

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM:** 3.15  
(ID # 11883)

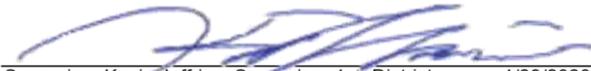
**MEETING DATE:**  
Tuesday, February 4, 2020

**FROM :** SUPERVISOR KEVIN JEFFRIES AND SUPERVISOR CHUCK WASHINGTON :

**SUBJECT:** SUPERVISORS KEVIN JEFFRIES and CHUCK WASHINGTON: Pension Debt  
Reduction Strategies

**RECOMMENDED MOTION:** That the Executive Office be directed to return to the Board of Supervisors with specific pension debt reduction strategies or options to consider as part of the forthcoming budget recommendations.

**ACTION:Policy**



Supervisor Kevin Jeffries, Supervisor 1st. District 1/29/2020

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**MINUTES OF THE BOARD OF SUPERVISORS**

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

**BACKGROUND:**

At the January 14, 2020 Board of Supervisors meeting, there was a lengthy discussion of the Pension Advisory Review Committee's Annual Report under item 3.4 (attached), and concern about how the County can control pension costs moving forward. While there is an ongoing need to work on long-term pension reforms, improved investment strategies by the PERS Board, and potential state legislative changes that need to be considered, there may be short-term solutions to reduce direct costs to the county as well.

Among other items, Board Policy B-25 (attached) provides that "the County seeks to maintain a minimum funding level of 80%" in the CalPERS defined benefit pension plan, the OPEB, and the TAP Pension Plan. Furthermore, it says "to the extent the funding level falls below that, the County will prepare a plan to address the issue." By this measure, only the OPEB and 2 of the 3 Riverside County Regional Park and Open-Space District rate plans meet that goal, with the county and other special district plans falling between 63.9% and 76.6%, with most hovering in the 70% range.

Per Board Policy B-25, it is the obligation of the Executive Office to bring forward strategies to reduce that outstanding debt to 80% or better. This Form 11 asks that a range of strategies be brought before the Board as part of this year's budget discussions.

Furthermore, there are several semi-independent, non-county commissions and JPAs (Riverside Conservation Agency, Local Agency Formation Commission, and Riverside County Children and Families Commission, among others) whose employees are considered Riverside County employees, presumably including their long term pension obligations. This Form 11 also asks for a report detailing any burden that might exist of these outside agencies' employees on the County of Riverside, and any strategies that might be employed to transfer their obligations elsewhere.

**Impact on Citizens and Businesses:**

Reducing pension debt and ongoing obligations to employees who don't work directly for the County will save county taxpayer's dollars and improve the stability of the pension program for Riverside County retirees.