

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



**FROM:** Paul McDonnell, Treasurer-Tax Collector  
Chairman, Pension Advisory Review Committee (PARC)

**SUBMITTAL DATE:**  
5/19/04

**SUBJECT:** Initial report of the Pension Advisory Review Committee

**RECOMMENDED MOTION:** (1) That the Board of Supervisors receive and file PARC's Initial Report; (2) that the Board approve the prepayment of the CalPERS employer contribution for FY 04-05 and authorize county staff to prepay future CalPERS employer contributions if financially viable; (3) that the Board approve 20 year "Fresh Start" reamortization for the Miscellaneous Plan and direct the Human Resources Director to request the 20 year Fresh Start from CalPERS; and (4) that the Board direct the Committee to submit additional reports on a regular basis and return within 180 days or sooner with a more detailed report regarding the Safety Plan.

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Paul McDonnell  
Treasurer-Tax Collector

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

<b>SOURCE OF FUNDS:</b>	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**  
**APPROVE**

County Executive Office Signature

Policy  
 Consent  
 Policy  
 Consent  
 Dep't Recomm.:  
 Per Exec. Ofc.:

Prev. Agn. Ref.: \_\_\_\_\_ District: \_\_\_\_\_ Agenda Number: \_\_\_\_\_  
16.4

Departmental Concurrence

**BOARD OF SUPERVISORS**

**Form 11: Initial report of the Pension Advisory Review Committee**

**May 19, 2004**

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**BACKGROUND:** In October 2003, the Board of Supervisors approved the formation of PARC of which its goal was to develop a better understanding of the County's defined benefit plan. One of the responsibilities of PARC was to report to the Board the performance of the plan, evaluate strategies to address underfunded and/or overfunded positions, and, evaluate changes to the plan.

The Committee and PARC's independent financial advisor, Fieldman, Rolapp & Associates, have prepared an initial report for the Board. It outlines the plan's current underfunded status and its impact on the County's budget. Recommendations for budgetary relief and long term structural changes are included in the report.

**RECOMMENDATIONS:**

The Committee has recommended:

- 1.) That the Board receive and file PARC's Initial Report.
- 2.) That the Board approve the prepayment of the CalPERS employer contribution for FY 04-05 and authorize county staff to prepay future CalPERS employer contributions if financially viable.
- 3.) That the Board approve 20 year "Fresh Start" reamortization for the Miscellaneous Plan and direct the Human Resources Director to request the 20 year Fresh Start from CalPERS.
- 4.) That the Committee look at long term payment options for the Safety Plan, including a Fresh Start.
- 5.) That the Committee investigate more closely options for using Pension Obligation Bonds (POB's).
- 6.) That the Committee submit additional reports to the Board on a regular basis and return within 180 days or sooner with a more detailed report regarding the Safety Plan.