income	11,036	2,525	2,821	2,342	3,612
Benefit payments	(7,567)	(4,468)	(3,500)	(3,262)	(2,841)
Administrative expense	(30)	(23)	(20)	(17)	(17)
Net change in plan fiduciary net position	20,602	8,100	4,801	3,325	2,663
Plan fiduciary net position - beginning	53,005	44,905	40,104	36,779	34,116
Plan fiduciary net position - ending (b)	$ 73,607	$ 53,005	$ 44,905	$ 40,104	$ 36,779
County's net OPEB liability - ending (a) - (b)	$ 186,515	$ 182,262	$ 58,192	$ 28,274	$ 15,139
Plan fiduciary net position as a percentage of the total OPEB liability	28.3%	22.5%	43.6%	58.7%	70.8%
Covered payroll (2)	$ 1,519,712	$ 1,480,160	$ 1,445,763	$ 1,390,971	$ 1,382,037
County's net OPEB liability as a percentage of covered payroll	12.3%	12.3%	4.0%	2.0%	1.1%

(1) Historical information is required only for measurement periods for which GASB Statement No. 75 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.

(2) Covered payroll represents compensation on which contributions to an OPEB plan are based in accordance with GASB Statement No. 85, *Omnibus 2017*.

Notes to Schedule:

Changes of assumptions: The discount rate was updated due to the change in expected return assumption. The mortality improvement was updated from scale MP-2020 to scale MP-2021. The claims table was updated to reflect most recent CalPERS monthly premiums available for 2021. The access to CalPERS health plans given to LIUNA bargaining group had lead to higher costs and participant rates. The future CalPERS vs County health plan elections for participants eligible for both was changed from 90%/10% to 95%/5%, for CalPERS/County respectively. A lapse rate assumption, deferred election rate, and a liability load for deferred retires were developed based on an experience study that was carried out in 2021.

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS (Continued)

(Dollar amounts in thousands)

Flood Control Miscellaneous, Agent Multiple-Employer Plan Administered Through Trusts

Measurement Period	2020-21 (1)	2019-20 (1)	2018-19 (1)	2017-18 (1)	2016-17 (1)
Total OPEB liability					
Service cost	$ 99	$ 20	$ 3	$ 4	$ 4
Interest cost	215	78	32	30	30
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experiences	285	124	37	13	19
Changes of assumptions	1,208	1,911	683	8	(2)
Benefit payments	(171)	(68)	(39)	(36)	(32)
Net change in total OPEB liability	1,636	2,065	716	19	19
Total OPEB liability - beginning	3,317	1,252	536	517	498
Total OPEB liability - ending (a)	$ 4,953	$ 3,317	$ 1,252	$ 536	$ 517
Plan fiduciary net position					
Contributions - employer	$ 2,171	$ 618	$ -	$ 36	$ -
Contributions - employee	-	-	-	-	-
Net investment income	357	63	41	26	23
Benefit payments	(171)	(68)	(39)	(36)	(32)
Administrative expense	-	-	-	-	-
Net change in plan fiduciary net position	2,357	613	2	26	(9)
Plan fiduciary net position - beginning	1,187	574	572	546	555
Plan fiduciary net position - ending (b)	$ 3,544	$ 1,187	$ 574	$ 572	$ 546
District's net OPEB (asset)/liability - ending (a) - (b)	$ 1,409	$ 2,130	$ 678	$ (36)	$ (29)
Plan fiduciary net position as a percentage of the total OPEB (asset)/liability	71.6%	35.8%	45.8%	106.7%	105.6%
Covered payroll (2)	$ 18,515	$ 18,076	$ 16,956	$ 17,354	$ 17,545
District's net OPEB (asset)/liability as a percentage of covered payroll	7.6%	11.8%	4.0%	-0.2%	-0.2%

(1) Historical information is required only for measurement periods for which GASB Statement No. 75 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.

(2) Covered payroll represents compensation on which contributions to an OPEB plan are based in accordance with GASB Statement No. 85, *Omnibus 2017*.

Notes to Schedule:

Changes of assumptions: The discount rate was updated due to the change in expected return assumption. The mortality improvement was updated from scale MP-2020 to scale MP-2021. The claims table was updated to reflect most recent CalPERS monthly premiums available for 2021. The access to CalPERS health plans given to LIUNA bargaining group had led to higher costs and participant rates. The future CalPERS vs County health plan elections for participants eligible for both was changed from 90%/10% to 95%/5%, for CalPERS/County respectively. A lapse rate assumption, deferred election rate, and a liability load for deferred retires were developed based on an experience study that was carried out in 2021.

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2022

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS (Continued)
(Dollar amounts in thousands)

Park District Miscellaneous, Agent Multiple-Employer Plan Administered Through Trusts

Measurement Period	2020-21 (1)	2019-20 (1)	2018-19 (1)	2017-18 (1)	2016-17 (1)
Total OPEB liability					
Service cost	$ 72	$ 8	$ 1	$ 1	$ 3
Interest cost	111	16	10	10	8
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experiences	-	27	(43)	-	23
Changes of assumptions	66	1,226	118	-	(2)
Benefit payments	(42)	(20)	(8)	(11)	(8)
Net change in total OPEB liability	207	1,257	78	-	24
Total OPEB liability - beginning	1,475	218	140	140	116
Total OPEB liability - ending (a)	1,682	$ 1,475	$ 218	$ 140	$ 140
Plan fiduciary net position					
Contributions - employer	$ 42	$ 2	$ -	$ -	$ -
Contributions - employee	-	-	-	-	-
Net investment income	99	13	21	26	33
Benefit payments	(42)	(20)	(8)	(11)	(8)
Administrative expense	-	-	-	-	-
Net change in plan fiduciary net position	99	(5)	13	15	25
Plan fiduciary net position - beginning	356	361	348	333	308
Plan fiduciary net position - ending (b)	$ 455	$ 356	$ 361	$ 348	$ 333
District's net OPEB (asset)/liability - ending (a) - (b)	$ 1,227	$ 1,119	$ (143)	$ (208)	$ (193)
Plan fiduciary net position as a percentage of the total OPEB (asset)/liability	27.1%	24.1%	165.6%	248.6%	237.9%
Covered payroll (2)	$ 4,865	$ 5,563	$ 5,853	$ 5,683	$ 6,201
District's net OPEB (asset)/liability as a percentage of covered payroll	25.2%	20.1%	-2.4%	-3.7%	-3.1%

(1) Historical information is required only for measurement periods for which GASB Statement No. 75 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.

(2) Covered payroll represents compensation on which contributions to an OPEB plan are based in accordance with GASB Statement No. 85, *Omnibus 2017*.

Notes to Schedule:

Changes of assumptions: The discount rate was updated due to the change in expected return assumption. The mortality improvement was updated from scale MP-2020 to scale MP-2021. The claims table was updated to reflect most recent CalPERS monthly premiums available for 2021. The access to CalPERS health plans given to LIUNA bargaining group had led to higher costs and participant rates. The future CalPERS vs County health plan elections for participants eligible for both was changed from 90%/10% to 95%/5%, for CalPERS/County respectively. A lapse rate assumption, deferred election rate, and a liability load for deferred retires were developed based on an experience study that was carried out in 2021.

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2022

SCHEDULE OF PLAN CONTRIBUTIONS
(Dollar amounts in thousands)

County Miscellaneous and Safety, Agent Multiple-Employer Plan Administered Through Trusts

*Fiscal Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2017-18	$ 1,288	$ (3,457)	$ (2,169)	$ 1,390,971	0.2%
2018-19	$ 2,141	$ (3,469)	$ (1,328)	$ 1,445,763	0.2%
2019-20	$ 9,247	$ (9,247)	$ -	$ 1,480,160	0.6%
2020-21	$ 15,330	$ (15,330)	$ -	$ 1,519,712	1.0%
2021-22	$ 15,093	$ (15,093)	$ -	$ 1,559,350	1.0%

* Historical information is required only for measurement periods for which GASB Statement No. 75 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.

Flood Control Miscellaneous, Agent Multiple-Employer Plan Administered Through Trusts

*Fiscal Year	(1) Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2017-18	$ -	$ (36)	$ (36)	$ 17,354	0.2%
2018-19	$ -	$ -	$ -	$ 16,956	0.0%
2019-20	$ -	$ (618)	$ (618)	$ 18,076	3.4%
2020-21	$ 88	$ (2,000)	$ (1,912)	$ 18,573	10.8%
2021-22	$ -	$ -	$ -	$ 18,400	0.0%

(1) No actuarially determined contribution due to assets being greater than the Present Value of Benefits.

* Historical information is required only for measurement periods for which GASB Statement No. 75 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.

Park District Miscellaneous, Agent Multiple-Employer Plan Administered Through Trusts

*Fiscal Year	(1) Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2017-18	$ -	$ -	$ -	$ 5,683	0.0%
2018-19	$ -	$ -	$ -	$ 5,853	0.0%
2019-20	$ -	$ -	$ -	$ 5,563	0.0%
2020-21	$ -	$ -	$ -	$ 4,865	0.0%
2021-22	$ -	$ -	$ -	$ 4,999	0.0%

(1) No actuarially determined contribution due to assets being greater than the Present Value of Benefits.

* Historical information is required only for measurement periods for which GASB Statement No. 75 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 (Continued)
(Dollar amounts in thousands)

Notes to Schedule:

Valuation Date: Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported. The actuarial valuation for Park District Miscellaneous plan is every two years and the actuarially determined contribution rates are calculated as of June 30.

Methods and assumptions used to determine contribution rates:

	County Miscellaneous and Safety	Flood Control Miscellaneous	Park District Miscellaneous
Actuarial cost method	Entry Age	Entry Age	Entry Age
Amortization method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
Amortization period	20 Years as of the Valuation Date	20 Years as of the Valuation Date	20 Years as of the Valuation Date
Asset valuation method	5 Year Asset Smoothing	5 Year Asset Smoothing	5 Year Asset Smoothing
Inflation	2.50%	2.50%	2.50%
Salary increases	2.75%	2.75%	2.75%
Investment rate of return*	7.00%	6.20%	7.00%
Retirement Age	Retirement rates developed in the 2017 CalPERS Experience Study		
Mortality	Pub-2010 Headcount-Weighted Public Retirement Plans Mortality Tables using Scale MP-2021		

*Net of OPEB plan investment expense, including inflation

The retirement rates were developed in the 2017 CalPERS Experience Study and the mortality rates are based on the Pub-2010 headcount-weighted tables for general employees of all income levels, with generational future improvement scale MP-2021.

County Miscellaneous and Safety Plan: The healthcare cost trend rate for the Pre Medicare Plan was 6.3%, decreasing 0.4% per year to an ultimate rate of 4.5% for 2022 and later years. The healthcare cost trend rate for the Post Medicare Plan was 7.2%, decreasing 0.5% per year to an ultimate rate of 4.5% for 2022 and later years.

Flood Control: The healthcare cost trend rate for the Pre Medicare Plan was 6.7%, decreasing 0.4% per year to an ultimate rate of 4.5% for 2022 and later years. The healthcare cost trend rate for the Post Medicare Plan was 7.7%, decreasing 0.5% per year to an ultimate rate of 4.5% for 2022 and later years.

Park District Miscellaneous: The healthcare cost trend rate for the Pre Medicare Plan was 6.7%, decreasing 0.3% per year to an ultimate rate of 4.5% for 2022 and later years. The healthcare cost trend rate for the Post Medicare Plan was 7.7%, decreasing 0.5% per year to an ultimate rate of 4.5% for 2022 and later years.

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
(Dollar amounts in thousands)

Waste Resources Miscellaneous, Agent Multiple-Employer Plan Not Administered Through Trusts

Measurement Period	2020-21 (1)	2019-20 (1)	2018-19 (1)	2017-18 (1)	2016-17 (1)
Total OPEB liability					
Service cost	$ 25	$ 11	$ 2	$ 2	$ 4
Interest cost	48	52	21	22	25
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experiences	526	(232)	64	(19)	(183)
Changes of assumptions	413	967	835	-	(81)
Benefit payments	(82)	(71)	(40)	(37)	(40)
Net change in total OPEB liability	930	727	882	(32)	(275)
Total OPEB liability - beginning	2,207	1,480	598	630	905
Total OPEB liability - ending	$ 3,137	$ 2,207	$ 1,480	$ 598	$ 630
Covered-employee payroll (2)	$ 1,250	$ 1,356	$ 1,615	$ 1,816	$ 1,931
Total OPEB liability as a percentage of covered payroll	251.0%	162.8%	91.6%	32.9%	32.6%

(1) Historical information is required only for measurement periods for which GASB Statement No. 75 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.

(2) Covered payroll represents compensation on which contributions to an OPEB plan are based in accordance with GASB Statement No. 85, *Omnibus 2017*.

As of July 1, 2021, the discount rate was changed from 2.21% t to 2.16%. All other information is based on the census data, actuarial assumptions, and plan provisions used in the most recent actuarial valuation as of July 1, 2020.

SCHEDULE OF PLAN CONTRIBUTIONS
(Dollar amounts in thousands)

Waste Resources Miscellaneous, Agent Multiple-Employer Plan Not Administered Through Trusts

*Fiscal Year	(1) Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered payroll
2017-18	$ -	$ -	$ -	$ 1,816	0.0%
2018-19	$ -	$ -	$ -	$ 1,615	0.0%
2019-20	$ -	$ -	$ -	$ 1,356	0.0%
2020-21	$ -	$ -	$ -	$ 1,250	0.0%
2021-22	$ -	$ -	$ -	$ 1,054	0.0%

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

(1) The Schedule of Plan Contributions is not required. The funding is not based on actuarially determined contributions and contributions are neither statutorily nor contractually established.

SCHEDULE OF PLAN CONTRIBUTIONS (Continued)

(Dollar amounts in thousands)

* Historical information is required only for measurement periods for which GASB Statement No. 75 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 valuation is every two years. The total OPEB liability was measured as of June 30, 2020 and determined by the most recent actuarial valuation as of July 1, 2020, based on the following methods and assumptions:

	Waste Resources Miscellaneous
Actuarial cost method	Entry Age
Amortization method	Level Percent of Payroll
Amortization period	20 Years as of the Valuation Date
Asset valuation method	5 Year Asset Smoothing
Inflation	2.50%
Salary increases	2.75%
Investment rate of return	2.16%

The retirement rates were developed in the 2017 CalPERS Experience Study and the mortality rates are based on the Pub-2010 headcount-weighted tables for general employees of all income levels, with generational future improvement scale MP-2021.

The healthcare cost trend rate for the Pre Medicare Plan was 6.7%, decreasing 0.4% per year to an ultimate rate of 4.5% for 2022 and later years. The healthcare cost trend rate for the Post Medicare Plan was 7.7%, decreasing 0.5 % per year to an ultimate rate of 4.5% for 2022 and later years.

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND BUDGETARY SCHEDULES

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Teeter Debt Service Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Use of money and property:				
Investment income (loss)	$ -	$ -	$ 79	$ 79
Other revenue	863	101	-	(101)
Total revenues	863	101	79	(22)
EXPENDITURES:				
Current:				
Debt service:				
Interest	498	498	498	-
Cost of issuance	365	365	343	(22)
Total expenditures	863	863	841	(22)
Excess (deficiency) of revenues over (under) expenditures	-	(762)	(762)	-
OTHER FINANCING SOURCES (USES):				
Transfers in	-	762	762	-
Total other financing sources (uses)	-	762	762	-
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	$ -	$ -	$ -	$ -

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NONMAJOR
GOVERNMENTAL FUNDS

COUNTY OF RIVERSIDE
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022
(Dollars in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Fund	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:					
Assets:					
Cash and investments	$ 246,089	$ 3	$ 196,833	$ 1,376	$ 444,301
Accounts receivable	598	2,981	8	-	3,587
Interest receivable	262	38	249	2	551
Taxes receivable	1,133	-	-	-	1,133
Due from other governments	21,982	-	2,570	-	24,552
Lease receivable	2,030	-	-	-	2,030
Prepaid items and deposits	8	-	1,537	-	1,545
Restricted cash and investments	-	39,900	334	-	40,234
Total assets	272,102	42,922	201,531	1,378	517,933
Deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	$ 272,102	$ 42,922	$ 201,531	$ 1,378	$ 517,933
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:					
Liabilities:					
Cash overdrawn	$ 260	$ -	$ -	$ -	$ 260
Accounts payable	22,626	-	7,080	-	29,706
Salaries and benefits payable	37,300	-	72	-	37,372
Due to other governments	69	7,702	-	-	7,771
Due to other funds	7	-	-	-	7
Deposits payable	690	-	-	-	690
Advances from grantors and third parties	70,698	-	1,011	-	71,709
Total liabilities	131,650	7,702	8,163	-	147,515
Deferred inflows of resources	1,864	-	-	-	1,864
Fund balances:					
Nonspendable	51	-	-	1,378	1,429
Restricted	113,920	30,470	147,852	-	292,242
Committed	20,511	-	11,050	-	31,561
Assigned	4,106	4,750	34,466	-	43,322
Total fund balances	138,588	35,220	193,368	1,378	368,554
Total liabilities, deferred inflows of resources, and fund balances	$ 272,102	$ 42,922	$ 201,531	$ 1,378	$ 517,933

COUNTY OF RIVERSIDE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Fund	Total
REVENUES:					
Taxes	$ 92,689	$ -	$ -	$ -	$ 92,689
Licenses, permits, and franchise fees	1,321	-	-	-	1,321
Fines, forfeitures, and penalties	754	-	-	-	754
Use of money and property:					
Investment income (loss)	(2,850)	826	(2,313)	(21)	(4,358)
Rents and concessions	2,966	24,362	641	-	27,969
Aid from other governmental agencies:					
Federal	131,130	-	-	-	131,130
State	104,545	-	1,534	-	106,079
Other	21,629	-	40,451	-	62,080
Charges for services	44,476	806	24,569	173	70,024
Other revenue	7,991	19,623	3,486	-	31,100
Total revenues	404,651	45,617	68,368	152	518,788
EXPENDITURES:					
Current:					
General government	16,289	4,470	39,542	-	60,301
Public protection	8,675	-	-	-	8,675
Public ways and facilities	16,608	-	651	-	17,259
Health and sanitation	4,200	-	-	-	4,200
Public assistance	271,828	-	-	-	271,828
Education	30,918	-	-	-	30,918
Recreation and cultural services	13,685	-	4,227	-	17,912
Debt service:					
Principal	-	148,665	-	-	148,665
Interest	-	50,339	-	-	50,339
Cost of issuance	-	17,667	-	-	17,667
Capital outlay	42,115	-	8,377	-	50,492
Total expenditures	404,318	221,141	52,797	-	678,256
Excess (deficiency) of revenues over (under) expenditures	333	(175,524)	15,571	152	(159,468)
OTHER FINANCING SOURCES (USES):					
Transfers in	28,074	205,884	47,027	-	280,985
Transfers out	(108,823)	(59,831)	(53,220)	-	(221,874)
Issuance of refunding bonds	-	499,800	-	-	499,800
Premium on long-term debt	-	14,702	-	-	14,702
Payment to escrow agent	-	(493,054)	-	-	(493,054)
Leases (lessee)	42,115	-	-	-	42,115
Total other financing sources (uses)	(38,634)	167,501	(6,193)	-	122,674
NET CHANGE IN FUND BALANCES	(38,301)	(8,023)	9,378	152	(36,794)
Fund balances, beginning of year	176,889	43,243	183,990	1,226	405,348
FUND BALANCES, END OF YEAR	$ 138,588	$ 35,220	$ 193,368	$ 1,378	$ 368,554

SPECIAL REVENUE FUNDS

COUNTY OF RIVERSIDE

SPECIAL REVENUE FUNDS

These funds were established for the purpose of accounting for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted in expenditures for the specified purposes.

COMMUNITY SERVICES

This fund provides financing for public services. Public services provided by this fund group are: Housing and Urban Development (HUD) Community Services Grant, Economic Development Agency (EDA) Administration, Community Action Partnership, Job Training Partnership, Office on Aging, USEDA (United States Economic Development Administration) Grant, County Free Library, Structural Fire Protection, Homeless Housing Relief, Home Program, EDA U.S. Department of Agriculture Rural Development, Workforce Development, Healthy Kids, and Bio-terrorism Preparedness. The primary source of revenue for this fund is from State/Federal Grants.

COUNTY SERVICE AREAS

This county service areas fund was established to provide authorized services such as road, park, lighting maintenance, fire protection, or water to specified areas in the County. They are financed by ad valorem property taxes in the area benefited, or by special assessments levied on specific properties.

REGIONAL PARK AND OPEN-SPACE

The Regional Park and Open-Space District is a special district established to provide legal authority and expanded opportunity for open space acquisition and management and transferred regional park responsibility from the County to the Regional Park and Open-Space District.

AIR QUALITY IMPROVEMENT

This fund accounts for Riverside County's portion of State of California motor vehicle fees restricted for the use of reducing air pollution.

IN-HOME SUPPORT SERVICES (IHSS)

The goal of the IHSS program is to enable elderly and/or disabled persons to remain safely in independent living as long as possible. This in-home assistance is designed to allow persons to remain in their home rather than be placed in an institutional setting. IHSS receives revenue for the following services: meal preparation and clean-up, food shopping, bathing, dressing, personal care, domestic services (cleaning), and assistance with medications.

PERRIS VALLEY CEMETERY DISTRICT

The Perris Valley Cemetery District is a public cemetery district operating under the provisions of the Health and Safety Code of the State of California. The Perris Valley Cemetery District was created in July 1927 for the purpose operating a public cemetery for the residents of the Perris Valley.

OTHER SPECIAL REVENUE

This fund provides financing to make services available to the public and governmental agencies. At the current time, the other special revenue fund accounts for the following services: Rideshare, Assessment District Community Facility District Administration, Aviation, Ladera Irrigation, National Date Festival, Cal-ID, Special Aviation, Supervisorial Road Districts, Multi-Species Habitat Conservation Agency, Riverside U.S. Grazing Fees, Mitigation Project Operations, Airport Land Use Commission, Proposition 10, and DNA Identification.

