



City Council Memorandum

City of Arts & Innovation

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TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JANUARY 22, 2019

FROM: FINANCE DEPARTMENT WARDS: ALL

SUBJECT: FISCAL YEAR 2018/19 FIRST QUARTER FINANCIAL REPORT AND MEASURE Z UPDATE, CASH AND INVESTMENT REPORTS AND DEBT REPORT

ISSUE:

That the City Council receive and provide input on the attached Fiscal Year 2018/19 First Quarter Financial Report and Measure Z Update, accompanied by the Cash and Investment reports as well as the Debt report.

RECOMMENDATIONS:

That the City Council:

1. Receive and provide input on the attached Fiscal Year 2018/19 First Quarter Financial Report and Measure Z Update, Cash and Investment reports, and Debt report for all funds;
2. Approve the supplemental carryover into Fiscal Year 2018/19 the balance of previously appropriated and unspent funds approximating \$6.0 million as detailed in Attachment 2;
3. Approve interfund and interdepartmental transfers of appropriations as detailed in Attachment 3;
4. Approve supplemental appropriations as detailed in Attachment 3, recording net resources of \$204,200 in the General Fund; and net use of resources of \$204,200 in the Capital Projects Fund; and
5. Approve the transfer of grant, capital projects, and other restricted fund appropriations previously accounted for in the General Fund from the General Fund to the new Grants and Restricted Programs Fund (Fund 215) and other funds as appropriate, according to generally accepted accounting principles (GAAP); approve the appropriation of offsetting "Charges To" and "Charges From" related to the transfers; and direct staff to report transfers and additional appropriations that result from the establishment of a new Grants and Restricted Programs Fund and other restructuring efforts in applicable quarterly financial reports.

BACKGROUND:

On June 12, 2018, the City Council adopted Resolution No. 23316 approving the Fiscal Year 2018-2020 Two-Year Budget, balanced over two years. Within the General Fund, the adopted budget included a projected \$1.2 million savings in Fiscal Year (FY) 2018/19 intended to offset a projected shortfall of \$1.2 million in FY 2019/20. FY 2018/19 adopted appropriations in the General Fund total \$268.8 million.

On December 11, 2018, the City Council approved the carryforward of \$2.0 million in unexpended FY 2017/18 appropriations to FY 2018/19 to fund the Citywide Geographical Information System (GIS) project, and a set-aside of \$4.5 million for the long-term management of CalPERS costs. On the same date, Council approved an increase in General Fund reserves to 19%, approximating \$51.1 million.

On December 11, 2018, the City Council also received an updated Measure Z spending plan which reflected actual FY 2017/18 revenues recorded and new Measure Z uncommitted fund balance projections.

DISCUSSION:

FINANCIAL REPORT

City departments and the Budget Office monitor and analyze all City funds for potential issues that require attention and mitigating action. The first quarter financial analysis resulted in no recommended changes to revenue projections. City departments analyzed financial status for all funds and appropriations under their purview and reported no areas of immediate concern; as of the First Quarter, all departments expect to remain within their approved appropriation limits.

Update: Potential Fiscal Impacts Resulting from Federal or State Legislative/Judicial Actions

Legislative or judicial items are monitored for financial impacts; recent developments or open items are described below.

- **Proposition 68:** On June 5, 2018, California voters passed Proposition 68, the Parks, Environment and Water Bond. Proposition 68 authorizes \$4 billion in State-issued general obligation bonds for state and local parks, environmental protection projects, water infrastructure projects, and flood protection projects. The Parks, Recreation and Community Services Department has identified three grants the department would qualify for, and is pursuing the funding opportunities.
- **Proposition 6,** a repeal of gas and vehicle taxes levied following the passage of the Road Repair and Accountability Act (SB 1), was included on California's November 2018 ballot. The repeal of the taxes would have resulted in a loss of revenue available for City transportation projects. The proposition was rejected by California voters, and the revenue source remains intact, with no impact to planned City projects.
- **CalPERS "California Rule":** The California Supreme Court heard oral arguments on December 5th for *Cal Fire Local 2881 v. CalPERS* on airtime, interpreted by some as a right under the California Rule. "Airtime" refers to an employee's purchase of service credits to boost their retirement benefit. The California Rule is a series of state court decisions that interprets public pensions as a vested right that cannot be unfavorably changed, meaning

that any proposed reduction in pension benefits must be offset by a comparable new benefit. This interpretation precludes participating CalPERS agencies from adjusting employee pension benefits to address rising CalPERS costs, without incurring offsetting costs that would accompany the comparable new benefits. A Supreme Court ruling is expected within ninety days of the hearing.

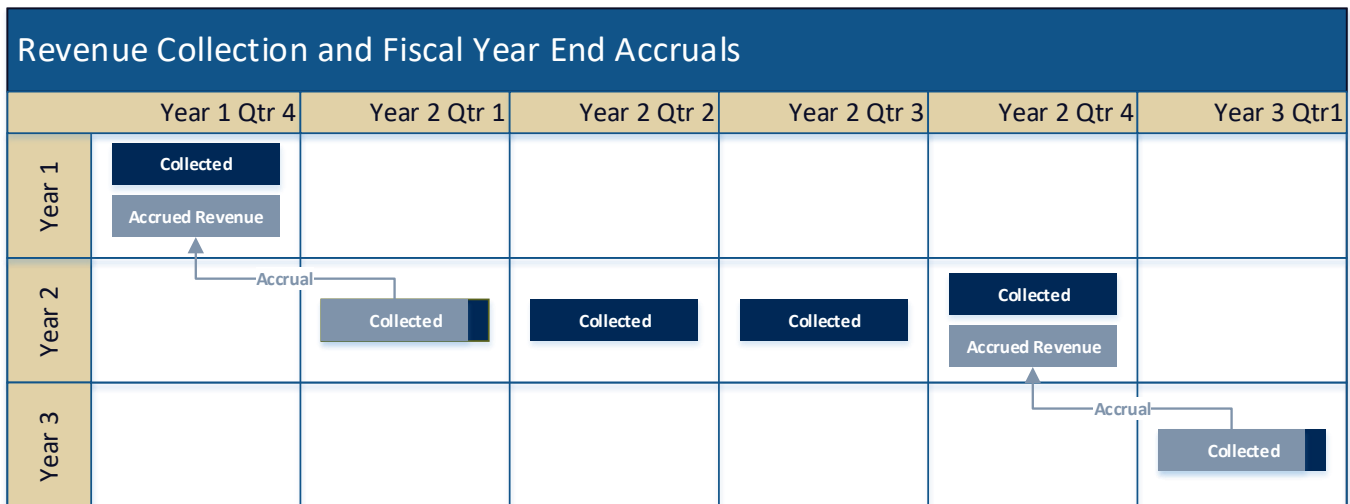
- Wayfair Ruling:** In June 2018, the United States Supreme Court ruled in *South Dakota v. Wayfair, Inc.* that a company’s physical presence in a state is not necessary to assess tax on the sale of goods. California has expressed the intent to require online and out-of-state retailers to pay sales tax, targeting early 2019 to begin collection. While other states have set tax obligation thresholds at \$100,000 in annual sales or 200 annual transactions, California has not yet provided similar guidelines. If tax collection begins in 2019, the City would likely see the impacts of new revenue collection in FY 2019/20.

General Fund

As of June 30, 2018, the General Fund carries a 19% reserve balance. The First Quarter analysis of General Fund revenue and expenditures has not resulted in any proposed adjustments to budget projections and appropriations.

Revenue Analysis

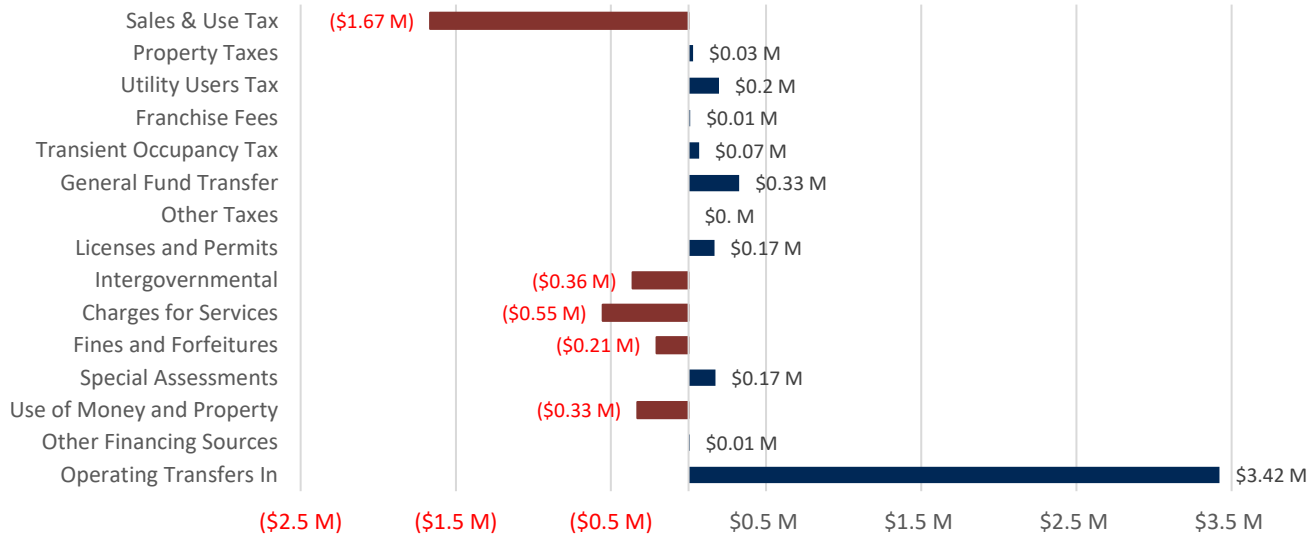
First Quarter tax and fee revenues are heavily influenced by the timing of revenue collection and reporting, and are further impacted by prior year revenue accruals. First Quarter collections often include revenues applicable to the previous fiscal year, which are then accrued back through fiscal year end processes. As demonstrated in the graphic below, in some revenue categories this leaves very little revenue in the first quarter, but revenues balance out when fourth quarter accruals are recorded. In this regard, budget to actual comparisons are of limited use, but comparisons to prior year actuals can reveal deviations in typical revenue collection trends.



At First Quarter end, General Fund operating revenues are 13.4% of total budgeted revenues, as compared to 12.5% for the same period in the prior year, and \$1.3 million higher than the amount reported for the same period in the previous fiscal year, excluding grant and project revenues.

General Fund - First Quarter

Current Year Revenues vs. Prior Year Revenues



Deviations from prior year trends greater than \$500,000 are described below.

- Sales Tax:** Sales Tax comprises 24% of total General Fund revenue projections. As of September 30, 2018, \$2.9 million of projected revenues were received, as compared to \$4.5 million in the prior year for the same period. Changes in tax reporting processes and timelines at the State level have presented significant challenges for taxpayers, and as a result, revenues are being remitted later than usual. The City’s sales tax consultant (HdL) expects to be able to provide more accurate projections in the second quarter; therefore, no revenue adjustments are proposed at this time. Overall, HdL does not expect a decline in annual sales tax revenue.
- Charges for Services:** This category reflects the impact of FY 2017/18 revenue accruals. As compared to the prior year, FY 2017/18 included settlement revenues resulting from litigation; similar activity has not occurred in the first quarter of FY 2018/19. As a whole, no concerns were identified in this revenue category in the first quarter.
- Operating Transfers In:** Transfers In are \$3.4 million higher than the same point last fiscal year, with the variation attributable to the timing in which the transfers were recorded. Generally, transfers between funds are recorded evenly throughout the year by transferring one-twelfth of the budgeted amount between funds each month. In FY 2017/18, Measure Z transfers to the General Fund as allocated in the adopted Spending Plan began the second quarter of the fiscal year.

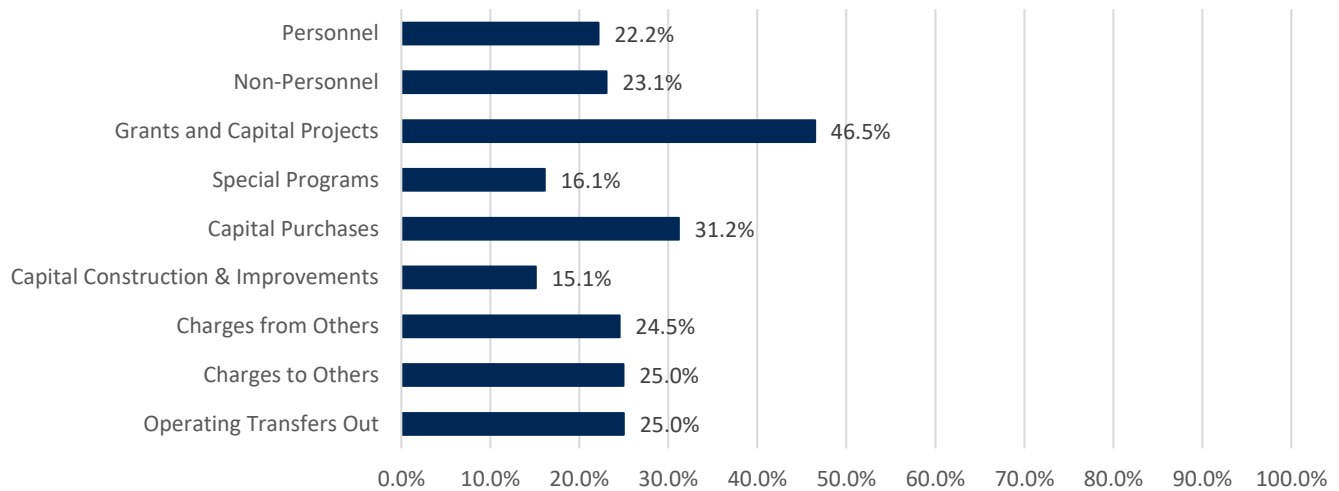
Expenditure Analysis

Each quarter, departments perform an internal analysis of budget to actuals and report areas of concern and mitigating actions to the Budget Office. The Budget Office also performs an independent analysis which focuses on anomalies or deviations from historical trends. Currently, no areas of concern have been reported or identified that require intervention.

At the end of the first quarter, spending in the General Fund is less than 25% of the total budget, excluding projects and grants. “Total Budget” includes the adopted budget, open FY 2017/18 purchase orders carried forward to FY 2018/19, and Council-approved supplemental

appropriations, if any. Carryover of unexpended FY 2017/18 funds were not recorded as of the date of First Quarter report compilation and are therefore not reflected in this analysis.

