

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



ITEM: 16.2
(ID # 29317)

MEETING DATE:
Tuesday, December 09, 2025

FROM : Regional Parks and Open Space District

SUBJECT: REGIONAL PARK AND OPEN-SPACE DISTRICT: Annual Required Financial Reporting and Actions of the Riverside County Regional Park and Open-Space District related to Resolution for Appropriations Limit, Filing of Annual Audit Report, and Increase of Delegated Authority; All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Directors:

1. Approve and Adopt Resolution 2025-015, which establishes the Regional Park & Open-Space District's Fiscal Year 2025-2026 Appropriations Limit;
2. Receive and File the FY 2024-2025 Independent Auditor's Report for the Riverside County Regional Park & Open-Space District (RivCoParks),
3. Increase the limit of the General Manager to bind RivCoParks to \$55,203 pursuant to Public Resource Code Section §5549 (b)(2); and
4. Instruct the Clerk of the Board to return one copy of Resolution 2025-015 to RivCoParks.

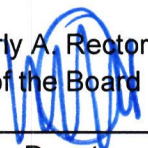
ACTION:Policy


Kyla R. Brown, General Manager 11/19/2025

MINUTES OF THE BOARD OF DIRECTORS

On motion of Director Medina, seconded by Director Gutierrez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Medina, Spiegel, Washington, Perez, and Gutierrez
Nays: None
Absent: None
Date: December 9, 2025
xc: Parks

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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

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STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS:			Budget Adjustment:	No
			For Fiscal Year:	25/26

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Summary On November 6, 1990, a majority of voters in Riverside County voted to form the Riverside County Regional Park & Open-Space District (RivCoParks). In that same measure, pursuant to Article XIII B of the California Constitution, the RivCoParks' appropriations limit was set at \$25,000,000. Section 7910 of the Government Code requires that each year the governing body of each local jurisdiction adopt a resolution to establish its appropriations limit for the following fiscal year.

Additionally, California Government Code §26909 requires an annual audit be conducted by a certified public accountant of every special district within a county, and §53891 states the resulting financial transactions shall be reported to the State Controller. California Code of Regulations §1131.2 sets the minimum requirements for conducting those audits in accordance with the Government Accounting Standards Board (GASB).

RivCoParks' audited financial results are included in the County of Riverside Auditor-Controller's Comprehensive Annual Financial Report as a dependent component unit. An annual audit of the Comprehensive Annual Financial Report is performed by an external entity to ensure compliance with GASB. EadiePayne, LLP (EadiePayne) prepared an audit report for RivCoParks for the fiscal year ending June 30, 2025 and rendered an unqualified opinion. EadiePayne also compiled the balance sheet of RivCoParks as of June 30, 2025 for the purposes of filing such with the State Controller's Office.

RivCoParks' Finance staff calculated the 2025-2026 appropriations limit, which is set at \$156,378,284, as shown in Attachment A. Documentation used in the determination of the appropriations limit was made available to the public by the California Department of Finance at least fifteen days prior to adoption of the resolution on December 9, 2025. County Counsel has reviewed and approved Resolution 2025-015 as to form.

On January 14, 2025, via M.O. 16.1, the Board of Supervisors approved an increase in the General Manager's delegated authority to \$54,121 for FY 2024-2025. According to Public Resource Code §5549(b)(2), the Board can authorize an increase in the amount the General Manager can bind the District, not exceeding two percent (2%) annually after the last adjustment's operative date. Therefore, RivCoParks requests a two percent (2%) increase in the General Manager's authority for FY 2025-2026, raising the limit to \$55,203. Additionally, the

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

General Manager must report any use of this delegated authority to the Board. Attached is a summary report of the General Manager's delegated authority usage for FY 2024-2025.

ATTACHMENTS:

- Resolution No. 2025-015
- Attachment A
- Price & Population Calculation FY2024-25
- Issued Financial Statements
- Issued Governance Letter
- GM Authority Summary


Douglas Cordonez Jr. 12/2/2025


Aaron Gettis, Chief of Deputy County Counsel 11/25/2025

2
3 **RESOLUTION NO. 2025-015**

4 **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RIVERSIDE COUNTY**
5 **REGIONAL PARK AND OPEN-SPACE DISTRICT ESTABLISHING THE APPROPRIATIONS**
6 **LIMIT FOR FISCAL YEAR 2025-2026 FOR THE RIVERSIDE COUNTY REGIONAL PARK**
7 **AND OPEN-SPACE DISTRICT IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 9**
8 **OF TITLE 1 OF THE CALIFORNIA GOVERNMENT CODE**

9 **WHEREAS**, Article XIII B of the Constitution of the State of California as proposed by the
10 Initiative Measure approved by the people at the special statewide election held on November 6,
11 1979 and amended in June 1990 by the people of the State of California (Proposition 111),
12 provides that the total annual appropriations subject to limitations of each local government shall
13 not exceed the appropriations limit of such entity for the prior year adjusted for changes in the
14 cost of living and population except as otherwise specifically provided for in said Article; and

15
16 **WHEREAS**, the State Legislature added Division 9 (commencing with Section 7900) to
17 Title 1 of the Government Code of the State of California to implement Article XIII B of the
18 Constitution; and

19 **WHEREAS**, Section 7910 of the Government Code provides that each year the governing
20 body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following
21 fiscal year pursuant to Article XIII B at a regularly scheduled meeting or a noticed special meeting
22 and that fifteen days prior to such meeting, documentation used in the determination of the
23 appropriations limit shall be available to the public; and

24
25 **WHEREAS**, Proposition 111 as approved by the voters of the State of California, requires
26 a recorded vote of the Board of Directors regarding which of the annual adjustment factors have
27 been selected each year; and

FORM APPROVED COUNTY COUNSEL
BY KRISTINE BELL-VALDEZ DATE

2
3 RESOLUTION NO. 2025-015

4 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RIVERSIDE COUNTY
5 REGIONAL PARK AND OPEN-SPACE DISTRICT ESTABLISHING THE
6 APPROPRIATIONS LIMIT FOR FISCAL YEAR 2025-2026 FOR THE RIVERSIDE
7 COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT IN ACCORDANCE
8 WITH THE PROVISIONS OF DIVISION 9 OF TITLE 1 OF THE CALIFORNIA
9 GOVERNMENT CODE

10 ROLL CALL:

11 Ayes: Medina, Spiegel, Washington, Perez, and Gutierrez

12 Nays: None

13 Absent: None

14 Abstain: None

15 The foregoing is certified to be a true copy of a resolution duly adopted by said Board of
16 Supervisors on the date therein set forth.

17 KIMBERLY A. RECTOR, Clerk of said Board

18
19 By:  _____

20 Deputy

Attachment "A"

**Riverside County
Regional Park & Open -Space District
Appropriations Limit Computation
2025-2026**

Population Change: County (Riverside)	0.27% ✓
Per Capita Income Change	6.44% ✓
Population Change Converted to Ratio	1.0027
Per Capita Income Change Converted to Ratio	1.0644
Calculation of Growth Factor <i>(Population ratio x Per Capita Income ratio)</i>	1.0673
2024-25 Limit	<u>\$146,517,646</u> ✓
2025-26 Appropriation Limit <i>(Prior year limit x Growth Factor)</i>	<u>\$156,378,284</u>



May 2025

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit

California Revenue and Taxation Code Section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2025, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2025-26. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2025-26 appropriations limit. Attachment B provides the city and unincorporated county population percentage change along with the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code Section 2228 provides additional information regarding the appropriations limit. Article XIII B, Section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. California Revenue and Taxation Code Section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2025.**

Please Note: The prior year's city population estimates may be revised. The per capita personal income change is based on historical data.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

JOE STEPHENSHAW
Director
By:

ERIKA LI
Chief Deputy Director

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2025-26 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2025-26	6.44

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2025-26 appropriation limit.

2025-26:

Per Capita Cost of Living Change = 6.44 percent
 Population Change = 0.28 percent

Per Capita Cost of Living converted to a ratio: $\frac{6.44 + 100}{100} = 1.0644$

Population converted to a ratio: $\frac{0.28 + 100}{100} = 1.0028$

Calculation of factor for FY 2025-26: $1.0644 \times 1.0028 = 1.0674$

**California Department of Finance
Demographic Research Unit**

Population Data for Price and Population Letter

Population and Excluded Population for January 1, 2024 and January 1, 2025

Released: May 1, 2025

Table of Contents (links to internal worksheets)

[Attachment B](#)

[Attachment C](#)

For more information:

<https://dof.ca.gov/forecasting/demographics/estimates-e1/>

Data Prepared by:

Demographic Research Unit
California Department of Finance
e-mail: ficalpop@dof.ca.gov
phone: 916-323-4086

Attachment B

Annual Percent Change in Population Minus Exclusions*

January 1, 2024 to January 1, 2025 and Total Population January 1, 2025

City	County	Percent Change 24-25	Population Minus Exclusions 1-1-24	Population Minus Exclusions 1-1-25	Total Population 1-1-25
Banning City	Riverside	-0.37	32,068	31,949	31,949
Beaumont City	Riverside	1.78	58,665	59,708	59,708
Blythe City	Riverside	-0.95	12,593	12,473	15,400
Calimesa City	Riverside	-0.79	11,082	10,994	10,994
Canyon Lake City	Riverside	-0.74	11,086	11,004	11,004
Cathedral City	Riverside	-0.67	51,962	51,615	51,651
Coachella City	Riverside	0.76	44,050	44,384	44,384
Corona City	Riverside	-0.32	159,667	159,157	159,157
Desert Hot Springs City	Riverside	0.02	33,255	33,262	33,262
Eastvale City	Riverside	-0.68	70,274	69,799	69,799
Hemet City	Riverside	0.20	91,751	91,934	91,934
Indian Wells City	Riverside	0.06	4,859	4,862	4,862
Indio City	Riverside	-0.17	92,693	92,539	92,539
Jurupa Valley City	Riverside	-0.90	106,830	105,870	105,928
Lake Elsinore City	Riverside	0.97	72,934	73,638	73,783
La Quinta City	Riverside	-0.90	39,148	38,796	38,796
Menifee City	Riverside	1.30	113,837	115,316	115,316
Moreno Valley City	Riverside	-0.27	211,389	210,823	210,823
Murrieta City	Riverside	0.44	111,299	111,789	111,789
Norco City	Riverside	-0.63	22,563	22,421	25,221
Palm Desert City	Riverside	0.04	51,961	51,980	51,980
Palm Springs City	Riverside	-0.63	44,760	44,476	44,476
Perris City	Riverside	0.36	80,947	81,240	81,240
Rancho Mirage City	Riverside	-0.62	17,227	17,120	17,120
Riverside City	Riverside	-0.37	321,479	320,278	320,337
San Jacinto City	Riverside	0.10	54,936	54,990	54,990
Temecula City	Riverside	1.19	110,898	112,220	112,220
Wildomar City	Riverside	0.05	37,060	37,077	37,077
Unincorporated	Riverside	1.53	411,338	417,646	417,901
Incorporated	Riverside	0.02	2,071,273	2,071,714	2,077,739
County Total	Riverside	0.27	2,482,611	2,489,360	2,495,640

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.