COUNTY OF RIVERSIDE

Combining Balance Sheet

Special Revenue Funds

June 30, 2022

(Dollars in Thousands)

	Community Services	County Service Areas	Regional Park and Open-Space	Air Quality Improvement
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:				
Assets:				
Cash and investments	$ 115,904	$ 39,209	$ 16,762	$ 1,431
Accounts receivable	380	-	95	-
Interest receivable	116	63	28	2
Taxes receivable	820	227	73	-
Due from other governments	20,545	-	132	124
Lease receivable	28	-	2,002	-
Prepaid items and deposits	8	-	-	-
Total assets	137,801	39,499	19,092	1,557
Deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	$ 137,801	$ 39,499	$ 19,092	$ 1,557
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:				
Liabilities:				
Cash overdrawn	$ -	$ -	$ -	$ -
Accounts payable	10,912	827	435	13
Salaries and benefits payable	1,289	142	287	-
Due to other governments	44	1	6	14
Due to other funds	7	-	-	-
Deposits payable	-	63	-	-
Advances from grantors and third parties	69,923	-	775	-
Total liabilities	82,175	1,033	1,503	27
Deferred inflows of resources	28	-	1,836	-
Fund balances (Note 16):				
Nonspendable	40	1	10	-
Restricted	44,035	38,465	3,501	1,530
Committed	8,269	-	12,242	-
Assigned	3,254	-	-	-
Total fund balances	55,598	38,466	15,753	1,530
Total liabilities, deferred inflows of resources, and fund balances	$ 137,801	$ 39,499	$ 19,092	$ 1,557

	In-Home Support Services	Perris Valley Cemetery District	Other Special Revenue	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:				
Assets:				
Cash and investments	$ -	$ 1,872	$ 70,911	$ 246,089
Accounts receivable	-	-	123	598
Interest receivable	-	3	50	262
Taxes receivable	-	4	9	1,133
Due from other governments	1,062	-	119	21,982
Lease receivable	-	-	-	2,030
Prepaid items and deposits	-	-	-	8
Total assets	1,062	1,879	71,212	272,102
Deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	$ 1,062	$ 1,879	$ 71,212	$ 272,102
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:				
Liabilities:				
Cash overdrawn	$ 260	$ -	$ -	$ 260
Accounts payable	2	14	10,423	22,626
Salaries and benefits payable	215	-	35,367	37,300
Due to other governments	-	-	4	69
Due to other funds	-	-	-	7
Deposits payable	-	627	-	690
Advances from grantors and third parties	-	-	-	70,698
Total liabilities	477	641	45,794	131,650
Deferred inflows of resources	-	-	-	1,864
Fund balances (Note 16):				
Nonspendable	-	-	-	51
Restricted	585	1,238	24,566	113,920
Committed	-	-	-	20,511
Assigned	-	-	852	4,106
Total fund balances	585	1,238	25,418	138,588
Total liabilities, deferred inflows of resources, and fund balances	$ 1,062	$ 1,879	$ 71,212	$ 272,102

COUNTY OF RIVERSIDE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Special Revenue Funds
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Community Services	County Service Areas	Regional Park and Open-Space	Air Quality Improvement
REVENUES:				
Taxes	$ 83,290	$ 1,318	$ 6,869	$ -
Licenses, permits, and franchise fees	-	-	-	-
Fines, forfeitures, and penalties	145	-	-	90
Use of money and property:				
Investment loss	(1,413)	(621)	(265)	(22)
Rents and concessions	891	-	1,659	-
Aid from other governmental agencies:				
Federal	128,207	-	-	-
State	100,998	9	153	501
Other	18,499	259	716	-
Charges for services	2,427	18,822	7,244	-
Other revenue	3,684	53	213	-
Total revenues	336,728	19,840	16,589	569
EXPENDITURES:				
Current:				
General government	9,387	-	-	-
Public protection	15	103	812	92
Public ways and facilities	20	10,772	-	-
Health and sanitation	1,296	1,159	-	-
Public assistance	265,783	-	-	-
Education	30,918	-	-	-
Recreation and cultural services	-	872	12,813	-
Capital outlay	42,115	-	-	-
Total expenditures	349,534	12,906	13,625	92
Excess (deficiency) of revenues over (under) expenditures	(12,806)	6,934	2,964	477
OTHER FINANCING SOURCES (USES):				
Transfers in	19,077	4,538	403	-
Transfers out	(93,408)	(7,185)	(1,084)	(190)
Leases (lessee)	42,115	-	-	-
Total other financing sources (uses)	(32,216)	(2,647)	(681)	(190)
NET CHANGE IN FUND BALANCES	(45,022)	4,287	2,283	287
Fund balances, beginning of year	100,620	34,179	13,470	1,243
FUND BALANCES, END OF YEAR	$ 55,598	$ 38,466	$ 15,753	$ 1,530

In-Home Support Services	Perris Valley Cemetery District	Other Special Revenue	Total	
				REVENUES:
$ -	$ 358	$ 854	$ 92,689	Taxes
-	-	1,321	1,321	Licenses, permits, and franchise fees
-	-	519	754	Fines, forfeitures, and penalties
				Use of money and property:
(3)	(30)	(496)	(2,850)	Investment loss
-	-	416	2,966	Rents and concessions
				Aid from other governmental agencies:
2,573	-	350	131,130	Federal
2,629	3	252	104,545	State
-	40	2,115	21,629	Other
-	525	15,458	44,476	Charges for services
-	-	4,041	7,991	Other revenue
5,199	896	24,830	404,651	Total revenues
				EXPENDITURES:
				Current:
-	-	6,902	16,289	General government
-	336	7,317	8,675	Public protection
-	-	5,816	16,608	Public ways and facilities
-	-	1,745	4,200	Health and sanitation
6,045	-	-	271,828	Public assistance
-	-	-	30,918	Education
-	-	-	13,685	Recreation and cultural services
-	-	-	42,115	Capital outlay
6,045	336	21,780	404,318	Total expenditures
(846)	560	3,050	333	Excess (deficiency) of revenues over (under) expenditures
				OTHER FINANCING SOURCES (USES):
529	-	3,527	28,074	Transfers in
(372)	(453)	(6,131)	(108,823)	Transfers out
-	-	-	42,115	Leases (lessee)
157	(453)	(2,604)	(38,634)	Total other financing sources (uses)
(689)	107	446	(38,301)	NET CHANGE IN FUND BALANCES
1,274	1,131	24,972	176,889	Fund balances, beginning of year
$ 585	$ 1,238	$ 25,418	$ 138,588	FUND BALANCES, END OF YEAR

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Community Services Special Revenue Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Taxes	$ 72,582	$ 72,582	$ 83,290	$ 10,708
Fines, forfeitures, and penalties	124	124	145	21
Use of money and property:				
Investment income (loss)	122	122	(1,413)	(1,535)
Rents and concessions	888	949	891	(58)
Aid from other governmental agencies:				
Federal	112,145	115,013	128,207	13,194
State	25,467	67,750	100,998	33,248
Other	26,985	26,985	18,499	(8,486)
Charges for services	9,116	9,680	2,427	(7,253)
Other revenue	37,621	143,805	3,684	(140,121)
Total revenues	285,050	437,010	336,728	(100,282)
EXPENDITURES:				
Current:				
General government	10,251	10,949	9,387	(1,562)
Public protection	81,527	2,979	15	(2,964)
Public ways and facilities	855	537	20	(517)
Health and sanitation	2,160	1,965	1,296	(669)
Public assistance	167,011	325,478	265,783	(59,695)
Education	35,625	33,619	30,918	(2,701)
Capital outlay	-	-	42,115	42,115
Total expenditures	297,429	375,527	349,534	(25,993)
Excess (deficiency) of revenues over (under) expenditures	(12,379)	61,483	(12,806)	(74,289)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	19,077	19,077	-
Transfers out	-	(93,408)	(93,408)	-
Leases (lessee)			42,115	42,115
Total other financing sources (uses)	-	(74,331)	(32,216)	42,115
NET CHANGE IN FUND BALANCE	(12,379)	(12,848)	(45,022)	(32,174)
Fund balance, beginning of year	100,620	100,620	100,620	-
FUND BALANCE, END OF YEAR	$ 88,241	$ 87,772	$ 55,598	$ (32,174)

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
County Service Areas Special Revenue Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Taxes	$ 1,244	$ 1,244	$ 1,318	$ 74
Use of money and property:				
Investment income (loss)	168	168	(621)	(789)
Rents and concessions	1	1	-	(1)
Aid from other governmental agencies:				
State	10	10	9	(1)
Other	224	224	259	35
Charges for services	22,300	17,845	18,822	977
Other revenue	115	35	53	18
Total revenues	24,062	19,527	19,840	313
EXPENDITURES:				
Current:				
Public protection	725	532	103	(429)
Public ways and facilities	21,967	15,206	10,772	(4,434)
Health and sanitation	1,162	1,162	1,159	(3)
Recreation and cultural services	1,203	1,154	872	(282)
Total expenditures	25,057	18,054	12,906	(5,148)
Excess (deficiency) of revenues over (under) expenditures	(995)	1,473	6,934	5,461
OTHER FINANCING SOURCES (USES):				
Transfers in	-	4,538	4,538	-
Transfers out	-	(7,185)	(7,185)	-
Total other financing sources (uses)	-	(2,647)	(2,647)	-
NET CHANGE IN FUND BALANCE	(995)	(1,174)	4,287	5,461
Fund balance, beginning of year	34,179	34,179	34,179	-
FUND BALANCE, END OF YEAR	$ 33,184	$ 33,005	$ 38,466	$ 5,461

COUNTY OF RIVERSIDE

Budgetary Comparison Schedule

Regional Park and Open-Space Special Revenue Fund

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Taxes	$ 6,444	$ 6,444	$ 6,869	$ 425
Use of money and property:				
Investment income (loss)	98	98	(265)	(363)
Rents and concessions	1,624	1,624	1,659	35
Aid from other governmental agencies:				
State	154	170	153	(17)
Other	550	550	716	166
Charges for services	6,030	6,422	7,244	822
Other revenue	999	739	213	(526)
Total revenues	15,899	16,047	16,589	542
EXPENDITURES:				
Current:				
Public protection	841	840	812	(28)
Recreation and cultural services	15,029	15,352	12,813	(2,539)
Total expenditures	15,870	16,192	13,625	(2,567)
Excess (deficiency) of revenues over (under) expenditures	29	(145)	2,964	3,109
OTHER FINANCING SOURCES (USES):				
Transfers in	-	403	403	-
Transfers out	-	(1,084)	(1,084)	-
Total other financing sources (uses)	-	(681)	(681)	-
NET CHANGE IN FUND BALANCE	29	(826)	2,283	3,109
Fund balance, beginning of year	13,470	13,470	13,470	-
FUND BALANCE, END OF YEAR	$ 13,499	$ 12,644	$ 15,753	$ 3,109

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Air Quality Improvement Special Revenue Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Over (Under)
REVENUES:				
Fines, forfeitures, and penalties	$ 95	$ 95	$ 90	$ (5)
Use of money and property:				
Investment income (loss)	5	5	(22)	(27)
Aid from other governmental agencies:				
State	505	505	501	(4)
Total revenues	605	605	569	(36)
EXPENDITURES:				
Current:				
Public protection	605	415	92	(323)
Total expenditures	605	415	92	(323)
Excess (deficiency) of revenues over (under) expenditures	-	190	477	287
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(190)	(190)	-
Total other financing sources (uses)	-	(190)	(190)	-
NET CHANGE IN FUND BALANCE	-	-	287	287
Fund balance, beginning of year	1,243	1,243	1,243	-
FUND BALANCE, END OF YEAR	$ 1,243	$ 1,243	$ 1,530	$ 287

COUNTY OF RIVERSIDE

Budgetary Comparison Schedule

In-Home Support Services Special Revenue Fund

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Use of money and property:				
Investment income (loss)	$ -	$ -	$ (3)	$ (3)
Aid from other governmental agencies:				
Federal	3,110	3,110	2,573	(537)
State	2,643	2,643	2,629	(14)
Charges for services	1,087	558	-	(558)
Total revenues	6,840	6,311	5,199	(1,112)
EXPENDITURES:				
Current:				
Public assistance	7,443	7,071	6,045	(1,026)
Total expenditures	7,443	7,071	6,045	(1,026)
Excess (deficiency) of revenues over (under) expenditures	(603)	(760)	(846)	(86)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	529	529	-
Transfers out	-	(372)	(372)	-
Total other financing sources (uses)	-	157	157	-
NET CHANGE IN FUND BALANCE	(603)	(603)	(689)	(86)
Fund balance, beginning of year	1,274	1,274	1,274	-
FUND BALANCE, END OF YEAR	$ 671	$ 671	$ 585	$ (86)

COUNTY OF RIVERSIDE

Budgetary Comparison Schedule

Perris Valley Cemetery District Special Revenue Fund

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Taxes	$ 307	$ 307	$ 358	$ 51
Use of money and property:				
Investment income (loss)	9	9	(30)	(39)
Aid from other governmental agencies:				
State	3	3	3	-
Other	27	27	40	13
Charges for services	340	340	525	185
Other revenue	-	-	-	-
Total revenues	686	686	896	210
EXPENDITURES:				
Current:				
Public protection	1,127	674	336	(338)
Total expenditures	1,127	674	336	(338)
Excess (deficiency) of revenues over (under) expenditures	(441)	12	560	548
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(453)	(453)	-
Total other financing sources (uses)	-	(453)	(453)	-
NET CHANGE IN FUND BALANCE	(441)	(441)	107	548
Fund balance, beginning of year	1,131	1,131	1,131	-
FUND BALANCE, END OF YEAR	$ 690	$ 690	$ 1,238	$ 548

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Other Special Revenue Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Over (Under)
REVENUES:				
Taxes	$ 711	$ 711	$ 854	$ 143
Licenses, permits, and franchise fees	1,192	1,192	1,321	129
Fines, forfeitures, and penalties	580	580	519	(61)
Use of money and property:				
Investment income (loss)	403	403	(496)	(899)
Rents and concessions	332	332	416	84
Aid from other governmental agencies:				
Federal	327	327	350	23
State	24	24	252	228
Other	2,167	2,582	2,115	(467)
Charges for services	16,142	15,653	15,458	(195)
Other revenue	12,625	10,112	4,041	(6,071)
Total revenues	34,503	31,916	24,830	(7,086)
EXPENDITURES:				
Current:				
General government	12,252	10,042	6,902	(3,140)
Public protection	14,522	12,042	7,317	(4,725)
Public ways and facilities	8,558	8,471	5,816	(2,655)
Health and sanitation	1,693	1,829	1,745	(84)
Total expenditures	37,025	32,384	21,780	(10,604)
Excess (deficiency) of revenues over (under) expenditures	(2,522)	(468)	3,050	3,518
OTHER FINANCING SOURCES (USES):				
Transfers in	-	3,527	3,527	-
Transfers out	-	(6,131)	(6,131)	-
Total other financing sources (uses)	-	(2,604)	(2,604)	-
NET CHANGE IN FUND BALANCE	(2,522)	(3,072)	446	3,518
Fund balance, beginning of year	24,972	24,972	24,972	-
FUND BALANCE, END OF YEAR	$ 22,450	$ 21,900	$ 25,418	$ 3,518

DEBT SERVICE FUNDS

COUNTY OF RIVERSIDE

DEBT SERVICE FUNDS

These funds are used to account for the accumulation of resources and payment of long-term debt principal and interest.

COUNTY OF RIVERSIDE ASSET LEASING CORPORATION (CORAL)

CORAL is a non-profit public benefit corporation established to assist the County of Riverside by acquiring equipment and facilities financed from the proceeds of borrowing and leasing such equipment and facilities to the County.

INFRASTRUCTURE FINANCING AUTHORITY

The Infrastructure Financing Authority is a joint exercise of powers authority, duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement by and between the County of Riverside and the Riverside County Flood Control and Water Conservation District. The authority is authorized and empowered to issue bonds for the purpose of financing and refinancing public capital improvements of the County.

TAXABLE PENSION OBLIGATION BONDS (PENSION OBLIGATION)

These funds are used to account for Series 2005 and 2020 bonds that were issued to satisfy a portion of Riverside County's unfunded accrued actuarial liability for the California Public Employees' Retirement System (CalPERS).

INLAND EMPIRE TOBACCO SECURITIZATION AUTHORITY

The Inland Empire Tobacco Securitization Authority was established to assist the County of Riverside in the construction of certain capital projects, financed from the proceeds of the tobacco settlement revenues.

PUBLIC FINANCING AUTHORITY

The Public Financing Authority was formed for the purpose of assisting in financing public improvements of the County, the Riverside County Redevelopment Successor Agency and other local agencies.

FLOOD CONTROL

The Flood Control debt service fund was established to service the debt incurred by Zone 4 for the construction of Zone 4 flood control facilities. The fund receives transfers from Zone 4 revenues to pay principal and interest on promissory notes.

COUNTY OF RIVERSIDE
Combining Balance Sheet
Debt Service Funds
June 30, 2022
(Dollars in Thousands)

	CORAL	Infrastructure Financing Authority	Pension Obligation
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:			
Assets:			
Cash and investments	$ -	$ -	$ -
Accounts receivable	-	-	2,981
Interest receivable	5	11	22
Restricted cash and investments	3,161	5,751	18,846
Total assets	3,166	5,762	21,849
Deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	$ 3,166	$ 5,762	$ 21,849
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:			
Liabilities:			
Due to other governments	$ -	$ -	$ 7,702
Total liabilities	-	-	7,702
Deferred inflows of resources	-	-	-
Fund balances (Note 16):			
Restricted	3,166	5,762	9,397
Assigned	-	-	4,750
Total fund balances	3,166	5,762	14,147
Total liabilities, deferred inflows of resources, and fund balances	$ 3,166	$ 5,762	$ 21,849

Inland Empire Tobacco Securitization Authority	Public Financing Authority	Flood Control	Total	
				ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:
				Assets:
$ -	$ -	$ 3	$ 3	Cash and investments
-	-	-	2,981	Accounts receivable
-	-	-	38	Interest receivable
12,142	-	-	39,900	Restricted cash and investments
12,142	-	3	42,922	Total assets
-	-	-	-	Deferred outflows of resources
$ 12,142	$ -	$ 3	$ 42,922	Total assets and deferred outflows of resources
				LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:
				Liabilities:
$ -	$ -	$ -	$ 7,702	Due to other governments
-	-	-	7,702	Total liabilities
-	-	-	-	Deferred inflows of resources
				Fund balances (Note 16):
12,142	-	3	30,470	Restricted
-	-	-	4,750	Assigned
12,142	-	3	35,220	Total fund balances
$ 12,142	$ -	$ 3	$ 42,922	Total liabilities, deferred inflows of resources, and fund balances

COUNTY OF RIVERSIDE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Debt Service Funds
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	CORAL	Infrastructure Financing Authority	Pension Obligation
REVENUES:			
Use of money and property:			
Investment income (loss)	$ 18	$ (82)	$ 837
Rents and concessions	3,489	20,873	-
Charges for services	-	-	806
Other revenue	-	5,159	-
Total revenues	3,507	25,950	1,643
EXPENDITURES:			
Current:			
General government	1,114	712	2,500
Debt service:			
Principal	65,765	7,485	61,515
Interest	1,286	13,388	32,192
Cost of issuance	-	17,667	-
Total expenditures	68,165	39,252	96,207
Excess (deficiency) of revenues over (under) expenditures	(64,658)	(13,302)	(94,564)
OTHER FINANCING SOURCES (USES):			
Transfers in	72,932	22,745	93,469
Transfers out	(1,931)	(57,900)	-
Issuance of refunding bonds	-	499,800	-
Premium on long-term debt	-	14,702	-
Payment to escrow agent	(17,309)	(460,439)	-
Total other financing sources (uses)	53,692	18,908	93,469
NET CHANGE IN FUND BALANCES	(10,966)	5,606	(1,095)
Fund balances, beginning of year	14,132	156	15,242
FUND BALANCES, END OF YEAR	$ 3,166	$ 5,762	$ 14,147

Inland Empire Tobacco Securitization Authority	Public Financing Authority	Flood Control	Total	
				REVENUES:
				Use of money and property:
$ 39	$ 14	$ -	$ 826	Investment income (loss)
-	-	-	24,362	Rents and concessions
-	-	-	806	Charges for services
14,464	-	-	19,623	Other revenue
14,503	14	-	45,617	Total revenues
				EXPENDITURES:
				Current:
131	13	-	4,470	General government
				Debt service:
11,520	-	2,380	148,665	Principal
3,030	-	443	50,339	Interest
-	-	-	17,667	Cost of issuance
14,681	13	2,823	221,141	Total expenditures
(178)	1	(2,823)	(175,524)	Excess (deficiency) of revenues over (under) expenditures
				OTHER FINANCING SOURCES (USES):
-	13,914	2,824	205,884	Transfers in
-	-	-	(59,831)	Transfers out
-	-	-	499,800	Issuance of refunding bonds
-	-	-	14,702	Premium on long-term debt
-	(15,306)	-	(493,054)	Payment to escrow agent
-	(1,392)	2,824	167,501	Total other financing sources (uses)
(178)	(1,391)	1	(8,023)	NET CHANGE IN FUND BALANCES
12,320	1,391	2	43,243	Fund balances, beginning of year
$ 12,142	$ -	$ 3	$ 35,220	FUND BALANCES, END OF YEAR

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
CORAL Debt Service Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Use of money and property:				
Investment income (loss)	$ -	$ 2	$ 18	$ 16
Rents and concessions	4,520	4,520	3,489	(1,031)
Charges for services	14,759	6,664	-	(6,664)
Other revenue	6,678	2,182	-	(2,182)
Total revenues	25,957	13,368	3,507	(9,861)
EXPENDITURES:				
Current:				
General government	3,665	1,114	1,114	-
Debt service:				
Principal	14,085	65,765	65,765	-
Interest	8,206	1,286	1,286	-
Total expenditures	25,956	68,165	68,165	-
Excess (deficiency) of revenues over (under) expenditures	1	(54,797)	(64,658)	(9,861)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	72,932	72,932	-
Transfers out	-	(1,931)	(1,931)	-
Payment to escrow agent	-	(17,309)	(17,309)	-
Total other financing sources (uses)	-	53,692	53,692	-
NET CHANGE IN FUND BALANCE	1	(1,105)	(10,966)	(9,861)
Fund balance, beginning of year	14,132	14,132	14,132	-
FUND BALANCE, END OF YEAR	$ 14,133	$ 13,027	$ 3,166	$ (9,861)

COUNTY OF RIVERSIDE

Budgetary Comparison Schedule

Infrastructure Financing Authority Debt Service Fund

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Use of money and property:				
Investment income (loss)	$ -	$ -	$ (82)	$ (82)
Rents and concessions	1,518	1,518	20,873	19,355
Charges for services	6,957	2,120	-	(2,120)
Other revenue	5,143	20,115	5,159	$ (14,956)
Total revenues	13,618	23,753	25,950	2,197
EXPENDITURES:				
Current:				
General government	-	3,868	712	(3,156)
Debt service:				
Principal	7,485	7,485	7,485	-
Interest	6,132	13,638	13,388	(250)
Cost of issuance	-	17,670	17,667	(3)
Total expenditures	13,617	42,661	39,252	(3,409)
Excess (deficiency) of revenues over (under) expenditures	1	(18,908)	(13,302)	5,606
OTHER FINANCING SOURCES (USES):				
Transfers in	-	22,745	22,745	-
Transfers out	-	(57,900)	(57,900)	-
Issuance of refunding bonds	-	499,800	499,800	-
Premium on long-term debt		14,702	14,702	-
Payment to escrow agent		(460,439)	(460,439)	-
Total other financing sources (uses)	-	18,908	18,908	-
NET CHANGE IN FUND BALANCE	1	-	5,606	5,606
Fund balance, beginning of year	156	156	156	-
FUND BALANCE, END OF YEAR	$ 157	$ 156	$ 5,762	$ 5,606

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Pension Obligation Debt Service Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Use of money and property:				
Investment income (loss)	$ -	$ -	$ 837	$ 837
Charges for services	93,819	350	806	456
Other revenue	-	-	-	-
Total revenues	93,819	350	1,643	1,293
EXPENDITURES:				
Current:				
General government	112	2,612	2,500	(112)
Debt service:				
Principal	61,515	61,515	61,515	-
Interest	32,192	32,192	32,192	-
Total expenditures	93,819	96,319	96,207	(112)
Excess (deficiency) of revenues over (under) expenditures	-	(95,969)	(94,564)	1,405
OTHER FINANCING SOURCES (USES):				
Transfers in	-	93,469	93,469	-
Total other financing sources (uses)	-	93,469	93,469	-
NET CHANGE IN FUND BALANCE	-	(2,500)	(1,095)	1,405
Fund balance, beginning of year	15,242	15,242	15,242	-
FUND BALANCE, END OF YEAR	$ 15,242	$ 12,742	$ 14,147	$ 1,405

COUNTY OF RIVERSIDE

Budgetary Comparison Schedule

Public Financing Authority Debt Service Fund

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Use of money and property:				
Investment income (loss)	$ -	$ 1	$ 14	$ 13
Charges for services	10,565	-	-	-
Other revenue	11,680	8,331	-	(8,331)
Total revenues	22,245	8,332	14	(8,318)
EXPENDITURES:				
Current:				
General government	-	6,948	13	(6,935)
Debt service:				
Principal	7,040	-	-	-
Interest	15,206	-	-	-
Total expenditures	22,246	6,948	13	(6,935)
Excess (deficiency) of revenues over (under) expenditures	(1)	1,384	1	(1,383)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	13,914	13,914	-
Payment to escrow agent		(15,306)	(15,306)	-
Total other financing sources (uses)	-	(1,392)	(1,392)	-
NET CHANGE IN FUND BALANCE	(1)	(8)	(1,391)	(1,383)
Fund balance, beginning of year	1,391	1,391	1,391	-
FUND BALANCE, END OF YEAR	$ 1,390	$ 1,383	$ -	$ (1,383)

COUNTY OF RIVERSIDE

Budgetary Comparison Schedule

Flood Control Debt Service Fund

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Total revenues	$ -	$ -	$ -	$ -
EXPENDITURES:				
Debt service:				
Principal	2,380	2,380	2,380	-
Interest	444	444	443	(1)
Total expenditures	2,824	2,824	2,823	(1)
Excess (deficiency) of revenues over (under) expenditures	(2,824)	(2,824)	(2,823)	1
OTHER FINANCING SOURCES (USES):				
Transfers in	2,824	2,824	2,824	-
Total other financing sources (uses)	2,824	2,824	2,824	-
NET CHANGE IN FUND BALANCE	-	-	1	1
Fund balance, beginning of year	2	2	2	-
FUND BALANCE, END OF YEAR	$ 2	$ 2	$ 3	$ 1

CAPITAL PROJECTS FUNDS

COUNTY OF RIVERSIDE

CAPITAL PROJECTS FUNDS

These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by Proprietary Fund Types.