General Fund - First Quarter Expenditures Spent % of Total Budget



Spending in two categories, Grants & Capital Projects and Capital Purchases, exceed twenty-five percent of their total appropriations at first quarter end. The expenditures in these categories include development agreement payments and large purchases that are not paid evenly throughout the year. These accounts have been reviewed and no adjustments are recommended at this time, as the spending trend appears reasonable.

General Fund Restructuring

The Finance Department is currently assessing and revising current accounting practices to enhance the transparency of City finances and improve financial accountability. As part of this effort, all grants, restricted funds, and capital projects will be moved out of the General Fund into new or existing funds, including the new Grants and Restricted Programs Fund. Such transfers may require the supplemental appropriation of “Charges To” one City fund and offsetting “Charges From” another City fund; however, the Citywide net impact of these appropriations will be zero.

The accounting entries required for the restructuring will result in a reallocation of fund balance, as associated cash balances or other assets and liabilities are moved to appropriate funds. The restructuring will continue throughout the fiscal year; total impact to fund balance will be reported at the end of the fiscal year. While the calculation of the General Fund reserve percentage is not expected to change (target reserve percentage multiplied by adopted appropriations), the actual fund balance of the General Fund will likely change. At this time, the nature of the change (increase or decrease) cannot be projected.

Grants: The City receives several million dollars in operating grants each fiscal year. Currently, grants are recorded in the recipient fund, and the level of external funding for operations is not readily apparent. Required matching funds are also not readily apparent. All grant revenues and direct expenditures will be moved to a new Grants and Restricted Programs Fund (Fund 215). Matching requirements will continue to be appropriated in the fund that provides the grant match. In some cases, a “Charge To” and a reciprocal “Charge From” will be necessary to accommodate transfers between City Funds related to grant match funds or the reimbursement of indirect costs.

Restricted Funds: The City receives or collects revenues that are legally bound to be expended for a specific purpose. The revenue and associated expenditures will be moved to the Grants and Restricted Programs Fund. In some cases, a “Charge To” and a reciprocal “Charge From” will be necessary to accommodate transfers between City Funds related to the reimbursement of indirect costs.

Capital Projects: The nature of large appropriations and expenditures in the General Fund will be reviewed. Items identified as capital in nature and reportable as capital expenditures in accordance with GAAP will be moved to the appropriate capital project fund for improved tracking and financial reporting of the capital project activity.

Carryovers

On December 11, 2018, City Council approved the carryforward of FY 2017/18 unexpended appropriations for all City funds. City staff advised City Council that additional review of carryover recommendations was being performed, and that new carryforward requests would be included in the FY 2018/19 First Quarter Report. The carryover review has concluded, and additional carryovers are recommended as detailed in Attachment 2. A summary of new carryover recommendations is summarized below:

Fund		Discretionary	Non-Discretionary	Net Projects/Grants	Total
101	General Fund	\$0	\$0	\$25,000	\$25,000
510	Electric	\$66,280	\$0	\$2,939,105	\$3,005,385
520	Water	\$2,263,958 ¹	\$0	\$685,000	\$2,948,958
Total		\$2,330,238	\$0	\$3,649,105	\$5,979,343

¹ Carryover approved by City Council as a verbal addendum to the December 11, 2018, published recommendation, and affirmed in this report.

Interfund and Interdepartmental Transfers and Supplemental Appropriations

The following budget transfers and appropriations are recommended for approval. The line-item detail of the proposed adjustments is provided in Attachment 3.

Interfund and Interdepartmental Transfers

Riverside Municipal Code Sec. 1104 requires the affirmative vote of at least five City Council members to authorize the transfer of appropriations between City funds or departments, or to appropriate funds not included in the adopted budget. Certain interfund or interdepartmental transfers are required to effectuate the intent of previous actions of the City Council, the impacts of which may not be known at the time the action is taken. Other transfers are requested by departments for operational purposes. The items recommended for Council approval are summarized below; the fund and department-level details are provided in Attachment 3.

- **Adjustments to FY 2018/19 Cost Allocation Plan allocations** included in the Proposed FY 2018/19 Two-Year Budget necessary to reflect adjustments incorporated into the final FY 2018/19 Two-Year Budget adopted by the City Council on June 12, 2018. The entry affects multiple City funds and departments as listed in Attachment 3. The Citywide impact is net zero; impact to the General Fund is an increase in appropriations of \$111,308.
- **Transfer \$223,831 within the General Liability Self Insurance Fund from the Finance Department to the City Attorney’s Office:** The handling of general liability claims includes sensitive data and communications that are subject to disclosure in the event of litigation. The transfer of Claims Management employees from the Risk Management

Division of the Finance Department to the City Attorney's Office (CAO) allows internal discussions relating to claims management to fall under the umbrella of client-attorney privilege. In August 2018, Claims Management employees moved to the City Attorney's Office; this budget transfer will move the associated personnel budget from the Finance Department to the City Attorney's Office.

- **Transfer \$4,743 related to SmartRiverside administration:** Administration of the SmartRiverside program has shifted from the Innovation and Technology department (IT) to the Community & Economic Development Department (CEDD); this transfer shifts the appropriations associated with this program to CEDD.

Supplemental Appropriations

- **Return unexpended FY 2017/18 funds totaling \$204,200 to the General Fund from the Capital Projects Fund:** These unexpended funds were originally part of Museum's FY 2017/18 General Fund operating budget and were transferred in May 2018 from the General Fund to the Capital Projects Fund under the authority of the previous Chief Financial Officer; however, the funds were unexpended at the end of the fiscal year and were not recommended for carryover by the City Manager's Office. The unexpended funds are recommended to be returned to the General Fund to be allocated to the long-term management of CalPERS costs. An appropriation recording a Transfer from the Capital Project fund and Transfer to the General Fund is requested to enable the return of the unexpended funds to the General Fund.

Measure Z

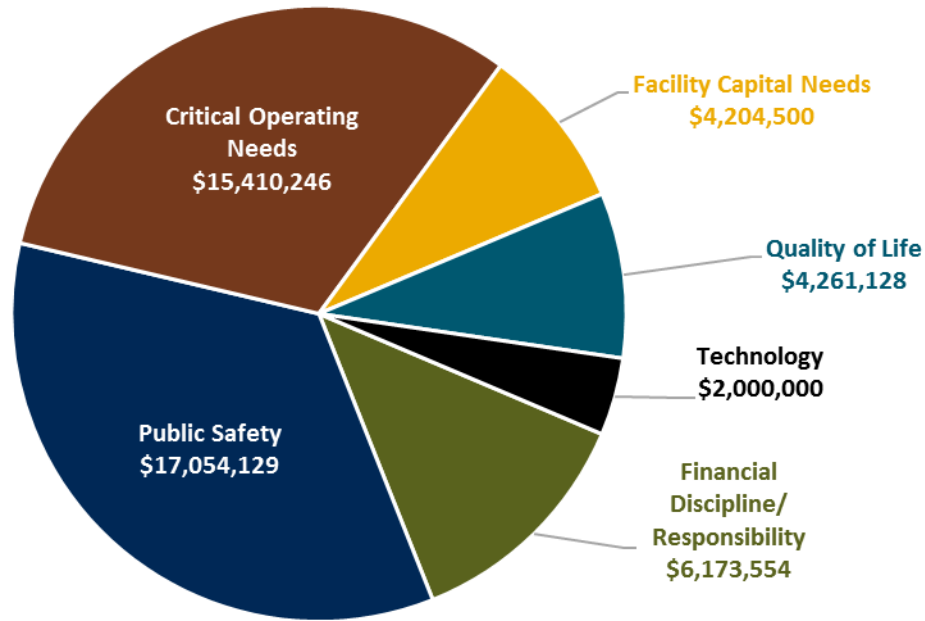
The FY 2018-2023 Measure Z Spending Plan was approved by the City Council on June 12, 2018, with the adoption of the FY 2018-2020 Two-Year Budget. The spending plan continued the tenets and spending items of the original spending plan adopted in May 2017 and added funding for Fire personnel and equipment; furnishing, fixtures and equipment for the Arlington Youth Innovation Center (AYIC); and funding for the City's recreational swimming pools.

The Spending Plan (Attachment 1) was updated in November 2018 to reflect actual FY 2017/18 tax revenues recorded, and was included in the FY 2017/18 Fourth Quarter Financial Report to Council on December 11, 2018. Although Measure Z sales tax revenue is also impacted by the reporting changes described earlier in this report, revenues are expected to perform as budgeted, at a 1% annual growth rate.

Measure Z ending fund balance is projected at \$19.7 million by the end of FY 2018/19, and is currently unallocated for specific purposes. City staff recommends preserving a prudent level of reserves in Measure Z to offset cost increases associated with positions funded by Measure Z which are projected to outpace revenue growth, and to provide a buffer for a potential economic downturn and underperforming revenues. In the near future, staff will return to City Council to discuss and seek guidance on a Measure Z reserve policy.

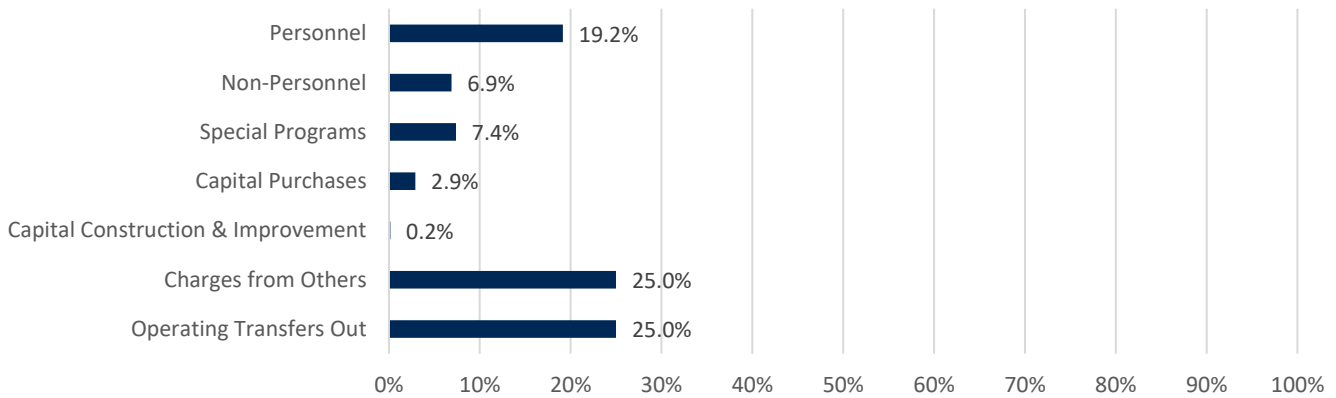
The FY 2018/19 Spending Plan includes the allocation of \$49 million of the FY 2018/19 projected \$56.6 million tax revenue, as shown in the chart on the next page. Not reflected in the chart is the \$11.5 million carryover of FY 2017/18 unexpended funds (including capital lease proceeds for Fire vehicles) approved by City Council on December 11, 2018.

Measure Z Spending Plan - FY 2018/19



Measure Z spending is inconsistent due to the nature of the items funded. Accomplishments reported in the Quarterly Performance Report published by the City Manager’s Office provide an informative picture of the use of Measure Z funds and progress of the spending items (Attachment 1). A chart of actual spending as compared to total budget is presented below.

Measure Z Funds - First Quarter Expenditures Spent % of Total Budget



Currently, the City’s financial system is not designed to correlate directly to the Measure Z spending plan in terms of segregating costs by spending item. The Finance department is reviewing the functionality of the City’s accounting system to determine whether the system can be structured to report on two separated bases: by Spending Item and as required by GAAP for purposes of the City’s Comprehensive Annual Financial Report (CAFR). If this can be accomplished, City staff can eliminate the numerous hours required to compile the data by spending item and can provide more timely and meaningful quarterly reports on Measure Z expenditures.

QUARTERLY INVESTMENT AND CASH REPORT

Sound investment practices are an essential component of the City's strong fiscal management. The Finance Department is responsible for managing the City's investment portfolio, focusing first on the safety of investments, and then on liquidity and an appropriate rate of return. The investment results and portfolio composition are summarized and reported to the City Council each quarter. As of September 30, 2018, the City's pooled investment portfolio's market value was \$568 million, with the market value of investments held by fiscal agents (bond proceeds and reserve funds primarily) amounting to an additional \$190 million. The weighted average yield of the pooled investment portfolio is 1.885%. Through prior City Council approval, the Chief Financial Officer/Treasurer has the authority to invest/reinvest funds and to sell or exchange purchased securities, consistent with the City's adopted investment policy. This approval is a requirement of State law and is presented to City Council at the start of each fiscal year.

The Cash and Investment Report, including a listing of cash balances by fund, is included in Attachment 4. These cash balances reflect each fund's share of the City's pooled investment portfolio. Also shown are interfund loan receivables, which are treated as available cash due to the Chief Financial Officer/Treasurer's authorization to move loan receivables to other funds as needed.

All listed funds have a positive cash balance with the exception of the following funds:

1. Civic Entertainment Fund (\$468,420), Urban Areas Security Initiative (\$415,691), Housing Opportunities for Persons with AIDS (\$489,656), and Special Districts (\$369,435) have negative cash balances which are fully offset by outstanding receivables.
2. Certificates of Participation Projects (\$289,852), Capital Outlay (\$3,103,486), and Transportation Uniform Mitigation Fees (\$1,564,790) have negative cash balances due to the timing of expenditures; however, the negative balances are fully offset by grant receivables.
3. Debt Service Fund – General (\$25,856,253) which is fully offset by outstanding cash transfers from all funds related to their share of the Pension Obligation Bond (POBs) payments made by the Debt Service Fund (\$17 million). In addition, the Debt Service Fund is pending receipt of lease proceeds currently held with fiscal agent for the reimbursement of fire vehicle purchases (\$10 million).
4. Central Stores (\$743,089) which is fully offset by inventory assets that will be recouped when charged out for usage to various departments.