COUNTY OF RIVERSIDE
REGIONAL PARK AND OPEN-SPACE DISTRICT

GM No Bid Authority Report (PRC 5549)

FISCAL YEAR	DATE	VENDOR	VENDOR ID	DESCRIPTION	AMOUNT	REF #
2024-2025	8/8/2024	Colbi Technologies Inc.	0000266314	Bid Preparation and Procurement Consulting for ARPA projects	12,767.08	PO# 23645
	8/27/2024	Colbi Technologies Inc.	0000266314	Bid Preparation and Procurement Consulting for ARPA projects	6,000.00	PO# 23700
	9/10/2024	Haakenson Consulting	0000266701	Leadership Training for Executive Team (Working Genius Assessment/Coaching)	7,500.00	PO# 23751



Riverside County Regional Park and Open-Space District

**RIVERSIDE COUNTY REGIONAL PARK
AND OPEN-SPACE DISTRICT**

**Financial Statements
and
Independent Auditor's Report**

**For the Fiscal Year Ended
June 30, 2025**



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RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
Management's Discussion and Analysis

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Financial Section

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 3880 Lemon St., Ste. 300
Riverside, CA 92501

 P.O. Box 1529
Riverside, CA 92502-1529

 951-241-7800

 www.eadiepaynellp.com

Independent Auditor's Report

Board of Supervisors
Riverside County Regional Park and Open Space District
Jurupa Valley, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Riverside County Regional Park and Open Space District (the District), as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2025, and the respective changes in financial position thereof for the fiscal 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the State Controller's *Minimum Audit Requirements for California Special Districts*. 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 District 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 District's ability to continue as a going concern twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 GAAS 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 GAAS 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 District'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 District'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 5 to 10, and the budgetary comparison information and schedules of proportionate share of the pension plan's net pension liability and related ratios, pension plan contributions, changes in the net OPEB liability and related ratios, OPEB plan contributions, and notes to the required supplementary information, on pages 57 to 66, 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 District's basic financial statements. The accompanying combining and individual general fund and nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining and individual general fund and nonmajor fund financial statements are the responsibility of management and were derived from and relate 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 general fund and nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2025 on our consideration of the District'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 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 District's internal control over financial reporting and compliance.

Eadie and Payne, LLP

Riverside, California
October 23, 2025

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RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2025

This discussion and analysis of Riverside County Regional Park and Open Space District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at the close of the current fiscal year by \$116.9 million.
- The District's financial position increased overall as a result of this year's operations. Net position of governmental activities increased by \$27.3 million or 30.5% of the beginning net position.
- Governmental expenses were \$27.5 million. Revenues were \$54.8 million.
- The District spent about \$26.7 million in new capital assets during the year. These expenses were incurred primarily from Park Acquisition & Development Fund (capital project fund) and ARP Act Coronavirus Relief Fund (special revenue fund).
- The District remained flat in its long-term liabilities from compensated absences, net pension liability and net OPEB liability at 18.2 million. Lease liability reported in accordance with GASB 87, Leases, was \$156,303.
- Unassigned fund balance in the District's General Fund represents 92.2% of total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

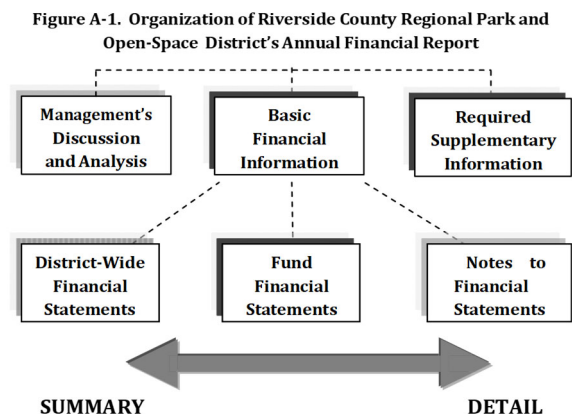
This annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-wide financial statements* that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.

The *governmental funds* statements tell how basic services like parks and recreation were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

Figure A-1 shows how the various parts of this annual report are arranged and related to one another.



RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Management’s Discussion and Analysis

For the Fiscal Year Ended June 30, 2025

Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain.

Type of Statements	District-Wide	Governmental Funds
<i>Scope</i>	Entire District, except fiduciary activities	The activities of the District that are not proprietary or fiduciary, such as building maintenance
<i>Required financial statements</i>	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures & Changes in Fund Balances
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter

The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2025

District-Wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's net position and how it has changed. Net position – the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the District's financial health, or *position*.

- Over time, increases and decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of park locations and other facilities.
- In the district-wide financial statements, the District's activities are categorized as *Governmental Activities*. Most of the District's basic services are included here, such as park maintenance, acquisition, preservation, and administration. Property taxes, grants and fees finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. The District establishes other funds to control and manage money for particular purposes (like repaying its long-term debt) or to show that it is properly using certain revenues.

The District only has governmental funds:

Governmental funds – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information on a separate reconciliation page that explains the relationship (or differences) between them. The District maintains 14 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and five other governmental funds that are considered to be major funds. Data from the other nine governmental funds are combined into a single, aggregated presentation.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Management’s Discussion and Analysis

For the Fiscal Year Ended June 30, 2025

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

The District’s combined net position on June 30, 2025 increased \$27.3 million.

	Governmental Activities (In millions)		Variance Increase (Decrease)
	2024	2025	
Current and other assets	\$ 55.7	\$ 57.7	\$ 2.0
Capital assets	73.7	98.0	24.3
Total assets	<u>129.4</u>	<u>155.7</u>	<u>26.3</u>
Total deferred outflows of resources	<u>7.1</u>	<u>5.2</u>	<u>(1.9)</u>
Other liabilities	25.8	23.7	(2.1)
Long-term liabilities	18.4	18.3	(0.1)
Total liabilities	<u>44.2</u>	<u>42.0</u>	<u>(2.2)</u>
Total deferred inflows of resources	<u>2.6</u>	<u>2.1</u>	<u>(0.5)</u>
Net position			
Net investment in capital assets	73.8	97.9	24.1
Restricted	11.9	15.9	4.0
Unrestricted	4.0	3.2	(0.8)
Total net position	<u>\$ 89.7</u>	<u>\$ 117.0</u>	<u>\$ 27.3</u>

Changes in net position, governmental activities

The District’s total revenues increased by \$26.8 million, or 95.7%. This growth was primarily driven by higher property tax revenues, increased park user fees, and American Rescue Plan Act (ARPA) funding realized through 16 capital improvement projects.

	Governmental Activities (In millions)		Variance Increase (Decrease)
	2024	2025	
Total Revenues	\$ 28.0	\$ 54.8	\$ 26.8
Total Expenses	22.8	27.5	4.7
Increase (decrease) in net position	<u>\$ 5.2</u>	<u>\$ 27.3</u>	<u>\$ 22.1</u>

The District’s total expenses increased by \$4.7 million, or 20.6%.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Management’s Discussion and Analysis

For the Fiscal Year Ended June 30, 2025

FINANCIAL ANALYSIS OF THE DISTRICT’S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed this year, its governmental funds reported a combined fund balance of \$32.6 million, which is higher than last year’s ending fund balance of \$28.2 million. The fund balance has strengthened due to increased revenue from property taxes, interest earnings, and contracted services. While reserves continue to grow, the District remains diligent in spending, carefully monitoring the costs of supplies and services.

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget to revise operational cost and revenue estimates. The District’s final budget for the General Fund anticipated that revenues would be under expenditures by about \$5.1 million. The actual results for the year show that revenues exceeded expenditures by roughly \$1.7 million. Actual revenues were \$3.0 million more than anticipated, and expenditures were \$2.8 million less than budgeted.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of 2024-2025, the District had invested \$24.5 million in new capital assets, related to the District’s ongoing efforts towards constructing new regional trails, expanding and improving campgrounds and continued work on the Santa Ana River Trail. Total depreciation expense for the year was about \$2.2 million.

	Governmental Activities (In millions)		Variance
	2024	2025	Increase (Decrease)
Land	\$ 27.9	\$ 27.9	\$ -
Construction in Progress	23.4	49.8	26.4
Buildings	9.8	9.2	(0.6)
Machinery & Equipment	1.0	1.2	0.2
Infrastructure	11.4	9.9	(1.5)
Total Net Capital Assets at Year-End	\$ 73.5	\$ 98.0	\$ 24.5

Long-Term Liabilities

At year-end, the District had \$18.3 million in compensated absences, lease liability, net pension liability and net OPEB liability. (More detailed information about the District’s long-term liabilities is presented in Notes 7, 8, 12, and 13 to the financial statements).

	Governmental Activities (In millions)		Variance
	2024	2025	Increase (Decrease)
Compensated Absences	\$ 1.6	\$ 1.9	\$ 0.3
Lease Liability	0.4	0.2	0
Net Pension Liability	15.8	15.6	(0.2)
Net OPEB Liability	0.7	0.6	(0.1)
Total Outstanding Long-term Liabilities at Year-End	\$ 18.5	\$ 18.3	\$ 0.2

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2025

FACTORS BEARING ON THE DISTRICT'S FUTURE

The District remains on a strong financial trajectory at the close of FY2024-25, with total revenues increasing from \$28.0 million to \$54.8 million, a growth of \$26.8 million or nearly 96%. This increase was driven primarily by the recognition of American Rescue Plan Act (ARPA) funding tied to 16 capital improvement projects. Correspondingly, the District recorded a capital outlay of \$26.7 million, which was capitalized rather than expensed, helping to preserve the operating margin. While operating expenses increased by \$4.7 million due to inflationary pressures, staffing needs, and higher costs of services, the District still achieved a net position increase of \$27.3 million, a more than fivefold improvement over the prior year.

Looking forward, the District is on track to complete construction on all ARPA-funded projects by the end of the calendar year. These projects represent a historic \$33.9 million investment in Riverside County's regional parks, trails, and open spaces. Upon completion, they will enhance recreation facilities, expand community access, and safeguard natural resources. This infusion of federal funding represents a generational investment that will permanently strengthen the District's infrastructure base, though it is recognized as a one-time funding source.

Beyond ARPA, the District continues to leverage State grant funding for additional capital improvement projects, including the Trujillo Adobe Preservation Plan and the Gilman Stagecoach Stop Park. The District is also actively pursuing the completion of the Santa Ana River Trail project, a long-standing regional priority that will expand recreational opportunities across multiple communities. Additional grant or alternative funding is needed to address deferred maintenance projects and continued capital improvements in order to keep pace with population growth and community development. In parallel, the Outdoor Equity Program and Library Park Pass Program continue to expand access for underserved families, while community events, user fees, and contracted service partnerships provide sustainable revenue streams. These efforts ensure the District remains well-positioned for on-going operational stability, expanded community engagement, and continued stewardship of Riverside County's treasured parklands.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the District's Fiscal Manager at 4600 Crestmore Road, Jurupa Valley, CA 92509-6858, send an email to Parks-Finance@rivco.org, or visit www.rivcoparks.org.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Statement of Net Position

June 30, 2025

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and investments (Note 2)	\$ 49,191,622
Accounts receivable (Note 3)	180,842
Taxes receivable (Note 3)	160,064
Interest receivable (Note 3)	210,403
Due from other governments	5,770,857
Prepaid expenses	641,643
Lease receivable - current (Note 5)	144,484
Lease receivable - non-current (Note 5)	1,432,638
Capital assets, not being being depreciated (Note 6)	77,741,741
Capital assets, net of depreciation (Note 6)	<u>20,256,128</u>
Total Assets	<u>155,730,422</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related (Note 12)	4,327,787
OPEB related (Note 13)	<u>917,892</u>
Total Deferred Outflows of Resources	<u>5,245,679</u>
Total Assets and Deferred Outflows of Resources	<u>160,976,101</u>
LIABILITIES	
Accounts payable	5,117,399
Accrued liabilities	615,054
Due to other governments	26
Customer deposits	63,588
Unearned revenue	17,871,071
Long-term liabilities:	
Due within one year:	
Compensated absences (Note 7)	1,072,522
Lease liability (Note 8)	6,544
Due in more than one year:	
Compensated absences (Note 7)	854,096
Lease liability (Note 8)	149,759
Net pension liability (Note 12)	15,635,233
Net OPEB liability (Note 13)	<u>589,251</u>
Total Liabilities	<u>41,974,543</u>
DEFERRED INFLOWS OF RESOURCES	
Lease receivable related (Note 5)	1,479,920
Pension related (Note 12)	288,199
OPEB related (Note 13)	<u>311,702</u>
Total Deferred Inflows of Resources	<u>2,079,821</u>
Total Liabilities and Deferred Inflows of Resources	<u>44,054,364</u>
NET POSITION	
Net investment in capital assets	97,841,566
Restricted	15,854,340
Unrestricted	<u>3,225,831</u>
Total Net Position	<u>\$ 116,921,737</u>

The accompanying notes are an integral part of these financial statements.