COUNTY OF RIVERSIDE ASSET LEASING CORPORATION (CORAL)

CORAL is a non-profit public benefit corporation established to assist the County of Riverside by acquiring equipment and facilities financed from the proceeds of borrowing and leasing such equipment and facilities to the County.

FLOOD CONTROL

This fund is used to finance the construction of flood control channels and projects. Revenues are obtained from property taxes, special assessments, and proceeds of tax allocation bonds.

REGIONAL PARK AND OPEN-SPACE

The Regional Park and Open-Space District is a special district established to provide legal authority and expanded opportunity for open space acquisition and management. The Regional Park and Open-Space District's creation allowed for the transfer of regional park responsibility from the County to the District.

COUNTY OF RIVERSIDE ENTERPRISE SOLUTIONS FOR PROPERTY TAXATION (CREST)

The Assessor, Auditor-Controller, and Tax Collector teamed up to collectively develop a new integrated property tax management system. The project begins with a business process re-engineering phase that documents the integrated roles of the three departments. This phase identifies the current system's capabilities, strengths, and weaknesses. A second phase of the project builds on this re-engineering initiative to implement a replacement property tax system based on new technology.

PUBLIC FACILITIES IMPROVEMENT CAPITAL PROJECTS

The Public Facilities Improvement Capital Projects Fund was established to account for capital acquisitions and/or improvements.

PUBLIC FINANCING AUTHORITY

The Public Financing Authority was formed for the purpose of assisting in acquiring equipment and facilities for public improvements of the County, the Riverside County Redevelopment Successor Agency and other local agencies.

INFRASTRUCTURE FINANCING AUTHORITY

The Infrastructure Financing Authority is a joint exercise of powers authority, duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement by and between the County of Riverside and the Riverside County Flood Control and Water Conservation District. The authority is formed for the purpose of assisting in acquiring equipment and facilities for public capital improvements of the County.

COUNTY OF RIVERSIDE
Combining Balance Sheet
Capital Projects Funds
June 30, 2022
(Dollars in Thousands)

	CORAL	Flood Control	Regional Park and Open-Space	CREST
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:				
Assets:				
Cash and investments	$ -	$ 19	$ 3,109	$ 6,749
Accounts receivable	-	-	-	-
Interest receivable	-	-	5	10
Due from other governments	-	-	2,471	-
Prepaid items and deposits	-	-	1,537	-
Restricted cash and investments	-	-	-	-
Total assets	-	19	7,122	6,759
Deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	$ -	$ 19	$ 7,122	$ 6,759
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:				
Liabilities:				
Accounts payable	$ -	$ -	$ 713	$ 1,888
Salaries and benefits payable	-	-	-	72
Advances from grantors and third parties	-	-	-	-
Total liabilities	-	-	713	1,960
Deferred inflows of resources	-	-	-	-
Fund balances (Note 16):				
Restricted	-	19	6,409	-
Committed	-	-	-	-
Assigned	-	-	-	4,799
Total fund balances	-	19	6,409	4,799
Total liabilities, deferred inflows of resources, and fund balances	$ -	$ 19	$ 7,122	$ 6,759

Public Facilities Improvement Capital Projects	Public Financing Authority	Infrastructure Financing Authority	Total	
				ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:
				Assets:
$ 186,956	$ -	$ -	$ 196,833	Cash and investments
8	-	-	8	Accounts receivable
234	-	-	249	Interest receivable
99	-	-	2,570	Due from other governments
-	-	-	1,537	Prepaid items and deposits
-	-	334	334	Restricted cash and investments
187,297	-	334	201,531	Total assets
-	-	-	-	Deferred outflows of resources
$ 187,297	$ -	$ 334	$ 201,531	Total assets and deferred outflows of resources
				LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:
				Liabilities:
$ 4,479	$ -	$ -	$ 7,080	Accounts payable
-	-	-	72	Salaries and benefits payable
1,011	-	-	1,011	Advances from grantors and third parties
5,490	-	-	8,163	Total liabilities
-	-	-	-	Deferred inflows of resources
				Fund balances (Note 16):
141,090	-	334	147,852	Restricted
11,050	-	-	11,050	Committed
29,667	-	-	34,466	Assigned
181,807	-	334	193,368	Total fund balances
$ 187,297	$ -	$ 334	$ 201,531	Total liabilities, deferred inflows of resources, and fund balances

COUNTY OF RIVERSIDE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Capital Projects Funds

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	CORAL	Flood Control	Regional Park and Open-Space	CREST
REVENUES:				
Use of money and property:				
Investment income (loss)	$ -	$ -	$ (51)	$ (108)
Rents and concessions	247	-	-	-
Aid from other governmental agencies:				
State	-	-	1,534	-
Other	-	-	-	-
Charges for services	-	-	-	3,167
Other revenue	-	-	132	-
Total revenues	247	-	1,615	3,059
EXPENDITURES:				
Current:				
General government	247	-	-	-
Public ways and facilities	-	-	-	-
Recreation and cultural services	-	-	4,227	-
Capital outlay	-	-	-	7,489
Total expenditures	247	-	4,227	7,489
Excess (deficiency) of revenues over (under) expenditures	-	-	(2,612)	(4,430)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	2,229	4,000
Transfers out	(247)	-	(7)	(1,281)
Total other financing sources (uses)	(247)	-	2,222	2,719
NET CHANGE IN FUND BALANCES	(247)	-	(390)	(1,711)
Fund balances, beginning of year	247	19	6,799	6,510
FUND BALANCES, END OF YEAR	$ -	$ 19	$ 6,409	$ 4,799

Public Facilities Improvement Capital Projects	Public Financing Authority	Infrastructure Financing Authority	Total	
				REVENUES:
				Use of money and property:
$ (2,159)	$ 2	$ 3	$ (2,313)	Investment income (loss)
394	-	-	641	Rents and concessions
				Aid from other governmental agencies:
-	-	-	1,534	State
40,451	-	-	40,451	Other
21,402	-	-	24,569	Charges for services
3,354	-	-	3,486	Other revenue
63,442	2	3	68,368	Total revenues
				EXPENDITURES:
				Current:
39,295	-	-	39,542	General government
651	-	-	651	Public ways and facilities
-	-	-	4,227	Recreation and cultural services
-	-	888	8,377	Capital outlay
39,946	-	888	52,797	Total expenditures
23,496	2	(885)	15,571	Excess (deficiency) of revenues over (under) expenditures
				OTHER FINANCING SOURCES (USES):
40,798	-	-	47,027	Transfers in
(51,251)	(429)	(5)	(53,220)	Transfers out
(10,453)	(429)	(5)	(6,193)	Total other financing sources (uses)
13,043	(427)	(890)	9,378	NET CHANGE IN FUND BALANCES
168,764	427	1,224	183,990	Fund balances, beginning of year
$ 181,807	$ -	$ 334	$ 193,368	FUND BALANCES, END OF YEAR

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Flood Control Capital Projects Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Other revenue	$ 375	$ 375	$ -	$ (375)
Total revenues	375	375	-	(375)
EXPENDITURES:				
Capital outlay	375	375	-	(375)
Total expenditures	375	375	-	(375)
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Total other financing sources (uses)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	19	19	19	-
FUND BALANCE, END OF YEAR	$ 19	$ 19	$ 19	$ -

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Regional Park and Open-Space Capital Projects Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Over (Under)
REVENUES:				
Use of money and property:				
Investment income (loss)	$ 26	$ 26	$ (51)	$ (77)
Aid from other governmental agencies:				
State	600	450	1,534	1,084
Other revenue	700	1,646	132	(1,514)
Total revenues	1,326	2,122	1,615	(507)
EXPENDITURES:				
Current:				
Recreation and cultural services	1,700	4,694	4,227	(467)
Total expenditures	1,700	4,694	4,227	(467)
Excess (deficiency) of revenues over (under) expenditures	(374)	(2,572)	(2,612)	(40)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	2,229	2,229	-
Transfers out	-	(7)	(7)	-
Total other financing sources (uses)	-	2,222	2,222	-
NET CHANGE IN FUND BALANCE	(374)	(350)	(390)	(40)
Fund balance, beginning of year	6,799	6,799	6,799	-
FUND BALANCE, END OF YEAR	$ 6,425	$ 6,449	$ 6,409	$ (40)

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
CREST Capital Projects Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Over (Under)
REVENUES:				
Use of money and property:				
Investment income (loss)	$ 70	$ 70	$ (108)	$ (178)
Charges for services	4,725	4,725	3,167	(1,558)
Other revenue	4,000	-	-	-
Total revenues	8,795	4,795	3,059	(1,736)
EXPENDITURES:				
Current:				
Capital outlay	10,567	9,286	7,489	(1,797)
Total expenditures	10,567	9,286	7,489	(1,797)
Excess (deficiency) of revenues over (under) expenditures	(1,772)	(4,491)	(4,430)	61
OTHER FINANCING SOURCES (USES):				
Transfers in	-	4,000	4,000	-
Transfers out	-	(1,281)	(1,281)	-
Total other financing sources (uses)	-	2,719	2,719	-
NET CHANGE IN FUND BALANCE	(1,772)	(1,772)	(1,711)	61
Fund balance, beginning of year	6,510	6,510	6,510	-
FUND BALANCE, END OF YEAR	$ 4,738	$ 4,738	$ 4,799	$ 61

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Public Facilities Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Use of money and property:				
Investment income (loss)	$ 2,784	$ 2,784	$ (2,159)	$ (4,943)
Rents and concessions	382	395	394	(1)
Aid from other governmental agencies:				
State	2,732	2,732	-	(2,732)
Other	35,911	35,911	40,451	4,540
Charges for services	80,495	49,514	21,402	(28,112)
Other revenue	8,990	3,731	3,354	(377)
Total revenues	131,294	95,067	63,442	(31,625)
EXPENDITURES:				
Current:				
General government	145,166	119,180	39,295	(79,885)
Public ways and facilities	7,701	6,876	651	(6,225)
Total expenditures	152,867	126,056	39,946	(86,110)
Excess (deficiency) of revenues over (under) expenditures	(21,573)	(30,989)	23,496	54,485
OTHER FINANCING SOURCES (USES):				
Transfers in	-	40,798	40,798	-
Transfers out	-	(51,251)	(51,251)	-
Total other financing sources (uses)	-	(10,453)	(10,453)	-
NET CHANGE IN FUND BALANCE	(21,573)	(41,442)	13,043	54,485
Fund balance, beginning of year	168,764	168,764	168,764	-
FUND BALANCE, END OF YEAR	$ 147,191	$ 127,322	$ 181,807	$ 54,485

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PERMANENT FUNDS

COUNTY OF RIVERSIDE

PERMANENT FUND

PERRIS VALLEY CEMETERY ENDOWMENT FUND

This fund is used to account for financial resources to be used for future maintenance of the Perris Valley Cemetery. The resources are derived from an endowment care fee assessed on each sale of a burial right and earnings on these resources. Only income earned on these resources may be used for services, supplies or capital asset acquisition. The principal must be preserved intact.

COUNTY OF RIVERSIDE
Balance Sheet
Permanent Fund
June 30, 2022
(Dollars in Thousands)

		Perris Valley Cemetery Endowment Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:		
Assets:		
Cash and investments	$	1,376
Interest receivable		2
Total assets		1,378
Deferred outflows of resources		-
Total assets and deferred outflows of resources	$	1,378
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE:		
Liabilities:		
Total liabilities	$	-
Deferred inflows of resources		-
Fund balance (Note 16):		
Nonspendable		1,378
Total fund balance		1,378
Total liabilities, deferred inflows of resources, and fund balance	$	1,378

COUNTY OF RIVERSIDE

Statement of Revenues, Expenditures, and Changes in Fund Balance

Permanent Fund

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	Perris Valley Cemetery Endowment Fund
REVENUES:	
Use of money and property:	
Investment income (loss)	$ (21)
Charges for services	173
Total revenues	152
EXPENDITURES:	
Total expenditures	-
Excess (deficiency) of revenues over (under) expenditures	152
NET CHANGE IN FUND BALANCE	152
Fund balance, beginning of year	1,226
FUND BALANCE, END OF YEAR	$ 1,378

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NONMAJOR ENTERPRISE FUNDS

COUNTY OF RIVERSIDE

NONMAJOR ENTERPRISE FUNDS

These funds are used to account for operations providing goods or services to the general public. The accounting for these funds is similar to private enterprise accounting (accrual basis of accounting). The intent of the County's governing board is that all costs associated with providing these goods or services be financed or recovered primarily through user charges.

COUNTY SERVICE AREAS

These funds were established to account for revenues, expenses, and the allocation of net income for County Service Areas 62 (sewer), 62 (water), and 122.

FLOOD CONTROL

These funds were established to account for transactions resulting from topographical map sales, subdivision operations, and issuance of encroachment permits.

RIVERSIDE UNIVERSITY HEALTH SYSTEMS - COMMUNITY HEALTH CENTERS

This fund was established to account for transactions resulting from several clinics spread across the County providing primary care and preventive services.

AVIATION

This fund was established to account for transactions resulting from the maintenance, operations, and development of County owned airports.

COUNTY OF RIVERSIDE
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2022
(Dollars in Thousands)

	County Service Areas	Flood Control	Riverside University Health Systems - Community Health Centers	Aviation	Total
ASSETS:					
Current assets:					
Cash and investments	$ 3,714	$ 692	$ -	$ 5,076	$ 9,482
Accounts receivable - net	-	112	1,165	21	1,298
Interest receivable	7	13	-	7	27
Taxes receivable	4	-	2	-	6
Due from other governments	-	10	14,070	33	14,113
Lease receivable	-	-	-	40,134	40,134
Inventories	-	-	689	-	689
Restricted cash and investments	-	6,703	-	-	6,703
Prepaid items and deposits	-	-	35	-	35
Total current assets	3,725	7,530	15,961	45,271	72,487
Noncurrent assets:					
Capital assets:					
Nondepreciable assets	-	-	183	10	193
Depreciable assets, net	46	57	27,772	351	28,226
Total noncurrent assets	46	57	27,955	361	28,419
Total assets	3,771	7,587	43,916	45,632	100,906
DEFERRED OUTFLOWS OF RESOURCES	-	26	48,332	279	48,637
LIABILITIES:					
Current liabilities:					
Cash overdrawn	-	-	5,661	-	5,661
Accounts payable	95	6,865	885	309	8,154
Salaries and benefits payable	-	46	2,890	52	2,988
Due to other governments	-	-	17,524	-	17,524
Due to other funds	-	1	-	-	1
Interest payable	-	-	19	-	19
Deposits payable	28	-	-	-	28
Other liabilities	-	-	-	6	6
Compensated absences	-	11	3,000	69	3,080
Finance purchases	-	-	1,974	-	1,974
Total current liabilities	123	6,923	31,953	436	39,435
Noncurrent liabilities:					
Compensated absences	-	61	1,537	135	1,733
Finance purchases	-	-	26,526	-	26,526
Net OPEB liability	-	-	3,753	78	3,831
Net pension liability	-	1,771	10,155	494	12,420
Total noncurrent liabilities	-	1,832	41,971	707	44,510
Total liabilities	123	8,755	73,924	1,143	83,945
DEFERRED INFLOWS OF RESOURCES	-	274	25,988	40,657	66,919
NET POSITION:					
Net investment in capital assets	46	57	(545)	361	(81)
Unrestricted	3,602	(1,473)	(7,119)	3,750	(1,240)
Total net position	$ 3,648	$ (1,416)	$ (7,664)	$ 4,111	$ (1,321)

COUNTY OF RIVERSIDE

Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	County Service Areas	Flood Control	Riverside University Health Systems - Community Health Centers	Aviation	Total
OPERATING REVENUES:					
Net patient revenue (Notes 1 and 18)	$ -	$ -	$ 51,813	$ -	$ 51,813
Charges for services	467	2,462	22,834	54	25,817
Other revenue	2,915	468	33,395	3,969	40,747
Total operating revenues	3,382	2,930	108,042	4,023	118,377
OPERATING EXPENSES:					
Personnel services	-	846	50,884	1,051	52,781
Communications	7	-	304	7	318
Insurance	1	-	969	379	1,349
Maintenance of building and equipment	85	-	2,050	504	2,639
Supplies	11	6	4,188	23	4,228
Purchased services	224	1,636	28,214	885	30,959
Depreciation and amortization	8	8	5,096	127	5,239
Rents and leases of equipment	-	-	12,025	493	12,518
Utilities	103	-	724	171	998
Other	20	8	915	111	1,054
Total operating expenses	459	2,504	105,369	3,751	112,083
Operating income (loss)	2,923	426	2,673	272	6,294
NONOPERATING REVENUES (EXPENSES):					
Investment income (loss)	(59)	(113)	(156)	576	248
Interest expense	-	-	(1,931)	-	(1,931)
Gain (loss) on disposal of capital assets	-	(46)	-	(2,778)	(2,824)
Total nonoperating revenues (expenses)	(59)	(159)	(2,087)	(2,202)	(4,507)
Income (loss) before transfers	2,864	267	586	(1,930)	1,787
Transfers in	-	2	8,759	950	9,711
Transfers out	-	-	(2,413)	(49)	(2,462)
CHANGE IN NET POSITION	2,864	269	6,932	(1,029)	9,036
Net position, beginning of year	784	(1,685)	(14,596)	5,140	(10,357)
Adjustments to beginning net position (Note 3)	-	-	-	-	-
Net position, beginning of year, as restated	784	(1,685)	(14,596)	5,140	(10,357)
NET POSITION, END OF YEAR	$ 3,648	$ (1,416)	$ (7,664)	$ 4,111	$ (1,321)

COUNTY OF RIVERSIDE

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	County Service Areas	Flood Control	Riverside University Health Systems - Community Health Centers	Aviation	Total
Cash flows from operating activities					
Cash receipts from customers	$ 3,382	$ 3,038	$ 109,052	$ 4,128	$ 119,600
Cash payments due to other funds	(4)	-	(2)	-	(6)
Cash paid to suppliers for goods and services	(400)	(1,695)	(54,978)	(2,450)	(59,523)
Cash paid to employees for services	-	(825)	(57,523)	(2,839)	(61,187)
Net cash provided by (used in) operating activities	2,978	518	(3,451)	(1,161)	(1,116)
Cash flows from noncapital financing activities					
Transfers received	-	2	8,759	950	9,711
Transfers paid	-	-	(2,413)	(49)	(2,462)
Net cash provided by noncapital financing activities	-	2	6,346	901	7,249
Cash flows from capital and related financing activities					
Acquisition and construction of capital assets	(19)	-	(1,679)	-	(1,698)
Cash paid for finance purchases-principal portion	-	-	(1,878)	-	(1,878)
Interest paid on long-term debt	-	-	(1,923)	-	(1,923)
Cash received as lessor-principal portion	-	-	-	1,691	1,691
Cash received as lessor-interest portion	-	-	-	658	658
Net cash provided by (used in) capital and related financing activities	(19)	-	(5,480)	2,349	(3,150)
Cash flows from investing activities					
Investment income (loss)	(66)	(122)	(156)	(87)	(431)
Net cash provided by (used in) investing activities	(66)	(122)	(156)	(87)	(431)
Net increase (decrease) in cash and cash equivalents	2,893	398	(2,741)	2,002	2,552
Cash and cash equivalents, beginning of year	821	6,997	(2,920)	3,074	7,972
Cash and cash equivalents, end of year	$ 3,714	$ 7,395	$ (5,661)	$ 5,076	$ 10,524
Reconciliation of cash and cash equivalents to the Statement of Net Position					
Cash and investments per Statement of Net Position	$ 3,714	$ 692	$ (5,661)	$ 5,076	$ 3,821
Restricted cash and investments per Statement of Net Position	-	6,703	-	-	6,703
Total cash and cash equivalents per Statement of Net Position	$ 3,714	$ 7,395	$ (5,661)	$ 5,076	$ 10,524
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	$ 2,923	$ 426	$ 2,673	$ 272	$ 6,294
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation and amortization	8	8	5,096	127	5,239
Decrease (Increase) accounts receivable	-	100	2,273	5	2,378
Decrease (Increase) taxes receivable	(4)	-	(2)	-	(6)
Decrease (Increase) due from other governments	-	8	(1,263)	100	(1,155)
Decrease (Increase) inventories	-	-	39	-	39
Decrease (Increase) prepaid items and deposits	-	-	312	41	353
Increase (Decrease) accounts payable	48	(46)	(703)	82	(619)
Increase (Decrease) due to other funds	-	1	-	-	1
Increase (Decrease) due to other governments	-	-	(5,237)	(1)	(5,238)
Increase (Decrease) deposits payable	3	-	-	-	3
Increase (Decrease) other liabilities	-	-	-	1	1
Increase (Decrease) net pension liability	-	(540)	-	(693)	(1,233)
Increase (Decrease) net OPEB liability	-	-	109	3	112
Increase (Decrease) deferred OPEB	-	-	(370)	70	(300)
Increase (Decrease) deferred pensions	-	531	(7,393)	(1,237)	(8,099)
Increase (Decrease) salaries and benefits payable	-	17	657	9	683
Increase (Decrease) compensated absences	-	13	358	60	431
Net cash provided by (used in) operating activities	$ 2,978	$ 518	$ (3,451)	$ (1,161)	$ (1,116)
Noncash investing, capital, and financing activities					
Lease receivable recognized on lessor lease transaction			$ -	$ 41,825	$ 41,825
Finance purchase			7,728	-	7,728
Total noncash investing, capital, and financing activities			$ 7,728	$ 41,825	$ 49,553

INTERNAL SERVICE FUNDS

COUNTY OF RIVERSIDE
INTERNAL SERVICE FUNDS

These funds were established to account for the goods and services provided by a County department to other County departments, or to other internal governments, on a cost-reimbursement basis.