QUARTERLY DEBT REPORT

The Finance Department is responsible for managing the City's debt portfolio, which includes issuing new debt and monitoring opportunities to refinance existing debt as opportunities to reduce interest costs arise. The Quarterly Debt Report (Attachment 5) summarizes the composition of the City's debt portfolio, details the revenue sources utilized to pay the debt service associated with each outstanding debt, and provides detailed information regarding the total principal and interest payments due in the current fiscal year by Fund. As of the first quarter, the City's outstanding principal balance is expected to decrease \$126,119,913 by the end of the fiscal year if no additional debt is issued. This principal reduction includes \$41,995,000 related to the Sewer Revenue Bonds 2009 Series B Build America Bonds defeasement by the 2018 Sewer Revenue Bonds Series A. \$16,125,000 is related to the refunding of the RPFA 2007 Series A, B, C, and D Tax Allocation Bonds by the Successor Agency 2018 Series A and B Tax Allocation Refunding Bonds.

FISCAL IMPACT:

The City's General Fund is currently operating under an adopted FY 2018/19 Two-Year Budget, balanced over two fiscal years. Operating shortfalls of \$15 million to \$18 million are projected in FY 2020/21 through FY 2021/23, with the expectation that shortfalls will continue in future years if no mitigating actions are taken. Under leadership of the City Manager, the Executive Leadership Team and subject matter experts from various City departments meet regularly to:

- Strategize and identify opportunities to enhance non-tax revenues;
- Improve business processes to become more efficient;
- Identify and implement cost-saving measures;
- Strategize the long-term management of the CalPERS Unfunded Accrued Liability (UAL); and
- Discuss any and all ideas related to ensuring fiscal stability for the City of Riverside.

The Measure Z Fund is operating within the framework of the Council-approved Measure Z Spending Plan, and is fulfilling the promises made to City residents. Quarterly performance updates reported by the City Manager's Office provide residents with meaningful measures of the impact of Measure Z funding upon City services, operations, and infrastructure. It is important to note that no Measure Z funds are currently being used, nor are they planned to be used, for the long-term management of the CalPERS UAL.

Prepared by: Kristie Thomas, Budget and Revenue Manager
Certified as to
availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer
Approved by: Lea Deesing, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Measure Z Spending Plan and Quarterly Performance
2. Carryover Requests
3. Budget Transfers and Adjustments
4. Cash and Investment Report
5. Debt Report
6. Presentation

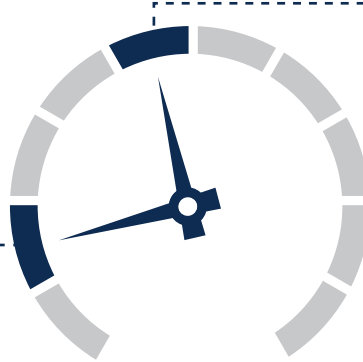


MEASURE Z

FINANCIAL DISCIPLINE/RESPONSIBILITY

20% General Fund Reserve

On-Track for FY 2017/18; awaiting 1st Quarter financial report



50% Self-Insurance Fund Reserves

On-Track for FY 2020/21

\$2 Million Contingency Funds

Intact; no current plan to spend

Payoff Pension Obligation Bond

Annual payments occurring as scheduled

QUALITY OF LIFE

Maximize Roads / Streets (Pavement Condition Index - PCI)

City's PCI: 61/100. Use of funds for two street projects approved by Council on 9/11/18.



Arterial and Minor Streets Maintenance - Completion Fall 2019



Selkirk Avenue Sidewalks - Completion Summer 2019

Tree Trimming



2,940
Trees Trimmed

Recreation - Summer Pools



22 Additional Swim Sessions



8,335
Guests Served



Ward Action Team - Deputy City Attorney II

2 marijuana dispensaries closed;
85 active assignments



Ward Action Team - City Manager's Office

Vacant; internal assessment of position is being conducted.

Arlington Youth Innovation Center Furniture, Fixtures, Equipment

Youth Innovation Center is under construction; July 2018 groundbreaking; August 2019 estimated completion. Measure Z funding will be utilized in February/March 2019.



PUBLIC SAFETY



60 Additional Sworn Police Positions



RPD Vehicle Replacement & Maintenance



48 Vehicles Purchased



1 Fixed-Wing Airplane



8 Additional Dispatcher Positions



16 Fire Vehicles Ordered
Will arrive in 2nd Quarter



6 Additional Firefighters



3 Firefighters will be hired in Quarter 3



Fire Radios

Grant was not awarded to the City; purchasing process using Measure Z funds will be initiated.



Fire Equipment

Purchasing process initiated for firefighter turnouts and HazMat monitors

Ongoing items are on-track:



Police Officer Lateral Hire
Incentives and Recruitment Costs

TECHNOLOGY



Technology Improvements Underway

- Network Refresh Projects
- Purchase of Dell PowerEdge Servers
- Replacement of defective cameras
- Installation of wireless radios at Doty Trust Park
- Vendor remote access solution replacement
- Online technology subscription and training for staff

FACILITY CAPITAL NEEDS



New Downtown Main Library & Archives

Property on Fairmount Boulevard was demolished in September 2018. Project is currently in plan check; opening anticipated in Spring 2020.



Museum Expansion and Rehabilitation

RFP released in August 2018; proposals due October 2018; City Council approval for selection of architectural firm for design services expected in December 2018.



Eastside Library Site Selection

Cesar Chavez Community Center parking area selected.



New Police Headquarters

Site options being considered.



Downtown Parking Garage

Project is in conceptual stage.



Annual Deferred Maintenance (Existing Facilities)

- Installed new HVAC units at Fire Stations 7 & 10 and Lincoln Police Station
- New Sump Pump at City Hall
- LED Lighting at City Hall and City Corporation Yard parking lots.
- Complete electrical upgrades to Riverside Municipal Auditorium.
- Expanded Facility Condition Assessment.

CRITICAL UNFUNDED NEEDS

General Plan Update

Continuing to scope and develop the RFP for the General Plan Update; list of potential consultants is being prepared; target to release the RFP in FY 2018/19, 3rd Quarter.

Homeless Services



Housing First Plan



Grove Tiny House Project



Social Work Internship Program

Ongoing items are on-track:

- Funding Gap
- Budget Engagement
- Commission Support

COMPLETED IN FY 2017/18

- Reinstatement of Fire Squad
- Reinstatement of Captains (Training and Arson)
- Reinstatement of Battalion Chief
- Public Safety Non-Sworn Position and Recruitment Costs
- Refurbish PD Vehicle (Pilot Program)
- Fleet Facility Capital Repairs Needed
- Additional Fleet Mechanics for Police Department (2)
- Additional Fleet Mechanics for Fire Department (2)
- Principal Management Analyst - City Manager's Office

Measure Z Spending Plan
Updated November 2018

Item #	Funding Item	Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Measure Z Spending Plan (7-Year Totals)	Overview of Item
			FY 2016/17 Committed ¹	FY 2017/18 Committed ¹	FY 2018/19 Projected	FY 2019/20 Projected	FY 2020/21 Projected	FY 2021/22 Projected	FY 2022/23 Projected		
1	20% General Fund Reserve	Financial Discipline/Responsibility	\$ 5,549,224	\$ 15,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,549,224	Provide funding to increase General Fund Reserve to a Minimum of 15%, with an aspirational goal of 20%.
2	Payoff of the Balloon \$32 million Pension Obligation Bond	Financial Discipline/Responsibility	\$ -	\$ 1,706,290	\$ 1,673,554	\$ 1,674,490	\$ 1,674,489	\$ 1,674,478	\$ 1,673,062	\$ 10,076,363	Refinance of interest only bond anticipation note (BAN) into a fixed rate pension obligation bond (POB). The revised 10-year financing reflects approximately \$40 million in total principal and interest payments. The total amounts presented are the General Fund portion only. Issued June 2017.
3	Funding for Workers Comp and General Liability	Financial Discipline/Responsibility	\$ -	\$ 2,500,000	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000	Contribution to increase Self-Insurance Reserve.
4	Measure Z Spending Contingency	Financial Discipline/Responsibility	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 10,000,000	As a new sales tax, Measure Z revenues will take between 6-12 months take shape. Amounts can cover either an overage in expense or a decrease in revenue.
5	Additional Sworn Police Positions	Public Safety	\$ -	\$ 2,671,321	\$ 5,672,185	\$ 8,068,849	\$ 9,662,335	\$ 11,011,488	\$ 11,592,714	\$ 48,678,892	Year 2: Add back 17 sworn officers reduced during FY 2016-18 Two-Year Budget Year 3: Add 16 additional officers Year 4: Add 14 additional officers Year 5: Add 13 additional officers * 60 total sworn positions; all positions have an estimated 5% annual increase for salaries, benefits, etc.
6	Public Safety Non-Sworn Positions and Recruitment Costs	Public Safety	\$ -	\$ 450,834	\$ 1,076,026	\$ 1,148,157	\$ 1,203,364	\$ 1,237,364	\$ 1,260,968	\$ 6,376,713	<u>Civilian:</u> Year 2: Add back all non-sworn FY 2016-18 Two-Year Budget Reductions, including records specialist (2), sr. office specialist (2), assistant range master (0.75), sr. police records specialist (2), background investigator (1.25), custodian (1), general service worker (1), office specialist (1) * 11 total civilian (non-dispatchers); all positions have an estimated 3% annual increase for salaries, benefits, etc. <u>Recruitment:</u> Includes vacation bank accruals and testing/background expenditures. <u>HR Analyst:</u> Total salary and benefits - based on existing position. Final amounts may differ based on starting salary and CalPERS tier. Current costs anticipated 5% annual increases
7	Police Officer Lateral Hire Incentives and Recruitment Costs	Public Safety	\$ -	\$ -	\$ 344,360	\$ 344,360	\$ 344,360	\$ 354,691	\$ 365,332	\$ 1,753,102	Includes hiring and retention bonuses, vacation bank accruals, and testing/background expenditures.

¹ Committed funds represent current year resources intended to be spent: fiscal year actuals plus unexpended funds to be carried forward for spending in the subsequent fiscal year.

Measure Z Spending Plan
Updated November 2018

Item #	Funding Item	Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Measure Z Spending Plan (7-Year Totals)	Overview of Item
			FY 2016/17 Committed ¹	FY 2017/18 Committed ¹	FY 2018/19 Projected	FY 2019/20 Projected	FY 2020/21 Projected	FY 2021/22 Projected	FY 2022/23 Projected		
8	Additional Dispatchers	Public Safety	\$ -	\$ 254,112	\$ 398,661	\$ 644,859	\$ 1,024,673	\$ 1,064,317	\$ 1,102,207	\$ 4,488,829	Year 2: Add 3 additional dispatchers Year 3: Add 2 additional dispatchers Year 4: Add 2 additional dispatchers Year 5: Add 2 additional dispatchers * 9 total dispatchers are all net "new" positions; all positions have an estimated 5% annual increase for salaries, benefits, etc.
9	Reinstatement of Fire Squad	Public Safety	\$ 448,496	\$ 838,477	\$ 843,730	\$ 942,565	\$ 1,043,233	\$ 1,110,746	\$ 1,142,054	\$ 6,369,301	Approved by City Council in December 2016. Estimates include 5% annual increases (salaries, benefits, etc.).
10	Reinstatement of Captains (Training and Arson)	Public Safety	\$ 1,504	\$ 522,192	\$ 364,762	\$ 385,486	\$ 399,188	\$ 406,926	\$ 414,448	\$ 2,494,506	Estimates include 5% annual increases (salaries, benefits, etc.).
11	Reinstatement of Battalion Chief	Public Safety	\$ -	\$ 355,402	\$ 262,693	\$ 276,296	\$ 287,301	\$ 292,734	\$ 297,695	\$ 1,772,121	Estimates include 5% annual increases (salaries, benefits, etc.).
12	Revised PD Vehicle Replacement and Maintenance Plan	Public Safety	\$ -	\$ 2,147,576	\$ 2,055,119	\$ 2,096,221	\$ 2,138,146	\$ 2,180,909	\$ 2,224,527	\$ 12,842,498	Annual allocation toward the replacement of Police vehicles.
12a	Police Fixed Wing Aircraft	Public Safety	\$ -	\$ 382,870						\$ 382,870	Allocation from PD Vehicle Replacement and Maintenance Plan toward the purchase of a fixed-wing aircraft, approved by City Council on October 17, 2017.
13	Refurbish PD Vehicle (Pilot Program)	Public Safety	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$25,000 per vehicle - 2 vehicle pilot program.
14	Revised Fire Vehicle Replacement and Maintenance Plan	Public Safety	\$ -	\$ 823,208	\$ 1,967,578	\$ 3,376,252	\$ 3,725,105	\$ 3,445,525	\$ 2,366,452	\$ 15,704,120	One-time replacement of 16 vehicles; 10-year financing (\$13.7 million). Additional layering in of vehicle replacement for remainder of vehicles.
15	Fleet Facility Capital Repairs Needed	Public Safety	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	Facility improvements to doors, lifts and drive approach.
16	Additional Fleet Mechanics for Police Department (2)	Public Safety	\$ -	\$ 179,543	\$ 198,177	\$ 218,153	\$ 227,692	\$ 230,489	\$ 232,198	\$ 1,286,252	Total salary and benefits - based on existing position. Final amounts may differ based on starting salary and CalPERS tier. Current costs anticipated 5% annual increases for first 5-years with 2% increases thereafter.
17	Additional Fleet Mechanics for Fire Department (2)	Public Safety	\$ -	\$ 181,062	\$ 207,017	\$ 228,155	\$ 241,183	\$ 244,272	\$ 246,203	\$ 1,347,892	Total salary and benefits - based on existing position. Final amounts may differ based on starting salary and CalPERS tier. Current costs anticipated 5% annual increases for first 5-years with 2% increases thereafter.
18	Funding Gap - Existing Services (based on the FY 16-17 2nd Qtr. General Fund Operating Deficit estimate)	Critical Operating Needs	\$ 3,939,526	\$ 5,482,007	\$ 13,238,623	\$ 18,266,026	\$ 11,734,277	\$ 12,086,305	\$ 12,448,894	\$ 77,195,658	Based on 5-Year Model and largely associated with union contracts and a slowing of revenue growth. Model assumes no-raises for SEIU in Year 5.

¹ Committed funds represent current year resources intended to be spent: fiscal year actuals plus unexpended funds to be carried forward for spending in the subsequent fiscal year.