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RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Statement of Activities

For the Fiscal Year Ended June 30, 2025

<u>FUNCTIONS/PROGRAMS</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>		<u>NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION</u>
		<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	
Governmental Activities:				
Interpretive	\$ 1,502,326	\$ 332,965	\$ 60,593	\$ (1,108,768)
Natural resources	3,370,653	89,605	2,537,954	(743,094)
Regional parks	7,082,223	5,826,843	3,870	(1,251,510)
Planning and construction	3,042,819	724	29,998,041	26,955,946
General government	12,454,438	3,307,480	601,035	(8,545,923)
Total governmental activities	<u>\$ 27,452,459</u>	<u>\$ 9,557,617</u>	<u>\$ 33,201,493</u>	<u>\$ 15,306,651</u>
General revenues:				
Property taxes				10,686,982
Use of money and property				1,290,264
Loss on sale of property				<u>57,632</u>
Total general revenues				<u>12,034,878</u>
Change in net position				<u>27,341,529</u>
Net position, beginning of year, as previously reported				89,613,399
Restatement for accounting change for compensated absences (Note 14)				<u>(33,191)</u>
Net position, beginning of year as restated				89,580,208
Net position, end of year				<u>\$ 116,921,737</u>

The accompanying notes are an integral part of these financial statements.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Balance Sheet – Governmental Funds

June 30, 2025

	SPECIAL REVENUE FUNDS			
	GENERAL FUND	SANTA ANA RIVER MITIGATION	LAKE SKINNER	ARP ACT CORONAVIRUS RELIEF
ASSETS				
Cash and investments	\$ 17,023,009	\$ 3,686,904	\$ 1,565,905	\$ 21,381,181
Accounts receivable	62,955	-	117,887	-
Taxes receivable	160,064	-	-	-
Interest receivable	127,256	31,867	15,620	-
Due from other governments	146,008	-	-	-
Prepaid expenses	-	-	-	-
Lease receivable	1,577,122	-	-	-
TOTAL ASSETS	<u>\$ 19,096,414</u>	<u>\$ 3,718,771</u>	<u>\$ 1,699,412</u>	<u>\$ 21,381,181</u>
LIABILITIES				
Accounts payable	\$ 337,258	\$ 632	\$ 164,002	\$ 4,388,506
Accrued liabilities	538,239	(1,699)	11,261	-
Due to other governments	26	-	-	-
Customer deposits	52,088	-	11,500	-
Unearned revenue	599,371	-	279,028	16,992,672
Deferred inflow - lease receivable related	1,479,920	-	-	-
Total Liabilities	<u>3,006,902</u>	<u>(1,067)</u>	<u>465,791</u>	<u>21,381,178</u>
FUND BALANCE				
Nonspendable	97,202	-	-	-
Restricted	-	3,719,838	1,233,621	3
Unassigned	15,992,310	-	-	-
Total Fund Balances	<u>16,089,512</u>	<u>3,719,838</u>	<u>1,233,621</u>	<u>3</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 19,096,414</u>	<u>\$ 3,718,771</u>	<u>\$ 1,699,412</u>	<u>\$ 21,381,181</u>

The accompanying notes are an integral part of these financial statements.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Balance Sheet – Governmental Funds

June 30, 2023

<u>CAPITAL PROJECT FUND</u>	<u>NON-MAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
PARK ACQUISITION & DEVELOPMENT		
\$ 3,228,357	\$ 2,306,266	\$ 49,191,622
-	-	180,842
-	-	160,064
18,008	17,652	210,403
3,284,716	2,340,133	5,770,857
109,947	531,696	641,643
-	-	1,577,122
<u>\$ 6,641,028</u>	<u>\$ 5,195,747</u>	<u>\$ 57,732,553</u>
\$ 136,869	\$ 90,132	\$ 5,117,399
-	67,253	615,054
-	-	26
-	-	63,588
-	-	17,871,071
-	-	1,479,920
<u>136,869</u>	<u>157,385</u>	<u>25,147,058</u>
109,947	531,696	738,845
6,394,212	4,506,666	15,854,340
-	-	15,992,310
<u>6,504,159</u>	<u>5,038,362</u>	<u>32,585,495</u>
<u>\$ 6,641,028</u>	<u>\$ 5,195,747</u>	<u>\$ 57,732,553</u>

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RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position**
June 30, 2025

Total Fund Balance - Governmental Funds \$ 32,585,495

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet. Total capital assets are as follows:

Nondepreciable	77,741,741	
Depreciable, net	20,256,128	
Total capital assets		97,997,869

Long-term liabilities that are not due and payable in the current period, and therefore, are not reported as liabilities in the Governmental Funds Balance Sheet.

Compensated absences		(1,926,618)
Lease liability		(156,303)
Net pension liability		(15,635,233)
Net OPEB liability		(589,251)

Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.

Deferred outflows - pension related	4,327,787	
Deferred inflows - pension related	(288,199)	
Deferred outflows - OPEB related	917,892	
Deferred inflows - OPEB related	(311,702)	
		4,645,778

NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 116,921,737**

The accompanying notes are an integral part of these financial statements.

RIVERSIDE COUNTY REGIONAL PARK AND-OPEN SPACE DISTRICT
**Statement of Revenues, Expenditures and Changes in
Fund Balances – Governmental Funds**
For the Fiscal Year Ended June 30, 2025

	SPECIAL REVENUE FUNDS			
	GENERAL FUND	SANTA ANA RIVER MITIGATION	LAKE SKINNER	ARP ACT CORONAVIRUS RELIEF
REVENUES				
Property taxes	\$ 10,686,982	\$ -	\$ -	\$ -
Use of money and property	775,552	198,857	107,916	-
Intergovernmental	930,695	-	-	-
Charges for services	7,387,374	-	2,184,935	-
Operating grants and contributions	68,238	-	-	24,393,248
Total Revenues	<u>19,848,841</u>	<u>198,857</u>	<u>2,292,851</u>	<u>24,393,248</u>
EXPENDITURES				
Interpretive	1,463,973	-	-	792
Natural resources	1,230,799	9,244	-	-
Regional parks	3,840,193	-	2,876,058	-
Planning and construction	-	-	-	24,392,454
General government	10,816,753	-	-	-
Total Expenditures	<u>17,351,718</u>	<u>9,244</u>	<u>2,876,058</u>	<u>24,393,246</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,497,123</u>	<u>189,613</u>	<u>(583,207)</u>	<u>2</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from disposal of assets	10,345	-	2,820	-
Transfer in	-	-	-	-
Transfer out	(800,000)	(100,000)	-	-
Total Other Financing Sources (Uses)	<u>(789,655)</u>	<u>(100,000)</u>	<u>2,820</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	1,707,468	89,613	(580,387)	2
FUND BALANCES - BEGINNING	14,382,044	3,630,225	1,814,008	1
FUND BALANCES - ENDING	<u>\$ 16,089,512</u>	<u>\$ 3,719,838</u>	<u>\$ 1,233,621</u>	<u>\$ 3</u>

The accompanying notes are an integral part of these financial statements.

RIVERSIDE COUNTY REGIONAL PARK AND-OPEN SPACE DISTRICT
Statement of Revenues, Expenditures and Changes in
Fund Balances – Governmental Funds
For the Fiscal Year Ended June 30, 2025

CAPITAL PROJECT FUND	NON-MAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ -	\$ -	\$ 10,686,982
138,511	68,958	1,289,794
887,049	2,204,519	4,022,263
724	7,680	9,580,713
4,717,744	-	29,179,230
<u>5,744,028</u>	<u>2,281,157</u>	<u>54,758,982</u>
-	-	1,464,765
-	2,059,102	3,299,145
-	-	6,716,251
3,722,325	-	28,114,779
-	2,000	10,818,753
<u>3,722,325</u>	<u>2,061,102</u>	<u>50,413,693</u>
<u>2,021,703</u>	<u>220,055</u>	<u>4,345,289</u>
-	6,553	19,718
1,002,541	-	1,002,541
-	(102,541)	(1,002,541)
<u>1,002,541</u>	<u>(95,988)</u>	<u>19,718</u>
3,024,244	124,067	4,365,007
3,479,915	4,914,295	28,220,488
<u>\$ 6,504,159</u>	<u>\$ 5,038,362</u>	<u>\$ 32,585,495</u>

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RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures
and Changes in Fund Balance to the Statement of Activities**
For the Fiscal Year Ended June 30, 2025

Net Change in Fund Balances - Governmental Funds	\$ 4,365,007
Amounts reported for governmental activities in the statement of activities are different because:	
In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the Statement of Activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.	24,512,934
In the governmental funds, the proceeds from disposal of capital assets are reflected regardless of whether a gain or loss is realized, whereas in the statement of activities gains (losses) are reported as the difference between the proceeds less the net book value of the capital assets disposed.	15,402
Compensated absences expense was reported in the Statement of Activities, but does not require the use of current financial resources and, therefore, the changes in compensated absences is not reported as an expenditure in governmental funds.	(266,948)
Pension obligation 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.	(1,430,973)
OPEB 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.	139,767
Lease financing is reported in the governmental funds as an other financing source, but in the Statement of Activities, it is recorded as a lease liability. Repayment of the lease liability is an expenditure in the governmental funds. In the Statement of Activities, the repayment reduces the liability.	<u>6,340</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 27,341,529</u></u>

The accompanying notes are an integral part of these financial statements.

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Riverside County Regional Park and Open Space District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant policies.

A. Reporting Entity

The District was formed July 1, 1991 for the purpose of preserving, protecting and maintaining open space and wildlife habitat and providing and maintaining regional parks and public recreation facilities under Public Resources Code 5506.7 et seq. District Directors consist of the Board of Supervisors of the County of Riverside. The District is a component unit of the County of Riverside.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, and agencies that are not legally separate from the District.

The District has no component units that meet the criteria in generally accepted accounting principles to be included in the financial statements of the District.

B. Basis of Presentation, Basis of Accounting

Government-Wide Financial Statements

These statements are presented on the *economic resources* measurement focus and the accrual basis of accounting. Accordingly, these statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District'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. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) 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 as general revenues.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation, Basis of Accounting (continued)

Fund Financial Statements

Governmental funds are accounted for on a spending or *current financial resources* measurement focus and the modified accrual basis of accounting. The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Major Governmental Funds:

The District maintains the following major governmental funds:

General Fund – This fund is used to account for and report all financial resources not accounted for and reported in another fund. Under generally accepted accounting principles, the following funds do not meet the criteria to be considered special revenue funds as they are not composed primarily of restricted or committed revenue sources. These funds are the Recreation, Park Residence Utilities & Maintenance, Habitat & Open Space Management, Historical Commission, and the activity in those funds is being reported in the General Fund.

Santa Ana River Mitigation Fund – This special revenue fund is used to account for wetlands habitat restoration and maintenance activities and the subsequent sale of mitigation credits to developers within the Santa Ana River Mitigation Bank.

Lake Skinner Fund – This special revenue fund is used to account for recreation activities at the Lake Skinner Regional Park.

ARP Act Coronavirus Relief Fund – This special revenue fund is established to account for funding allocated to the District by the Board of Supervisors for projects related to infrastructure, tourism recovery, and broadband projects. A total of thirteen (13) projects were approved with a total funding of \$26.1 million.

Park Acquisition & Development District Fund – This capital projects fund is used to account for capital improvements for major parks and open space areas countywide as designed by the Board of Supervisors.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation, Basis of Accounting (continued)

Non-Major Governmental Funds:

The District maintains the following non-major governmental funds:

Special Revenue Funds:

Off Highway Vehicle Management Fund – To account for the receipt of State of California Off-Highway Vehicle Management funding, and education, maintenance, and improvement activities related to Off-Road Vehicle usage within the District.

Fish and Wildlife Commission Fund – To account for the receipt of the County of Riverside’s portion of State of California Fish & Wildlife fee and fine revenue, and protection, education, conservation, propagation and preservation activities related to fish and wildlife as approved by the County Fish & Wildlife Commission.

Multi-Species Reserve Fund – To account for activities performed under contract for Metropolitan Water District (MWD) to provide reserve management services at their Multi-Species Reserve located on MWD land adjacent to Lake Skinner.