PUBLIC SAFETY ENTERPRISE COMMUNICATION (PSEC)

The Public Safety Enterprise Communication fund is a multi-agency undertaking to address the County of Riverside 800 MHz public safety radio coverage and operational problems. The multi-year project will result in either a massive upgrade or a complete replacement of the existing radio system.

FLEET SERVICES

This fund finances the operation and maintenance of County vehicles, including the Sheriff's Department. Revenue is obtained on a cost-reimbursement basis.

INFORMATION SERVICES

These funds are supported by the revenues generated for services including software systems support, computer networks, data structure design, and organization of the County's computer systems.

CENTRAL MAIL SERVICES

These funds account for the financing of central mail services provided to County departments on a cost-reimbursement basis.

SUPPLY SERVICES

This fund finances the operation that provides County departments with merchandise and services on a cost-reimbursement basis.

HUMAN RESOURCES

This fund finances the operation and maintenance of the Human Capital Management System, which provides all human resources requirements including talent management, recruitment, onboarding, time and labor, payroll, and employee benefits administration to County departments on a cost-reimbursement basis.

RISK MANAGEMENT

These funds account for the financing of employee insurance benefits and County self-insurance programs. These funds include medical, dental, disability, and unemployment insurance as well as general liability, medical malpractice, and workers' compensation.

TEMPORARY ASSIGNMENT PROGRAM

The purpose of this fund is to provide a ready source of temporary workers to County departments, with lower overhead costs than are typically charged by outside temporary employment agencies.

FACILITIES MANAGEMENT

The purpose of this fund is to account for custodial, maintenance, and real estate services provided to other County departments on a cost-reimbursement basis.

FLOOD CONTROL EQUIPMENT

These funds were established to account for the financing of flood control equipment provided to other departments on a cost-reimbursement basis.

COUNTY OF RIVERSIDE

Combining Statement of Net Position

Internal Service Funds

June 30, 2022

(Dollars in Thousands)

	PSEC	Fleet Services	Information Services	Central Mail Services	Supply Services
ASSETS:					
Current assets:					
Cash and investments	$ 6,108	$ 6,133	$ 27,139	$ 405	$ 366
Accounts receivable - net	29	82	84	-	27
Interest receivable	9	5	45	-	1
Due from other governments	832	132	34	30	-
Due from other funds	-	-	-	-	-
Lease receivable	1,132	-	-	-	-
Inventories	176	941	486	108	-
Prepaid items and deposits	418	-	-	-	-
Total current assets	8,704	7,293	27,788	543	394
Noncurrent assets:					
Capital assets:					
Nondepreciable assets	855	744	-	-	-
Depreciable assets, net	24,444	22,761	13,968	154	120
Leased asset, net	-	-	-	-	-
Total noncurrent assets	25,299	23,505	13,968	154	120
Total assets	34,003	30,798	41,756	697	514
DEFERRED OUTFLOWS OF RESOURCES	1,025	955	11,579	166	158
LIABILITIES:					
Current liabilities:					
Accounts payable	415	809	1,957	14	-
Salaries and benefits payable	152	135	2,299	31	2
Due to other governments	-	25	-	-	-
Due to other funds	-	-	-	-	-
Other liabilities	58	-	-	-	-
Accrued remediation costs	-	47	-	-	-
Compensated absences	306	399	4,283	40	7
Lease payable	-	-	-	-	-
Finance purchases	1,374	4,679	1,423	-	-
Estimated claims liabilities	-	-	-	-	-
Total current liabilities	2,305	6,094	9,962	85	9
Noncurrent liabilities:					
Compensated absences	84	247	3,470	21	7
Advances from other funds	-	-	-	-	-
Lease payable	-	-	-	-	-
Finance purchases	14,649	4,937	4,139	-	-
Accrued remediation costs	-	1	-	-	-
Estimated claims liabilities	-	-	-	-	-
Net OPEB liability	266	348	3,860	54	22
Net pension liability	3,999	3,840	45,162	477	940
Total noncurrent liabilities	18,998	9,373	56,631	552	969
Total liabilities	21,303	15,467	66,593	637	978
DEFERRED INFLOWS OF RESOURCES	2,690	1,536	24,963	293	53
NET POSITION:					
Net investment in capital assets	9,276	13,889	8,406	154	120
Unrestricted	1,759	861	(46,627)	(221)	(479)
Total net position	$ 11,035	$ 14,750	$ (38,221)	$ (67)	$ (359)

Human Resources	Risk Management	Temporary Assignment Program	Facilities Management	Flood Control Equipment	Total	
						ASSETS:
						Current assets:
$ -	$ 337,819	$ -	$ 15,625	$ 4,696	$ 398,291	Cash and investments
-	2,468	-	89	29	2,808	Accounts receivable - net
-	584	-	18	7	669	Interest receivable
-	-	-	263	-	1,291	Due from other governments
-	-	-	-	25	25	Due from other funds
-	-	-	7,587	-	8,719	Lease receivable
-	-	-	150	315	2,176	Inventories
-	225	-	-	-	643	Prepaid items and deposits
-	341,096	-	23,732	5,072	414,622	Total current assets
						Noncurrent assets:
						Capital assets:
-	-	-	-	-	1,599	Nondepreciable assets
-	-	-	128	5,759	67,334	Depreciable assets, net
-	-	-	226,904	-	226,904	Leased asset, net
-	-	-	227,032	5,759	295,837	Total noncurrent assets
-	341,096	-	250,764	10,831	710,459	Total assets
-	4,132	-	5,867	-	23,882	DEFERRED OUTFLOWS OF RESOURCES
						LIABILITIES:
						Current liabilities:
-	18,341	-	2,555	84	24,175	Accounts payable
-	635	-	1,025	92	4,371	Salaries and benefits payable
-	-	-	-	125	150	Due to other governments
-	51	-	-	1	52	Due to other funds
-	356	-	2,129	-	2,543	Other liabilities
-	-	-	-	-	47	Accrued remediation costs
-	930	-	1,961	25	7,951	Compensated absences
-	-	-	41,280	-	41,280	Lease payable
-	-	-	-	-	7,476	Finance purchases
-	84,210	-	-	-	84,210	Estimated claims liabilities
-	104,523	-	48,950	327	172,255	Total current liabilities
						Noncurrent liabilities:
-	1,323	-	656	138	5,946	Compensated absences
-	-	-	3,342	-	3,342	Advances from other funds
-	-	-	190,281	-	190,281	Lease payable
-	-	-	-	-	23,725	Finance purchases
-	-	-	-	-	1	Accrued remediation costs
-	247,747	-	-	-	247,747	Estimated claims liabilities
-	1,251	-	2,169	-	7,970	Net OPEB liability
-	17,287	-	20,622	-	92,327	Net pension liability
-	267,608	-	217,070	138	571,339	Total noncurrent liabilities
-	372,131	-	266,020	465	743,594	Total liabilities
-	6,664	-	18,356	-	54,555	DEFERRED INFLOWS OF RESOURCES
						NET POSITION:
-	-	-	(4,529)	5,759	33,075	Net investment in capital assets
-	(33,567)	-	(23,216)	4,607	(96,883)	Unrestricted
$ -	$ (33,567)	$ -	$ (27,745)	$ 10,366	$ (63,808)	Total net position

COUNTY OF RIVERSIDE
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	PSEC	Fleet Services	Information Services	Central Mail Services	Supply Services
OPERATING REVENUES:					
Charges for services	$ 13,946	$ 25,950	$ 92,738	$ 1,059	$ 23
Other revenue	49	313	119	1,989	335
Total operating revenues	13,995	26,263	92,857	3,048	358
OPERATING EXPENSES:					
Cost of materials used	-	1,139	-	-	-
Personnel services	3,149	3,248	48,084	618	100
Communications	100	25	9,204	5	1
Insurance	81	338	836	14	2
Maintenance of building and equipment	3,225	2,487	15,953	26	5
Insurance claims	-	-	-	-	-
Supplies	548	10,041	1,359	1,390	-
Purchased services	1,017	1,149	2,746	660	155
Depreciation and amortization	1,679	8,704	3,134	33	12
Rents and leases of equipment	566	270	3,922	-	-
Utilities	595	44	695	19	6
Other	240	918	1,147	131	15
Total operating expenses	11,200	28,363	87,080	2,896	296
Operating income (loss)	2,795	(2,100)	5,777	152	62
NONOPERATING REVENUES (EXPENSES):					
Investment income (loss)	(95)	(106)	(415)	(7)	(4)
Interest expense	(611)	(194)	(68)	-	-
Gain (loss) on disposal of capital assets	30	480	(40)	-	-
Other nonoperating revenues (expenses), net	-	(661)	-	-	-
Total nonoperating revenues (expenses)	(676)	(481)	(523)	(7)	(4)
Income (loss) before capital contributions and transfers	2,119	(2,581)	5,254	145	58
Capital contributions	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(142)	(140)	(2,320)	(27)	(3)
CHANGE IN NET POSITION	1,977	(2,721)	2,934	118	55
Net position, beginning of year	-	17,471	(32,097)	(185)	(414)
Adjustments to beginning net position (Note 3)	9,058	-	(9,058)	-	-
Net position, beginning of year, as restated	9,058	17,471	(41,155)	(185)	(414)
NET POSITION, END OF YEAR	$ 11,035	$ 14,750	$ (38,221)	$ (67)	$ (359)

Human Resources	Risk Management	Temporary Assignment Program	Facilities Management	Flood Control Equipment	Total	
						OPERATING REVENUES:
$ -	$ 79,008	$ 1,721	$ 83,026	$ 1,193	$ 298,664	Charges for services
-	87,695	-	53,923	6,942	151,365	Other revenue
-	166,703	1,721	136,949	8,135	450,029	Total operating revenues
						OPERATING EXPENSES:
-	-	-	-	27	1,166	Cost of materials used
-	13,001	59	23,015	1,754	93,028	Personnel services
-	25	-	89	-	9,449	Communications
-	49,515	-	676	-	51,462	Insurance
-	50	-	14,720	550	37,016	Maintenance of building and equipment
-	161,196	-	-	-	161,196	Insurance claims
-	320	-	2,432	1,703	17,793	Supplies
1,753	9,203	406	13,143	2,451	32,683	Purchased services
-	-	-	45,697	1,123	60,382	Depreciation and amortization
-	1,756	-	31,797	4	38,315	Rents and leases of equipment
-	29	-	1,620	1	3,009	Utilities
-	2,153	-	4,227	373	9,204	Other
1,753	237,248	465	137,416	7,986	514,703	Total operating expenses
(1,753)	(70,545)	1,256	(467)	149	(64,674)	Operating income (loss)
						NONOPERATING REVENUES (EXPENSES):
-	(5,207)	-	2,989	(74)	(2,919)	Investment income (loss)
-	-	-	(4,068)	-	(4,941)	Interest expense
-	-	-	-	96	566	Gain (loss) on disposal of capital assets
-	-	-	-	-	(661)	Other nonoperating revenues (expenses), net
-	(5,207)	-	(1,079)	22	(7,955)	Total nonoperating revenues (expenses)
(1,753)	(75,752)	1,256	(1,546)	171	(72,629)	Income (loss) before capital contributions and transfers
-	80,323	-	-	-	80,323	Capital contributions
1,753	-	-	27	-	1,780	Transfers in
-	(600)	(3)	(982)	-	(4,217)	Transfers out
-	3,971	1,253	(2,501)	171	5,257	CHANGE IN NET POSITION
-	(37,538)	(3,958)	(25,244)	10,195	(71,770)	Net position, beginning of year
-	-	2,705	-	-	2,705	Adjustments to beginning net position (Note 3)
-	(37,538)	(1,253)	(25,244)	10,195	(69,065)	Net position, beginning of year, as restated
$ -	$ (33,567)	$ -	$ (27,745)	$ 10,366	$ (63,808)	NET POSITION, END OF YEAR

COUNTY OF RIVERSIDE
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	PSEC	Fleet Services	Information Services	Central Mail Services	Supply Services
Cash flows from operating activities					
Cash receipts from customers	$ -	$ -	$ 784	$ 72	$ -
Cash payments due to other funds	-	(29)	-	-	-
Cash receipts from other funds	13,995	26,213	92,898	3,048	358
Cash paid to suppliers for goods and services	(6,966)	(16,687)	(35,958)	(2,388)	(184)
Cash paid to employees for services	(3,149)	(3,360)	(53,580)	(679)	(96)
Net cash provided by (used in) operating activities	3,880	6,137	4,144	53	78
Cash flows from noncapital financing activities					
Contributions to others	-	(661)	-	-	-
Transfers received	-	-	-	-	-
Transfers paid	-	(140)	-	(27)	(3)
Net cash provided by (used in) noncapital financing activities	-	(801)	-	(27)	(3)
Cash flows from capital and related financing activities					
Proceeds (loss) from sale of capital assets	-	850	(40)	-	-
Acquisition and construction of capital assets	(1,156)	-	(1,086)	-	(1)
Cash paid for lease liabilities-principal portion	-	-	-	-	-
Cash paid for finance purchases-principal portion	(1,322)	(6,150)	(2,272)	-	-
Capital contributions	-	-	-	-	-
Interest paid on long-term debt	(611)	(194)	(68)	-	-
Cash received as lessor-principal portion	92	-	-	-	-
Cash received as lessor-interest portion	20	-	-	-	-
Net cash provided by (used in) capital and related financing activities	(2,977)	(5,494)	(3,466)	-	(1)
Cash flows from investing activities					
Investment income (loss)	(115)	(109)	(443)	(7)	(5)
Net cash provided by (used in) investing activities	(115)	(109)	(443)	(7)	(5)
Net increase (decrease) in cash and cash equivalents	788	(267)	235	19	69
Cash and cash equivalents, beginning of year	5,320	6,400	26,904	386	297
Cash and cash equivalents, end of year	$ 6,108	$ 6,133	$ 27,139	$ 405	$ 366
Reconciliation of cash and cash equivalents to the Statement of Net Position					
Cash and investments per Statement of Net Position	$ 6,108	$ 6,133	$ 27,139	$ 405	$ 366
Total cash and cash equivalents per Statement of Net Position	$ 6,108	$ 6,133	$ 27,139	$ 405	$ 366
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	$ 2,795	$ (2,100)	$ 5,777	$ 152	$ 62
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation and amortization	1,679	8,704	3,134	33	12
Decrease (Increase) accounts receivable	-	(50)	41	-	-
Decrease (Increase) due from other funds	-	-	-	-	-
Decrease (Increase) due from other governments	-	(29)	784	72	-
Decrease (Increase) inventories	(176)	(357)	420	(47)	-
Decrease (Increase) prepaid items and deposits	(418)	-	436	-	-
Increase (Decrease) accounts payable	-	58	(952)	(96)	-
Increase (Decrease) due to other funds	-	-	-	-	-
Increase (Decrease) due to other governments	-	24	-	-	-
Increase (Decrease) accrued remediation costs	-	(1)	-	-	-
Increase (Decrease) other liabilities	-	-	-	-	-
Increase (Decrease) estimated claims liability	-	-	-	-	-
Increase (Decrease) net pension liability	-	(2,020)	(39,552)	(389)	(59)
Increase (Decrease) net OPEB liability	-	6	(154)	1	-
Increase (Decrease) deferred pensions	-	1,823	34,589	321	69
Increase (Decrease) salaries and benefits payable	-	(21)	(204)	11	(6)
Increase (Decrease) compensated absences	-	100	(175)	(5)	-
Net cash provided by (used in) operating activities	$ 3,880	$ 6,137	$ 4,144	$ 53	$ 78
Noncash investing, capital, and financing activities					
Lease receivable recognized on lessor lease transaction	$ 1,224	$ -	$ -		
Lease liability for the acquisition of right-to-use leased assets	-	-	-		
Finance purchase	233	1,088	5,293		
Total noncash investing, capital, and financing activities	$ 1,457	$ 1,088	$ 5,293		

Human Resources	Risk Management	Temporary Assignment Program	Facilities Management	Flood Control Equipment	Total	
						Cash flows from operating activities
$ -	$ -	$ -	$ 159	$ -	$ 1,015	Cash receipts from customers
-	-	-	-	-	(29)	Cash payments due to other funds
-	167,337	1,721	136,965	8,082	450,617	Cash receipts from other funds
(1,753)	(223,740)	(572)	(69,614)	(5,023)	(362,885)	Cash paid to suppliers for goods and services
-	(14,597)	(2,901)	(27,859)	(1,704)	(107,925)	Cash paid to employees for services
(1,753)	(71,000)	(1,752)	39,651	1,355	(19,207)	Net cash provided by (used in) operating activities
						Cash flows from noncapital financing activities
-	-	-	-	-	(661)	Contributions to others
1,753	-	-	27	-	1,780	Transfers received
-	(600)	(3)	(982)	-	(1,755)	Transfers paid
1,753	(600)	(3)	(955)	-	(636)	Net cash provided by (used in) noncapital financing activities
						Cash flows from capital and related financing activities
-	-	3	-	96	909	Proceeds (loss) from sale of capital assets
-	-	-	-	(1,837)	(4,080)	Acquisition and construction of capital assets
-	-	-	(41,012)	-	(41,012)	Cash paid for lease liabilities-principal portion
-	-	-	-	-	(9,744)	Cash paid for finance purchases-principal portion
-	80,323	-	-	-	80,323	Capital contributions
-	-	-	(4,068)	-	(4,941)	Interest paid on long-term debt
-	-	-	2,479	-	2,571	Cash received as lessor-principal portion
-	-	-	58	-	78	Cash received as lessor-interest portion
-	80,323	3	(42,543)	(1,741)	24,104	Net cash provided by (used in) capital and related financing activities
						Cash flows from investing activities
-	(5,608)	-	2,919	(78)	(3,446)	Investment income (loss)
-	(5,608)	-	2,919	(78)	(3,446)	Net cash provided by (used in) investing activities
-	3,115	(1,752)	(928)	(464)	815	Net increase (decrease) in cash and cash equivalents
-	334,704	1,752	16,553	5,160	397,476	Cash and cash equivalents, beginning of year
$ -	$ 337,819	$ -	$ 15,625	$ 4,696	$ 398,291	Cash and cash equivalents, end of year
						Reconciliation of cash and cash equivalents to the Statement of Net Position
$ -	$ 337,819	$ -	$ 15,625	$ 4,696	$ 398,291	Cash and investments per Statement of Net Position
$ -	$ 337,819	$ -	$ 15,625	$ 4,696	$ 398,291	Total cash and cash equivalents per Statement of Net Position
						Reconciliation of operating income (loss) to net cash provided by (used in) operating activities
$ (1,753)	$ (70,545)	$ 1,256	$ (467)	$ 149	$ (64,674)	Operating income (loss)
						Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities
-	-	-	45,697	1,123	60,382	Depreciation and amortization
-	634	-	16	(28)	613	Decrease (Increase) accounts receivable
-	-	-	-	(25)	(25)	Decrease (Increase) due from other funds
-	-	-	159	-	986	Decrease (Increase) due from other governments
-	-	-	20	(14)	(154)	Decrease (Increase) inventories
-	-	-	-	-	18	Decrease (Increase) prepaid items and deposits
-	(11,784)	(166)	(748)	29	(13,659)	Increase (Decrease) accounts payable
-	(41)	-	-	1	(40)	Increase (Decrease) due to other funds
-	-	-	-	70	94	Increase (Decrease) due to other governments
-	-	-	-	-	(1)	Increase (Decrease) accrued remediation costs
-	-	-	(182)	-	(182)	Increase (Decrease) other liabilities
-	12,332	-	-	-	12,332	Increase (Decrease) estimated claims liability
-	(8,639)	(3,078)	(14,240)	-	(67,977)	Increase (Decrease) net pension liability
-	27	(117)	46	-	(191)	Increase (Decrease) net OPEB liability
-	7,433	486	9,659	-	54,380	Increase (Decrease) deferred pensions
-	(175)	(55)	8	24	(418)	Increase (Decrease) salaries and benefits payable
-	(242)	(78)	(317)	26	(691)	Increase (Decrease) compensated absences
$ (1,753)	$ (71,000)	$ (1,752)	$ 39,651	$ 1,355	$ (19,207)	Net cash provided by (used in) operating activities
						Noncash investing, capital, and financing activities:
			$ 10,066		$ 11,290	Lease receivable recognized on lessor lease transaction
			272,573		272,573	Lease liability for the acquisition of right-to-use leased assets
			-		6,614	Finance purchase
			$ 282,639		$ 290,477	Total noncash investing, capital, and financing activities

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FIDUCIARY FUNDS

COUNTY OF RIVERSIDE

FIDUCIARY FUNDS

These funds were established for the purpose of accounting for assets held in a trustee or agency capacity for others and therefore cannot be used to support the County's own programs and are excluded from the government-wide financial statements.

EXTERNAL INVESTMENT POOL

The External Investment Pool Funds are the external portion of the investment pool not held in a trust that meets the criteria in paragraph 18 of GASB Statement No. 84 which are required to be reported in a single column within the custodial funds classification.

PROPERTY TAX COLLECTION

The Property Tax Collection Funds were set up to help Riverside County account for apportioned taxes clearing, delinquent mobile home fees, property tax refunds, special assessments, and Teeter Plan collections.