Measure Z Spending Plan
Updated November 2018

Item #	Funding Item	Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Measure Z Spending Plan (7-Year Totals)	Overview of Item
			FY 2016/17 Committed ¹	FY 2017/18 Committed ¹	FY 2018/19 Projected	FY 2019/20 Projected	FY 2020/21 Projected	FY 2021/22 Projected	FY 2022/23 Projected		
19	General Plan Update (Includes Zoning Code Changes)	Critical Operating Needs	\$ -	\$ 2,000,000	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 5,000,000	Over the past 20 years, the City's regulatory environment for development has become burdensome. In order to make an investment in the future of Riverside, funding is needed for a General Plan Update, including zoning code, in the near future.
20	Homeless Services	Critical Operating Needs	\$ -	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 3,000,000	BEC recommended to add \$500,000 per year for Homeless Services. A comprehensive plan will return to the City Council for approval at a later date.
21	Principal Analyst - City Manager's Office	Critical Operating Needs	\$ -	\$ 108,724	\$ 144,623	\$ 161,100	\$ 177,241	\$ 191,202	\$ 203,571	\$ 986,461	Fully burdened cost of a Principal Management Analyst position in the City Manager's Office to support critical administrative functions.
22	Budget Engagement Commission Support	Critical Operating Needs	\$ 4,311	\$ 10,280	\$ 27,000	\$ 27,000	\$ 27,000	\$ 28,000	\$ 28,000	\$ 151,591	Supplies, printing and mailing, video and security staff.
23	New Downtown Main Library	Facility Capital Needs	\$ 8,479	\$ 2,188,751	\$ 2,204,500	\$ 3,819,500	\$ 3,816,825	\$ 3,817,954	\$ 3,817,954	\$ 19,673,963	Estimated cost of debt service to fund the construction of a new library based on anticipated debt issuance of \$40 million. City Council approved a swap of Main Library and Police headquarters funding of approx. \$10 million on October 3, 2017
23a	New Downtown Main Library Archives	Facility Capital Needs	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,300,000	\$ -	\$ -	\$ -	\$ 3,300,000	On December 19, 2017, the City Council approved a redirection of Contingency Funds for FY 2017/18 and FY 2018/19 for Archives for the New Main Library (Item 4).
24	Eastside Library Site Selection	Facility Capital Needs	\$ -	\$ 100,000		\$ -	\$ -	\$ -	\$ -	\$ 100,000	6-month community outreach project to find a replacement site for the Eastside Library.
25	New Police Headquarters	Facility Capital Needs	\$ -	\$ -	\$ -	\$ 2,132,000	\$ 3,652,000	\$ 3,649,954	\$ 3,649,954	\$ 13,083,908	Estimated cost of debt service to fund the construction of Police headquarters based on anticipated debt issuance of \$35 million. City Council approved a swap of Main Library and Police headquarters funding of approx. \$10 million on October 3, 2017.
26	Museum Expansion and Rehab	Facility Capital Needs	\$ -	\$ -	\$ -	\$ -	\$ 807,550	\$ 1,533,265	\$ 1,533,265	\$ 3,874,080	Estimated cost of debt service to fund the Museum expansion and rehabilitation based on anticipated debt issuance of \$13.7 million. On December 19, 2019, the City Council approved a reduction in the estimated costs for the project of \$1.3 million to fund the Main Library Archives (Item 23a), reducing funding for this item from \$15 million to \$13.7 million.
27	Downtown Parking Garage	Facility Capital Needs	\$ -	\$ -	\$ -	\$ -	\$ 807,550	\$ 1,533,265	\$ 1,533,267	\$ 3,874,082	Estimated cost of debt service to fund the parking garage expansion and rehabilitation based on anticipated debt issuance of \$15 million.
28	Annual Deferred Maintenance (Existing Facilities) - Partial Funding	Facility Capital Needs	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 6,000,000	Funding to address deferred maintenance on many City facilities.
29	Maximize Roads/Streets (Pavement Condition Index)	Quality of Life	\$ -	\$ 2,875,000	\$ 2,875,000	\$ 2,875,000	\$ 2,875,000	\$ 2,875,000	\$ 2,875,000	\$ 17,250,000	After the Pavement Condition Index survey is completed, Public Works will return to the City Council with a comprehensive plan for street/road/side rehabilitation.

¹ Committed funds represent current year resources intended to be spent: fiscal year actuals plus unexpended funds to be carried forward for spending in the subsequent fiscal year.

Measure Z Spending Plan
Updated November 2018

Item #	Funding Item	Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Measure Z Spending Plan (7-Year Totals)	Overview of Item
			FY 2016/17 Committed ¹	FY 2017/18 Committed ¹	FY 2018/19 Projected	FY 2019/20 Projected	FY 2020/21 Projected	FY 2021/22 Projected	FY 2022/23 Projected		
30	Tree Trimming	Quality of Life	\$ -	\$ 1,023,600	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 6,023,600	Increase tree-trimming and reduce grid cycle period.
31	Ward Action Team - Deputy City Attorney II (City Attorney's Office)	Quality of Life	\$ 21,907	\$ 173,578	\$ 257,082	\$ 282,065	\$ 303,921	\$ 324,298	\$ 342,186	\$ 1,705,037	Staff dedicated to addressing the most pressing quality of life concerns in each ward of the City.
32	Ward Action Team - City Manager's Office	Quality of Life	\$ -	\$ -	\$ 129,046	\$ 142,883	\$ 155,001	\$ 165,861	\$ 175,265	\$ 768,056	Staff dedicated to addressing the most pressing quality of life concerns in each ward of the City.
33	Technology Improvements	Technology	\$ -	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 1,000,000	\$ 1,000,000	\$ 10,000,000	Includes funding for future technology projects and needs based on Citywide audit programs and other assessments. Funding may be used for hardware, new software, and cybersecurity. Technology spending plan approved by City Council on October 17, 2017.
34	4-Person Staffing on Fire Trucks	Public Safety	\$ -	\$ -	\$ 263,821	\$ 1,069,497	\$ 1,122,355	\$ 1,174,120	\$ 1,218,930	\$ 4,848,723	Hire 6 firefighters to bring staffing levels on fire trucks to 4 firefighters each for all shifts: 3 firefighters to be hired January 2019; 3 firefighters to be hired July 2020.
35	Fire Equipment and One-Time Operating Needs	Public Safety	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	Miscellaneous equipment and operating needs of Fire Department, including firefighter turnouts and HazMat monitors.
36	Contingency - Fire Radios	Public Safety	\$ -	\$ -	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	Replacement of outdated Fire radios.
37	Recreation - Summer Pools	Public Safety	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 100,000	Funding for 2 years only to maintain service levels at City swimming pools; staff will seek sponsorships for future funding.
38	Arlington Youth Innovation Center Furniture, Fixtures & Equipment	Public Safety	\$ -	\$ -	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000	One-time allocation of funding to provide furniture, fixtures and equipment to the new Arlington Youth Innovation Center.
Total Expenditures			\$ 9,973,447	\$ 46,624,826	\$ 49,103,557	\$ 57,528,914	\$ 53,949,789	\$ 56,133,163	\$ 56,244,146	\$ 329,557,841	
Projected Revenue			\$ 12,606,428	\$ 56,222,806	\$ 56,560,000	\$ 57,125,600	\$ 57,696,856	\$ 58,273,825	\$ 58,856,563	\$ 357,342,077	
Surplus/(Deficit)			\$ 2,632,981	\$ 9,597,980	\$ 7,456,443	\$ (403,314)	\$ 3,747,067	\$ 2,140,662	\$ 2,612,417	\$ 27,784,236	
Projected Fund Reserves			\$ 2,632,981	\$ 12,230,961	\$ 19,687,404	\$ 19,284,090	\$ 23,031,157	\$ 25,171,819	\$ 27,784,236	\$ 27,784,236	

¹ Committed funds represent current year resources intended to be spent: fiscal year actuals plus unexpended funds to be carried forward for spending in the subsequent fiscal year.

Carryover Requests

Discretionary Carryovers

Fiscal Year 2017/18 to 2018/19

Department	Description	Amount
Electric Fund (510)		
Electric	Talent Management System	66,280
Total Electric Fund		66,280
Water Fund (520)		
Water	SCAQMD Compliant Equipment	2,263,958
Total Water Fund		2,263,958
Total Discretionary Carryovers		2,330,238

Carryover Requests

Project & Grant Carryovers

Fiscal Year 2017/18 to 2018/19

Project / Grant	Revenue Carryover	Expenditure Carryover
General Fund (101)		
8485 - Historic Preservation Fund grant - Heritage House	-	25,000
Total General Fund	-	25,000
Electric Fund (510)		
Local sustainability projects and internships for local students	-	24,676
Enhancement of a centralized program management database	-	15,383
IFAS upgrade Phase II gap analysis	-	112,500
Electric share of GIS project	-	280,870
Advanced Metering Infrastructure Upgrade project	-	243,640
Operational Data Management System project	-	715,000
Software/licensing - Insight Public Sector (disk/storage)	-	47,036
Elevator modernization project	-	1,500,000
Total Electric Fund	-	2,939,105
Water Fund (520)		
Operational Data Management System project	-	385,000
Hillwood lease buyout credit (per agreement)	-	300,000
Total Water Fund	-	685,000
Citywide Net Project & Grant Carryovers		3,649,105

Budget Transfers and Adjustments

Interfund and Interdepartmental Budget Transfers					
Fiscal Year 2018/19					
Fund	Department		Appropriation Increase	Appropriation Decrease	Net Budgetary Impact
<i>Final cost allocation plan adjustments to reflect the change from the proposed FY 2018-2020 Biennial Budget to the final FY 2018-2020 Biennial Budget adopted by City Council on June 12, 2018. (ID X9KJ822A, X9KJ823A, X9KJ926A)</i>					
101	General Fund	01 Mayor	67	33	34
		02 City Council	7,660	3,832	3,828
		11 City Manager	6,701	3,452	3,249
		12 City Clerk	93,569	53,120	40,449
		13 Office of the City Attorney	21,465	15,837	5,628
		21 Human Resources	43,202	22,748	20,454
		22 General Services	149,728	76,116	73,612
		23 Finance	146,860	80,981	65,879
		24 Innovation and Technology	1,375,831	1,375,832	(1)
		28 Community Development	276,573	84,901	191,672
		31 Police	501,225	537,580	(36,355)
		35 Fire	163,861	182,166	(18,305)
		41 Public Works	47,515	64,456	(16,941)
		51 Library	70,158	73,934	(3,776)
		52 Parks, Recreation & Comm Svcs	13,274	25,477	(12,203)
		53 Museum	9,839	215,755	(205,916)
		72 Non Departmental	506	506	-
General Fund Total			2,928,034	2,816,726	111,308
170	Development	28 Community Development	-	1,654	(1,654)
280	Housing Authority	28 Community Development	-	1,867	(1,867)
411	Special Capital Improvement	52 Parks, Recreation & Comm Svcs	-	464	(464)
510	Electric	60 Public Utilities-Admin	5,197,271	2,171,150	3,026,121
		61 Public Utilities-Electric	2,038,523	5,117,403	(3,078,880)
Electric Total			7,235,794	7,288,553	(52,759)
511	Electric-Public Benefit Progs	60 Public Utilities-Admin	-	2,370	(2,370)
520	Water	62 Public Utilities-Water	726,607	742,021	(15,414)
521	Water Conservation	62 Public Utilities-Water	-	418	(418)
530	Airport	22 General Services	-	1,135	(1,135)
540	Refuse	41 Public Works	-	5,874	(5,874)
550	Sewer	41 Public Works	-	13,922	(13,922)
560	Special Transit	52 Parks, Recreation & Comm Svcs	-	905	(905)
570	Public Parking	41 Public Works	-	2,482	(2,482)
610	Workers' Compensation Trust	21 Human Resources	18,427	19,988	(1,561)
620	Unemployment Insurance	23 Finance	-	34	(34)
630	Liability Insurance Trust	23 Finance	-	6,236	(6,236)
640	Central Stores	64 Public Utilities-Cent Stores	-	307	(307)
650	Central Garage	22 General Services	-	3,624	(3,624)
741	Asmt Dist - Misc	23 Finance	-	28	(28)
742	Hunter Business Park Asmt Dist	23 Finance	-	77	(77)
745	Riverwalk Assessment District	23 Finance	-	53	(53)
746	Riverwalk Bus. Assmt. Dist.	23 Finance	-	22	(22)
756	CFD-Riverwalk Vista	23 Finance	-	23	(23)
758	CFD Syc. Canyon 92-1	23 Finance	-	47	(47)
759	CFD 2006-1-RW Vista Area #2	23 Finance	-	24	(24)
760	CFD 2014-2 Highlands	23 Finance	-	8	(8)
Total Impact of Budget Adjustment			10,908,862	10,908,862	-

Budget Transfers and Adjustments

Interfund and Interdepartmental Budget Transfers Fiscal Year 2018/19

Fund	Department	Appropriation Increase	Appropriation Decrease	Net Budgetary Impact
<i>Transfer of budgeted salaries and benefits to effectuate the move of Claims Management staff from the Finance Department to the City Attorney's Office. (ID X9AG809A)</i>				
630 Liability Insurance Trust	13 Office of the City Attorney	222,369	1,462	220,907
	23 Finance	1,462	222,369	(220,907)
	Liability Insurance Trust Total	223,831	223,831	-
Total Impact of Budget Adjustment		223,831	223,831	-
<i>Transfer of funds related to the administration of the SmartRiverside program from the Innovation & Technology Department to the Community & Economic Development Department.</i>				
101 General Fund	24 Innovation and Technology	-	4,743	(4,743)
	28 Community Development	4,743	-	4,743
	General Fund Total	4,743	4,743	-
Total Impact of Budget Adjustment		4,743	4,743	-

Budget Transfers and Adjustments

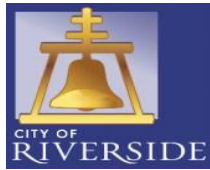
Supplemental Appropriations Fiscal Year 2018/19

Fund/Department	Type	Account	Amount
<i>Return unexpended FY 2017/18 funds in the Capital Project Fund to the General Fund for allocation to the long-term management of the CalPERS UAL.</i>			
101 General Fund/Museum	R	7223600-985401 Operating Transfer from 401 Fund	204,200
401 Capital Projects Fund/Museum	E	0000401-990101 Operating Transfer to 101 Fund	204,200
Citywide Impact of Supplemental Appropriation			408,400

Type Legend:

R: Resource, in the form of revenue or Transfers In

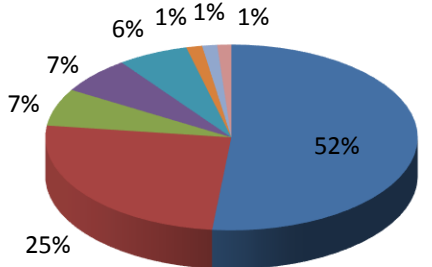
E: Use of resources, in the form of expenditures or Transfers Out