MSHCP Reserve Management Fund – To account for activities performed under contract for Western Riverside County Regional Conservation Authority (RCA) to provide reserve management services within designated parcel areas throughout the County.

Capital Projects Funds:

Park Acquisition & Development – Grants Fund – This capital projects fund is used to account for the acquisition and capital improvement of regional parks and trails funded by State, Federal, and/or other grant sources.

Park Acquisition & Development – DIF Fund – This capital projects fund is to account for the acquisition and capital improvement of regional parks and trails funded by Developer Impact Fees (DIF).

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all government funds. By state law, the District's governing board must adopt a budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements.

These budgets are revised by the District's governing board during the year to give consideration to unanticipated income and expenditures. The final adopted and revised budgets are presented for the General Fund and the Santa Ana River Mitigation Fund in the required supplementary information section. Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

D. Encumbrances

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated as of June 30.

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

Cash and Cash Equivalents

The District considers cash and cash equivalents in funds to be cash on hand and demand deposits. In addition, because the County Treasury Pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

Lease Receivable

The District's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the annual lease payment is adjusted annually by an amount not to exceed the rate of inflation as indicated by the change in Consumer Price Index (CPI) for the prior calendar year.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Capital Assets

Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Notes to the Financial Statements

June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>ASSETS</u>	<u>YEARS</u>
Buildings and improvements	27.5 - 50
Public domain infrastructure	27.5
System infrastructure	27.5
Furniture and equipment	5-7
Vehicles	5-10
Field equipment	3-20

Unavailable and Unearned Revenue

Unavailable revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenue arises when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the amount for unavailable or unearned revenue is removed from the balance sheet and revenue is recognized. Certain grants received that have not met eligibility requirements are recorded as unearned revenue. On the governmental fund financial statements, receivables that will not be collected within the available period (generally 60 days after year-end) are recorded as unavailable revenue.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has deferred outflows of resources related to pensions and OPEB, which includes the recognition of contributions made to the pension plan after the measurement date of the net pension liability.

In addition to liabilities, the statement of net 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 position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The District has deferred inflows of resources related to leases, pensions and OPEB, which includes the recognition of the District's proportionate share of the deferred inflows of resources related to its pension plan as more fully described in the footnote entitled "Pension Plan".

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

Compensated Absences

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulated and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary related benefits, where applicable. The District uses percentage based on the average of last 5 years usage per eligibility requirements according to employees' years of service. The percentage use as settle is the difference of 100% minus % use as leave, and the percentage for more likely than not to be settled is based on the average of last 5 years settled.

Vacation

The District's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave

The District's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the District and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plan and addition to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. 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. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website at www.calpers.ca.gov.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date June 30, 2023

Measurement Date June 30, 2024

Measurement Period July 1, 2023 to June 30, 2024

Notes to the Financial Statements

June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability/asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date July 1, 2024
Measurement Date June 30, 2024
Measurement Period July 1, 2023 to June 30, 2024

Fund Balances

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Nonspendable – Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include lease receivable, inventories and prepaid expenses.

Restricted – Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation.

Committed – Amounts committed to specific purposes by a government itself, using the highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Assigned – Resources that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent may be expressed by either the Board, committees (such as budget or finance), or officials to which the Board has delegated authority.

Unassigned – Unassigned fund balance represents fund balance that has not been restricted, committed, or assigned and may be utilized by the District for any purpose.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

When expenditures are incurred, and both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned, as they are needed.

Net Position

Net position is classified into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net investment in capital assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted". When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

F. Minimum Fund Balance Policy

The District adopted a formal minimum fund balance policy in November 2012, and updated it in March 2018 requiring a reserve of 25% of operating expenditures. As of June 30, 2025, the District is in compliance with the policy.

G. Property Tax Calendar

The County is responsible for the assessment, collection, and apportionment of property taxes for all jurisdictions including the schools and special districts within the County. The Board of Supervisors levies property taxes as of September 1 on property values assessed on July 1. Secured property tax payments are due in two equal installments. The first is generally due November 1 and is delinquent with penalties on December 10, and the second is generally due on February 1 and is delinquent with penalties on April 10. Secured property taxes become a lien on the property on January 1. The District recognizes as revenue only those taxes which are received within 60 days after year end.

Notes to the Financial Statements

June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

I. Relationship to the County of Riverside

The Riverside County Regional Park and Open-Space District is an integral part of the reporting entity of the County of Riverside. The funds and account groups of the District have been blended within the financial statements of the County because the County Board of Supervisors is the governing board of the District and exercises control over the operations of the District.

Only the funds of the District are included herein, therefore, these financial statements do not purport to represent the financial position of operations of the County of Riverside, California.

J. Subsequent Events

The District has evaluated subsequent events through October 23, 2025 which is the date the financial statements were available to be issued.

NOTE 2 – CASH AND INVESTMENTS

Cash at June 30, 2025, is reported at fair value and consisted of the following:

	<u>GOVERNMENTAL ACTIVITIES/FUNDS</u>
Pooled funds:	
Cash and investments in County treasury	\$ 49,181,622
Deposits:	
Cash in revolving fund	<u>10,000</u>
TOTAL	<u>\$ 49,191,622</u>

Notes to the Financial Statements

June 30, 2025

NOTE 2 – CASH AND INVESTMENTS (continued)

Pooled Funds

The District maintains substantially all of its cash in the County Treasury. The County pools and invests the cash. These pooled funds are carried at fair value. Interest earned is deposited annually to participating funds. Any investment gains or losses are proportionately shared by all funds in the pool. Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, disclosure of the individual deposits and investments and related custodial credit risk classifications should be obtained from the County of Riverside Comprehensive Annual Financial Report at www.auditorcontroller.org. In accordance with applicable state laws, the County Treasurer may invest in derivative securities with the State of California. However, at June 30, 2025, the County Treasurer has represented that the Pooled Investment Fund contained no derivatives or other investments with similar risk profiles.

Investments Authorized by California Government Code and District's Investment Policy

The tables below identify the investment types that are authorized for the District by the California Government Code or the District's investment policy, whichever is more restrictive. The table also identifies certain provisions that address interest rate and credit risk.

INVESTMENT TYPE	MAXIMUM MATURITY	MAXIMUM PERCENTAGE OF PORTFOLIO
U.S. treasuries	5 years	100%
Reverse repurchase agreements	60 days	10%
Repurchase agreements	45 days	40%/25%
Certification & time deposits	2 years	20%
Municipal Bonds	5 years	15%
Money market mutual funds	Daily Liquidity	20%
Medium term notes	4 years	20%
Local agency obligations	3 years	2.5%
Local agency investment fund	Daily Liquidity	Max \$50M
International bank for reconstruction and development and international finance corporation	5 years	20%
Federal agencies	5 years	100%
Commercial paper	270 days	40%
Cash/deposit account	N/A	N/A
CalTrust short term fund	Daily Liquidity	1%

*Based on state law requirements or investment policy requirements, whichever is more restrictive.

NOTE 2 – CASH AND INVESTMENTS (continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County limits its risk by giving careful and ongoing attention to the (1) credit quality standards issued by the nationally recognized rating agencies on the credit worthiness of each issuer of the security, (2) limiting the concentration of investment in any single firm, (3) by limiting the duration of investment, and (4) by maintaining the diversification and liquidity standards expressed within the County's policy.

Information about the sensitivity of the fair values of the District's investments to market interest rates is provided by the following table that shows the distribution of the District's investments by maturity.

INVESTMENT TYPE	TOTAL	REMAINING MATURITY	
		1 YEAR OR LESS	2 TO 5 YEARS
Municipal bonds	\$ 455,762	\$ -	\$ 455,762
U.S. treasuries	6,972,921	5,725,987	1,246,934
Federal agencies	22,832,350	5,375,946	17,456,404
Commercial paper	7,901,263	7,901,263	-
Certification & time deposits	3,557,918	3,557,918	-
Corporate	1,674,646	1,674,646	-
Repurchase agreements	2,607,095	2,607,095	-
Non-US Government/ Supranational	676,801	-	676,801
Mutual funds	288,367	288,367	-
Money market mutual funds	2,214,499	2,214,499	-
Cash/deposit account	10,000	10,000	-
TOTAL	\$ 49,191,622	\$ 29,355,721	\$ 19,835,901

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Notes to the Financial Statements

June 30, 2025

NOTE 2 – CASH AND INVESTMENTS (continued)

Credit Risk

Generally, 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. Presented below is the minimum rating required by the California Government Code, the County’s investment policy and the actual ratings as of year-end for each investment type.

INVESTMENT TYPE	TOTAL	MINIMUM LEGAL RATING	RATINGS AS OF YEAR END			
			AAA	AA	A1	NOT RATED
Municipal bonds	\$ 455,762	AA-/Aa3/AA-	\$ -	\$ 455,762	\$ -	\$ -
U.S. treasuries	6,972,921	N/A	-	-	-	6,972,921
Federal agencies	22,832,350	N/A	-	-	-	22,832,350
Commercial paper	7,901,263	A1/P1/F1	-	-	7,901,263	-
Certification & time deposits	3,557,918	A1/P1/F1	-	-	3,557,918	-
Corporate	1,674,646	N/A	-	-	-	1,674,646
Repurchase agreements	2,607,095	N/A	-	-	-	2,607,095
Non-US Government/ Supranational	676,801	AA/Aa/AA	-	676,801	-	-
Mutual funds	288,367	Aaa	288,367	-	-	-
Money market mutual funds	2,214,499	AAA	2,214,499	-	-	-
Cash/deposit account	10,000	N/A	-	-	-	10,000
TOTAL	\$ 49,191,622		\$ 2,502,866	\$ 1,132,563	\$ 11,459,181	\$ 34,097,012

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies.

California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2025, none of the District’s bank balance was exposed to custodial credit risk.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Notes to the Financial Statements

June 30, 2025

NOTE 2 – CASH AND INVESTMENTS (continued)

Fair Value Measurements

The District relies upon information provided by the County Treasury in estimating the fair value position of its holdings in it. The District’s holdings in the pool had a value of \$49,191,622 as of June 30, 2025. The allocated totals for each investment type is derived from the percentage of the District’s investment balance in relation to the pool’s investment balance applied to the pool’s total balance for each investment category.

The District categorizes its 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. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs, either directly or indirectly; Level 3 inputs have the lowest priority and consist of unobservable inputs.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at June 30, 2025 are as follows:

INVESTMENT TYPE	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	AMORTIZED COST
Municipal bonds	\$ 455,762	\$ -	\$ 455,762	\$ -	\$ -
U.S. treasuries	6,972,921	6,972,921	-	-	-
Federal agencies	22,832,350	-	22,832,350	-	-
Commercial paper	7,901,263	-	-	-	7,901,263
Certification & time deposits	3,557,918	-	-	-	3,557,918
Corporate	1,674,646	-	-	-	1,674,646
Repurchase agreements	2,607,095	-	-	2,607,095	-
Non-US Government/ Supranational	676,801	-	676,801	-	-
Mutual funds	288,367	-	-	-	288,367
Money market mutual funds	2,214,499	2,214,499	-	-	-
Cash/deposit account	10,000	-	-	-	10,000
TOTAL	\$ 49,191,622	\$ 9,187,420	\$ 23,964,913	\$ 2,607,095	\$ 13,432,194

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Notes to the Financial Statements

June 30, 2025

NOTE 3 – RECEIVABLES

Receivables as of June 30, 2025, consisted of the following:

	GENERAL FUND	SANTA ANA RIVER MITIGATION	LAKE SKINNER	PARK ACQUISITION AND DEVELOPMENT	NON-MAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Operational revenue	\$ 62,955	\$ -	\$ 117,887	\$ -	\$ -	\$ 180,842
Property taxes	160,064	-	-	-	-	160,064
Interest	127,256	31,867	15,620	18,008	17,652	210,403
Due from other governments:						
Metropolitan Water District	146,008	-	-	-	-	146,008
CA Department of Parks and Recreation	-	-	-	-	2,340,133	2,340,133
CA Wildlife Conservation Board	-	-	-	3,284,716	-	3,284,716
TOTAL	<u>\$ 496,283</u>	<u>\$ 31,867</u>	<u>\$ 133,507</u>	<u>\$ 3,302,724</u>	<u>\$ 2,357,785</u>	<u>\$ 6,322,166</u>

NOTE 4 – INTERFUND TRANSACTIONS

Transfers To/From Other Funds

During the fiscal year ended June 30, 2025, the District made interfund transfers in accordance with its adopted budget.