OTHER CUSTODIAL

These funds were established to account for a wide array of fiduciary responsibilities. Some of these responsibilities include tax payments clearing, asset forfeiture, State Controller clearing, child support collections, undistributed bond proceeds, family support clearing, and clearing fund for various categories of warrants issued by Riverside County.

COUNTY OF RIVERSIDE

Statement of Fiduciary Net Position

Custodial Funds

June 30, 2022

(Dollars in Thousands)

	External Investment Pool	Property Tax Collection	Other Custodial	Total
ASSETS:				
Cash and investments	$ -	$ 112,398	$ 182,742	$ 295,140
Receivables:				
Accounts receivable	-	-	45	45
Interest receivable	13,265	176	94	13,535
Taxes receivable	-	28,078	75	28,153
Investment at fair value:				
Short-term investments	724,417	-	-	724,417
Federal agency	2,513,579	-	-	2,513,579
Commercial paper	966,699	-	-	966,699
Negotiable CDs	1,624,670	-	-	1,624,670
Municipal bonds	160,441	-	-	160,441
Bonds - U.S. Treasury	2,113,287	-	-	2,113,287
Total assets	8,116,358	140,652	182,956	8,439,966
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	-	-	-	-
LIABILITIES:				
Accounts payable	-	7,955	145,203	153,158
Due to other governments	-	37,329	24,562	61,891
Total liabilities	-	45,284	169,765	215,049
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources	-	-	-	-
NET POSITION:				
Restricted for:				
Pool Participants	8,116,358	-	-	8,116,358
Individuals, Orgs & Oth Govt's	-	95,368	13,191	108,559
Total net position	8,116,358	$ 95,368	$ 13,191	$ 8,224,917

COUNTY OF RIVERSIDE
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended June 30, 2022
(Dollars in Thousands)

	External Investment Pool	Property Tax Collection	Other Custodial	Total
ADDITIONS				
Contributions:				
Contributions to pooled investments	$ 2,380,767	$ -	$ -	$ 2,380,767
Total contributions	2,380,767	-	-	2,380,767
Investment earnings (loss):				
Net increase (decrease) in fair value of investments	(125,252)	27	(782)	(126,007)
Interest, dividends, and other	12	-	-	12
Total investment earnings (loss)	(125,240)	27	(782)	(125,995)
Less investment costs:				
Investment activity costs	-	-	-	-
Net investment earnings (loss)	(125,240)	27	(782)	(125,995)
Property tax collection other governments	-	5,815,276	-	5,815,276
Other custodial fund collections	-	-	516,108	516,108
Total additions	2,255,527	5,815,303	515,326	8,586,156
DEDUCTIONS				
Administrative expense	-	-	485	485
Distributions to shareholders	692,954	-	-	692,954
Beneficiary payments to individuals, organizations and other gov'ts	-	-	514,123	514,123
Property taxes distributed to other governments	-	5,801,067	-	5,801,067
Total deductions	692,954	5,801,067	514,608	7,008,629
Net increase in fiduciary net position	1,562,573	14,236	718	1,577,527
Net position, beginning of the year	6,553,785	81,132	12,473	6,647,390
Net position, end of the year	$ 8,116,358	$ 95,368	$ 13,191	$ 8,224,917

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STATISTICAL SECTION

Statistical Section

This section of the County of Riverside (the County) Annual Comprehensive Financial Report presents additional detail, historical perspective, and context to assist annual financial report users in understanding the financial statements, note disclosures, and required supplementary information, and assessing the County's financial condition.

Contents | **Table(s)**

These tables contain trend information to assist readers in understanding and assessing how the County's financial position has changed over time.

These tables contain information to assist readers in understanding and assessing the factors affecting the County's local revenue sources: property tax, sales and use tax, and other taxes.

These tables contain information to assist readers in understanding and assessing the County's current level of outstanding debt, and the County's ability to issue additional debt.

These tables provide economic and demographic information to assist readers in understanding the socioeconomic environment within which the County operates, and to facilitate the comparisons of financial information over time.

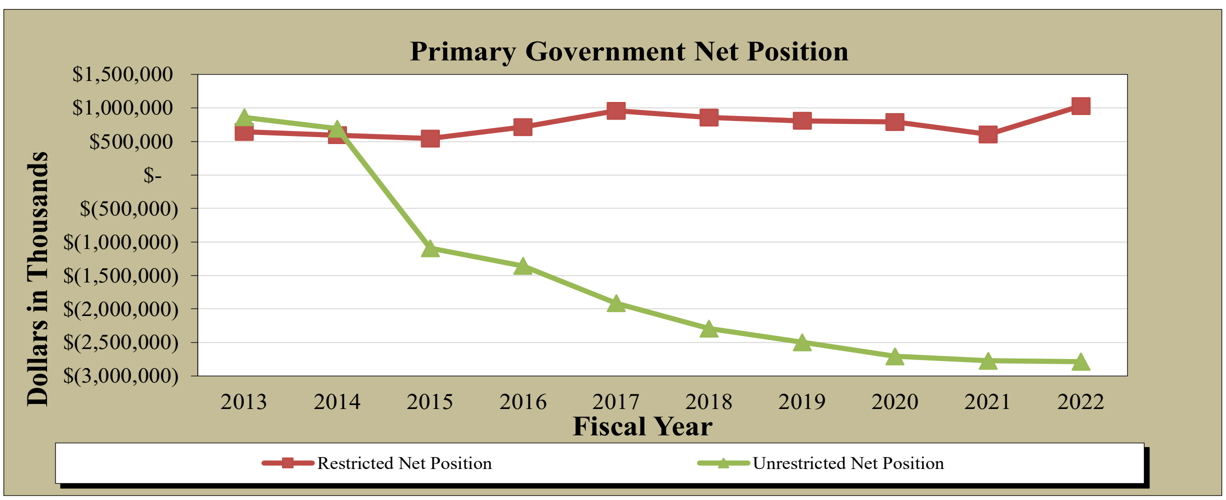
These tables provide contextual information about the County's operations and resources to assist readers in understanding and assessing the County's financial condition as it relates to the services that the County provides.

Source: Unless otherwise noted, the information in these tables is derived from Riverside County's Annual Comprehensive Financial Reports for the relevant years.

Table 1

COUNTY OF RIVERSIDE
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)
(Dollars in Thousands)
June 30, 2022

				Fiscal Year Ending June 30	
	2022	**2021**	**2020**	**2019**	**2018**
Governmental activities					
Net investment in capital assets	$ 4,059,277	$ 4,037,279	$ 3,042,172	$ 3,673,404	$ 3,505,380
Restricted	978,371	554,386	735,739	769,225	799,830
Unrestricted	(2,338,285)	(2,297,231)	(2,198,345)	(2,092,164)	(1,947,282)
Governmental activities, total net position	$ 2,699,363	$ 2,294,434	$ 1,579,566	$ 2,350,465	$ 2,357,928
Business-type activities					
Net investment in capital assets	$ 279,765	$ 263,411	$ 228,265	$ 224,427	$ 218,159
Restricted	51,267	54,017	56,744	40,585	58,136
Unrestricted	$ (448,944)	(474,227)	(507,675)	(403,461)	(344,312)
Business-type activities, total net position	$ (117,912)	$ (156,799)	$ (222,666)	$ (138,449)	$ (68,017)
Primary government					
Net investment in capital assets	$ 4,339,042	$ 4,300,690	$ 3,270,437	$ 3,897,831	$ 3,723,539
Restricted	1,029,638	608,403	792,483	809,810	857,966
Unrestricted	(2,787,229)	(2,771,458)	(2,706,020)	(2,495,625)	(2,291,594)
Primary government, total net position	$ 2,581,451	$ 2,137,635	$ 1,356,900	$ 2,212,016	$ 2,289,911



Source: Auditor-Controller, County of Riverside

Table 1

Fiscal Year Ending June 30					
2017	2016	2015	2014	2013	
					Governmental activities
$ 3,355,072	$ 3,240,888	$ 3,009,048	$ 3,165,319	$ 2,998,987	Net investment in capital assets
911,249	667,696	489,359	499,463	550,326	Restricted
(1,689,770)	(1,242,905)	(971,969)	718,105	771,883	Unrestricted
$ 2,576,551	$ 2,665,679	$ 2,526,438	$ 4,382,887	$ 4,321,196	Governmental activities, total net position
					Business-type activities
$ 202,150	$ 112,906	$ 95,160	$ 147,806	$ 118,594	Net investment in capital assets
47,468	49,241	56,569	96,904	94,346	Restricted
(225,964)	(113,124)	(122,341)	(27,903)	88,852	Unrestricted
$ 23,654	$ 49,023	$ 29,388	$ 216,807	$ 301,792	Business-type activities, total net position
					Primary government
$ 3,557,222	$ 3,353,794	$ 3,104,208	$ 3,313,125	$ 3,117,581	Net investment in capital assets
958,717	716,937	545,928	596,367	644,672	Restricted
(1,915,734)	(1,356,029)	(1,094,310)	690,202	860,735	Unrestricted
$ 2,600,205	$ 2,714,702	$ 2,555,826	$ 4,599,694	$ 4,622,988	Primary government, total net position

Table 2

COUNTY OF RIVERSIDE
Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)
(Dollars in Thousands)
June 30, 2022

				Fiscal Year Ending June 30	
	2022	**2021**	**2020**	**2019**	**2018**
Program revenues					
Governmental activities:					
Charges for services:					
General government	$ 192,832	$ 196,746	$ 167,806	$ 170,904	$ 192,894
Public protection	470,508	462,530	461,197	448,722	434,301
Other activities	127,990	114,163	139,136	139,861	89,778
Operating grants and contributions	2,687,567	2,741,915	2,291,206	2,010,351	1,951,911
Capital grants and contributions	37,701	29,455	32,453	47,530	77,352
Governmental activities program revenues	3,516,598	3,544,809	3,091,798	2,817,368	2,746,236
Business-type activities:					
Charges for services:					
Riverside University Health Systems - Medical Center	814,914	680,060	631,853	585,761	560,187
Other activities	341,336	328,675	263,173	252,163	227,588
Capital grants and contributions	494	559	355	-	87
Business-type activities program revenues	1,156,744	1,009,294	895,381	837,924	787,862
Primary government program revenues	4,673,342	4,554,103	3,987,179	3,655,292	3,534,098
Expenses					
Governmental activities:					
General government	326,689	314,381	336,802	261,113	275,973
Public protection	1,524,865	1,401,403	2,209,120	1,600,054	1,606,348
Public ways and facilities	222,603	205,503	239,741	244,547	215,360
Health and sanitation	689,742	655,911	759,480	611,195	611,960
Public assistance	1,311,237	1,197,256	1,236,525	1,067,788	1,067,151
Education	38,595	33,123	32,607	25,220	23,560
Recreation and cultural services	19,050	20,891	22,939	19,232	17,345
Interest on long-term debt	62,652	96,782	69,034	69,630	63,685
Governmental activities expenses	4,195,433	3,925,250	4,906,248	3,898,779	3,881,382
Business-type activities:					
Riverside University Health Systems - Medical Center	785,369	691,361	738,306	663,496	636,169
Waste Resources Department	121,287	98,347	104,445	102,278	88,964
Housing Authority	103,965	100,036	99,066	95,929	98,591
Flood Control	2,443	2,365	2,245	2,404	5,183
Riverside University Health Systems - Community Health Centers	108,019	105,421	95,371	79,792	56,247
County Service Areas	459	336	254	233	243
Aviation	6,664	3,759	-	-	-
Business-type activities expenses	1,128,206	1,001,625	1,039,687	944,132	885,397
Primary government expenses	5,323,639	4,926,875	5,945,935	4,842,911	4,766,779
Net (expense)/revenue					
Governmental activities	(678,835)	(380,441)	(1,814,450)	(1,081,411)	(1,135,146)
Business-type activities	28,538	7,669	(144,306)	(106,208)	(97,535)
Primary government, net (expense) / revenue	$ (650,297)	$ (372,772)	$ (1,958,756)	$ (1,187,619)	$ (1,232,681)

Source: Auditor-Controller, County of Riverside

Table 2

Fiscal Year Ending June 30					
2017	2016	2015	2014	2013	
					Program revenues
					Governmental activities:
					Charges for services:
$ 230,767	$ 201,495	$ 164,830	$ 162,926	$ 138,851	General government
417,682	398,070	371,237	352,178	339,379	Public protection
118,140	135,204	109,773	100,791	110,231	Other activities
1,912,480	1,907,919	1,800,158	1,593,627	1,503,390	Operating grants and contributions
49,088	54,134	31,579	29,890	27,695	Capital grants and contributions
2,728,157	2,696,822	2,477,577	2,239,412	2,119,546	Governmental activities program revenues
					Business-type activities:
					Charges for services:
544,060	511,666	504,811	400,630	450,340	Riverside University Health Systems - Medical Center
172,851	164,860	161,008	155,336	150,407	Other activities
552	2,234	536	450	698	Capital grants and contributions
717,463	678,760	666,355	556,416	601,445	Business-type activities program revenues
3,445,620	3,375,582	3,143,932	2,795,828	2,720,991	Primary government program revenues
					Expenses
					Governmental activities:
277,276	283,081	179,575	228,146	194,641	General government
1,465,762	1,328,608	1,217,731	1,191,438	1,065,373	Public protection
199,023	149,768	177,870	108,380	89,469	Public ways and facilities
559,906	468,382	499,669	460,963	422,982	Health and sanitation
1,024,047	980,550	970,415	851,246	807,611	Public assistance
24,603	23,283	23,409	24,420	18,998	Education
17,980	20,758	18,335	20,077	12,274	Recreation and cultural services
69,874	46,306	45,904	47,236	29,453	Interest on long-term debt
3,638,471	3,300,736	3,132,908	2,931,906	2,640,801	Governmental activities expenses
					Business-type activities:
582,419	506,338	468,562	482,240	473,916	Riverside University Health Systems - Medical Center
87,115	75,358	56,299	62,721	53,069	Waste Resources Department
91,783	88,166	90,903	94,716	90,678	Housing Authority
3,903	3,591	3,056	2,561	2,472	Flood Control
-	-	-	-	-	Riverside University Health Systems - Community Health Centers
370	413	390	429	459	County Service Areas
-	-	-	-	-	Aviation
765,590	673,866	619,210	642,667	620,594	Business-type activities expenses
4,404,061	3,974,602	3,752,118	3,574,573	3,261,395	Primary government expenses
					Net (expense)/revenue
(910,314)	(603,914)	(655,331)	(692,494)	(521,255)	Governmental activities
(48,127)	4,894	47,145	(86,251)	(19,149)	Business-type activities
$ (958,441)	$ (599,020)	$ (608,186)	$ (778,745)	$ (540,404)	Primary government, net (expense) / revenue

Continued

Table 2

COUNTY OF RIVERSIDE
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual basis of accounting)
(Dollars in Thousands)

June 30, 2022

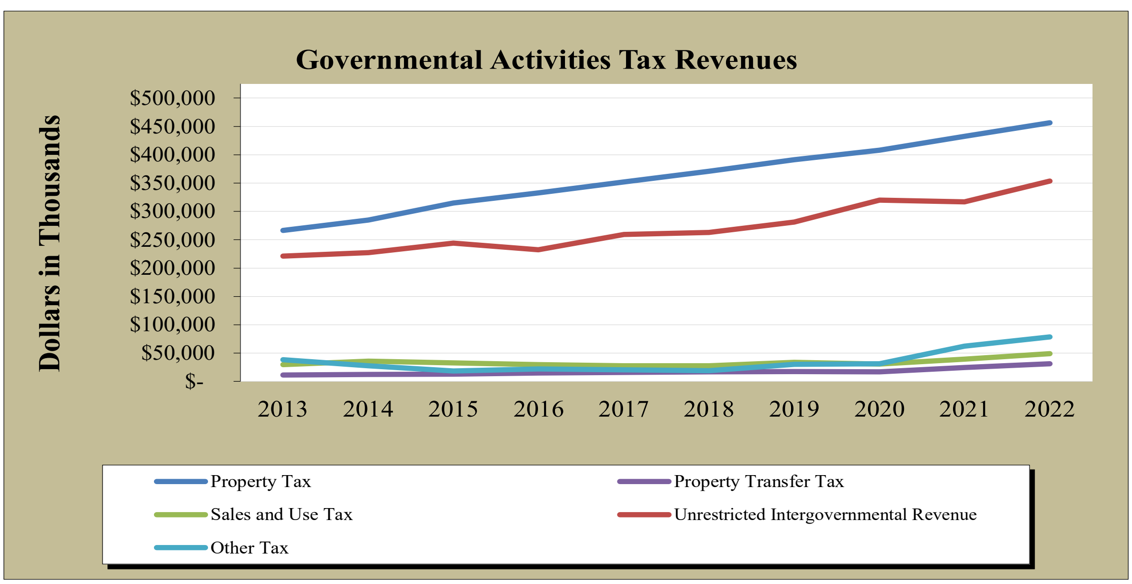
				Fiscal Year Ending June 30	
	2022	**2021**	**2020**	**2019**	**2018**
Continued:					
Primary government, net (expense) / revenue	$ (650,297)	$ (372,772)	$ (1,958,756)	$ (1,187,619)	$ (1,232,681)
General revenues and other changes in net position					
Governmental activities:					
Taxes:					
Property taxes	487,468	456,794	424,417	407,895	387,305
Sales and use tax	48,984	39,204	30,745	33,673	27,557
Other taxes	78,312	62,122	30,996	29,941	18,634
Intergovernmental revenue - not restricted to programs:					
Unrestricted intergovernmental revenue	353,301	316,426	320,206	281,336	262,745
Investment income (loss)	(32,732)	5,263	44,139	69,755	26,613
Other	161,589	274,745	248,806	255,570	238,724
Transfers	(12,527)	(54,670)	(55,533)	(28,292)	(15,036)
Extraordinary item	-	-	-	-	-
Governmental activities	1,084,395	1,099,884	1,043,776	1,049,878	946,542
Business-type activities:					
Investment income (loss)	(2,178)	1,063	4,841	8,330	3,228
Other	-	-	-	-	-
Transfers	12,527	54,670	55,533	28,292	15,036
Extraordinary item	-	-	(285)	-	78
Business-type activities	10,349	55,733	60,089	36,622	18,342
Total primary government	1,094,744	1,155,617	1,103,865	1,086,500	964,884
Change in net position					
Governmental activities	405,560	719,443	(770,674)	(31,533)	(188,604)
Business-type activities	38,887	63,402	(84,217)	(69,586)	(79,193)
Primary government change in net position	$ 444,447	$ 782,845	$ (854,891)	$ (101,119)	$ (267,797)

2017	2016	2015	2014	2013	Fiscal Year Ending June 30
					Continued:
$ (958,441)	$ (599,020)	$ (608,186)	$ (778,745)	$ (540,404)	Primary government, net (expense) / revenue
					General revenues and other changes in net position
					Governmental activities:
					Taxes:
367,937	346,851	327,504	297,107	277,417	Property taxes
27,881	29,573	32,851	35,443	29,751	Sales and use tax
20,844	22,005	18,632	27,764	37,883	Other taxes
					Intergovernmental revenue - not restricted to programs:
258,999	232,453	244,003	227,303	220,811	Unrestricted intergovernmental revenue
12,918	12,948	8,700	11,317	2,035	Investment income (loss)
164,297	160,521	164,177	167,992	168,454	Other
(19,916)	(22,478)	(11,250)	(9,644)	(1,049)	Transfers
-	-	-	-	(158,337)	Extraordinary item
832,960	781,873	784,617	757,282	576,965	Governmental activities
					Business-type activities:
2,182	2,720	895	1,319	(33)	Investment income (loss)
-	-	-	-	-	Other
19,916	22,478	11,250	9,645	1,049	Transfers
1,152	(2,803)	(905)	(9,698)	154,589	Extraordinary item
23,250	22,395	11,240	1,266	155,605	Business-type activities
856,210	804,268	795,857	758,548	732,570	Total primary government
					Change in net position
(77,354)	177,959	129,286	64,788	55,710	Governmental activities
(24,877)	27,289	58,385	(84,985)	136,456	Business-type activities
$ (102,231)	$ 205,248	$ 187,671	$ (20,197)	$ 192,166	Primary government change in net position

Table 3

COUNTY OF RIVERSIDE
Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years
(Accrual basis of accounting)
(Dollars in Thousands)
June 30, 2022

Fiscal Year Ending June 30	Property Tax	Property Transfer Tax	Sales and Use Tax	Unrestricted Intergovernmental Revenue	Other Tax	Total
2022	$ 456,362	$ 31,106	$ 48,984	$ 353,301	$ 78,312	$ 968,065
2021	432,227	24,567	39,204	316,426	62,122	874,546
2020	407,675	16,742	30,745	320,206	30,996	806,364
2019	390,794	17,101	33,673	281,336	29,941	752,845
2018	370,860	16,445	27,557	262,745	18,634	696,241
2017	352,132	15,805	27,881	258,999	20,844	675,661
2016	332,338	14,513	29,573	232,453	22,005	630,882
2015	314,599	12,905	32,851	244,003	18,632	622,990
2014	284,819	12,288	35,443	227,303	27,764	587,617
2013	266,294	11,123	29,751	220,811	37,883	565,862



Source: Auditor-Controller, County of Riverside

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Table 4

COUNTY OF RIVERSIDE
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)
(Dollars in Thousands)
June 30, 2022

					Fiscal Year Ending June 30
	2022	2021	2020	2019	2018
General Fund					
Nonspendable	$ 3,843	$ 2,756	$ 2,466	$ 2,416	$ 3,470
Restricted	184,315	142,367	112,711	102,288	95,881
Committed	13,185	15,070	14,844	18,320	23,290
Assigned	39,198	35,900	13,702	14,196	12,464
Unassigned	439,974	370,807	257,959	275,181	234,477
Total general fund	680,515	566,900	401,682	412,401	369,582
Transportation					
Nonspendable	1,744	1,376	1,245	1,278	1,223
Restricted	105,972	100,797	89,403	87,536	65,359
Committed	5,662	5,528	4,587	4,519	3,828
Assigned	25,779	19,516	15,862	15,458	15,119
Total transportation	139,157	127,217	111,097	108,791	85,529
Flood Control					
Nonspendable	1	1	1	1	1
Restricted	287,733	274,600	273,549	257,268	236,080
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Total Flood Control	287,734	274,601	273,550	257,269	236,081
CARES Act Coronavirus Relief					
Restricted	-	1,781	1,774	-	-
Total CARES Act Coronavirus Relief	-	1,781	1,774	-	-
ARP Act Coronavirus Relief					
Restricted	841	130	-	-	-
Total ARP Act Coronavirus Relief	841	130	-	-	-
Nonmajor Governmental Funds					
Nonspendable	1,429	1,282	6,073	1,320	1,337
Restricted	292,242	290,140	313,943	146,731	165,986
Committed reported in:					
Special revenue funds	20,511	61,149	6,863	6,492	6,360
Capital projects funds	11,050	9,770	9,358	165,634	204,048
Assigned	43,322	43,007	67,185	11,393	14,776
Total nonmajor governmental funds	368,554	405,348	403,422	331,570	392,507
Total all governmental funds	$ 1,476,801	$ 1,375,977	$ 1,191,525	$ 1,110,031	$ 1,083,699

Note: In fiscal year 2020, the Public Facilities Improvement and Public Financing Authority Capital Projects Funds became nonmajor funds and the CARES Act Coronavirus Relief Fund and the Pension Obligation Fund became major funds. The balances for the Public Facilities Improvement and Public Financing Authority Capital Projects Funds have been reclassified to Nonmajor Governmental Funds under Committed - Capital Projects funds. In fiscal year 2021, the ARP Act Coronavirus Relief Fund became a major fund and the Pension Obligation Fund became a Nonmajor fund. The balances for the Pension Obligation Fund have been reclassified to Nonmajor Governmental Funds under Restricted and Assigned funds.