CITY OF RIVERSIDE Quarterly Investment Report September 30, 2018

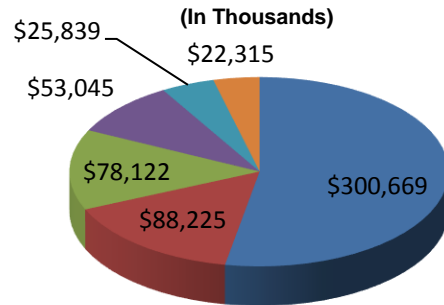
	AMORTIZED COST	MARKET VALUE
POOLED INVESTMENT PORTFOLIO		
Deposit Accounts	\$ 36,393,865.59	\$ 36,393,865.59
Joint Powers Authority Pool	144,323,975.89	144,276,756.78
Local Agency Investment Fund (LAIF)	36,915,143.04	36,915,143.04
Certificates of Deposit	7,415,937.86	7,372,859.73
Medium Term Notes	35,081,491.65	34,961,345.25
Asset Backed Securities	6,911,495.28	6,910,680.00
U.S. Govt Agency Securities	7,942,168.71	7,907,680.00
U.S. Treasury Notes/Bonds	298,937,164.24	293,476,805.80
TOTAL POOLED INVESTMENT PORTFOLIO	573,921,242.26	568,215,136.19
INVESTMENTS HELD BY FISCAL AGENT	190,002,596.91	189,733,061.34
TOTAL CASH & INVESTMENTS	\$ 763,923,839.17	\$ 757,948,197.53

COMPOSITION OF POOLED PORTFOLIO



- U.S. Treasury Notes/Bonds (51.65%)
- Joint Powers Authority Pool (25.39%)
- Local Agency Investment Fund (6.50%)
- Deposit Accounts (6.40%)
- Medium Term Notes (6.15%)
- U.S. Govt Agency Securities (1.39%)
- Certificates of Deposit (1.30%)
- Asset Backed Securities (1.22%)

COMPOSITION OF POOLED PORTFOLIO BY FUND



- Electric Fund (52.92%)
- All Other Funds (15.52%)
- Sewer Fund (13.75%)
- Water Fund (9.33%)
- General Fund (4.55%)
- Successor Agency (3.93%)

It has been verified that this investment portfolio is in conformity, exclusive of items identified, with the City of Riverside's investment policy which was approved by City Council on 12/15/15. The Treasurer's cash management program and cash flow analysis indicates that sufficient liquidity is on hand to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 1.23 years. Market prices of securities are obtained from Interactive Data Corporation. Weighted average yield on cost is 1.885%. The cash held and invested with fiscal agents is subject to the investment provisions of the related trust indentures associated with the bond transaction which generated the cash.

Verified by:

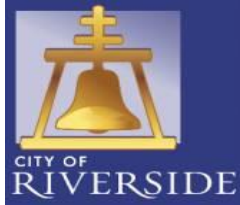


 Nancy Garcia, Assistant Controller

Approved by:



 Edward P. Enriquez, Acting Chief Financial Officer



CITY OF RIVERSIDE
Pooled Investment Portfolio Holdings
September 30, 2018

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	INVEST RATING	PURCH DATE	AMORTIZED COST	YIELD ON MATURITY	MARKET VALUE
<u>DEPOSIT ACCOUNTS</u>							
Bank of America	Varies	Varies	Coll. ¹	Varies	31,271,899.02	0.50%	31,271,899.02
Citizens Business Bank	Varies	Varies	Coll. ¹	Varies	5,121,966.57	0.35%	5,121,966.57
SUBTOTAL DEPOSIT ACCOUNTS					36,393,865.59		36,393,865.59
<u>JOINT POWERS AUTHORITY POOL</u>							
CALTRUST Investment Trust of California	Varies	Varies	AA	Varies	144,323,975.89	2.21%	144,276,756.78
<u>LOCAL AGENCY INVESTMENT FUND (LAIF)</u>							
	Varies	Varies	NR	Varies	36,915,143.04	2.09%	36,915,143.04
<u>CERTIFICATES OF DEPOSIT</u>							
UBS Bank USA	1.40%	10/01/18	FDIC	10/08/15	248,000.00	1.40%	247,987.60
Capital One Bank (USA), National Association	1.80%	10/09/18	FDIC	10/08/14	248,000.00	1.80%	247,990.08
Marlin Business Bank	1.70%	10/15/18	FDIC	10/14/14	248,000.00	1.70%	247,967.76
Community Bankers' Bank	1.65%	10/17/18	FDIC	10/17/14	248,000.00	1.65%	247,965.28
American Express National Bank	2.00%	11/28/18	FDIC	11/28/14	248,000.00	2.00%	247,977.68
Flushing Bank	1.50%	12/17/18	FDIC	12/17/15	249,000.00	1.50%	248,768.43
KeyBank National Association	1.55%	01/22/19	FDIC	01/20/16	247,000.00	1.55%	246,812.28
Investors Community Bank	1.15%	02/12/19	FDIC	02/12/16	249,000.00	1.15%	248,429.79
Prime Alliance Bank, Inc.	1.15%	02/12/19	FDIC	02/12/16	249,000.00	1.15%	248,521.92
CIT Bank, National Association	2.00%	05/14/19	FDIC	05/14/14	247,000.00	2.00%	246,604.80
Webster Bank, National Association	1.90%	07/02/19	FDIC	07/02/14	247,853.05	1.98%	247,377.52
ConnectOne Bank	1.55%	07/29/19	FDIC	01/28/15	247,000.00	1.55%	246,384.97
Alma Bank	1.70%	09/30/19	FDIC	09/30/15	247,000.00	1.70%	244,991.89
Belmont Savings Bank	1.40%	02/18/20	FDIC	02/17/16	249,000.00	1.40%	246,243.57
Bank of Wisconsin Dells	1.50%	07/17/20	FDIC	02/17/16	249,000.00	1.50%	243,190.83
Bridgewater Bank	1.50%	08/17/20	FDIC	02/17/16	249,000.00	1.50%	242,782.47
Unity Bank	1.50%	08/26/20	FDIC	02/26/16	249,000.00	1.50%	245,043.39
Barclays Bank Delaware	2.20%	09/16/20	FDIC	09/16/15	247,000.00	2.20%	243,974.25
Bank of Charles Town	1.80%	09/30/20	FDIC	09/30/15	249,000.00	1.80%	245,800.35
HSBC Bank USA, National Association	3.60%	11/17/20	FDIC	11/23/15	246,000.00	3.60%	246,396.06
EnerBank USA	1.90%	01/28/21	FDIC	01/28/16	247,000.00	1.90%	241,089.29
The State Bank and Trust Company	1.60%	02/17/21	FDIC	02/17/16	249,000.00	1.60%	243,952.77
BMW Bank of North America	3.00%	07/13/21	FDIC	07/13/18	244,886.44	3.02%	244,683.95
Citibank (South Dakota), National Association	3.00%	07/13/21	FDIC	07/13/18	244,886.44	3.02%	244,683.95
Wells Fargo Bank, National Association	3.00%	07/13/21	FDIC	07/13/18	244,886.44	3.02%	244,688.85
Ally Bank	3.00%	07/19/21	FDIC	07/19/18	244,885.77	3.02%	244,661.90
Discover Bank	3.00%	07/19/21	FDIC	07/18/18	244,885.88	3.02%	244,661.90
Medallion Bank	3.00%	07/20/21	FDIC	07/20/18	244,885.66	3.02%	244,664.35
Merrick Bank Corporation	2.95%	07/20/21	FDIC	07/20/18	244,885.66	2.97%	244,336.05
Hanmi Bank	2.95%	08/17/21	FDIC	08/17/18	244,882.53	2.97%	244,225.80
SUBTOTAL CERTIFICATES OF DEPOSIT					7,415,937.86		7,372,859.73
<u>MEDIUM TERM NOTES</u>							
APPLE INC	2.10%	05/06/19	AA+ / Aa1	01/28/16	3,511,610.02	1.54%	3,491,145.00
TOYOTA MOTOR CREDIT CORP	1.95%	04/17/20	AA- / Aa3	02/27/18	2,178,840.51	2.59%	2,166,780.00
AMERICAN HONDA FINANCE CORP	3.00%	06/16/20	A+ / A2	07/16/18	4,169,940.36	3.07%	4,167,860.75
WALMART INC	2.85%	06/23/20	AA / Aa2	06/27/18	12,671,566.50	2.87%	12,678,802.50
CISCO SYSTEMS INC	2.20%	02/28/21	AA- / A1	03/14/18	5,220,658.76	2.84%	5,189,707.00
APPLE INC	2.30%	05/11/22	AA+ / Aa1	02/22/18	7,328,875.50	2.97%	7,267,050.00
SUBTOTAL MEDIUM TERM NOTES					35,081,491.65		34,961,345.25
<u>ASSET BACKED SECURITIES</u>							
CCCIT 16A1 A1	1.75%	11/19/19	AAA / Aaa	09/24/18	6,911,495.28	2.89%	6,910,680.00
SUBTOTAL ASSET BACKED SECURITIES					6,911,495.28		6,910,680.00
<u>U.S. GOVERNMENT AGENCY SECURITIES</u>							
FEDERAL HOME LOAN MORTGAGE CORP	2.38%	02/16/21	AA+ / Aaa	04/27/18	7,942,168.71	2.69%	7,907,680.00



CITY OF RIVERSIDE
Pooled Investment Portfolio Holdings
September 30, 2018

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	INVEST RATING	PURCH DATE	AMORTIZED COST	YIELD ON MATURITY	MARKET VALUE
SUBTOTAL U.S. GOVERNMENT AGENCY SECURITIES					7,942,168.71		7,907,680.00
U.S. GOVERNMENT TREASURY SECURITIES							
UNITED STATES TREASURY	1.63%	06/30/19	AA+ / Aaa	11/09/15	3,706,445.79	1.39%	3,675,691.00
UNITED STATES TREASURY	1.63%	06/30/19	AA+ / Aaa	05/24/16	6,025,377.24	1.06%	5,960,580.00
UNITED STATES TREASURY	0.75%	07/15/19	AA+ / Aaa	11/17/16	5,231,213.59	1.21%	5,176,552.50
UNITED STATES TREASURY	0.88%	07/31/19	AA+ / Aaa	11/17/16	12,715,019.69	1.21%	12,571,627.50
UNITED STATES TREASURY	1.63%	07/31/19	AA+ / Aaa	09/09/14	3,498,722.67	1.67%	3,472,105.00
UNITED STATES TREASURY	1.00%	08/31/19	AA+ / Aaa	10/10/14	1,883,353.49	1.97%	1,872,013.00
UNITED STATES TREASURY	1.75%	09/30/19	AA+ / Aaa	01/18/17	19,064,460.84	1.41%	18,830,710.00
UNITED STATES TREASURY	1.75%	09/30/19	AA+ / Aaa	12/15/16	5,771,056.22	1.38%	5,698,767.50
UNITED STATES TREASURY	1.00%	09/30/19	AA+ / Aaa	05/28/15	3,481,855.64	1.53%	3,443,370.00
UNITED STATES TREASURY	1.00%	09/30/19	AA+ / Aaa	12/16/14	7,946,151.06	1.68%	7,870,560.00
UNITED STATES TREASURY	1.50%	11/30/19	AA+ / Aaa	10/18/17	15,330,070.48	1.53%	15,124,603.80
UNITED STATES TREASURY	1.50%	11/30/19	AA+ / Aaa	11/09/15	6,799,480.94	1.51%	6,706,704.00
UNITED STATES TREASURY	1.00%	11/30/19	AA+ / Aaa	07/13/15	2,981,767.64	1.53%	2,941,980.00
UNITED STATES TREASURY	1.13%	12/31/19	AA+ / Aaa	02/26/15	1,890,015.31	1.55%	1,863,254.00
UNITED STATES TREASURY	1.25%	01/31/20	AA+ / Aaa	05/28/15	2,490,252.48	1.55%	2,451,650.00
UNITED STATES TREASURY	1.25%	02/29/20	AA+ / Aaa	11/09/15	9,949,723.16	1.61%	9,792,900.00
UNITED STATES TREASURY	1.50%	04/15/20	AA+ / Aaa	08/11/17	7,404,045.13	1.46%	7,259,178.00
UNITED STATES TREASURY	1.13%	04/30/20	AA+ / Aaa	01/18/17	7,672,870.31	1.56%	7,528,553.25
UNITED STATES TREASURY	1.38%	05/31/20	AA+ / Aaa	07/13/15	6,977,058.29	1.58%	6,839,490.00
UNITED STATES TREASURY	1.50%	05/31/20	AA+ / Aaa	08/22/16	6,556,327.07	0.97%	6,364,150.00
UNITED STATES TREASURY	1.88%	06/30/20	AA+ / Aaa	03/17/16	7,710,549.67	1.41%	7,529,512.50
UNITED STATES TREASURY	2.13%	08/31/20	AA+ / Aaa	04/27/18	10,165,918.06	2.57%	10,117,467.50
UNITED STATES TREASURY	2.13%	08/31/20	AA+ / Aaa	11/09/15	2,019,131.31	1.62%	1,974,140.00
UNITED STATES TREASURY	2.13%	08/31/20	AA+ / Aaa	12/12/17	7,809,145.50	1.89%	7,674,469.25
UNITED STATES TREASURY	2.00%	09/30/20	AA+ / Aaa	12/15/16	10,060,111.76	1.69%	9,840,200.00
UNITED STATES TREASURY	2.63%	11/15/20	AA+ / Aaa	11/07/17	14,096,991.56	1.77%	13,787,121.00
UNITED STATES TREASURY	1.63%	11/30/20	AA+ / Aaa	01/22/16	6,033,773.29	1.36%	5,847,180.00
UNITED STATES TREASURY	2.38%	12/31/20	AA+ / Aaa	07/30/18	4,861,700.43	2.74%	4,849,824.00
UNITED STATES TREASURY	2.00%	01/15/21	AA+ / Aaa	07/30/18	4,819,172.93	2.75%	4,807,537.00
UNITED STATES TREASURY	2.00%	02/28/21	AA+ / Aaa	03/17/16	5,563,833.57	1.51%	5,390,165.00
UNITED STATES TREASURY	2.00%	02/28/21	AA+ / Aaa	10/18/17	6,042,886.01	1.70%	5,880,180.00
UNITED STATES TREASURY	2.25%	03/31/21	AA+ / Aaa	08/22/16	2,880,069.92	1.09%	2,758,980.00
UNITED STATES TREASURY	2.63%	06/15/21	AA+ / Aaa	09/28/18	10,923,747.51	2.89%	10,928,610.00
UNITED STATES TREASURY	2.13%	06/30/21	AA+ / Aaa	11/07/17	3,423,527.87	1.87%	3,333,190.00
UNITED STATES TREASURY	2.25%	07/31/21	AA+ / Aaa	04/09/18	1,241,369.79	2.50%	1,228,612.50
UNITED STATES TREASURY	2.25%	07/31/21	AA+ / Aaa	08/22/16	6,703,540.96	1.12%	6,388,785.00
UNITED STATES TREASURY	2.13%	09/30/21	AA+ / Aaa	11/17/16	12,649,714.62	1.71%	12,228,000.00
UNITED STATES TREASURY	1.88%	11/30/21	AA+ / Aaa	08/11/17	11,043,461.46	1.75%	10,665,270.00
UNITED STATES TREASURY	2.13%	12/31/21	AA+ / Aaa	04/09/18	1,233,799.52	2.54%	1,220,262.50
UNITED STATES TREASURY	1.88%	02/28/22	AA+ / Aaa	08/11/17	11,034,194.04	1.78%	10,633,480.00
UNITED STATES TREASURY	1.88%	05/31/22	AA+ / Aaa	08/11/17	1,753,911.11	1.81%	1,687,035.00
UNITED STATES TREASURY	2.00%	07/31/22	AA+ / Aaa	09/28/18	5,313,035.90	2.94%	5,317,125.00
UNITED STATES TREASURY	1.88%	08/31/22	AA+ / Aaa	10/18/17	2,596,639.80	1.91%	2,499,250.00
UNITED STATES TREASURY	1.88%	09/30/22	AA+ / Aaa	04/09/18	1,215,120.34	2.61%	1,200,537.50
UNITED STATES TREASURY	1.88%	09/30/22	AA+ / Aaa	12/12/17	3,712,883.43	2.13%	3,601,612.50
UNITED STATES TREASURY	2.38%	01/31/23	AA+ / Aaa	04/09/18	1,236,888.52	2.63%	1,221,425.00
UNITED STATES TREASURY	2.63%	06/30/23	AA+ / Aaa	09/28/18	5,416,778.28	2.97%	5,422,395.00
SUBTOTAL U.S. GOVERNMENT TREASURY SECURITIES					298,937,164.24		293,476,805.80
TOTAL POOLED CASH & INVESTMENTS					573,921,242.27		568,215,136.19
WEIGHTED AVERAGE MATURITY							1.17