TRANSFERS OUT	TRANSFERS IN
	PARK ACQUISITION & DEVELOPMENT
General Fund - Operating	\$ 800,000
Special Revenue Fund - Santa Ana River Mitigation Bank	100,000
Non-Major Governmental Funds	102,541
TOTAL	<u>\$ 1,002,541</u>

The interfund transfers were made to support ongoing projects.

Notes to the Financial Statements

June 30, 2025

NOTE 5 – LEASE RECEIVABLE

In June 2009, the District entered into a 25-year lease with Southern California Edison Company for the purpose of constructing, operating and maintaining the El Casco Substation. The initial lease payment was \$120,000 per year. The annual lease payment is adjusted annually by an amount not to exceed the rate of inflation as indicated by the change in Consumer Price Index (CPI) for the prior calendar year. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 2.07%, which is based on the applicable federal rates for July 2021. The initial lease receivable was recorded in the amount of \$2,001,995. As of June 30, 2025, the lease receivable is valued at \$1,435,197. The value of the deferred inflow of resources as of June 30, 2025 was \$1,337,995. During the year ended June 30, 2025, the District recognized \$166,000 of lease revenue.

The District entered into a 23-year lease with The Cove Resort for the purpose of operating and maintaining the Southerly Blythe Marina. The lease payment is \$833 per month, or the percentage amount equal to 7% of the total monthly gross receipts, plus additional rent equal to a percentage of gross sales receipts of fuel associated with the operation of the marine fuel dock. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3.22%, which is based on the applicable federal rates for July 1, 2022. The initial lease receivable was recorded in the amount of \$157,421. As of June 30, 2025, the lease receivable is valued at \$141,925. The value of the deferred inflow of resources as of June 30, 2025, was \$141,925. Refer to Note 9 - Public-Private and Public-Public Partnerships (PPP) for further details.

The future minimum lease payments receivable for both leases are as follows:

YEARS ENDING JUNE 30	PRINCIPAL	INTEREST	TOTAL
2026	\$ 144,484	\$ 44,059	\$ 188,543
2027	162,759	31,141	193,900
2028	171,713	27,703	199,416
2029	181,021	24,079	205,100
2030	190,693	20,259	210,952
Thereafter	726,452	53,261	779,713
TOTAL	\$ 1,577,122	\$ 200,502	\$ 1,777,624

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Notes to the Financial Statements

June 30, 2025

NOTE 6 – CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended June 30, 2025, was as follows:

	BEGINNING BALANCE	ADDITIONS	DELETIONS	ENDING BALANCE
GOVERNMENTAL ACTIVITIES				
Capital Assets, Not Being Depreciated				
Land	\$ 27,942,376	\$ -	\$ -	\$ 27,942,376
Construction in progress	23,405,875	26,393,490	-	49,799,365
Total Capital Assets, not Being Depreciated	<u>51,348,251</u>	<u>26,393,490</u>	<u>-</u>	<u>77,741,741</u>
Capital Assets, Being Depreciated				
Buildings	24,237,947	-	(6,750)	24,231,197
Machinery and equipment	4,923,279	329,270	(215,975)	5,036,574
Infrastructure	48,336,340	-	(201,304)	48,135,036
Total Capital Assets, Being Depreciated	<u>77,497,566</u>	<u>329,270</u>	<u>(424,029)</u>	<u>77,402,807</u>
Less: Accumulated Depreciation				
Buildings	(14,392,632)	(640,257)	5,645	(15,027,244)
Machinery and equipment	(3,888,154)	(201,730)	215,975	(3,873,909)
Infrastructure	(36,888,206)	(1,367,839)	10,519	(38,245,526)
Total Accumulated Depreciation	<u>(55,168,992)</u>	<u>(2,209,826)</u>	<u>232,139</u>	<u>(57,146,679)</u>
Total Capital Assets, Being Depreciated, Net	<u>22,328,574</u>	<u>(1,880,556)</u>	<u>(191,890)</u>	<u>20,256,128</u>
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	<u>\$ 73,676,825</u>	<u>\$ 24,512,934</u>	<u>\$ (191,890)</u>	<u>\$ 97,997,869</u>

Depreciation expense for the year ended June 30, 2025 was \$2,209,826, and was charged to the following functions in the Statement of Activities:

Interpretive	\$ 37,561
Natural resources	71,508
Regional parks	365,972
Planning and construction	1,657,140
General government	77,645
TOTAL	<u>\$ 2,209,826</u>

NOTE 7 – Compensated Absences

The change in compensated absences for the year ended June 30, 2025, was as follows:

	BEGINNING BALANCE AS RESTATED	INCREASE/ (DECREASE)	ENDING BALANCE	DUE WITHIN ONE YEAR
Compensated absences	\$ 1,659,670	\$ 266,948	\$ 1,926,618	\$ 1,072,522

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Notes to the Financial Statements

June 30, 2025

NOTE 8 – LEASE LIABILITY

The District entered into a lease with the State of California for land in the city of Blythe, California through June 30, 2044. Annual rent is \$10,555 with an annual Consumer Price Index adjustment. The lease liability is measured as the present value of the future minimum rent payments expected to be paid during the lease term at a discount rate of 3.22%, which is based on the applicable federal rates for July 1, 2022. The initial lease liability was recorded in the amount of \$383,021. As of June 30, 2025, the lease liability is valued at \$156,303. The net book value of the right-of-use asset as of June 30, 2025 was \$155,757.

The future minimum lease payments payable are as follows:

YEARS ENDING JUNE 30	PRINCIPAL	INTEREST	TOTAL
2026	\$ 6,544	\$ 5,033	\$ 11,577
2027	6,755	4,822	11,577
2028	6,972	4,605	11,577
2029	7,197	4,380	11,577
2030	7,429	4,148	11,577
Thereafter	121,406	29,095	150,501
TOTAL	\$ 156,303	\$ 52,083	\$ 208,386

NOTE 9 – PUBLIC-PRIVATE AND PUBLIC-PUBLIC PARTNERSHIPS (PPP)

The County has determined that the following arrangements meet the criteria set forth in GASB Statement No. 94 where the County is the transferor and therefore included these PPPs in the County’s financial statements. It was also determined that there are no incidences where the County would qualify as such an operator or meet the criteria of having an APA arrangement.

Cove RV Resort

On or about January 1, 1970, and as later amended, the County and later the District entered into a PPP agreement with Cavan Inc. The lease was later assigned to The Cove RV Resort (the Company) as of December 2016. Under the terms of the PPP 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 District the greater of \$833 or 7.0% of the total monthly gross receipts earned from operation of the RV Park. The District has received no upfront payments that are required to be reported as a deferred inflow of resources on the financial statements. The PPP agreement uses a 3.22% discount rate to determine the lease receivable for installment payments. As of June 30, 2025, the District recorded a lease receivable and deferred inflow of resources of \$141,925. In fiscal year 2025, the Company paid the District a total of \$35,088. The District reports the RV Park as a capital asset with a carrying amount of \$151,728 at year-end.

NOTE 9 – PUBLIC-PRIVATE AND PUBLIC-PUBLIC PARTNERSHIPS (PPP) (continued)

McIntyre Park Campground

On October 15, 1985, and as later amended, the District entered into a PPP agreement with California East Coast, Inc. The PPP agreement was later assigned to Destiny McIntyre LLC (Destiny), under which Destiny will maintain, operate, and collect user fees from the campground, camp store, boat launch and recovery ramp, day-use area, and marina fuel station at McIntyre County Park in accordance with the PPP agreement through the year 2047. Destiny will pay the District quarterly between 10.0% and 17.0% of the revenues it earns from the operation of the campground. The District has received no upfront payments or installment payments that must be reported as a lease receivable or deferred inflow of resources on the financial statements. In fiscal year 2025, Destiny paid the District a total of \$98,334. The District reports the campground as a capital asset with a carrying amount of \$51,640 at year-end.

Gopher Hole Camp Store

On February 7, 2018, the Park entered into a PPP agreement with Pyramid Enterprises, Inc. d.b.a. Rocky Mountain Recreation Company of Piru, California (Rocky Mountain) to lease the Rancho Jurupa Regional Park Gopher Hole camp store. Under the PPP agreement's provisions, Rocky Mountain is permitted to operate the store, office, storage 107, and storage 102. All remaining areas will remain under the control and responsibility of the District. The agreement has a 3-year term with an option to extend for an additional 2 years. After the contract expired, it was converted to a month-to-month arrangement. Rocky Mountain will pay the District 10.0% of gross receipts earned from operation of the store each month. The District has received no upfront payments or installment payments that are required to be reported as a lease receivable or deferred inflow of resources on the financial statements. In fiscal year 2025, Rocky Mountain paid District a total of \$29,791. The District reports the camp store as a capital asset with no carrying amount at year-end.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursement will not be material.

NOTE 11 – RISK MANAGEMENT

Property and Liability

The District is part of the County of Riverside's insurance programs including coverage for property, general liability and auto liability. The County's insurance programs for property, general liability, and auto liability are a combination of self-insurance and excess insurance providing limits of liability of \$25,000,000 per occurrence.

NOTE 11 – RISK MANAGEMENT (continued)

Workers' Compensation

The employees of the District are considered to be employees of the County of Riverside and are covered by the County's workers' compensation program. The County's workers' compensation program is a combination of self-insurance and excess insurance providing statutory limits of coverage as required by the State of California.

Claims Liability

During the year ended June 30, 2025, the District had no settlements exceeding insurance coverage for these categories of risk. For the past three years, settlements or judgment amounts have not exceeded insurance provided for the District.

NOTE 12 – PENSION PLAN

A. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan ("Plan or PERF C") administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a miscellaneous risk pool. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous risk pool. The District participates in three miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website at www.calpers.ca.gov.

Notes to the Financial Statements

June 30, 2025

NOTE 12 – PENSION PLAN (continued)

A. General Information about the Pension Plan (continued)

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plan operates under the provisions of the California Public Employees’ Retirement Law (PERL), the California Public Employees’ Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan’s authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The Plan’s provisions and benefits in effect at June 30, 2025 are summarized as follows:

	Miscellaneous		
	General - Tier 1	General - Tier 2	General - Tier 3
Hire Date	Prior to August 24, 2012	August 24, 2012 to December 31, 2012	Post December 31, 2012
Benefit Formula	3% @ 60	2% @ 60	2% @ 62
Benefit Vesting Schedule	5 years of service	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	50-67	50-67	52-67
Monthly Benefits, as a % of Eligible Compensation	2.0% to 3.0%	1.092% to 2.418%	1.0% to 2.5%
Required employer contribution Rates	18.32%	10.93%	8.18%

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS’ annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan’s actuarially determined rate is based on the estimated amount necessary to pay the Plan’s allocated share of the risk pool’s costs of benefits earned by employees during the year, and any unfunded accrued liability.

Notes to the Financial Statements

June 30, 2025

NOTE 12 – PENSION PLAN (continued)

A. General Information about the Pension Plan (continued)

Contributions (continued)

The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Employer contributions for the fiscal year ended June 30, 2025 were \$1,586,599.

B. Net Pension Liability

The District’s net pension liability for the Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Actuarial Cost Method
Actuarial Valuation Method	Market Value of Assets
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry and Age Service
Mortality Rate Table ⁽¹⁾	Derived using CalPERS’ Membership Data for all funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter.

(1) The mortality table used was developed based on CalPERS’ specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates include generational mortality improvement using 80% of Scale MP-2020 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 November 2021 that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS’ website at www.calpers.ca.gov.

Notes to the Financial Statements

June 30, 2025

NOTE 12 – PENSION PLAN (continued)

B. Net Pension Liability (continued)

Long-term Expected Rate of Return

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 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.