Source: Auditor-Controller, County of Riverside

Table 4

COUNTY OF RIVERSIDE
Fund Balances of Governmental Funds (Continued)
Last Ten Fiscal Years
(Modified accrual basis of accounting)
(Dollars in Thousands)
June 30, 2022

					Fiscal Year Ending June 30
	2017	2016	2015	2014	2013
General Fund					
Nonspendable	$ 2,314	$ 2,369	$ 2,001	$ 2,045	$ 3,247
Restricted	95,130	99,639	122,967	117,595	101,440
Committed	21,907	40,310	39,422	32,820	42,183
Assigned	10,989	11,870	5,144	7,772	10,460
Unassigned	217,891	217,322	225,855	203,444	199,919
Total general fund	348,231	371,510	395,389	363,676	357,249
Transportation					
Nonspendable	1,113	3,654	3,776	1,101	1,044
Restricted	61,357	68,191	49,875	62,767	79,127
Committed	3,092	2,847	2,719	2,244	1,310
Assigned	15,256	12,578	14,782	14,063	12,821
Total transportation	80,818	87,270	71,152	80,175	94,302
Flood Control					
Nonspendable	68	366	731	1	1
Restricted	225,328	205,957	236,749	-	-
Committed	-	-	-	258,580	253,117
Assigned	-	-	3,174	-	1,807
Total Flood Control	225,396	206,323	240,654	258,581	254,925
CARES Act Coronavirus Relief					
Restricted	-	-	-	-	-
Total CARES Act Coronavirus Relief	-	-	-	-	-
ARP Act Coronavirus Relief					
Restricted	-	-	-	-	-
Total ARP Act Coronavirus Relief	-	-	-	-	-
Nonmajor Governmental Funds					
Nonspendable	1,263	1,225	1,181	1,208	1,168
Restricted	167,975	168,868	168,472	182,139	174,552
Committed reported in:					
Special revenue funds	4,906	2,830	4,402	9,750	15,763
Capital projects funds	253,737	364,878	441,119	134,663	199,711
Assigned	17,453	29,186	34,552	32,370	17,088
Total nonmajor governmental funds	445,334	566,987	649,726	360,130	408,282
Total all governmental funds	$ 1,099,779	$ 1,232,090	$ 1,356,921	$ 1,062,562	$ 1,114,758

Note: In fiscal year 2020, the Public Facilities Improvement and Public Financing Authority Capital Projects Funds became nonmajor funds and the CARES Act Coronavirus Relief Fund and the Pension Obligation Fund became major funds. The balances for the Public Facilities Improvement and Public Financing Authority Capital Projects Funds have been reclassified to Nonmajor Governmental Funds under Committed - Capital Projects funds. In fiscal year 2021, the ARP Act Coronavirus Relief Fund became a major fund and the Pension Obligation Fund became a Nonmajor fund. The balances for the Pension Obligation Fund have been reclassified to Nonmajor Governmental Funds under Restricted and Assigned funds.

Source: Auditor-Controller, County of Riverside

Table 5

COUNTY OF RIVERSIDE
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)
(Dollars in Thousands)
June 30, 2022

				Fiscal Year Ending June 30	
	2022	**2021**	**2020**	**2019**	**2018**
Revenues					
Taxes	$ 614,904	$ 560,368	$ 485,325	$ 470,567	$ 433,684
Licenses, permits, and franchise fees	27,827	24,782	23,166	24,116	23,219
Fines, forfeitures, and penalties	63,730	62,426	55,103	65,497	65,833
Use of money and property:					
Investment income (loss)	(29,814)	5,131	39,335	61,620	24,449
Rents and concessions	42,661	25,136	28,322	25,890	25,318
Aid from other governmental agencies:					
Federal	974,399	1,211,369	881,204	637,639	675,110
State	1,890,007	1,662,058	1,573,917	1,508,938	1,441,178
Other	212,321	210,497	192,685	186,613	176,556
Charges for services	657,780	661,127	660,621	643,080	602,835
Other revenue	127,901	116,864	104,743	103,272	104,119
Total revenues	4,581,716	4,539,758	4,044,421	3,727,232	3,572,301
Expenditures					
General government	201,204	267,947	263,104	217,106	241,946
Public protection	1,618,152	1,637,339	2,013,437	1,395,886	1,342,978
Public ways and facilities	295,403	281,742	287,734	274,237	217,851
Health and sanitation	732,902	659,248	693,801	561,127	545,785
Public assistance	1,341,089	1,192,222	1,152,440	996,260	977,633
Education	31,430	34,045	24,745	25,145	21,456
Recreation and cultural services	20,281	16,107	20,540	22,305	16,544
Debt service:					
Principal	162,301	120,138	83,757	68,828	70,419
Interest	59,987	79,758	68,970	69,177	63,295
Cost of issuance	18,403	727	4,813	2,298	1,431
Capital outlay	76,871	18,687	41,107	34,405	94,975
Total expenditures	4,558,023	4,307,960	4,654,448	3,666,774	3,594,313
Revenues over (under) expenditures	23,693	231,798	(610,027)	60,458	(22,012)
Other financing sources (uses)					
Transfers in	438,964	651,925	442,637	282,999	269,388
Transfers out	(449,054)	(705,486)	(500,976)	(312,577)	(287,143)
Issuance of debt	-	-	719,995	-	10,610
Issuance of refunding bonds	499,800	-	12,875	100,000	58,565
Discount on long-term debt	-	-	-	-	-
Premium on long-term debt	14,702	-	-	-	4,096
Redemption of bonds	(493,054)	-	(12,559)	(110,835)	-
Redemption of refunded debt	-	-	-	-	-
Contribution to governmental agency	-	-	-	-	-
Payment to escrow agent	-	-	-	-	(64,285)
Proceeds from the sale of capital assets	-	-	-	-	-
Leases (Lessee)	68,494	6,215	24,409	6,287	6,486
Total other financing sources (uses)	79,852	(47,346)	686,381	(34,126)	(2,283)
Net change in fund balances	$ 103,545	$ 184,452	$ 76,354	$ 26,332	$ (24,295)
Debt service as a % of non-capital expenditures	5.24%	4.96%	3.47%	4.07%	4.08%

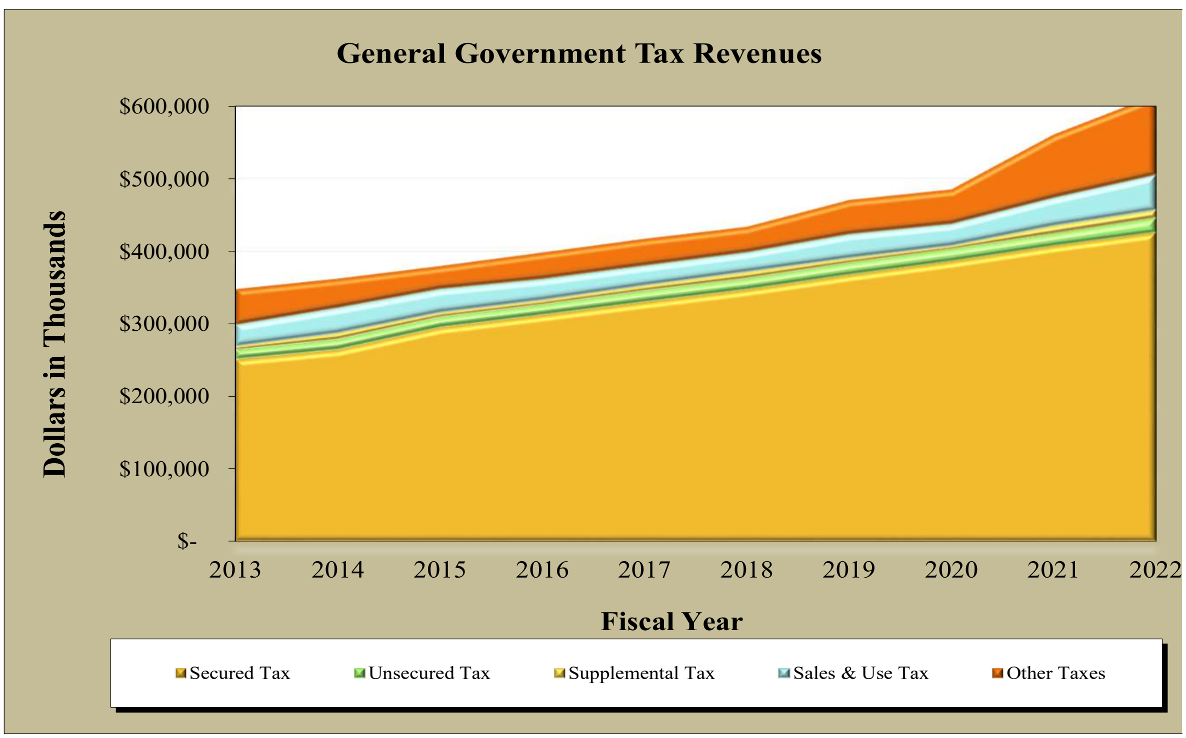
Source: Auditor-Controller, County of Riverside

2017	2016	2015	2014	2013	Fiscal Year Ending June 30
					Revenues
$ 416,940	$ 398,139	$ 379,358	$ 361,900	$ 347,166	Taxes
22,251	22,782	21,893	20,377	18,798	Licenses, permits, and franchise fees
71,196	74,349	79,059	82,290	86,381	Fines, forfeitures, and penalties
					Use of money and property:
12,234	11,736	7,989	10,187	2,370	Investment income (loss)
24,990	51,695	25,548	29,925	19,246	Rents and concessions
					Aid from other governmental agencies:
691,080	686,964	634,269	544,478	569,330	Federal
1,356,683	1,345,344	1,304,580	1,172,107	1,047,485	State
171,474	163,165	153,687	136,461	132,120	Other
635,236	585,977	519,382	483,346	464,274	Charges for services
102,294	49,934	119,337	88,055	91,329	Other revenue
3,504,378	3,390,085	3,245,102	2,929,126	2,778,499	Total revenues
					Expenditures
231,308	219,333	190,209	214,212	208,242	General government
1,331,768	1,271,121	1,202,873	1,186,900	1,117,397	Public protection
226,388	299,431	292,096	177,965	177,467	Public ways and facilities
538,734	470,022	482,545	421,494	393,557	Health and sanitation
988,773	983,963	928,098	851,061	798,850	Public assistance
21,449	20,003	20,755	19,470	18,819	Education
21,042	24,232	23,716	15,911	16,590	Recreation and cultural services
					Debt service:
48,711	68,951	83,928	70,840	55,363	Principal
63,899	44,091	44,005	45,953	27,988	Interest
1,074	895	950	623	378	Cost of issuance
220,006	92,800	103,211	58,046	25,427	Capital outlay
3,693,152	3,494,842	3,372,386	3,062,475	2,840,078	Total expenditures
(188,774)	(104,757)	(127,284)	(133,349)	(61,579)	Revenues over (under) expenditures
					Other financing sources (uses)
280,223	350,235	550,783	248,448	231,574	Transfers in
(299,908)	(373,384)	(559,368)	(253,012)	(233,809)	Transfers out
-	-	346,000	64,000	-	Issuance of debt
39,985	72,825	-	20,510	19,140	Issuance of refunding bonds
-	-	-	-	-	Discount on long-term debt
5,216	7,612	28,699	1,338	759	Premium on long-term debt
-	-	-	-	-	Redemption of bonds
-	(89,345)	-	-	(18,155)	Redemption of refunded debt
(33,353)	-	-	-	-	Contribution to governmental agency
-	-	-	-	-	Payment to escrow agent
11	-	-	-	-	Proceeds from the sale of capital assets
64,289	11,829	54,529	2,965	1,721	Leases (Lessee)
56,463	(20,228)	420,643	84,249	1,230	Total other financing sources (uses)
$ (132,311)	$ (124,985)	$ 293,359	$ (49,100)	$ (60,349)	Net change in fund balances
3.36%	3.63%	4.27%	4.21%	3.35%	Debt service as a % of non-capital expenditures

Table 6

COUNTY OF RIVERSIDE
General Government Tax Revenues By Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Dollars in Thousands)
June 30, 2022

Fiscal Year Ending June 30	Secured Tax	Unsecured Tax	Supplemental Tax	Sales & Use Tax	Other Taxes	Total
2022	$ 425,599	$ 20,031	$ 10,872	$ 48,983	$ 109,419	$ 614,904
2021	406,849	16,902	10,724	39,204	86,689	560,368
2020	385,696	16,586	4,560	30,745	47,738	485,325
2019	367,329	16,252	6,271	33,673	47,042	470,567
2018	346,927	15,208	8,913	27,557	35,079	433,684
2017	329,728	15,220	7,461	27,881	36,650	416,940
2016	312,004	13,798	6,247	29,573	36,517	398,139
2015	294,888	13,909	6,168	32,851	31,542	379,358
2014	264,643	13,597	8,165	35,443	40,052	361,900
2013	251,236	12,459	4,714	29,751	49,006	347,166



Source: Auditor-Controller, County of Riverside

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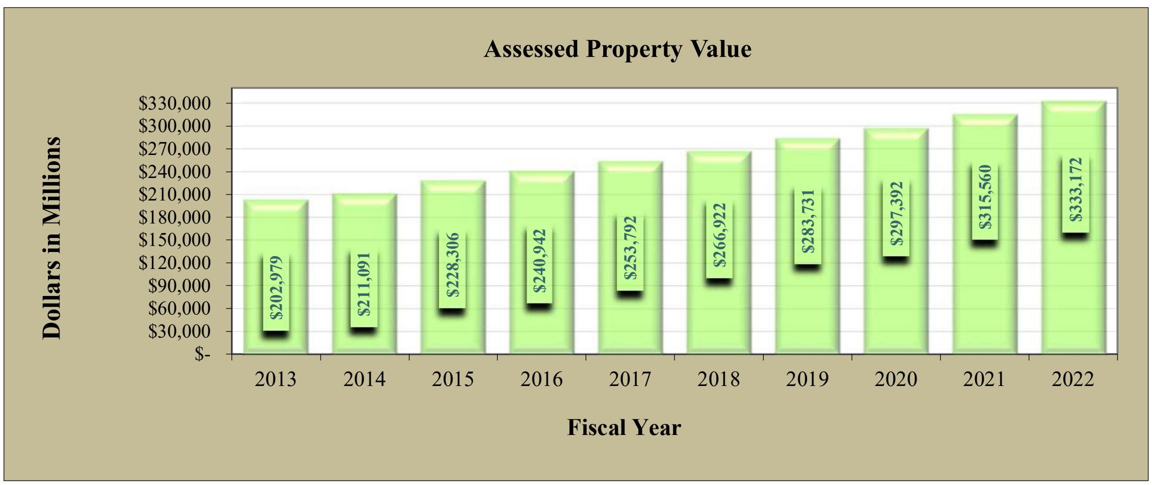
Table 7

COUNTY OF RIVERSIDE
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Dollars in Thousands)
June 30, 2022

				Fiscal Year Ending June 30	
	2022	**2021**	**2020**	**2019**	**2018**
Real property					
Secured property	$ 334,656,499	$ 317,654,632	$ 299,750,052	$ 283,711,524	$ 267,148,195
Unsecured property	10,517,686	9,682,719	9,193,355	9,113,732	8,320,830
Total gross assessed value	345,174,185	327,337,351	308,943,407	292,825,256	275,469,025
Less:					
Tax-exempt real property	12,001,855	11,777,036	11,551,305	9,093,789	8,546,894
Total taxable assessed value	$ 333,172,330	$ 315,560,315	$ 297,392,102	$ 283,731,467	$ 266,922,131
Total direct tax rate	1.0	1.0	1.0	1.0	1.0
Estimated actual taxable value	$ 444,229,773	$ 420,747,086	$ 396,522,803	$ 378,308,622	$ 355,896,175
Assessed value as a % of actual value	77.70%	77.80%	77.91%	77.40%	77.40%



Source: Auditor-Controller, County of Riverside

Table 7

2017	2016	2015	2014	2013	Fiscal Year Ending June 30
					Real property
$ 253,728,054	$ 240,984,595	$ 228,131,826	$ 210,523,063	$ 201,971,552	Secured property
8,200,349	7,717,964	7,676,875	7,868,150	8,123,443	Unsecured property
261,928,403	248,702,559	235,808,701	218,391,213	210,094,995	**Total gross assessed value**
					Less:
8,136,300	7,760,338	7,502,942	7,300,462	7,116,048	Tax-exempt real property
$ 253,792,102	$ 240,942,221	$ 228,305,760	$ 211,090,751	$ 202,978,947	**Total taxable assessed value**
1.0	1.0	1.0	1.0	1.0	**Total direct tax rate**
$ 338,389,471	$ 321,256,294	$ 304,407,679	$ 281,454,335	$ 270,638,596	**Estimated actual taxable value**
77.40%	77.42%	77.46%	77.59%	77.63%	**Assessed value as a % of actual value**

Table 8

COUNTY OF RIVERSIDE
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
June 30, 2022

Fiscal Year Ending June 30	County Direct Rates		Range of Overlapping Rates			
	Secured Property Tax Levy	Debt Service	Total City Rate	Total School Districts Rate	Total Special Districts Rate	Total Direct & Overlapping Rates
2022	1.00000%	0.11697%	0% to 0.00507%	0% to 0.15291%	0% to 0.50000%	1.11697% to 1.50000%
2021	1.00000%	0.11711%	0% to 0.00531%	0% to 0.15291%	0% to 0.50000%	1.11711% to 1.50000%
2020	1.00000%	0.11638%	0% to 0.00543%	0% to 0.14876%	0% to 0.50000%	1.11638% to 1.50000%
2019	1.00000%	0.11550%	0% to 0.00592%	0% to 0.15291%	0% to 0.50000%	1.11550% to 1.50000%
2018	1.00000%	0.11550%	0% to 0.00608%	0% to 0.17609%	0% to 0.50000%	1.11550% to 1.50000%
2017	1.00000%	0.11550%	0% to 0.00617%	0% to 0.16601%	0% to 0.50000%	1.11550% to 1.50000%
2016	1.00000%	0.11440%	0% to 0.00576%	0% to 0.15335%	0% to 0.50000%	1.11440% to 1.50000%
2015	1.00000%	0.14640%	0% to 0.00626%	0% to 0.17234%	0% to 0.53052%	1.14640% to 1.53052%
2014	1.00000%	0.13830%	0% to 0.00673%	0.01768% to 0.17571%	0% to 0.55075%	1.13830% to 1.55075%
2013	1.00000%	0.14340%	0% to 0.00572%	0.01702% to 0.17570%	0% to 0.58076%	1.14340% to 1.58076%

Note: Total direct tax rate encompasses general levy, special assessments, and fixed charges.

Overlapping governments in the context of the statistical section are all local governments located wholly or in part within the geographic boundaries of the reporting government.

Overlapping rate in the context of the statistical section is an amount or percentage applied to a unit of a specific revenue base by governments that overlap geographically, at least in part, with the government preparing the statistical section information.

Source: Auditor-Controller, County of Riverside

Table 9

COUNTY OF RIVERSIDE
Principal Property Tax Payers
(Dollars in Thousands)
Current Year and Nine Years Ago
June 30, 2022

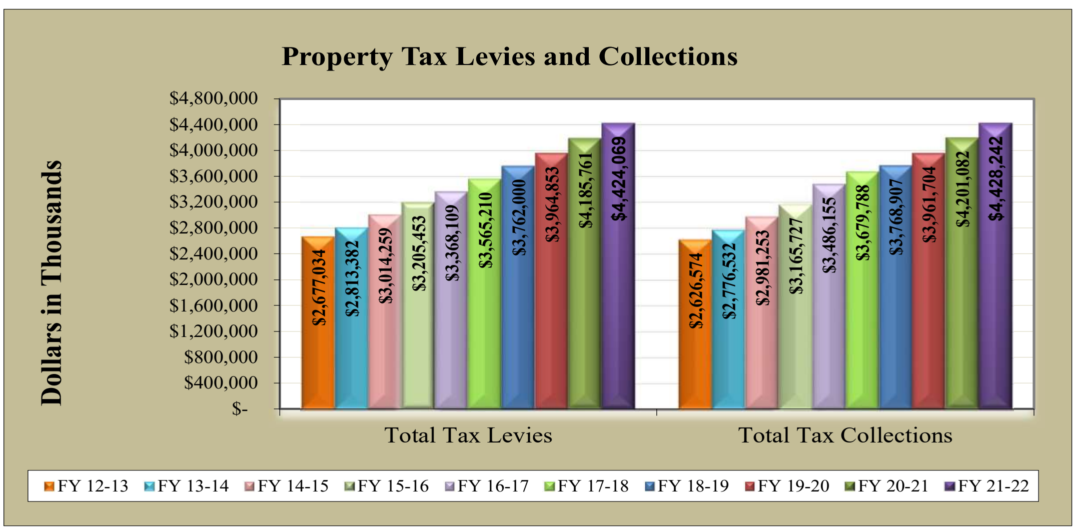
	Fiscal Year			
	2022		2013	
Tax payer	**Taxable Assessed Value**	**Percentage of Total County Taxable Assessed Value**	**Taxable Assessed Value**	**Percentage of Total County Taxable Assessed Value**
Southern California Edison Company	$ 70,143	1.50%	$ 23,532	0.83%
Southern California Gas Company	25,429	0.55%	6,789	0.24%
Duke Realty LTD Partnership	6,579	0.14%	-	-
Amazon Services Inc.	6,499	0.14%	-	-
Sentinel Energy Center, LLC	5,767	0.12%	-	-
Costco Wholesale Group	5,225	0.11%	-	-
First Industrial	5,035	0.11%	-	-
USEF Crossroads II	4,451	0.10%	-	-
Chelsea GCA Realty Partnership	3,993	0.09%	2,525	0.09%
Tarpon Prop Ownership 2	3,772	0.08%	-	-
Verizon California, Inc.	-	-	9,205	0.33%
Inland Empire Energy Center LLC	-	-	5,994	0.21%
Federal Natl Mortgage Assn	-	-	3,416	0.12%
Tyler Mall Ltd Partnership	-	-	2,899	0.10%
Abbott Vascular Inc.	-	-	2,898	0.10%
Blythe Energy, LLC	-	-	2,739	0.10%
Bank of New York Mellon	-	-	2,726	0.10%
Total	$ 136,893	2.94%	$ 62,723	2.22%

Source: Treasurer-Tax Collector, County of Riverside

Table 10

COUNTY OF RIVERSIDE
Property Tax Levies and Collections
Last Ten Fiscal Years
(Dollars in Thousands)
June 30, 2022

		Collected within the Fiscal Year of the Levy			Total Collections as of June 30*	
Fiscal Year Ending June 30	**Total Secured Tax Levy for Fiscal Year**	**Amount**	**Percentage of Levy**	**Delinquent Collections in Fiscal Year From Prior Levys**	**Amount**	**Percentage of Levy**
2022	$ 4,424,069	$ 4,359,673	98.54%	$ 68,569	$ 4,428,242	100.09%
2021	4,185,761	4,115,033	98.31%	86,049	4,201,082	100.37%
2020	3,964,853	3,881,514	97.90%	80,190	3,961,704	99.92%
2019	3,762,000	3,704,818	98.48%	64,089	3,768,907	100.18%
2018	3,565,210	3,522,630	98.81%	157,158	3,679,788	103.21%
2017	3,368,109	3,322,587	98.65%	163,568	3,486,155	103.50%
2016	3,205,453	3,159,497	98.57%	6,230	3,165,727	98.76%
2015	3,014,259	2,968,113	98.47%	13,140	2,981,253	98.91%
2014	2,813,382	2,763,665	98.23%	12,867	2,776,532	98.69%
2013	2,677,034	2,618,818	97.83%	7,756	2,626,574	98.12%



*Total collections as of June 30 include delinquent collections in the fiscal year from prior levys (not including interest and penalties) which may result in total collections to be more than 100% of current secured levy. Delinquent collections by year of levy is unavailable.