¹ Collateralized in accordance with Section 53652 of the CA state code.



CITY OF RIVERSIDE
Investments Held by Fiscal Agent
September 30, 2018

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	INVEST RATING	PURCH DATE	AMORTIZED COST	YIELD ON MATURITY	MARKET VALUE
<u>CASH & MONEY MARKET ACCOUNTS</u>							
Cash	Varies	Varies	NR	Varies	17,491,537.38	Varies	17,491,537.38
US Bank Mmkt 5 - CT	0.02%	Varies	A+	Varies	15.33	0.02%	15.33
US Bank Gcts0170	1.20%	Varies	A+	Varies	44,077,285.59	1.20%	44,077,285.59
First American Government Obligation	0.00%	Varies	AAAm-mf	Varies	724,103.27	0.00%	724,103.27
First American Prime Obligations Fund CL " Z "	0.02%	Varies	AAAm-mf	Varies	11,882,439.09	0.02%	11,882,439.09
SUBTOTAL CASH & MONEY MARKET ACCOUNTS					74,175,380.66		74,175,380.66
LOCAL AGENCY INVESTMENT FUND (LAIF)	0.51%	Varies	NR	Varies	39,742,805.37	0.51%	39,742,805.37
<u>BONDS, DEBENTURES, NOTES & AGREEMENTS</u>							
US Bank Na C P	0.10%	02/01/19	A+	08/01/18	662,860.33	0.10%	662,860.33
Korea Development BK CP	4.65%	11/15/18		08/01/18	4,177,029.15	4.65%	4,221,721.40
US Treasury Note	0.75%	9/30/18	Aaa	2/16/18	1,986,406.25	0.75%	2,000,000.00
US Treasury Note	1.50%	12/31/18	Aaa	2/16/18	2,987,226.56	1.50%	2,994,540.00
Natixis Funding Corp	1.67%	03/01/19	Baa2	02/14/14	7,422,802.00	1.67%	7,422,802.00
Exxon Mobil Corp	1.82%	3/15/19	Aaa	1/19/18	2,887,183.50	1.82%	2,885,041.20
US Treasury Note	1.63%	06/30/19	Aaa	2/16/18	2,980,312.50	1.63%	2,979,840.00
US Treasury Note	1.75%	09/30/19	Aaa	2/16/18	2,980,312.50	1.75%	2,973,060.00
US Treasury Note	1.88%	12/31/19	Aaa	2/16/18	2,983,125.00	1.88%	2,969,070.00
US Treasury Note	1.38%	3/31/20	Aaa	2/16/18	2,946,093.76	1.38%	2,939,070.00
CiscoSystems	2.45%	6/15/20	A1	1/19/18	3,405,746.00	2.45%	3,373,038.00
US Treasury Note	2.00%	9/30/20	Aaa	2/16/18	2,974,218.76	2.00%	2,951,850.00
US Treasury Note	2.38%	12/31/20	Aaa	2/16/18	3,000,000.00	2.38%	2,969,190.00
Apple Inc	2.25%	2/23/21	Aa1	1/23/18	2,999,917.00	2.25%	2,966,183.60
FNMA Debt	1.38%	02/26/21	Aaa	03/30/16	370,735.63	1.38%	358,163.40
US Treasury Note	2.13%	6/30/21	Aaa	2/16/18	2,966,953.12	2.13%	2,940,600.00
US Treasury Note	2.13%	9/30/21	Aaa	2/16/18	2,959,804.68	2.13%	2,934,390.00
US Treasury Note	2.00%	12/31/21	Aaa	2/16/18	2,939,882.82	2.00%	2,916,450.00
US Treasury Note	1.88%	3/31/22	Aaa	2/16/18	2,918,437.50	1.88%	2,897,100.00
US Treasury Note	2.13%	6/30/22	Aaa	2/16/18	2,942,695.32	2.13%	2,915,640.00
US Treasury Note	1.88%	9/30/22	Aaa	2/16/18	2,902,617.18	1.88%	2,880,930.00
US Treasury Note	2.13%	12/31/22	Aaa	2/16/18	2,929,335.94	2.13%	2,902,620.00
Invt Agmt-Trinity Plus Fdg Co Gic	4.68%	10/01/29	Aa3	05/14/08	6,411,744.65	4.68%	6,411,744.65
Invt Agmt-Trinity Plus Fdg Co Gic	4.68%	10/01/35	Aa3	05/14/08	4,348,970.73	4.68%	4,348,970.73
SUBTOTAL BONDS, DEBENTURES, NOTES & AGREEMENTS					76,084,410.88		75,814,875.31
TOTAL INVESTMENTS HELD BY FISCAL AGENT					190,002,596.91		189,733,061.34

City of Riverside
Cash Balances by Fund
As of September 30, 2018

Fund	Cash Balance ¹	Interfund Loan Receivables ²	Cash Balance + Loan Receivables	
General Fund	101	25,839,453	-	25,839,453
Measure Z	110	10,814,362	-	10,814,362
Successor Agency Administration Fund	170	171,158	-	171,158
Enterprise Funds				
Electric	510	283,334,445	4,226,657	287,561,102
Electric - Public Benefits Charge	511	17,334,398	-	17,334,398
Water	520	50,622,227	-	50,622,227
Water - Conservation & Reclamation Program	521	2,422,589	-	2,422,589
Airport	530	1,041,372	-	1,041,372
Refuse Collection	540	6,808,314	-	6,808,314
Sewer Service	550	78,121,823	3,992,674	82,114,498
Special Transit	560	1,377,819	-	1,377,819
Public Parking	570	1,535,752	-	1,535,752
Civic Entertainment	580-1	(468,420)	-	(468,420)
SubTotal - Enterprise Funds		442,130,319	8,219,331	450,349,650
Special Revenue Funds				
Urban Areas Security Initiative	205	(415,691)	-	(415,691)
Community Development Block Grant	220	497,019	-	497,019
Home Investment Partnership Program	221	1,280,830	-	1,280,830
Housing Opportunities for Persons with AIDS	222	(489,656)	-	(489,656)
Community Development Grants	223	1,730,260	-	1,730,260
Neighborhood Stabilization Program	225	154,775	-	154,775
Special Gas Tax	230	15,403,032	-	15,403,032
Air Quality	240	1,062,169	-	1,062,169
NPDES Storm Drain	260	338,363	-	338,363
Housing Authority	280	12,125,480	-	12,125,480
Housing Assets	281	23,510	3,327,279	3,350,789
Special Districts	291	(369,435)	-	(369,435)
SubTotal - Special Revenue Funds		31,340,656	3,327,279	34,667,935
Capital Projects Funds				
Certificates of Participation Projects	401	(289,852)	-	(289,852)
Storm Drain	410	1,670,772	-	1,670,772
Local Park Special Capital Improvements	411	944,041	-	944,041
Regional Park Special Capital Improvements	413	2,592,940	-	2,592,940
Measure Z Capital Outlay	420	5,976,410	-	5,976,410
Capital Outlay	430	(3,103,486)	-	(3,103,486)
Transportation Projects	431	11,860	-	11,860
Measure A Capital Outlay	432	16,680,222	-	16,680,222
Transportation Development Impact Fees	433	5,165,910	-	5,165,910
Transportation Uniform Mitigation Fees	434	(1,564,790)	-	(1,564,790)
Community Facilities Districts and Assessment Districts	Various	1,894,577	-	1,894,577
SubTotal - Capital Project Funds		29,978,605	-	29,978,605
Debt Service Funds				
Debt Service Fund - General	390	(25,856,253)	-	(25,856,253)
Debt Service Fund - Public Works	391	783,847	-	783,847
SubTotal Debt Service Funds		(25,072,405)	-	(25,072,405)
Agency Funds				
Redevelopment Successor Agency	Various	22,144,254	-	22,144,254
Community Facilities Districts and Assessment Districts	Various	875,448	-	875,448
Special Deposits	Various	5,268,068	-	5,268,068
SubTotal Agency Funds		28,287,770	-	28,287,770
Internal Service Funds				
Workers' Compensation Insurance Trust	610	14,982,056	334,914	15,316,970
Unemployment Insurance Trust	620	380,833	-	380,833
Liability Insurance Trust	630	3,021,503	-	3,021,503
Central Stores	640	(743,089)	-	(743,089)
Central Garage	650	7,083,916	2,067,816	9,151,732
SubTotal - Internal Service Funds		24,725,219	2,402,730	27,127,948
Total - All Funds \$ 568,215,136 \$ 13,949,340 \$ 571,350,114				

¹ Amount reflects each fund's share of the City's pooled investment portfolio.

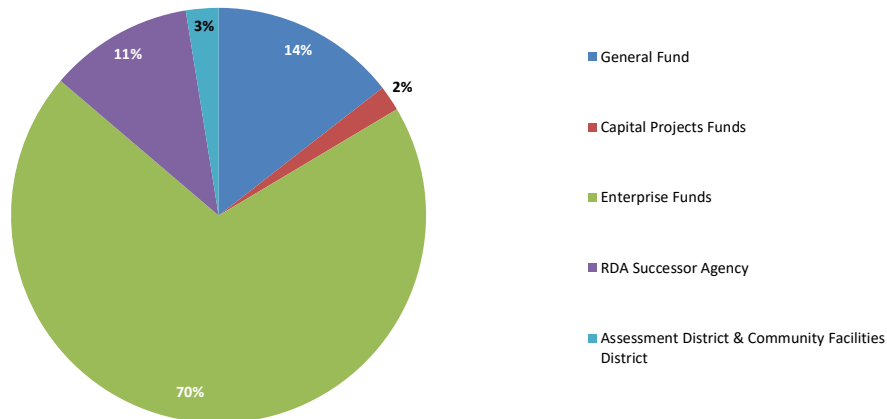
² Amounts shown are interfund loans outstanding, including the SERAF loan due to the Housing Authority. Interfund loan receivable balances are treated as available cash due to the ability to move loan receivables to other funds as needed.