The expected real rates of return by asset class are as follows:

Asset class ¹	AS OF JUNE 30, 2024 VALUATION DATE	
	Assumed asset allocation	Real return ^{1,2}
Globe Equity - Cap-weighted	30.00%	4.54%
Globe Equity - Non-Cap-weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
	<u>100.00%</u>	

(1) An expected inflation of 2.3% used for this period.

(2) Figures are based on the 2021 Asset Liability Management study.

Notes to the Financial Statements

June 30, 2025

NOTE 12 – PENSION PLAN (continued)

B. Net Pension Liability (continued)

Summary of Changes of Assumptions

Discount Rate

The discount rate used to measure the total pension liability for PERF C was 6.90%. 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.

Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.

Pension Plan Fiduciary Net Position

Information about the pension plan’s assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS’ audited financial statements, which are publicly available reports that can be obtained at CalPERS’ website at www.calpers.ca.gov. The plan’s fiduciary net position and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Investments are reported at fair value.

C. Proportionate Share of Net Pension Liability

The following table shows the Plan’s proportionate share of the net pension liability over the measurement period.

	Increase (Decrease)		
	Plan Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Plan Net Pension Liability (c) = (a) - (b)
Balance at: 6/30/2023 (Valuation Date)	58,122,111	42,362,099	\$ 15,760,012
Balance at: 6/30/2024 (Measurement Date)	60,594,403	44,959,170	15,635,233
Net Changes During 2023-24	2,472,292	2,597,071	(124,779)

Notes to the Financial Statements

June 30, 2025

NOTE 12 – PENSION PLAN (continued)

C. Proportionate Share of Net Pension Liability (continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The District’s proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS’ website, at www.calpers.ca.gov. The District’s proportionate share of the net pension liability for the miscellaneous plan as of the June 30, 2024 and 2023 measurement dates was as follows:

Proportion - June 30, 2024	0.315174%
Proportion - June 30, 2025	0.323269%
Change - Increase (Decrease)	0.008095%

The following presents the District’s proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate:

	1.00% DECREASE <u>(5.90%)</u>	CURRENT DISCOUNT RATE (6.90%)	1.00% INCREASE <u>(7.90%)</u>
Plan's Net Pension Liability/(Asset)	\$ 23,811,866	\$ 15,635,233	\$ 8,904,661

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 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 outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

NOTE 12 – PENSION PLAN (continued)

C. Proportionate Share of Net Pension Liability (continued)

Amortization of Deferred Outflows and Deferred Inflows of Resources (continued)

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings	5 year straight-line amortization
All other amounts	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 of the 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) in the Public Agency Cost-Sharing Multiple-Employer Plan (PERF C).

D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

As of the start of the measurement period (July 1, 2023), the District's net pension liability is \$15,760,012. For the measurement period ending June 30, 2024 (the measurement date), the District incurred pension expense of \$3,017,573.

As of June 30, 2025, the District has deferred outflows and deferred inflows of resources related to pensions as follows:

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Changes of Assumptions	\$ 401,858	\$ -
Differences between Expected and Actual Experience	1,351,809	52,747
Differences between Projected and Actual Investment Earnings	900,101	-
Differences between Employer's Contributions and Proportionate Share of Contributions	45,958	131,662
Change in Employer's Proportion	41,461	103,790
Pension Contributions Made Subsequent to Measurement Date	<u>1,586,599</u>	<u>-</u>
TOTALS	<u><u>\$ 4,327,786</u></u>	<u><u>\$ 288,199</u></u>

Notes to the Financial Statements

June 30, 2025

NOTE 12 – PENSION PLAN (continued)

D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (continued)

These amounts above are net of outflows and inflows recognized in the 2023-2024 measurement period. Contributions subsequent to the measurement date of \$1,586,599 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year ended. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

YEARS ENDING JUNE 30	AMOUNT
2026	\$ 764,738
2027	1,984,156
2028	12,548
2029	(308,454)
2030	-
Thereafter	-
TOTAL	\$ 2,452,988

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The District provides retiree medical benefits for eligible retirees enrolled in District sponsored plans. The benefits are provided in the form of monthly District contributions toward the retiree’s premium. The District participates in CalPERS’ California Employers’ Retiree Benefit Trust (CERBT) trust fund. The healthcare coverage provided meets the definition of an other post-employment benefit plan (OPEB Plan).

Employees Covered

As of the July 30, 2022 actuarial valuation date, the following current and former employees were covered by the benefit terms under the OPEB Plan.

Inactive plan members or beneficiaries currently receiving benefit payments	Number of Covered Employees 21
Active plan members	100
Total	<u>121</u>

Notes to the Financial Statements

June 30, 2025

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Contributions

The District makes contributions to eligible retirees for their medical plan premiums when the retiree enrolls in a District sponsored health plan. The current monthly amount paid by the District ranges from \$157 – \$256, depending on the retiree’s bargaining unit at retirement. These amounts do not increase in future years to account for inflation. The District provided amounts are detailed in the Summary of Principal Plan Provisions.

Net OPEB Liability/Asset

The District’s net OPEB liability was measured as of June 30, 2024 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated July 1, 2024, based on the following actuarial methods and assumptions:

Actuarial Assumptions

Discount rate	7.80%
Inflation	2.30%
Salary Increases	2.80%
Investment Rate of Return	7.80%, net of OPEB plan investment expense, including inflation
Mortality Rate	Pub-2010 Public Retirement Plans Mortality Tables using Scale MP-2021
Healthcare cost trend rates	
Pre-Medicare	7.31%
Medicare	7.98%

The discount rate is based on a single equivalent rate that reflects a blend of: Expected return on assets during the period such that assets are projected to be sufficient to pay benefits of current participants; and 20-year, municipal bond yields / index for periods beyond the depletion of the assets.

Based on the current funding policy, projected cash flows, and the assumed asset return, the plan assets are not projected to be depleted, and the discount rate can be based on the expected asset return.

Notes to the Financial Statements

June 30, 2025

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Net OPEB Liability/Asset (continued)

The long-term expected rate of return on OPEB plan investments was determined using a building–block method in which 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	Target Allocation	Real Return Years 1 - 10 ¹	Real Return Years 11+ ²
Global Equities	59%	4.80%	5.98%
Fixed Income	25%	1.10%	2.62%
Treasury Inflation-Protected Securities	5%	0.25%	1.46%
Real Estate Investment Trusts	8%	3.20%	5.00%
Commodities	3%	1.50%	2.87%
Total	100%		

¹ An expected inflation of 2.0% used for this period

² An expected inflation of 2.92% used for this period

Discount Rate

The discount rate used to measure the total OPEB liability was 7.80% percent. The projection of cash flows used to determine the discount rate assumed that District 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 and beneficiaries. 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.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
Notes to the Financial Statements
 June 30, 2025

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Changes in the OPEB Liability

The changes in the net OPEB liability for the OPEB Plan are as follows:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Measurement as of June 30, 2023	\$ 1,518,335	\$ 832,632	685,703
Changes for the year:			
Service cost	66,749	-	66,749
Interest on the Total OPEB Liability	120,878	-	120,878
Changes of Benefit Terms			
Differences Between Expected and Actual Experience	161,727	-	161,727
Changes of Assumptions	22,923	-	22,923
Benefit Payments	(72,059)	(72,059)	-
Contributions From the Employer	-	372,059	(372,059)
Net investment income	-	97,115	(97,115)
Administrative expense	-	(445)	445
Net changes	<u>300,218</u>	<u>396,670</u>	<u>(96,452)</u>
Measurement as of June 30, 2024	<u>\$ 1,818,553</u>	<u>\$ 1,229,302</u>	<u>\$ 589,251</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2024:

	Discount Rate		
	1% Decrease (6.80%)	Current Rate (7.80%)	1% Increase (8.80%)
Net OPEB liability	<u>\$ 837,793</u>	<u>\$ 589,251</u>	<u>\$ 386,343</u>

Notes to the Financial Statements

June 30, 2025

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS (continued)

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the District if it were calculated using healthcare cost trend rates that is one percentage point lower or one percentage point higher than the current rate (i.e. pre-Medicare 7.31% and Medicare 7.98%), for measurement period ended June 30, 2024:

	Trend Rate		
	1% Decrease	Current Rate	1% Increase
Net OPEB liability	\$ 361,267	\$ 589,251	\$ 874,006

OPEB Plan Fiduciary Net Position

The California Employers’ Retirement Benefit Trust (CERBT) is a section 115 trust that issued a publicly available financial report that may be obtained from CalPERS’ website, at www.calpers.ca.gov.

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2025, the District recognized OPEB expense of \$230,859. As of June 30, 2025, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 162,193	\$ 205,901
Net difference between expected and actual earnings on OPEB plan investments	2,931	-
Assumption changes	752,768	105,801
TOTAL	\$ 917,892	\$ 311,702

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Notes to the Financial Statements

June 30, 2025

NOTE 13 – OTHER POST-EMPLOYMENT BENEFITS (continued)

The amount recognized in the deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as expense as follows:

YEARS ENDING JUNE 30	AMOUNT
2026	(109,635)
2027	(122,533)
2028	(103,574)
2029	(100,499)
2030	(100,389)
Thereafter	(69,560)
TOTAL	\$ (606,190)

NOTE 14 – REVISION OF FINANCIAL STATEMENTS

During the current year, the District implemented GASB Statement No. 101, Compensated Absences. In addition to the value of unused vacation time owed to employees upon separation of employment, the District recognized an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absence. The effect of the change in accounting principals is summarized in the table below.

	GOVERNMENTAL ACTIVITIES
Net Position, July 1, 2024, As Originally Stated	\$ 89,613,399
Adjustment for accounting change to implement GASB 101 for compensated absences	(33,191)
Net Position, July 1, 2024, As Restated	<u>\$ 89,580,208</u>

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Required Supplementary Information

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RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
Budgetary Comparison Schedule – General Fund – Budgetary Basis
For the Fiscal Year Ended June 30, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Property taxes	\$ 8,350,476	\$ 8,350,476	\$ 10,686,982	\$ 2,336,506
Use of money and property	133,000	133,000	775,552	642,552
Intergovernmental	640,732	640,732	930,695	289,963
Charges for services	6,321,282	6,321,282	7,387,374	1,066,092
Operating grants and contributions	1,385,000	1,385,000	68,238	(1,316,762)
Total Revenues	<u>16,830,490</u>	<u>16,830,490</u>	<u>19,848,841</u>	<u>3,018,351</u>
EXPENDITURES				
Salaries and benefits	11,896,902	11,896,902	10,317,929	1,578,973
Services and supplies	6,760,462	7,256,032	6,178,692	1,077,340
Interfund expenditures	986,151	1,011,011	855,097	155,914
Total Expenditures	<u>19,643,515</u>	<u>20,163,945</u>	<u>17,351,718</u>	<u>2,812,227</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,813,025)</u>	<u>(3,333,455)</u>	<u>2,497,123</u>	<u>5,830,578</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from disposal of assets	-	-	10,345	10,345
Transfer out	(800,000)	(1,800,000)	(800,000)	1,000,000
Total Other Financing Sources (Uses)	<u>(800,000)</u>	<u>(1,800,000)</u>	<u>(789,655)</u>	<u>1,010,345</u>
NET CHANGE IN FUND BALANCE	<u>\$ (3,613,025)</u>	<u>\$ (5,133,455)</u>	<u>1,707,468</u>	<u>\$ 6,840,923</u>
FUND BALANCE - BEGINNING			<u>14,382,044</u>	
FUND BALANCE - ENDING			<u>\$ 16,089,512</u>	

See notes to the required supplementary information.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
Budgetary Comparison Schedule – Santa Ana River Mitigation Fund
For the Fiscal Year Ended June 30, 2025