Source: Auditor-Controller, County of Riverside

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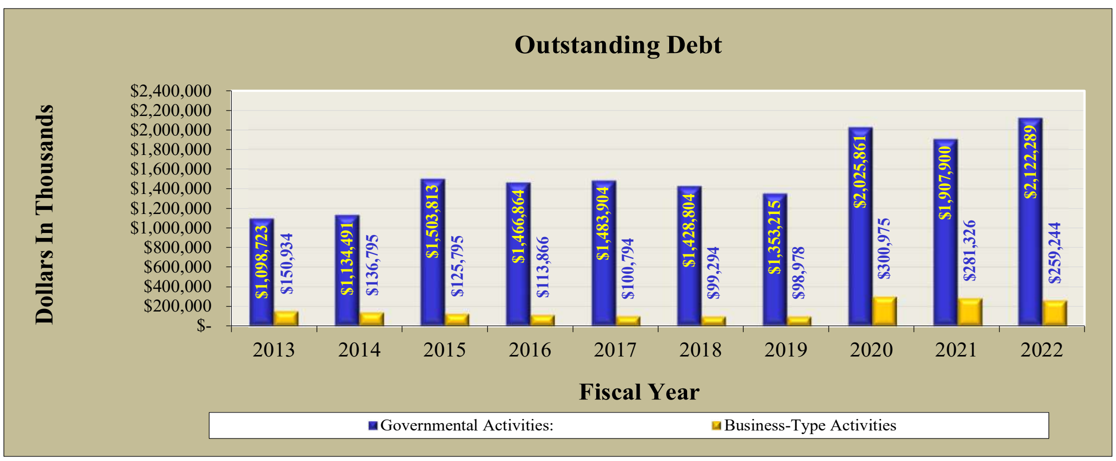
Table 11

COUNTY OF RIVERSIDE
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Dollars in Thousands, Except Per Capita Amount)
June 30, 2022

				Fiscal Year Ending June 30	
	2022	**2021**	**2020**	**2019**	**2018**
Governmental activities:					
Bonds	$ 1,704,321	$ 1,764,922	$ 1,854,575	$ 1,189,065	$ 1,232,234
Certificates of participation	13,462	22,834	41,669	60,265	78,128
Notes and loans	-	-	330	980	1,600
Finance Purchases	172,201	120,144	129,287	102,905	116,842
Lease Payable	232,305	-	-	-	-
Business-type activities					
Bonds	37,741	53,810	58,873	64,254	77,773
Finance Purchases	221,503	227,516	242,102	34,724	21,521
Total primary government	$ 2,381,533	$ 2,189,226	$ 2,326,836	$ 1,452,193	$ 1,528,098
Percentage of personal income	2.46%	2.30%	2.51%	1.61%	1.75%
Per capita	$ 978	$ 892	$ 953	$ 595	$ 665



Note: Per Capita is an estimate for fiscal years 2019-20 and 2020-21.

Source: California State Department of Finance
Auditor-Controller, County of Riverside
Bureau of Economic Analysis

Fiscal Year Ending June 30					
2017	2016	2015	2014	2013	
					Governmental activities:
$ 1,206,942	$ 1,195,027	$ 1,141,497	$ 810,186	$ 744,460	Bonds
94,467	108,937	211,688	240,593	282,095	Certificates of participation
2,205	2,790	3,350	3,890	4,420	Notes and loans
180,290	160,110	147,278	79,822	67,748	Finance Purchases
-	-	-	-	-	Lease Payable
					Business-type activities
92,371	106,428	119,917	132,941	143,710	Bonds
8,423	7,438	5,878	3,854	7,224	Finance Purchases
$ 1,584,698	$ 1,580,730	$ 1,629,608	$ 1,271,286	$ 1,249,657	**Total primary government**
1.95%	2.23%	2.07%	1.65%	1.66%	**Percentage of personal income**
$ 673	$ 765	$ 706	$ 558	$ 554	**Per capita**

Table 12

COUNTY OF RIVERSIDE
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Dollars in Thousands, Except Per Capita Amount)
June 30, 2022

	Fiscal Year Ending June 30				
	2022	**2021**	**2020**	**2019**	**2018**
Bonds	$ 1,742,062	1,818,732	1,913,448	1,253,319	$ 1,310,007
Less:					
Amounts available in debt service fund	35,220	43,243	26,221	35,808	48,823
Total net obligation bonds outstanding	$ 1,706,842	$ 1,775,489	$ 1,887,227	$ 1,217,511	$ 1,261,184
Percentage of estimated Actual taxable value of property	0.38%	0.42%	0.48%	0.32%	0.35%
Per capita	$ 701	$ 723	$ 773	$ 499	$ 522

Note: Details regarding the County's outstanding debt can be found in the notes to the basic financial statements.

Source: California State Department of Finance

Table 12

				Fiscal Year Ending June 30	
2017	2016	2015	2014	2013	
$ 1,299,313	$ 1,301,455	$ 1,261,414	$ 943,127	$ 888,170	**Bonds**
					Less:
63,634	67,680	71,947	80,405	79,951	Amounts available in debt service fund
$ 1,235,679	$ 1,233,775	$ 1,189,467	$ 862,722	$ 808,219	**Total net obligation bonds outstanding**
					Percentage of estimated
0.37%	0.38%	0.39%	0.31%	0.30%	**Actual taxable value of property**
$ 518	$ 525	$ 515	$ 378	$ 358	**Per capita**

Table 13

COUNTY OF RIVERSIDE
Direct and Overlapping Governmental Activities Debt
as of June 30, 2022
(Dollars in Thousands)

Governmental Unit	Debt Outstanding	Estimated Applicable Percentage	Estimated Share of Overlapping Debt
Debt repaid with property taxes: County	$ 13,787,889	84.60759%	$ 11,665,600
Subtotal, overlapping debt			11,665,600
County of Riverside direct debt			2,122,289
Total direct and overlapping debt			$ 13,787,889

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: California Municipal Statistics, Inc.

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Table 14

COUNTY OF RIVERSIDE
Legal Debt Margin Information
Last Ten Fiscal Years
(Dollars in Thousands)
June 30, 2022

				Fiscal Year Ending June 30	
	2022	**2021**	**2020**	**2019**	**2018**
Debt limit	$ 4,164,629	$ 3,944,504	$ 3,717,401	$ 3,546,643	$ 3,336,527
Total net debt applicable to limit	(1,706,842)	(1,775,489)	(1,887,227)	(1,217,511)	(1,261,184)
Legal debt margin	$ 2,457,787	$ 2,169,015	$ 1,830,174	$ 2,329,132	$ 2,075,343
Total net debt applicable to the limit as a percentage of debt limit	41.0%	45.0%	50.8%	34.3%	37.8%

Legal Debt Margin Calculated for Fiscal Year 2022

Assessed value	$ 335,139,823
Less: Homeowners exemptions	1,969,493
Total assessed value	333,170,330
Debt limit (1.25% of total assessed value)	4,164,629
Debt applicable to limit:	
General obligation bonds (Governmental & Business-type)	1,742,062
Less: Amount set aside for repayment of general obligation debt	35,220
Total net debt applicable to limit	1,706,842
Legal debt margin	$ 2,457,787

Definitions: Debt limit - the maximum amount of outstanding gross or net debt legally permitted.
Debt margin - the difference between debt limit and existing debt.
Legal debt margin - the excess of the amount of debt legally authorized over the amount of debt outstanding.

Source: Auditor-Controller, County of Riverside

Table 14

Fiscal Year Ending June 30					
2017	2016	2015	2014	2013	
$ 3,172,401	$ 3,011,778	$ 2,853,822	$ 2,638,634	$ 2,537,237	Debt limit
(1,235,679)	(1,233,775)	(1,189,467)	(862,722)	(808,219)	Total net debt applicable to limit
$ 1,936,722	$ 1,778,003	$ 1,664,355	$ 1,775,912	$ 1,729,018	Legal debt margin
39.0%	41.0%	41.7%	32.7%	31.8%	Total net debt applicable to the limit as a percentage of debt limit

Table 15

COUNTY OF RIVERSIDE
Pledged-Revenue Coverage
Last Ten Fiscal Years
(Dollars in Thousands)
June 30, 2022

Fiscal Year Ending June 30	Lease Revenue Bonds: Revenue from Lease Payments	Lease Revenue Bonds: Less: Operating Expenses	Lease Revenue Bonds: Net Available Revenue	Lease Revenue Bonds: Debt Service: Principal	Lease Revenue Bonds: Debt Service: Interest	Coverage
2022	$ 6,536	$ 1,957	$ 4,579	$ 11,471	$ 13,060	18.67%
2021	17,542	1,630	15,912	11,394	14,226	62.11%
2020	17,740	3,660	14,080	12,541	15,534	50.15%
2019	18,866	2,248	16,618	22,195	16,444	43.01%
2018	25,436	3,681	21,755	21,352	17,258	56.35%
2017	25,491	1,901	23,590	20,525	17,974	61.27%
2016	27,319	1,182	26,137	19,844	18,648	67.90%
2015	24,867	3,464	21,403	19,221	19,268	55.61%
2014	25,770	1,666	24,104	16,370	16,147	74.13%
2013	25,182	1,517	23,665	14,159	12,707	88.09%

Note: Details regarding the County's outstanding debt can be found in the notes to the basic financial statements.

Source: Auditor-Controller, County of Riverside

Table 15

Inland Empire Tobacco Securitization Bonds						Fiscal
Revenue from Tobacco Settlement	Less: Operating Expenses	Net Available Revenue	Debt Service			Year
			Principal	Interest	Coverage	Ending June 30
$ 14,503	$ 131	$ 14,372	$ 11,520	$ 3,030	98.77%	**2022**
12,773	124	12,649	9,490	3,381	98.28%	**2021**
11,687	479	11,208	8,030	3,686	95.66%	**2020**
12,866	36	12,829	1,894	6,403	154.63%	**2019**
13,384	104	13,280	7,110	6,301	99.03%	**2018**
9,492	107	9,385	3,000	6,445	99.36%	**2017**
8,913	103	8,810	2,270	6,559	99.79%	**2016**
9,092	113	8,979	2,325	6,665	99.88%	**2015**
9,283	105	9,178	2,435	6,781	99.59%	**2014**
15,687	123	15,564	8,650	7,193	98.24%	**2013**

Table 16

COUNTY OF RIVERSIDE
Demographic and Economic Statistics
Last Ten Fiscal Years
June 30, 2022

Fiscal Year Ending June 30	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	School Enrollment	Unemployment Rate
2022	2,435,525	$ 104,539.005 [1]	$ 39,713 [1]	420,687	4.0%
2021	2,454,453	101,553,770 [1]	38,822 [1]	421,077	7.6%
2020	2,442,304	98,654,000 [1]	37,951 [1]	431,521	14.7%
2019	2,440,124	95,775,000 [1]	37,074 [1]	428,494	4.4%
2018	2,415,955	92,810,000 [1]	36,149 [1]	428,992	4.8%
2017	2,384,783	90,160,000 [1]	35,286 [1]	428,489	5.6%
2016	2,347,828	86,888,000 [1]	34,506 [1]	427,537	5.9%
2015	2,308,441	81,296,000	34,169	425,883	6.6%
2014	2,279,967	78,239,388	33,590	426,227	8.4%
2013	2,255,059	76,289,477	33,278	425,968	10.2%

Note 1: Projection based on 10 years' running average (2011 - 2020)

Source: Bureau of Economic Analysis
Riverside County Superintendent of Schools
State of California, Employment Development Department
California State Department of Finance

Table 17

COUNTY OF RIVERSIDE
Principal Employers
Current Year and Nine Years Ago
June 30, 2022

	Fiscal Year			
	2022		2013	
Employer	Employees	Percentage of Total County Employment	Employees	Percentage of Total County Employment
County of Riverside	23,772	2.13%	18,728	2.23%
Amazon	14,500	1.30%	-	0.00%
March Air Reserve Base	9,600	0.86%	9,000	1.07%
University of California, Riverside	8,593	0.77%	-	0.00%
Moreno Valley Unified School District	6,020	0.54%	3,355	0.40%
Kaiser Permanente Riverside Medical Center	5,817	0.52%	4,500	0.54%
Corona-Norco Unified School District	5,478	0.49%	4,633	0.55%
Riverside Unified School District	5,431	0.49%	5,000	0.60%
Stater Bros	4,699	0.42%	6,900	0.82%
Mt. San Jacinto Community College District	4,638	0.42%	-	0.00%
Pechanga Resort & Casino	-	0.00%	-	0.00%
Wal-Mart	-	0.00%	5,681	0.68%
University of California Riverside	-	0.00%	5,497	0.65%
Hemet Unified School District	-	0.00%	3,270	0.39%
Total	88,548	7.94%	66,564	7.93%

Source: Economic Development Agency

Table 18

COUNTY OF RIVERSIDE
Full-time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years
June 30, 2022

		Fiscal Year Ending June 30				
		2022	**2021**	**2020**	**2019**	**2018**
Function/Program						
General government						
Legislative and administrative		97	89	95	91	85
Finance		392	387	395	387	395
Counsel		83	82	75	77	73
Personnel	a	4,180	2,887	1,881	574	184
Elections		33	37	36	31	30
Communication		35	36	31	40	-
Property management		346	369	430	427	414
Promotion		35	36	64	67	51
Other general		384	31	30	28	29
Public protection						
Judicial		1,456	1,367	1,403	1,309	1,175
Police protection		2,432	2,283	2,238	2,183	2,193
Detention and correction		2,165	2,252	2,296	2,215	2,205
Fire protection		259	240	251	239	239
Protection/inspection		87	83	81	82	79
Other protection		372	356	388	366	924
Administration		-	-	-	-	73
Public ways and facilities						
Public ways		409	407	401	361	353
Parking facilities		12	11	10	10	18
Health and sanitation						
Health		2,864	2,767	2,744	2,691	2,640
Hospital care		199	211	214	179	33
Public health ambulatory care			-	-	-	-
California children's services		149	152	148	137	143
Public assistance						
Aid programs		4,153	4,146	3,894	3,856	3,859
Veterans' services		18	16	20	17	16
Other assistance		379	378	435	296	174
Education, recreation and culture						
Library services		3	3	4	9	17
Agricultural extension		4	3	3	5	3
Cultural services		2	4	4	2	2
County business-type functions						
Hospital care		3,107	3,079	2,997	2,864	2,650
Sanitation		200	222	238	248	180
Internal service		141	505	566	543	655
Special districts/Component units		403	438	455	410	587
Total	b	24,399	22,877	21,827	19,744	19,479

Note: a - Increased TAP employees in fiscal year 2021-22 due to the primary elections and additional staffing for Public Health.
b - Temporary employees, 3,018, filled as of June 30, 2022 are included in the total number employees.

Source: County of Riverside, fiscal year 2022-23 Recommended Budget

Table 18

	Fiscal Year Ending June 30				
2017	2016	2015	2014	2013	
					Function/Program
					General government
85	88	84	86	89	Legislative and administrative
407	422	408	415	399	Finance
73	72	70	66	65	Counsel
185	185	180	157	154	Personnel
30	31	23	24	25	Elections
-	-	-	-	-	Communication
424	398	404	394	397	Property management
43	51	54	43	45	Promotion
30	28	27	85	32	Other general
					Public protection
1,161	1,214	1,202	1,239	1,221	Judicial
2,293	2,470	2,466	2,410	2,351	Police protection
2,321	2,419	2,389	2,216	2,169	Detention and correction
226	227	227	212	212	Fire protection
77	82	76	83	86	Protection/inspection
942	639	554	830	544	Other protection
81	68	68	81	82	Administration
					Public ways and facilities
345	384	387	375	370	Public ways
15	19	17	17	20	Parking facilities
					Health and sanitation
2,559	2,640	2,236	2,075	1,959	Health
32	33	32	35	37	Hospital care
-	-	267	-	266	Public health ambulatory care
145	141	142	139	134	California children's services
					Public assistance
4,006	4,199	3,980	3,610	3,484	Aid programs
16	14	14	13	13	Veterans' services
185	207	270	271	291	Other assistance
					Education, recreation and culture
17	4	5	7	7	Library services
3	5	5	5	5	Agricultural extension
2	2	2	2	2	Cultural services
					County business-type functions
2,587	2,482	2,399	2,517	2,581	Hospital care
174	163	164	153	153	Sanitation
2,037	3,213	2,876	2,763	2,641	**Internal service**
611	993	739	719	693	**Special districts/Component units**
21,112	22,893	21,767	21,042	20,527	**Total**

Table 19

COUNTY OF RIVERSIDE
Operating Indicators by Function
Last Ten Fiscal Years
June 30, 2022

		Fiscal Year Ending June 30				
Function/Program		**2022**	**2021**	**2020**	**2019**	**2018**
Agricultural Commissioner						
Export phytosanitary certificates	c	15,794	12,992	18,456	19,143	14,450
Pesticide use inspections	d	1,568	2,464	2,070	2,154	1,291
Weights and measures regulated		122,062	148,401	214,467	140,721	142,684
Agriculture quality inspections		36,621	2,018	1,188	472	678
Plant pest inspections		26,464	17,411	16,745	7,247	5,479
Nursery acreage inspected		8,298	7,726	9,438	9,650	6,082
Weights and measures inspected		46,213	32,178	31,466	43,318	61,513
Assessor-Clerk-Recorder						
Assessments		946,302	940,948	935,096	934,810	931,922
Official records recorded		766,308	672,635	591,809	478,622	543,816
Vital records copies issued		96,490	57,338	77,499	90,788	88,278
Official records copies issued		23,919	14,644	17,315	19,905	21,251
Auditor-Controller						
Invoices paid		388,548	388,476	378,727	370,388	367,557
Vendor warrants (checks) issued		210,069	209,939	201,304	200,693	220,965
Active vendors		44,712	39,761	34,314	30,820	24,487
Payroll warrants (checks) issued		579,515	574,046	573,150	541,369	549,902
Average payroll warrants (checks) per pay period		22,289	22,079	21,228	20,822	21,150
Audits per fiscal year		42	36	29	28	54
Tax bills levied		1,073,250	1,096,466	1,010,613	929,514	1,029,621
Tax refunds/roll changes processed		18,162	19,433	26,789	30,607	34,098
Community Action Partnership						
Utility assistance (households)		11,045	9,464	16,855	19,583	16,724
Weatherization (households)		162	359	376	445	1,100
Energy education attendees	a	11,207	11,664	17,231	20,028	17,834
Disaster relief (residents)		34,372	29,996	27,892	27,734	22,305
Income tax returns prepared		2,202	4,017	5,002	4,450	4,412
After school programs (students)		1,114	1,114	2,414	3,452	3,400
Leadership program enrollment	b	-	-	-	-	-
Mediation (cases)		74	367	1,839	2,231	2,101
Environmental Health						
Facilities inspections		38,208	45,876	11,541	30,528	34,571
Public Health						
Patient visits		320,904	255,597	186,236	159,386	161,578
Patient services	e	-	-	-	363,417	322,763
Animal Control Services						
Animal impounds (live animals)		25,744	16,281	29,781	39,780	36,442
Spays and neuters completed		8,941	8,626	10,221	14,411	14,601
Animal licenses sold		51,386	54,989	22,507	23,841	21,843
Service calls fielded		23,834	22,220	28,616	35,248	37,193

Note:
a - Number of pamphlets mailed
b - Program not yet started / not tracked
c - Phytosanitary = Plant pest cleanliness
d - Pesticide Use Inspections = Environmental monitoring
e - No longer tracked starting in fiscal year 2019-20

Source: Various County Departments

2017	2016	2015	2014	2013		Function/Program
						Agricultural Commissioner
13,478	13,546	14,825	16,067	18,346	c	Export phytosanitary certificates
800	1,211	1,025	834	783	d	Pesticide use inspections
141,939	141,092	139,701	138,321	138,547		Weights and measures regulated
605	350	497	524	456		Agriculture quality inspections
7,468	9,846	10,792	11,635	10,361		Plant pest inspections
6,727	7,708	7,020	7,064	6,156		Nursery acreage inspected
60,197	75,508	63,695	80,461	63,653		Weights and measures inspected
						Assessor-Clerk-Recorder
925,405	919,810	914,886	909,432	906,467		Assessments
587,906	555,870	540,589	530,777	648,812		Official records recorded
89,691	86,597	75,708	85,309	78,405		Vital records copies issued
23,093	23,014	18,307	22,329	32,792		Official records copies issued
						Auditor-Controller
280,498	359,917	368,001	425,003	426,660		Invoices paid
234,781	227,037	228,750	232,034	259,458		Vendor warrants (checks) issued
35,198	28,697	30,604	84,680	80,011		Active vendors
568,689	564,546	541,390	524,990	509,376		Payroll warrants (checks) issued
21,873	21,713	20,823	20,192	19,591		Average payroll warrants (checks) per pay period
55	35	26	34	25		Audits per fiscal year
1,019,903	1,008,147	1,003,952	998,203	984,268		Tax bills levied
53,234	19,561	47,556	22,435	63,500		Tax refunds/roll changes processed
						Community Action Partnership
18,017	15,743	15,115	16,087	13,911		Utility assistance (households)
1,260	997	967	479	179		Weatherization (households)
7,428	10,398	6,395	4,991	6,368	a	Energy education attendees
13,400	13,734	13,387	24,274	11,316		Disaster relief (residents)
5,239	4,545	4,325	3,453	3,111		Income tax returns prepared
2,703	2,198	2,114	20,700	19,200		After school programs (students)
-	-	-	-	-	b	Leadership program enrollment
2,009	2,579	2,527	2,723	1,905		Mediation (cases)
						Environmental Health
28,205	30,919	31,897	35,325	32,045		Facilities inspections
						Public Health
124,031	143,956	134,481	124,099	135,795		Patient visits
242,554	299,048	290,900	363,442	353,269	e	Patient services
						Animal Control Services
38,858	41,773	37,644	37,037	35,201		Animal impounds (live animals)
15,337	14,508	13,216	13,690	11,908		Spays and neuters completed
58,995	76,157	65,020	122,105	-		Animal licenses sold
40,039	41,614	40,251	-	-		Service calls fielded