City of Riverside
Fiscal Year 2018/19 Summary of Outstanding Debt¹
As of September 30, 2018

Debt Issuance ²	Outstanding Principal Balance 7/1/2018	New Debt Issued During Fiscal Year	2018/19 Principal Payments	2018/19 Interest Payments	2018/19 Total Payments	Projected Principal Balance 6/30/2019
General Fund						
General Obligation Bonds	10,280,000	-	1,195,000	492,435	1,687,435	9,085,000
Pension Obligation Bonds	60,476,694	-	10,289,622	3,103,041	13,392,663	50,187,072
Certificates of Participation	118,485,000	-	4,380,000	4,143,292	8,523,292	114,105,000
Lease Revenue Bonds	34,340,000	-	1,560,000	1,511,475	3,071,475	32,780,000
Capital Leases	11,823,340	-	2,960,139	241,991	3,202,130	8,863,202
Measure Z Capital Lease	13,824,066	-	1,324,576	294,590	1,619,166	12,499,490
Interfund Loans	2,660,993	-	293,433	46,567	340,000	2,367,560
Private Placement Financings	1,746,491	-	417,002	50,112	467,114	1,329,489
Total General Fund	253,636,584	-	22,419,771	9,883,504	32,303,275	231,216,813
Capital Projects Funds						
Local Park Impact Fee Fund Interfund Loans	3,399,497	-	1,391,508	59,492	1,451,000	2,007,989
Measure A Certificates of Participation	31,220,000	-	1,445,000	1,550,488	2,995,488	29,775,000
Total Capital Projects Funds	34,619,497	-	2,836,508	1,609,980	4,446,488	31,782,989
Enterprise Funds						
Pension Obligation Bonds	18,324,907	-	3,550,176	553,071	4,103,247	14,774,731
Electric Fund Revenue Bonds	528,715,000	-	14,445,000	23,085,661	37,530,661	514,270,000
Electric Fund Capital Leases	3,098,177	-	824,308	56,807	881,115	2,273,869
Water Fund Revenue Bonds	182,885,000	-	5,635,000	7,351,933	12,986,933	177,250,000
Water Fund Capital Lease	2,094,997	-	211,492	48,308	259,800	1,883,505
Sewer Fund Revenue Bonds	395,695,000	153,670,000	200,455,000	22,162,669	222,617,669	348,910,000
Sewer Fund Loans	1,446,699	-	788,308	28,553	816,861	658,391
Civic Entertainment Fund Capital Lease	1,627,864	-	533,195	26,165	559,360	1,094,669
Civic Entertainment Fund Private Placement	37,356,143	-	1,866,104	1,170,214	3,036,318	35,490,039
Parking Fund Loans	18,255,838	-	1,053,901	692,803	1,746,704	17,201,937
Total Enterprise Funds	1,189,499,625	153,670,000	229,362,484	55,176,184	284,538,667	1,113,807,142
Internal Service Funds						
Pension Obligation Bonds	749,506	-	145,203	22,621	167,824	604,303
Central Garage Fund Interfund Loans	334,914	-	334,914	-	334,914	-
Total Internal Service Funds	1,084,420	-	480,117	22,621	502,738	604,303
RDA Successor Agency						
Pension Obligation Bonds	553,893	-	-	-	-	553,893
Tax Allocation Bonds	181,980,000	114,815,000	135,065,000	8,059,204	143,124,204	161,730,000
Lease Revenue Bonds	14,925,000	-	1,720,000	712,682	2,432,682	13,205,000
Interfund Loans	4,226,657	-	426,033	73,967	500,000	3,800,624
Loans	420,000	-	420,000	6,552	426,552	-
Total RDA Successor Agency	202,105,550	114,815,000	137,631,033	8,852,405	146,483,438	179,289,517
Assessment District & Community Facilities District						
Assessment Districts	21,950,000	-	1,325,000	1,079,771	2,404,771	20,625,000
Community Facilities Districts	20,425,000	-	550,000	885,554	1,435,554	19,875,000
Total AD & CFD	42,375,000	-	1,875,000	1,965,325	3,840,325	40,500,000
Total	\$ 1,723,320,677	\$ 268,485,000	\$ 394,604,913	\$ 77,510,018	\$ 472,114,931	\$ 1,597,200,764

¹ Excludes water stock acquisition rights, copier leases, development agreements, and amortization of premiums and discounts on outstanding debt, none of which are material.

² See the notes of the following page, which detail dedicated revenue streams and certain obligations paid by other funds.



Note: Categories not shown represent less than 1% of the City's debt portfolio.

City of Riverside
Fiscal Year 2018/19 Summary of Outstanding Debt¹
As of September 30, 2018

Debt Issuance	Year of Issuance	Year of Final Maturity	Total Issue Size	Repayment Source	Outstanding Principal Balance 7/1/2018	New Debt Issued During Fiscal Year	2018/19 Principal Payments	2018/19 Interest Payments	2018/19 Total Payments	Projected Principal Balance 6/30/2019
General Obligation										
Measure G Fire Facility Projects GO Bonds	2004	2024	20,000,000	Existing Special Property Tax	10,280,000	-	1,195,000	492,435	1,687,435	9,085,000
Pension Obligation										
Pension Obligation Bonds Series 2004A	2004	2023	89,540,000	General Purpose General Fund Revenues	44,400,000	-	7,175,000	2,617,824	9,792,824	37,225,000
Pension Obligation Bonds Series 2005A	2005	2020	30,000,000	General Purpose General Fund Revenues ²	6,655,000	-	3,860,000	318,109	4,178,109	2,795,000
Pension Obligation Bonds Series 2017A	2017	2027	31,960,000	General Purpose General Fund Revenues ²	29,050,000	-	2,950,000	742,800	3,692,800	26,100,000
Certificates of Participation										
Galleria Mall Improvements	2006	2036	19,945,000	Project Developer / Successor Agency	16,485,000	-	580,000	745,991	1,325,991	15,905,000
Riverside Renaissance Projects Refunding	2008	2037	128,300,000	General Purpose General Fund Revenues	102,000,000	-	3,800,000	3,397,301	7,197,301	98,200,000
Lease Revenue Bonds										
Lease Revenue Refunding Bonds Series 2012A	2012	2033	41,240,000	General Purpose General Fund Revenues ³	34,340,000	-	1,560,000	1,511,475	3,071,475	32,780,000
Capital Leases										
Pinnacle 2 - VOIP Phone System	2012	2022	1,650,000	General Purpose General Fund Revenues	790,944	-	168,561	17,827	186,388	622,383
Chase 78 - Police Department Helicopter	2013	2019	1,348,316	General Purpose General Fund Revenues	233,598	-	233,598	2,956	236,554	-
Chase 79 - Vehicles, Software, and Hardware	2013	2019	3,642,934	General Purpose General Fund Revenues	631,144	-	631,144	7,987	639,131	-
Pinnacle 4 - Vehicles, Software, and Hardware	2013	2018	2,957,221	General Purpose General Fund Revenues	303,394	-	303,394	1,820	305,214	-
Various Vehicles, Software, and Hardware	2014	2022	4,450,000	General Purpose General Fund Revenues	2,834,325	-	688,600	50,624	739,224	2,145,725
Various Hardware and Software	2017	2025	7,955,000	General Purpose General Fund Revenues	7,029,935	-	934,842	160,777	1,095,619	6,095,093
Fire Vehicles and Equipment	2017	2027	14,500,000	Measure Z Fund Sales Tax Revenues	13,824,066	-	1,324,576	294,590	1,619,166	12,499,490
Interfund Loans										
Utilities Plaza Purchase Interfund Loan ⁴	2012	2027	4,469,221	Building Lease Revenue	2,660,993	-	293,433	46,567	340,000	2,367,560
Private Placement Financing										
Ryan Bonaminio Park Loan	2012	2021	4,000,000	General Purpose General Fund Revenues	1,746,491	-	417,002	50,112	467,114	1,329,489
Total General Fund					273,264,890	-	26,115,150	10,459,196	36,574,345	247,149,741
Local Park Impact Fee Fund										
Riverside Renaissance Debt Service Interfund Loan #1 ⁴	2010	2020	3,460,000	Development Impact Fee Revenue	2,067,816	-	695,813	36,187	732,000	1,372,003
Riverside Renaissance Debt Service Interfund Loan #2 ⁴	2011	2019	3,402,000	Development Impact Fee Revenue	1,331,681	-	695,695	23,305	719,000	635,986
Total Local Park Impact Fee Fund					3,399,497	-	1,391,508	59,492	1,451,000	2,007,989
Measure A Fund										
COPs 2013A RPFA Local Measure A Sales Tax Revenue	2013	2033	35,235,000	Measure A Sales Tax Revenues	31,220,000	-	1,445,000	1,550,488	2,995,488	29,775,000
Total Measure A Fund					31,220,000	-	1,445,000	1,550,488	2,995,488	29,775,000
Electric Utility										
Electric Revenue Refunding Bonds (2008) Series A	2008	2029	84,515,000	Existing Electric Rates/Refunding Proceeds	70,540,000	-	4,575,000	2,087,753	6,662,753	65,965,000
Electric Revenue Refunding Bonds (2008) Series C	2008	2035	57,325,000	Existing Electric Rates/Refunding Proceeds	41,975,000	-	900,000	1,323,252	2,223,252	41,075,000
Electric Revenue Bonds (2008) Series D	2008	2038	209,740,000	Existing Electric Rates	195,275,000	-	3,560,000	9,495,244	13,055,244	191,715,000
Electric Revenue Bonds (2009) Series A	2009	2018	34,920,000	Existing Electric Rates	1,275,000	-	1,275,000	25,500	1,300,500	-
Electric Revenue Bonds (2010) Series A	2010	2040	133,290,000	Existing Electric Rates	133,290,000	-	-	6,479,481	6,479,481	133,290,000
Electric Revenue Bonds (2010) Series B	2010	2019	7,090,000	Existing Electric Rates	4,650,000	-	2,440,000	149,400	2,589,400	2,210,000
Electric Revenue Bonds (2011) Series A	2011	2035	56,450,000	Existing Electric Rates/Refunding Proceeds	41,925,000	-	900,000	1,587,300	2,487,300	41,025,000
Electric Revenue Refunding Bonds (2013) Series A	2013	2043	79,080,000	Existing Electric Rates	39,785,000	-	795,000	1,937,731	2,732,731	38,990,000
Electric Fund Vehicles Capital Leases	Various	Various	Various	Existing Electric Rates	3,098,177	-	824,308	56,807	881,115	2,273,869
Total Electric Fund					531,813,177	-	15,269,308	23,142,468	38,411,776	516,543,869
Water Utility										
Water Revenue Bonds (2008) Series B	2008	2038	58,235,000	Existing Water Rates	55,415,000	-	1,535,000	2,686,850	4,221,850	53,880,000
Water Revenue Bonds (2009) Series A	2009	2020	31,895,000	Existing Water Rates	7,255,000	-	2,625,000	263,425	2,888,425	4,630,000
Water Revenue Bonds (2009) Series B	2009	2039	67,790,000	Existing Water Rates	67,790,000	-	-	2,717,377	2,717,377	67,790,000
Water Revenue Bonds (2011) Series A	2011	2035	59,000,000	Existing Water Rates	52,425,000	-	1,475,000	1,684,281	3,159,281	50,950,000
Water Fund Vehicles Capital Lease	2017	2027	2,305,000	Existing Water Rates	2,094,997	-	211,492	48,308	259,800	1,883,505
Total Water Fund					184,979,997	-	5,846,492	7,400,241	13,246,733	179,133,505

Debt Issuance	Year of Issuance	Year of Final Maturity	Total Issue Size	Repayment Source	Outstanding Principal Balance 7/1/2018	New Debt Issued During Fiscal Year	2018/19 Principal Payments	2018/19 Interest Payments	2018/19 Total Payments	Projected Principal Balance 6/30/2019
Sewer Utility										
Headworks Project Loan	2000	2019	7,956,419	Existing Sewer Rates	469,113	-	469,113	8,274	477,387	-
Cogeneration Project Loan	2003	2021	5,374,978	Existing Sewer Rates	977,586	-	319,195	20,279	339,474	658,391
Sewer Revenue Bonds (2009) Series B ⁶	2009	2039	204,075,000	Existing Sewer Rates	195,665,000	-	195,665,000	12,421,469	208,086,469	-
Sewer Revenue Bonds (2015) Series A	2015	2040	200,030,000	Existing Sewer Rates	200,030,000	-	4,790,000	9,741,200	14,531,200	195,240,000
Sewer Revenue Bonds (2018) Series A ⁶	2018	2039	153,670,000	Existing Sewer Rates	-	153,670,000	-	-	-	153,670,000
Total Sewer Fund					397,141,699	153,670,000	201,243,308	22,191,222	223,434,530	349,568,391
Civic Entertainment Fund										
BofA - Convention Center Lease, Fox, Muni, RPD Dispatch	2013	2021	3,668,000	General Purpose General Fund Revenues	1,627,864	-	533,195	26,165	559,360	1,094,669
Convention Center Expansion Loan	2012	2034	44,650,000	General Fund Transient Occupancy Tax ⁵	37,356,143	-	1,866,104	1,170,214	3,036,318	35,490,039
Total Civic Entertainment Fund					38,984,007	-	2,399,299	1,196,379	3,595,678	36,584,708
Parking Fund										
Fox Entertainment Plaza Loan	2010	2032	25,000,000	Parking Fund Revenue ⁷	18,255,838	-	1,053,901	692,803	1,746,704	17,201,937
Total Parking Fund					18,255,838	-	1,053,901	692,803	1,746,704	17,201,937
Central Garage Fund										
CNG Refueling Station Interfund Loan ⁴	2013	2019	1,674,262	Fuel Sales	334,914	-	334,914	-	334,914	-
Total Central Garage Fund					334,914	-	334,914	-	334,914	-
RDA Successor Agency										
California Tower Lease Revenue Bonds Series A	2003	2024	26,255,000	Successor Agency Tax Increment	12,835,000	-	1,470,000	605,000	2,075,000	11,365,000
California Tower Lease Revenue Bonds Series B	2003	2024	4,810,000	Successor Agency Tax Increment	2,090,000	-	250,000	107,682	357,682	1,840,000
RPFA Multiple Project Area TABs (2007) Series A ⁸	2007	2037	8,340,000	Successor Agency Tax Increment	8,120,000	-	8,120,000	177,415	8,297,415	-
RPFA Multiple Project Area TABs (2007) Series B ⁸	2007	2028	14,850,000	Successor Agency Tax Increment	10,800,000	-	10,800,000	314,280	11,114,280	-
RPFA Multiple Project Area TABs (2007) Series C ⁸	2007	2037	89,205,000	Successor Agency Tax Increment	83,885,000	-	83,885,000	2,052,238	85,937,238	-
RPFA Multiple Project Area TABs (2007) Series D ⁸	2007	2032	43,875,000	Successor Agency Tax Increment	28,135,000	-	28,135,000	828,576	28,963,576	-
HUD Section 108 Refunding Loan - Mission Village	2011	2018	2,695,000	Successor Agency Tax Increment	420,000	-	420,000	6,552	426,552	-
Reid Park Acquisition Interfund Loan ⁴	2011	2028	720,000	Successor Agency Tax Increment	546,907	-	55,429	9,571	65,000	491,478
Riverside Golf Course Acquisition Interfund Loan ⁴	2011	2028	4,837,500	Successor Agency Tax Increment	3,679,750	-	370,604	64,396	435,000	3,309,146
2014 Subordinate Tax Allocation Refunding Bonds Series A	2014	2034	61,250,000	Successor Agency Tax Increment	49,795,000	-	3,960,000	2,375,750	6,335,750	45,835,000
2014 Subordinate Tax Allocation Refunding Bonds Series B	2014	2024	1,730,000	Successor Agency Tax Increment	1,245,000	-	165,000	38,566	203,566	1,080,000
2018 Tax Allocation Refunding Bonds Series A ⁸	2018	2034	74,435,000	Successor Agency Tax Increment	-	74,435,000	-	1,589,956	1,589,956	74,435,000
2018 Tax Allocation Refunding Bonds, Taxable Series B ⁸	2018	2033	40,380,000	Successor Agency Tax Increment	-	40,380,000	-	682,423	682,423	40,380,000
Total RDA Successor Agency					201,551,657	114,815,000	137,631,033	8,852,405	146,483,438	178,735,624
Assessment District & Community Facilities District										
Riverwalk Business Center Assessment District Bonds	2004	2029	3,755,000	Existing Special Property Tax	2,425,000	-	145,000	144,153	289,153	2,280,000
Sycamore Canyon Business Park CFD 92-1 Bonds	2005	2034	9,700,000	Existing Special Property Tax	7,180,000	-	275,000	367,984	642,984	6,905,000
Hunter Park Assessment District Bonds	2006	2036	15,269,906	Existing Special Property Tax	11,950,000	-	390,000	605,458	995,458	11,560,000
Riverwalk Assessment District Refunding Bonds	2011	2026	7,805,000	Existing Special Property Tax	5,185,000	-	485,000	231,994	716,994	4,700,000
Auto Center Assessment District Refunding Bonds	2012	2024	4,050,000	General Fund Sales Tax Revenue ⁹	2,390,000	-	305,000	98,166	403,166	2,085,000
Riverwalk Vista CFD 2006-1	2013	2043	4,415,000	Existing Special Property Tax	4,120,000	-	85,000	200,244	285,244	4,035,000
Riverwalk Vista CFD 2006-1 Improv Area No.2 Series A	2016	2046	5,505,000	Existing Special Property Tax	5,440,000	-	70,000	187,744	257,744	5,370,000
Riverwalk Vista CFD 2006-1 Improv Area No.2 Series B	2016	2031	1,275,000	Existing Special Property Tax	1,130,000	-	65,000	43,269	108,269	1,065,000
Highlands CFD 2014-2 Series A	2016	2046	1,800,000	Existing Special Property Tax	1,790,000	-	10,000	57,775	67,775	1,780,000
Highlands CFD 2014-2 Series B	2016	2031	810,000	Existing Special Property Tax	765,000	-	45,000	28,538	73,538	720,000
Total Assessment District & Community Facilities District					42,375,000	-	1,875,000	1,965,325	3,840,325	40,500,000
Total					\$ 1,723,320,677	\$ 268,485,000	\$ 394,604,913	\$ 77,510,018	\$ 472,114,931	\$ 1,597,200,764