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Use of money and property	\$ 110,000	\$ 110,000	\$ 198,857	\$ 88,857
Total Revenues	<u>110,000</u>	<u>110,000</u>	<u>198,857</u>	<u>88,857</u>
EXPENDITURES				
Services and supplies	<u>138,000</u>	<u>2,338,000</u>	<u>9,244</u>	<u>2,328,756</u>
Total Expenditures	<u>138,000</u>	<u>2,338,000</u>	<u>9,244</u>	<u>2,328,756</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(28,000)</u>	<u>(2,228,000)</u>	<u>189,613</u>	<u>2,417,613</u>
OTHER FINANCING SOURCES (USES)				
Transfer out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ (128,000)</u>	<u>\$ (2,328,000)</u>	89,613	<u>\$ 2,417,613</u>
FUND BALANCES - BEGINNING			<u>3,630,225</u>	
FUND BALANCES - ENDING			<u>\$ 3,719,838</u>	

See notes to the required supplementary information.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

Budgetary Comparison Schedule – Lake Skinner Fund

For the Fiscal Year Ended June 30, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Use of money and property	\$ (50,000)	\$ (50,000)	\$ 107,916	\$ 157,916
Charges for services	2,797,000	2,797,000	2,184,935	(612,065)
Total Revenues	<u>2,747,000</u>	<u>2,747,000</u>	<u>2,292,851</u>	<u>(454,149)</u>
EXPENDITURES				
Salaries and benefits	1,136,290	1,136,290	1,171,676	(35,386)
Services and supplies	1,633,856	1,743,220	1,450,147	293,073
Interfund expenditures	286,665	286,665	254,235	32,430
Total Expenditures	<u>3,056,811</u>	<u>3,166,175</u>	<u>2,876,058</u>	<u>290,117</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(309,811)</u>	<u>(419,175)</u>	<u>(583,207)</u>	<u>(164,032)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from disposal of assets	-	-	2,820	2,820
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>2,820</u>	<u>2,820</u>
NET CHANGE IN FUND BALANCE	<u>\$ (309,811)</u>	<u>\$ (419,175)</u>	<u>(580,387)</u>	<u>\$ (161,212)</u>
FUND BALANCE - BEGINNING			<u>1,814,008</u>	
FUND BALANCE - ENDING			<u>\$ 1,233,621</u>	

See notes to the required supplementary information.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
Budgetary Comparison Schedule - ARP Act Coronavirus Relief Fund
For the Fiscal Year Ended June 30, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Operating grants and contributions	\$ 25,071,000	\$ 36,137,044	\$ 24,393,248	\$ (11,743,796)
Total Revenues	<u>25,071,000</u>	<u>36,137,044</u>	<u>24,393,248</u>	<u>(11,743,796)</u>
EXPENDITURES				
Services and supplies	\$ 25,071,000	\$ 36,137,044	\$ 24,393,246	\$ 11,743,798
Total Expenditures	<u>25,071,000</u>	<u>36,137,044</u>	<u>24,393,246</u>	<u>11,743,798</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	\$ 2	<u>\$ 2</u>
FUND BALANCE - BEGINNING			<u>1</u>	
FUND BALANCE - ENDING			<u>\$ 3</u>	

See notes to the required supplementary information.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
Schedule of Proportionate Share of the Plan's Net Pension Liability and
Related Ratios as of the Measurement Date – Last 10 Years
For the Fiscal Year Ended June 30, 2025

	Measurement Date									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer's proportion of the collective net pension liability	0.323270%	0.315170%	0.313610%	0.130190%	0.113700%	0.112562%	0.109026%	0.108289%	0.105763%	0.102402%
Employer's proportionate share of the net pension liability	\$ 15,635,233	\$ 15,760,012	\$ 14,674,551	\$ 7,041,269	\$ 12,371,095	\$ 11,534,322	\$ 10,506,038	\$ 10,739,277	\$ 9,151,775	\$ 7,028,782
Employer's covered payroll	\$ 6,306,250	\$ 5,735,534	\$ 4,861,434	\$ 4,927,005	\$ 5,463,566	\$ 5,438,751	\$ 5,415,135	\$ 6,200,874	\$ 6,790,996	\$ 5,799,186
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	247.93%	274.78%	301.86%	142.91%	226.43%	212.08%	194.01%	173.19%	134.76%	121.20%
Pension plan's fiduciary net position as a percentage of the total pension liability	74.20%	72.88%	73.48%	86.43%	75.32%	76.09%	77.05%	75.30%	75.90%	80.20%

See notes to the required supplementary information.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
Schedule of Pension Plan Contributions – Last 10 Years
For the Fiscal Year Ended June 30, 2025

Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 1,586,599	\$ 1,778,466	\$ 1,716,477	\$ 1,524,540	\$ 1,413,895	\$ 1,515,379	\$ 1,229,176	\$ 1,094,073	\$ 1,094,243	\$ 1,061,769
Contributions in relation to the actuarially determined contribution	<u>(1,586,599)</u>	<u>(1,778,466)</u>	<u>(1,716,477)</u>	<u>(1,524,540)</u>	<u>(1,413,895)</u>	<u>(1,515,379)</u>	<u>(1,229,176)</u>	<u>(1,094,073)</u>	<u>(1,094,243)</u>	<u>(1,061,769)</u>
CONTRIBUTION DEFICIENCY (EXCESS)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 7,046,451	\$ 6,306,250	\$ 5,735,534	\$ 4,861,434	\$ 4,927,005	\$ 5,463,566	\$ 5,438,751	\$ 5,415,135	\$ 6,200,874	\$ 6,790,996
Contributions as a percentage of covered payroll	22.52%	28.20%	29.93%	31.36%	28.70%	27.74%	22.60%	20.20%	17.65%	15.63%
	-	-	-	-	-	-	-	-	-	-

See notes to the required supplementary information.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
Schedule of Changes in the Net OPEB Liability and Related Ratios – Last Ten Years*
For the Fiscal Year Ended June 30, 2025

<u>Measurement Period</u>	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability								
Service cost	\$ 66,749	\$ 66,303	\$ 79,222	\$ 72,140	\$ 6,716	\$ 1,391	\$ 1,350	\$ 2,780
Interest	120,878	112,180	121,359	111,442	16,389	10,041	9,904	8,369
Differences between expected and actual experience	161,727	-	(274,316)	-	26,894	(42,603)	-	23,284
Changes of assumption	22,923	(19,113)	(130,860)	65,927	1,226,458	117,850	-	(2,589)
Benefit payments	<u>(72,059)</u>	<u>(62,074)</u>	<u>(56,728)</u>	<u>(42,474)</u>	<u>(20,303)</u>	<u>(7,944)</u>	<u>(10,816)</u>	<u>(7,900)</u>
Net change in total OPEB liability	300,218	97,296	(261,323)	207,035	1,256,154	78,735	438	23,944
Total OPEB liability - beginning (a)	<u>1,518,336</u>	<u>1,421,040</u>	<u>1,682,363</u>	<u>1,475,328</u>	<u>219,174</u>	<u>140,439</u>	<u>140,001</u>	<u>116,057</u>
Total OPEB liability - ending (b)	1,818,554	1,518,336	1,421,040	1,682,363	1,475,328	219,174	140,439	140,001
Plan Fiduciary Net Position								
Contributions - employer	372,059	263,218	252,489	42,474	1,702	-	50	-
Net investment income	97,115	41,413	(60,205)	99,196	12,809	21,299	26,702	32,602
Benefit payments	(72,059)	(62,074)	(56,728)	(42,474)	(20,303)	(7,944)	(10,816)	(7,900)
Administrative expense	<u>(445)</u>	<u>(310)</u>	<u>(222)</u>	<u>(203)</u>	<u>(180)</u>	<u>(172)</u>	<u>(173)</u>	<u>(158)</u>
Net change in plan fiduciary net position	396,670	242,247	135,334	98,993	(5,972)	13,183	15,763	24,544
Plan fiduciary net position - beginning (c)	<u>832,633</u>	<u>590,386</u>	<u>455,052</u>	<u>356,059</u>	<u>362,031</u>	<u>348,848</u>	<u>333,085</u>	<u>308,541</u>
Plan fiduciary net position - ending (d)	<u>1,229,303</u>	<u>832,633</u>	<u>590,386</u>	<u>455,052</u>	<u>356,059</u>	<u>362,031</u>	<u>348,848</u>	<u>333,085</u>
Net OPEB liability - beginning (a) - (c)	<u>685,703</u>	<u>830,654</u>	<u>1,227,311</u>	<u>1,119,269</u>	<u>(142,857)</u>	<u>(208,409)</u>	<u>(193,084)</u>	<u>(192,484)</u>
Net OPEB liability - ending (b) - (d)	<u>\$ 589,251</u>	<u>\$ 685,703</u>	<u>\$ 830,654</u>	<u>\$ 1,227,311</u>	<u>\$ 1,119,269</u>	<u>\$ (142,857)</u>	<u>\$ (208,409)</u>	<u>\$ (193,084)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	68%	55%	42%	27%	24%	165%	248%	238%
Covered-employee payroll	\$ 6,105,423	\$ 4,818,121	\$ 4,818,121	\$ 4,998,534	\$ 4,864,753	\$ 5,563,315	\$ 5,853,050	\$ 5,682,573
Net OPEB liability (asset) as a percentage of covered-employee payroll	9.65%	14.23%	17.24%	24.55%	23.01%	-2.57%	-3.56%	-3.40%

(1)
Historical information is required only for measurement periods for which GASB 75 is applicable. Additional years will be added as they become available in the future.

See notes to the required supplementary information.

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
Schedule of OPEB Plan Contributions – Last Ten Years*
For the Fiscal Year Ended June 30, 2025

Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contribution	\$ 24,111	\$ 23,455	\$ 201,144	\$ 195,761	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	24,111	300,000	201,144	(195,761)	(42,474)	(1,702)		
CONTRIBUTION DEFICIENCY (EXCESS)	<u>\$ -</u>	<u>\$ (276,545)</u>	<u>\$</u>	<u>\$</u>	<u>\$ (42,474)</u>	<u>\$ (1,702)</u>	<u>\$</u>	<u>\$</u>
Covered payroll	\$ 6,105,423	\$ 4,818,421	\$ 4,818,421	\$ 4,998,534	\$ 4,864,753	\$ 5,563,315	\$ 5,853,050	\$ 5,682,573
Contributions as a percentage of covered payroll	0.39%	6.23%	4.17%	3.92%	0.87%	0.03%	0.00%	0.00%

(1) Historical information is required only for measurement periods for which GASB 78 is applicable. Additional years will be added as they become available in the future.

Notes to the Required Supplementary Information

For the Fiscal Year Ended June 30, 2025

NOTE 1 – PURPOSE OF SCHEDULES

Budgetary Comparison Schedules

These schedules are required by generally accepted accounting principles as required supplementary information (RSI) for the General Fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedule presents both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the District's budgetary basis. A separate column to report the variance between the final budget and actual amounts is also presented, although not required.

Schedule of Proportionate Share of the Plan's Net Pension Liability and Related Ratios as of the Measurement Date

This schedule is required by generally accepted accounting principles and is required for all employers in a cost-sharing pension plan. The schedule reports the following information:

- The proportion (percentage) of the collective net pension liability (similar to the note disclosure)
- The proportionate share (amount) of the collective net pension liability
- The employer's covered payroll
- The proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered payroll
- The pension plan's fiduciary net position as a percentage of the total pension liability

Schedule of Pension Contributions

This schedule is required by generally accepted accounting principles and is required for all employers in a cost-sharing pension plan. The schedule reports the following information:

- If an employer's contributions to the plan are actuarially determined or based on statutory or contractual requirements: the employer's actuarially determined contribution to the pension plan (or, if applicable, its statutorily or contractually required contribution), the employer's actual contributions, the difference between the actual and actuarially determined contributions (or statutorily or contractually required), and a ratio of the actual contributions divided by covered payroll.

Schedule of Changes in the Net OPEB Liability and Related Ratios

This schedule is required by generally accepted accounting principles and are required for all single and agent employers. The schedule reports the following information:

- OPEB plan's fiduciary net position as a percentage of the total OPEB liability
- Covered-employee payroll
- Net OPEB liability as a percentage of covered-employee payroll

Notes to the Required Supplementary Information

For the Fiscal Year Ended June 30, 2025

NOTE 1 – PURPOSE OF SCHEDULES (continued)

Schedule of OPEB Plan Contributions

This schedule is required by generally accepted accounting principles and are required for all single and agent employers. This schedule reports the following information:

- Actuarially or contractually determined amount
- Actual contribution made
- Covered-employee payroll
- Contributions as a percentage of covered-employee payroll

NOTE 2 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

At June 30, 2025, the District had no expenditures in excess of appropriations.