Fiscal Year Ending June 30

Table 19

COUNTY OF RIVERSIDE
Operating Indicators by Function (Continued)
Last Ten Fiscal Years
June 30, 2022

Function/Program		2022	2021	2020	2019	2018
						Fiscal Year Ending June 30
County Library						
Total circulation - books		2,487,738	1,149,859	2,029,938	2,875,249	2,389,611
Reference questions answered		392,726	169,271	287,312	445,397	499,590
Patron door count		1,540,701	343,307	2,117,219	3,253,888	3,188,442
Programs offered		6,837	3,673	8,756	7,510	9,626
Program attendance		144,987	150,689	127,493	162,126	154,031
Riverside University Health Systems - Medical Center						
Emergency room treatments		88,089	70,949	77,196	79,604	76,654
Emergency room services - MH		9,547	10,139	10,199	11,162	11,749
Clinic visits		80,158	75,651	110,419	121,087	119,033
Admissions		21,187	20,426	19,822	20,151	19,143
Patient days		130,497	116,656	110,969	114,239	108,468
Discharges		21,120	20,433	19,854	20,151	19,156
Fire						
Medical assistance		140,699	124,967	127,724	120,821	127,810
Fires extinguished		13,076	19,392	20,413	17,649	17,849
Other services		30,189	23,144	25,028	22,536	23,744
Communities served		94	94	94	94	94
Mental Health						
Mental health clients (crisis/long-term care)		45,308	46,548	48,976	46,675	44,448
Substance abuse clients		15,041	13,045	13,743	15,354	11,292
Detention clients		19,874	19,965	20,600	17,020	13,325
Probate conservatorship clients		320	384	403	425	410
Mental health conservatorship clients		732	710	669	628	682
Probation						
Adults on probation	a	10,294	11,570	12,686	13,016	12,942
Juveniles in secure detention	b	80	76	98	108	112
Juveniles in treatment facilities	b	59	50	54	42	44
Juveniles in detention facilities	a	1,200	2,318	2,986	3,275	3,389
Public Social Services						
CalWORKs clients		15,754	17,014	20,782	22,262	24,741
Food stamp clients		134,132	124,377	127,432	113,714	121,542
Medi-Cal clients		438,343	398,909	358,532	351,453	346,407
In-home support services		42,062	40,231	38,570	31,957	30,008
Foster care placements		2,468	2,583	2,547	2,318	2,792
Child welfare services		10,670	9,578	10,362	9,858	9,779
Homeless program (bed nights)		4,972	5,163	4,715	5,201	4,190
Homeless program (meals)	c	-	-	8,015	8,015	8,380

Note: a - Average monthly population
b - Average daily population
c - No longer tracked starting in fiscal year 2020-21

Source: Various County Departments

Table 19

Fiscal Year Ending June 30						
2017	2016	2015	2014	2013		Function/Program
						County Library
2,513,032	2,704,884	2,792,388	3,023,637	3,059,094		Total circulation - books
479,917	478,827	487,093	371,953	434,057		Reference questions answered
3,606,142	4,069,001	4,216,087	3,919,125	4,148,012		Patron door count
9,680	10,423	9,547	6,819	6,521		Programs offered
163,198	176,502	154,391	139,223	143,053		Program attendance
						Riverside University Health Systems - Medical Center
77,963	88,780	84,697	88,853	119,606		Emergency room treatments
12,854	12,896	12,989	13,531	14,275		Emergency room services - MH
99,309	116,277	104,693	124,255	125,471		Clinic visits
17,826	19,863	19,404	22,738	24,260		Admissions
104,854	104,276	106,466	118,467	124,599		Patient days
18,397	19,147	19,387	22,773	24,279		Discharges
						Fire
119,868	112,799	103,407	99,058	97,054		Medical assistance
15,975	14,988	13,823	13,632	13,517		Fires extinguished
24,053	22,163	22,680	20,846	20,049		Other services
94	94	94	94	94		Communities served
						Mental Health
43,013	42,764	41,942	39,765	37,591		Mental health clients (crisis/long-term care)
8,950	11,205	15,457	15,457	15,755		Substance abuse clients
13,690	12,627	12,137	12,137	11,899		Detention clients
453	410	358	358	278		Probate conservatorship clients
647	410	613	613	563		Mental health conservatorship clients
						Probation
12,185	14,422	16,496	16,922	17,406	a	Adults on probation
137	153	134	156	194	b	Juveniles in secure detention
60	57	57	79	86	b	Juveniles in treatment facilities
5,978	6,375	5,810	7,154	8,505	a	Juveniles in detention facilities
						Public Social Services
26,306	29,090	32,030	33,159	33,341		CalWORKs clients
127,778	132,274	128,656	121,949	116,333		Food stamp clients
351,817	341,519	298,461	186,911	135,570		Medi-Cal clients
27,564	24,888	25,703	23,061	20,641		In-home support services
3,670	4,063	4,041	3,725	3,237		Foster care placements
9,761	10,471	10,757	9,958	9,178		Child welfare services
7,384	7,384	7,384	8,296	8,296		Homeless program (bed nights)
14,767	14,767	14,767	16,592	16,592	c	Homeless program (meals)

Table 19

COUNTY OF RIVERSIDE
Operating Indicators by Function (Continued)
Last Ten Fiscal Years
June 30, 2022

		Fiscal Year Ending June 30				
Function/Program		**2022**	**2021**	**2020**	**2019**	**2018**
Registrar of Voters						
Voting precincts		795	763	817	1,072	826
Polling places		145	145	534	584	546
Voters	a	1,304,326	1,293,635	1,115,662	1,041,122	983,917
Poll workers		1,412	1,465	2,514	2,755	2,264
Sheriff						
Number of bookings		50,690	50,240	46,747	49,033	50,371
Coroner case load		12,122	14,362	14,863	15,493	15,397
Calls for services	b	215,974	197,741	186,275	174,741	180,488
Transportation and Land Management Agency - Building & Safety						
Building permits issued	c	7,986	14,335	-	-	-
Building plans checked	c	8,997	7,791	-	-	-
Building structures inspected	c	191,510	90,320	-	-	-
Veterans' Services						
Phone inquiries answered		12,566	44,816	32,180	29,619	35,846
Client interviews		5,854	20,471	22,503	46,988	24,563
Claims filed		5,749	5,677	7,313	7,354	7,191
Emails		31,378	20,242	14,875	11,581	14,280
Veterans reached at outreach events		383	265	1,895	24,304	2,589
Waste Resources						
Landfill tonnage		1,462,075	1,525,023	1,467,090	1,515,254	1,498,681
Recycling tonnage		2,763	3,129	7,004	3,527	3,042

Notes:
a - Number of voters that were mailed voting materials for all elections in the fiscal year
b - Unincorporated areas
c - Information not available for fiscal years 2015-2016 through 2019-20

Source: Various County Departments

Fiscal Year Ending June 30						
2017	2016	2015	2014	2013		Function/Program
						Registrar of Voters
1,126	869	1,193	846	1,218		Voting precincts
587	564	546	545	642		Polling places
1,022,375	911,269	891,630	887,000	943,402	a	Voters
3,087	2,234	2,200	2,200	2,960		Poll workers
						Sheriff
49,896	49,864	54,025	60,826	57,330		Number of bookings
14,476	13,885	12,958	12,164	11,639		Coroner case load
187,087	193,763	190,816	176,339	172,664	b	Calls for services
						Transportation and Land Management Agency - Building & Safety
-	-	1,028	905	1,116	c	Building permits issued
-	-	-	799	908	c	Building plans checked
-	-	-	957	901	c	Building structures inspected
						Veterans' Services
36,971	38,812	32,778	31,445	36,107		Phone inquiries answered
21,183	25,072	17,281	17,448	14,714		Client interviews
6,789	6,792	6,345	5,998	5,735		Claims filed
14,280	9,884	6,584	3,138	-		Emails
3,014	3,591	3,725	-	-		Veterans reached at outreach events
						Waste Resources
1,408,688	1,320,497	1,475,122	1,383,266	1,102,626		Landfill tonnage
2,463	2,052	1,386	2,503	2,679		Recycling tonnage

Table 20

COUNTY OF RIVERSIDE
Capital Asset Statistics by Function
Last Ten Fiscal Years
June 30, 2022

				Fiscal Year Ending June 30	
	2022	**2021**	**2020**	**2019**	**2018**
Function/Program					
County Libraries					
Branch libraries	35	35	35	35	36
Book mobiles	-	2	2	2	2
Books in collection	1,319,861	1,082,227	1,062,203	829,893	1,337,332
Museum	1	1	1	1	-
Riverside University Health Systems - Medical Center					
Major clinics	4	4	4	4	4
Routine and specialty clinics	44	44	44	44	44
Beds licensed	439	439	439	439	439
Fire					
Stations	37	37	37	37	37
Trucks	167	167	164	162	158
Parks and Recreation					
Regional parks	9	9	9	11	11
Historic sites	4	4	4	5	5
Nature centers	3	3	3	4	4
Archaeological sites	6	6	6	6	6
Wildlife reserves	9	9	9	9	9
RV and mobile home parks	2	2	2	2	2
Managed areas	9	9	9	5	5
Recreational facilities	1	1	2	1	1
Community centers	-	-	-	-	-
Sheriff					
Patrol stations	10	10	10	10	10
Patrol vehicles	961	993	905	977	966
Waste Resources					
Landfills	5	6	6	6	6
Capacity in tons	45,376,698	62,713,411	62,713,411	62,713,411	62,668,370

Source: Various County Departments

Table 20

			Fiscal Year Ending June 30		
2017	2016	2015	2014	2013	
					Function/Program
					County Libraries
35	35	35	35	35	Branch libraries
2	2	2	2	2	Book mobiles
1,341,967	1,168,364	1,382,932	1,393,689	1,657,925	Books in collection
1	1	-	-	-	Museum
					Riverside University Health Systems - Medical Center
4	4	4	4	4	Major clinics
44	44	44	44	37	Routine and specialty clinics
439	439	439	439	439	Beds licensed
					Fire
37	37	37	37	38	Stations
158	158	158	145	142	Trucks
					Parks and Recreation
11	11	14	11	11	Regional parks
5	5	5	5	5	Historic sites
4	4	4	4	4	Nature centers
6	6	5	6	6	Archaeological sites
9	9	7	9	9	Wildlife reserves
2	2	2	3	3	RV and mobile home parks
5	5	5	5	5	Managed areas
1	3	1	3	2	Recreational facilities
-	1	1	-	-	Community centers
					Sheriff
10	10	10	10	10	Patrol stations
966	930	932	928	916	Patrol vehicles
					Waste Resources
6	6	6	6	6	Landfills
62,668,370	62,191,202	54,232,021	54,230,474	54,230,474	Capacity in tons

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Riverside County Annual Comprehensive Financial Report

Paul Angulo, CPA, MA
County Auditor-Controller

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APPENDIX C

FORM OF BOND COUNSEL OPINION

October 18, 2023

County of Riverside
Riverside, California

County of Riverside
Teeter Plan Obligation Notes, 2023 Series A
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the County of Riverside, California (the "Issuer") in connection with the issuance of $103,330,000 aggregate principal amount of County of Riverside Teeter Plan Obligation Notes, 2023 Series A (the "Notes") pursuant to and by authority of Resolution No. 97-203 of the Board of Supervisors of the Issuer adopted on July 29, 1997, as heretofore amended and supplemented and as further supplemented by Resolution No. 2023-264 of the Board of Supervisors of the Issuer adopted on September 26, 2023 (collectively, the "Resolution"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolution.

In such connection, we have reviewed the Resolution, the Tax Certificate of the Issuer, dated the date hereof (the "Tax Certificate"), an opinion of counsel to the Issuer, certificates of the Issuer, the Fiscal Agent and others and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions, and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after original delivery of the Notes on the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after original delivery of the Notes on the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. Our engagement with respect to the Notes has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures provided to us and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Resolution and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Notes to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Notes, the Resolution and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities such as the Issuer in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute or having the effect of a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the assets described in or as subject to the lien of the Resolution or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Notes and express no opinion or view with respect thereto.

Based on and subject to the foregoing and the default judgment entered on September 12, 1997 by the Superior Court of the State of California for the County of Riverside in the action entitled County of Riverside v. All Persons, No. 299847, filed July 31, 1997, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Resolution has been duly adopted by the Issuer and constitutes a valid and binding obligation of the Issuer.

2. The Notes constitute the valid and binding obligations of the Issuer.

3. Interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and interest on the Notes is exempt from State of California personal income taxes. The amount treated as interest on the Notes and excluded from gross income will depend upon the taxpayer's election under the Internal Revenue Service Notice 94-84. Interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that, for tax years beginning after December 31, 2022, interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

per

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the County of Riverside, California (the "County") in connection with the issuance by the County of its $103,330,000 Teeter Plan Obligation Notes, 2023 Series A (the "Notes"). The Notes are being issued pursuant to a resolution adopted by the Board of Supervisors of the County on July 29, 1997 and ratified, confirmed and modified on November 4, 1997, as amended and supplemented on August 18, 1998, on September 7, 1999, on September 26, 2000, on September 11, 2001, on October 8, 2002, on October 21, 2003, on October 26, 2004, on December 6, 2005, on October 17, 2006, on October 30, 2007, on November 18, 2008, on November 24, 2009, on September 14, 2010, on September 27, 2011, on September 11, 2012, on September 10, 2013, on September 9, 2014, on September 15, 2015, on September 13, 2016, on September 12, 2017, on September 18, 2018, on September 24, 2019, on September 22, 2020, on September 21, 2021, on June 28, 2022, on September 20, 2022 and on September 26, 2023 (collectively, the "Resolution"). The County covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the County for the benefit of the Owners and Beneficial Owners of the Notes and to assist the Participating Underwriters in complying with the Rule.

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Note (including persons holding a Note through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Note for federal income tax purposes.

"Dissemination Agent" shall mean the County, or any successor Dissemination Agent designated in writing by the County and which has filed with the County a written acceptance of such designation.

"Financial Obligations" means (i) debt obligations, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, existing or planned debt obligations, or (iii) guarantee of (i) or (ii) above; but excluding municipal securities as to which a final official statement has been provided to MSRB consistent with the Rule.

"Listed Events" shall mean any of the events listed in Section 4(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Participating Underwriters" shall mean each of the original underwriters of the Notes required to comply with the Rule in connection with offering of the Notes.

"Quarterly Report" means any Quarterly Report of the County provided by the County pursuant to and as described in Section 3 of this Certificate.

"Quarterly Report Date" means the due date corresponding to the fiscal quarter end date set forth in the following table:

Fiscal Quarter End Date	*Due Date*
September 30, 2023	December 1, 2023
December 31, 2023	March 1, 2024
March 31, 2024	June 1, 2024
June 30, 2024	September 1, 2024

"Repository" shall mean the MSRB or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Unless otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access ("EMMA") website of the MSRB, currently located at http://emma.msrb.org.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Reports.

(a) The County shall, or shall cause the Dissemination Agent to, not later than the applicable Quarterly Report Date, provide to the Repository, in such format accompanied by such identifying information as shall have been prescribed by the MSRB and which shall be in effect on the date of filing of such information, copies of the Quarterly Report of the County, which is consistent with the requirements of subsection (b) below. Each Quarterly Report may include by reference other information as required by this Certificate. The County shall provide a written certification with each Quarterly Report filed with the Dissemination Agent to the effect that such Quarterly Report constitutes the Quarterly Report required to be submitted by the County hereunder. The Dissemination Agent may conclusively rely upon such certification of the County.

(b) The County's Quarterly Report shall contain or include by reference information regarding the County's General Fund cash flow in the fiscal quarter most recently ended, including comparative information to the projected cash flow.

(c) The Dissemination Agent (if one has been appointed) shall:

(i) determine prior to the date for providing the Quarterly Report the name and address of the Repository; and

(ii) if the Quarterly Report has been furnished to the Dissemination Agent, file a report with the County certifying that the Quarterly Report has been provided pursuant to this Certificate, stating the date it was provided.

(d) If the County is unable to provide to the MSRB or the Dissemination Agent (if other than the County), a Quarterly Report by the applicable Quarterly Report Date, the County shall send a notice in a timely manner to the MSRB through the Electronic Municipal Market Access System in substantially the form attached hereto as Exhibit A; provided, however, that, in the event that final information consistent with the requirements of subsection (b) above is not available by the applicable Quarterly Report Date, the Quarterly Report shall contain comparable draft information, and the final Quarterly Report for such period shall be filed in the same manner when it becomes available.

SECTION 4. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 4, the County shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Notes not less than 10 business days after the event:

(i) principal and interest payment delinquencies;

(ii) non-payment related defaults, if material;

(iii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) unscheduled draws on credit enhancements reflecting financial difficulties;

(v) substitution of credit or liquidity providers, or their failure to perform;

(vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes;

(vii) modifications to the rights of Owners of the Notes, if material;

(viii) bond calls, if material, and tender offers;

(ix) defeasances;

(x) release, substitution, or sale of property securing repayment of the Note, if material;

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership or similar event of the County;

(xiii) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material;

(xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) incurrence of a Financial Obligation of the County, if material, or amendment to covenants, events of defaults, remedies, priority rights, or other terms of a Financial Obligation of the County, any of which affect security holders, if material; and

(xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the County, any of which reflect financial difficulties.

(b) Whenever the County obtains knowledge of the occurrence of a Listed Event, listed under Subsection (a)(ii), (vi) (except for adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, for which no materiality determination is required), (vii), (viii) (except for tender offers, for which no materiality determination is required), (x), (xiii) or (xiv) the County shall as soon as possible determine if such event would be material under applicable federal securities laws.

(c) If the County determines that knowledge of the occurrence of a Listed Event listed under Subsection (a)(ii), (vi) (except for adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, for which no materiality determination is required), (vii),

(viii) (except for tender offers, for which no materiality determination is required), (x), (xiii) or (xiv) would be material under applicable federal securities laws, the County shall promptly file, or cause to be filed, a notice of such event with the MSRB and the Repository not more than 10 business days following the event. Notwithstanding the foregoing, notice of Listed Events described in Subsections (a)(viii) and (ix) above need not be given under this subsection any earlier than when the notice, if any, of the underlying event is given to Owners of affected Note pursuant to the Resolution.

SECTION 5. Termination of Reporting Obligation. The County's obligations under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of all of the Notes. If such termination occurs prior to the maturity of the Notes, the County shall give notice of such termination in the same manner as for a Listed Event under Section 4(c).

SECTION 6. Dissemination Agent. The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the County pursuant to this Disclosure Certificate.

SECTION 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the County may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3 or subsection 4(a) it may only be made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, change in law (including rules and regulations) or interpretations thereof, or change in the identity, nature or status of an obligated person with respect to the Notes, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Notes, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by a majority of the Owners of the Notes, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or Beneficial Owners of the Notes.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the County shall describe such amendment in its next Quarterly Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County.

SECTION 8. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the County from disseminating any other information, including the information then contained in the County's official statements or other disclosure documents relating to debt issuances, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Quarterly Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the County chooses to include any information in any Quarterly Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the County shall have no obligation under this Disclosure Certificate to update such information or include it in any future Quarterly Report or notice of occurrence of a Listed Event.

SECTION 9. Default. In the event of a failure of the County to comply with any provision of this Disclosure Certificate, any Owner or Beneficial Owner of the Notes may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution with respect to the Notes, and the sole remedy under this Disclosure Certificate in the event of any failure of the County to comply with this Disclosure Certificate shall be an action to compel performance, and no person or entity shall be entitled to recover monetary damages under this Disclosure Certificate.

SECTION 10. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate. The Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the County has provided such information to the Dissemination Agent as required by this Disclosure Certificate. The Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Dissemination Agent shall have no duty or obligation to review or verify any County Audited Financial Statements, Listed Events or any other information, disclosures or notices provided to it by the County and shall not be deemed to be acting in any fiduciary capacity for the County, the Holders of the Notes or any other party. The Dissemination Agent shall have no responsibility for the County's failure to report a Listed Event to the Dissemination Agent. The Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the County has complied with this Disclosure Certificate. The Dissemination Agent may conclusively rely upon certifications of the County at all times. The County agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and defeasance, redemption, or payment of the Notes.

The Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and the Dissemination Agent shall in no event incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The fees and expenses of such counsel shall be payable by the County.

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriter, the Owners and Beneficial Owners from time to time of the Notes, and shall create no rights in any other person or entity.

SECTION 12. Governing Law. This Disclosure Certificate shall be governed by the laws of the State of California and the federal securities laws.

Dated: October 18, 2023

COUNTY OF RIVERSIDE

By:____

County Executive Officer

EXHIBIT A

**FORM OF NOTICE TO REPOSITORIES
OF FAILURE TO FILE REPORT**

Name of Issuer:	County of Riverside, California
Name of Bond Issue:	$103,330,000 County of Riverside Teeter Plan Obligations Notes, 2023 Series A
Issuance Date:	October 18, 2023

NOTICE IS HEREBY GIVEN that the COUNTY OF RIVERSIDE (the "County") has not provided the Quarterly Report with respect to the above-named Notes as required by Section 3 of the Continuing Disclosure Certificate executed and delivered by the County. [The County anticipates that such report will be filed by __________].

Dated:

COUNTY OF RIVERSIDE

By ____
Authorized Officer

APPENDIX E

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the Notes, payment of principal, premium, if any, accreted value and interest on the Notes to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Notes and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Notes (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each maturity of the Securities in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested

by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Principal, redemption price and interest payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption price and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. If applicable, a Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to tender/remarketing agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to tender/remarketing agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to tender/remarketing agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the County or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

COUNTY OF RIVERSIDE TEETER PLAN OBLIGATION NOTES 2023 SERIES A

Mixed Sources
Product group from well managed forests, controlled sources and recycled wood or fiber.

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www.royceprinting.com