Supplementary Information

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RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
Combining Balance Sheet – Non-Major Governmental Funds
 June 30, 2025

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS		TOTAL NON-MAJOR FUNDS
	OFF HWY VEHICLE MGMT	FISH AND WILDLIFE COMMISSION	MULTI SPECIES RESERVE	MSHCP RESERVE MANAGEMENT	CAPITAL DEVELOPMENT PARKS - GRANTS	DEVELOPER IMPACT FEES	
ASSETS							
Cash	\$ 355,233	\$ 19,674	\$ 361,349	\$ 445,628	\$ 1,121,112	\$ 3,270	\$ 2,306,266
Interest receivable	2,778	166	3,068	187	9,741	1,712	17,652
Due from other governments	-	315	68,011	-	2,271,807	-	2,340,133
Prepays	-	-	-	-	26,222	505,474	531,696
Total Assets	<u>\$ 358,011</u>	<u>\$ 20,155</u>	<u>\$ 432,428</u>	<u>\$ 445,815</u>	<u>\$ 3,428,882</u>	<u>\$ 510,456</u>	<u>\$ 5,195,747</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ 76,250	\$ 13,882	\$ -	\$ -	\$ 90,132
Accrued liabilities	-	-	17,209	50,044	-	-	67,253
Total Liabilities	<u>-</u>	<u>-</u>	<u>93,459</u>	<u>63,926</u>	<u>-</u>	<u>-</u>	<u>157,385</u>
FUND BALANCES							
Nonspendable	-	-	-	-	26,222	505,474	531,696
Restricted	358,011	20,155	338,969	381,889	3,402,660	4,982	4,506,666
Total Fund Balances	<u>358,011</u>	<u>20,155</u>	<u>338,969</u>	<u>381,889</u>	<u>3,428,882</u>	<u>510,456</u>	<u>5,038,362</u>
Total Liabilities and Fund Balances	<u>\$ 358,011</u>	<u>\$ 20,155</u>	<u>\$ 432,428</u>	<u>\$ 445,815</u>	<u>\$ 3,428,882</u>	<u>\$ 510,456</u>	<u>\$ 5,195,747</u>

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-Major Governmental Funds
 June 30, 2025

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS		TOTAL NON-MAJOR FUNDS
	OFF HWY VEHICLE MGMT	FISH AND WILDLIFE COMMISSION	MULTI SPECIES RESERVE	MSHCP RESERVE MANAGEMENT	CAPITAL DEVELOPMENT PARKS - GRANTS	DEVELOPER IMPACT FEES	
REVENUES							
Use of money and property	\$ 18,599	\$ 1,070	\$ 19,240	\$ 5,168	\$ 24,683	\$ 198	\$ 68,958
Intergovernmental	84,359	1,815	389,535	1,728,810	-	-	2,204,519
Charges for Services	-	-	7,680	-	-	-	7,680
Total Revenues	<u>102,958</u>	<u>2,885</u>	<u>416,455</u>	<u>1,733,978</u>	<u>24,683</u>	<u>198</u>	<u>2,281,157</u>
EXPENDITURES							
Natural resources	-	-	504,233	1,554,869	-	-	2,059,102
General government	-	2,000	-	-	-	-	2,000
Total Expenditures	<u>-</u>	<u>2,000</u>	<u>504,233</u>	<u>1,554,869</u>	<u>-</u>	<u>-</u>	<u>2,061,102</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>102,958</u>	<u>885</u>	<u>(87,778)</u>	<u>179,109</u>	<u>24,683</u>	<u>198</u>	<u>220,055</u>
OTHER FINANCING SOURCES (USES)							
Proceeds from disposal of assets	-	-	-	6,553	-	-	6,553
Transfer out	(100,000)	-	-	-	-	(2,541)	(102,541)
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>6,553</u>	<u>-</u>	<u>(2,541)</u>	<u>(95,988)</u>
NET CHANGE IN FUND BALANCES	<u>2,958</u>	<u>885</u>	<u>(87,778)</u>	<u>185,662</u>	<u>24,683</u>	<u>(2,343)</u>	<u>124,067</u>
FUND BALANCES - BEGINNING	<u>355,053</u>	<u>19,270</u>	<u>426,747</u>	<u>196,227</u>	<u>3,404,199</u>	<u>512,799</u>	<u>4,914,295</u>
FUND BALANCES - ENDING	<u>\$ 358,011</u>	<u>\$ 20,155</u>	<u>\$ 338,969</u>	<u>\$ - 381,889</u>	<u>\$ 3,428,882</u>	<u>\$ 510,456</u>	<u>\$ 5,038,362</u>

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
Combining Balance Sheet – General Fund
 June 30, 2025

	GENERAL FUND OPERATING	RECREATION	HABITAT & OPEN SPACE MANAGEMENT	PARK RESIDENCE UTILITIES & MAINTENANCE	HISTORICAL COMMISSION	REPORTED GENERAL FUND
ASSETS						
Cash	\$ 16,242,637	\$ -	\$ 329,851	\$ 421,618	\$ 28,903	\$ 17,023,009
Accounts receivable	62,955	-	-	-	-	62,955
Taxes receivable	160,064	-	-	-	-	160,064
Interest receivable	120,362	-	3,079	3,565	250	127,256
Due from other governments	146,008	-	-	-	-	146,008
Lease receivable	1,577,122	-	-	-	-	1,577,122
Total Assets	\$ 18,309,148	\$ -	\$ 332,930	\$ 425,183	\$ 29,153	\$ 19,096,414
LIABILITIES						
Accounts payable	311,460	-	14,774	11,024	-	337,258
Accrued liabilities	490,701	-	47,538	-	-	538,239
Due to other governments	26	-	-	-	-	26
Customer deposits	42,988	-	-	9,100	-	52,088
Unearned revenue	599,371	-	-	-	-	599,371
Deferred inflow - lease	1,479,920	-	-	-	-	1,479,920
Total Liabilities	2,924,466	-	62,312	20,124	-	3,006,902
FUND BALANCES						
Nonspendable	97,202	-	-	-	-	97,202
Unassigned	15,287,480	-	270,618	405,059	29,153	15,992,310
Total Fund Balances	15,384,682	-	270,618	405,059	29,153	16,089,512
Total Liabilities and Fund Balances	\$ 18,309,148	\$ -	\$ 332,930	\$ 425,183	\$ 29,153	\$ 19,096,414


RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT
Combining Statement of Revenues and Expenditures – General Fund
For the Fiscal Year Ended June 30, 2025


	GENERAL FUND OPERATING	RECREATION	HABITAT & OPEN SPACE MANAGEMENT	PARK RESIDENCE UTILITIES & MAINTENANCE	HISTORICAL COMMISSION	REPORTED GENERAL FUND
REVENUES						
Property taxes	\$ 10,686,982	\$ -	\$ -	\$ -	\$ -	\$ 10,686,982
Use of money and property	724,517	-	27,717	21,771	1,547	775,552
Intergovernmental	595,695	-	335,000	-	-	930,695
Charges for services	7,230,774	-	87,934	68,666	-	7,387,374
Operating grants and contributions	67,988	-	250	-	-	68,238
Total Revenues	<u>19,305,956</u>	<u>-</u>	<u>450,901</u>	<u>90,437</u>	<u>1,547</u>	<u>19,848,841</u>
EXPENDITURES						
Interpretive	1,463,973	-	-	-	-	1,463,973
Natural resources	-	-	1,230,799	-	-	1,230,799
Regional parks	3,840,193	-	-	-	-	3,840,193
General government	10,755,376	-	-	61,377	-	10,816,753
Total Expenditures	<u>16,059,542</u>	<u>-</u>	<u>1,230,799</u>	<u>61,377</u>	<u>-</u>	<u>17,351,718</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-3,246,414</u>	<u>-</u>	<u>(779,898)</u>	<u>29,060</u>	<u>1,547</u>	<u>2,497,123</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from disposal of assets	-	-	10,345	-	-	10,345
Transfer in	131,687	-	1,000,000	-	-	1,131,687
Transfer out	(1,800,000)	(131,687)	-	-	-	(1,931,687)
Total Other Financing Sources (Uses)	<u>(1,668,313)</u>	<u>(131,687)</u>	<u>1,010,345</u>	<u>-</u>	<u>-</u>	<u>(789,655)</u>
NET CHANGE IN FUND BALANCES	<u>-1,578,101</u>	<u>(131,687)</u>	<u>230,447</u>	<u>29,060</u>	<u>1,547</u>	<u>1,707,468</u>
FUND BALANCES - BEGINNING	<u>13,806,581</u>	<u>131,687</u>	<u>40,171</u>	<u>375,999</u>	<u>27,606</u>	<u>14,382,044</u>
FUND BALANCES - ENDING	<u>\$ 15,384,682</u>	<u>\$ -</u>	<u>\$ 270,618</u>	<u>\$ 405,059</u>	<u>\$ 29,153</u>	<u>\$ 16,089,512</u>

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 3880 Lemon St., Ste. 300
Riverside, CA 92501

 P.O. Box 1529
Riverside, CA 92502-1529

 951-241-7800

 www.eadiepaynellp.com

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors and Management
Riverside County Regional Park and Open Space District
Jurupa Valley, California

We have audited, 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, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Riverside County Regional Park and Open Space District (District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our reports thereon dated October 23, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eadie and Payne, LLP

Riverside, California
October 23, 2025



 3880 Lemon St., Ste. 300
Riverside, CA 92501

 P.O. Box 1529
Riverside, CA 92502-1529

 951-241-7800

 www.eadiepaynellp.com

October 23, 2025

Board of Directors
Riverside County Regional Park and Open Space District
4600 Crestmore Road
Jurupa Valley, CA 92340

We have audited the financial statements of Riverside County Regional Park and Open Space District as of and for the year ended June 30, 2025, and have issued our report thereon dated October 23, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated April 18, 2025, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Riverside County Regional Park and Open Space District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our report on internal control over financial reporting and on compliance and other matters noted during our audit in a separate letter to you dated October 23, 2025.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.

Our firm has identified the self-review of nonattest services as a threat to independence. To reduce the threat to an acceptable level, the firm requires review by an independent partner, and acceptance of the report by management.

Significant Risks Identified

Significant risks are risks relating to amounts or disclosures in the financial statements that require special audit consideration because of the likelihood and magnitude of the potential misstatements. We have identified the following significant risks:

- Improper revenue recognition is considered an inherent risk according to GAAS.
- Management override of controls is considered an inherent risk according to GAAS.
- Improper implementation of GASB 101

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Riverside County Regional Park and Open Space District is included in Note 1 to the financial statements. GASB Statement No. 101, Compensated Absences, and GASB Statement No. 102, Certain Risk Disclosures, were implemented during the fiscal year ending June 30, 2025. GASB 101 requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. GASB 102 establishes specific note disclosure requirements for certain risks and uncertainties that could significantly affect a government's financial position or results of operations. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

- Management's estimate of the net pension liability and related deferred outflows and inflows of resources based on CalPERS' actuarial valuation measured at June 30, 2024; and
- Management's estimate of other post-employment benefits (OPEB) payable and related deferred outflows and inflows of resources based on AON's actuarial valuation measured at June 30, 2024.

We evaluated the key factors and assumptions used to develop the estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Riverside County Regional Park and Open Space District's financial statements relate to:

- The disclosure of defined benefit pension plans and other post-employment benefits in Note 12 and Note 13, respectively.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

- Adjustment to reduce prepaid expenses by \$371,000, increase expenses by \$443,000 and reduce accounts payable by \$72,000.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Riverside County Regional Park and Open Space District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in a letter dated October 23, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with Riverside County Regional Park and Open Space District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Riverside County Regional Park and Open Space District's auditors.

This report is intended solely for the information and use of the Board of Directors, and management of Riverside County Regional Park and Open Space District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Eadie and Payne, LLP