¹ Excludes water stock acquisition rights, copier leases, development agreements, and amortization of premiums and discounts on outstanding debt, none of which are material.

² 54.3% of the debt service for these bonds is allocated to other Funds based on the percentage of miscellaneous CalPERS plan employees budgeted in those Funds.

³ 24.7% of the debt service for these bonds is allocated to the Parking Fund for the construction of Garage 6 and to the Successor Agency for the construction of the University Village garage.

⁴ Beginning outstanding principal balance on interfund loans may be less than prior year projected ending balance due to actual FY 2018 pooled interest rate adjustment at end of FY

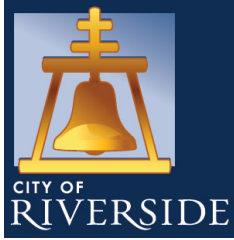
⁵ Debt service for this loan is primarily funded from a voter-approved increase in the transient occupancy tax rate from 11% to 13%.

⁶ Sewer 2009B Bonds defeased by Sewer 2018A Refunding Bonds on 11/27/18. 2009B Interest expense includes a cash on hand refunding contribution.

⁷ A portion of the debt service for this loan related to non-parking facilities is funded by the General Fund.

⁸ RPFA 2007 Series A, B, C and D Tax Allocation Bonds refunded by the SARDA 2018 Series A and B Tax Allocation Refunding Bonds on 9/30/2018

⁹ Under the terms of an existing development agreement, increased incremental sales tax resulting from the expansion of the Auto Center funds the debt service on these bonds.



FISCAL YEAR 2018/19 FIRST QUARTER FINANCIAL REPORT AND MEASURE Z UPDATE, CASH AND INVESTMENT REPORTS AND DEBT REPORT

Finance Department

City Council

January 22, 2019

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BACKGROUND



June 2018
Budget Adopted
by City Council



November 2018
Budget Engagement Commission
(CalPERS); CalPERS website



December 2018
Carryover of prior year
unexpended funds



June 2018 – Updated Spending Plan in adopted budget; new spending items (Fire, Parks & Rec)

December 2018 – Updated Spending Plan to reflect actual FY 2017/18 revenues recorded.



LEGISLATIVE/JUDICIAL



Proposition 68:
Parks, Environment,
& Water Bond



Proposition 6:
Repeal Gas &
Vehicle Tax



CalPERS California Rule



Wayfair Ruling

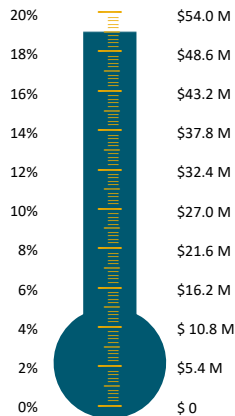


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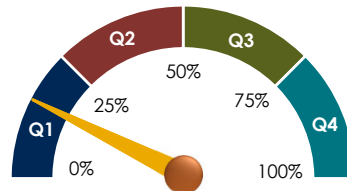
GENERAL FUND SUMMARY

Reserves

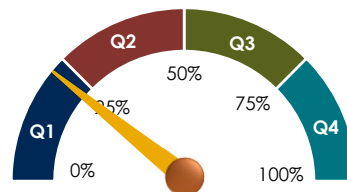


19%, computed as a % of the FY 2018/19
Adopted Appropriations of \$269 million

Revenue Recorded to Date



Expenditures Recorded to Date

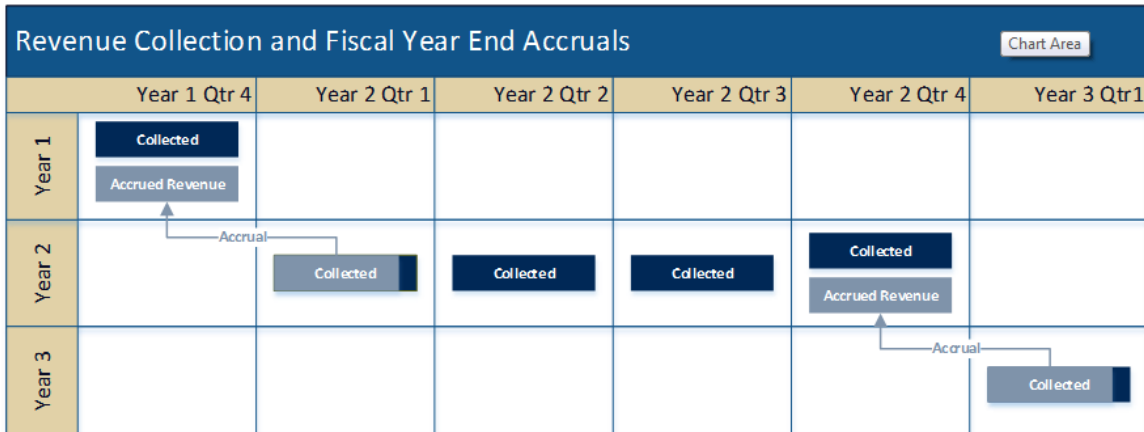


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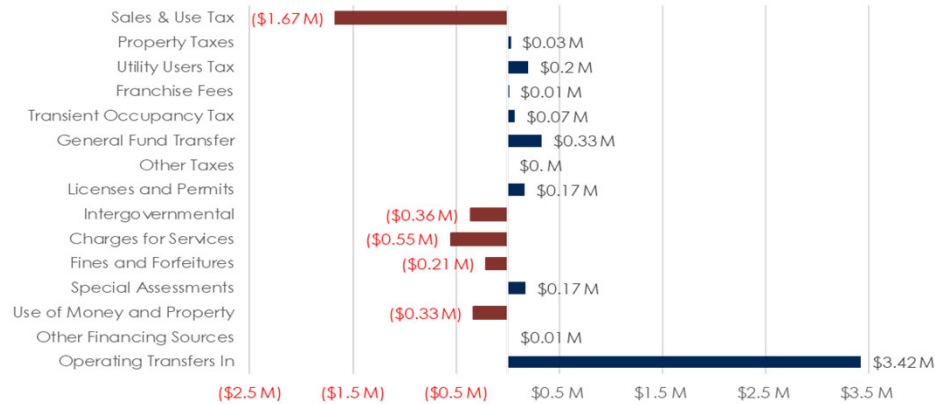
GENERAL FUND REVENUE (First Quarter Characteristics)



5

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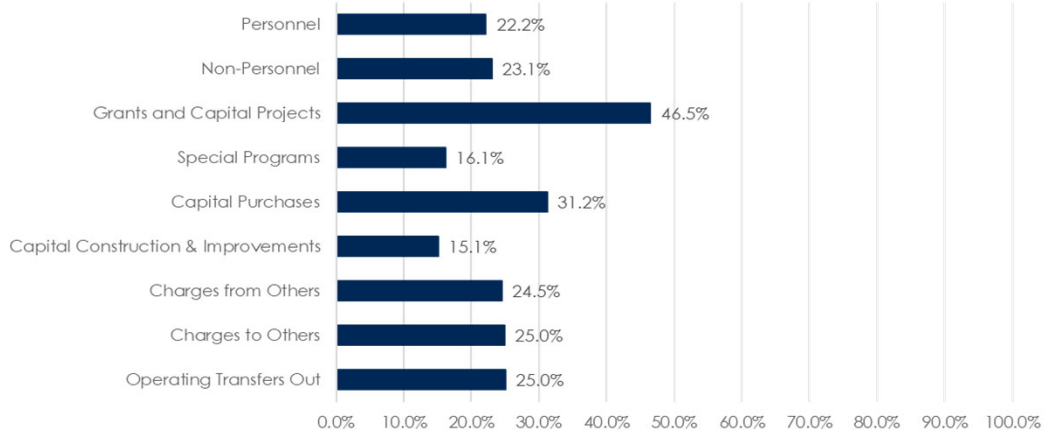
GENERAL FUND REVENUE (As Compared to First Quarter of Prior Year)



6

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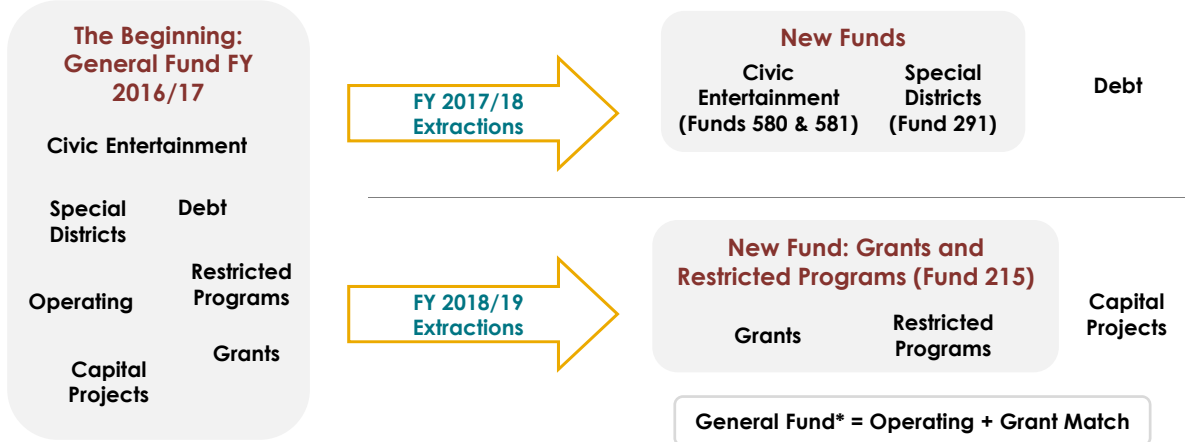
GENERAL FUND EXPENDITURES (First Quarter Actuals as Compared to Total Budget)



7

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GENERAL FUND STRUCTURAL IMPROVEMENTS



*A policy defining the purpose and content of the General Fund is being drafted by the Finance Department and will be presented at a later date.

8

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CARRYOVER RECOMMENDATIONS (Change from December 11, 2018 Approved Carryovers)

Fund	Discretionary	Non-Discretionary	Net Projects/Grants	Total
General Fund	\$0	\$0	\$25,000	\$25,000
Electric Fund	\$66,280	\$0	\$2,939,105	\$3,005,385
Water Fund	\$2,263,958 ¹	\$0	\$685,000	\$2,948,958
Total Increase/ (Decrease)	\$2,330,238	\$0	\$3,649,105	\$5,979,343

¹ Carryover approved by City Council as a verbal addendum to the December 11, 2018 published recommendation, and affirmed in this report.



INTERFUND / INTERDEPARTMENTAL TRANSFERS

Description	Funds Impacted	Departments Impacted	Amount	Net City-Wide Impact	Net General Fund Impact
Cost Allocation Plan	Multiple	Multiple	(Net zero)	\$0	\$111,308
Transfer Claims Management staff	630 – General Liability	Finance	(\$223,831)	\$0	\$0
		City Attorney	\$223,831		
Transfer SmartRiverside administration	101 – General Fund	Innovation & Technology	(\$4,743)	\$0	\$0
		Community & Economic Development	\$4,743		



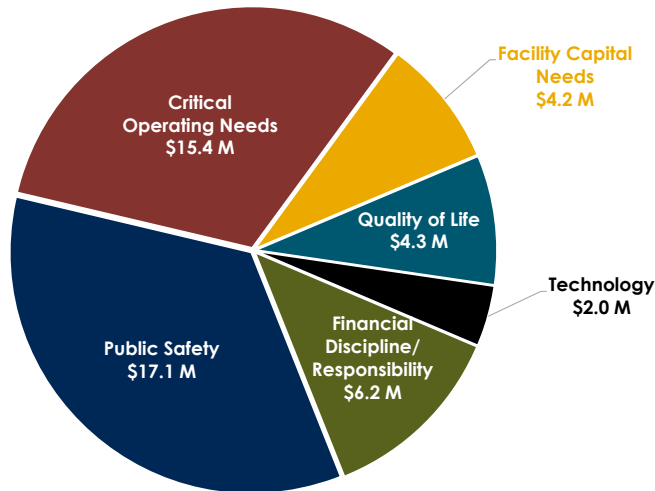
SUPPLEMENTAL APPROPRIATIONS

Description	Funds/Departments Impacted	Type	Account	Amount
Return unexpended funds to General Fund	101 – General Fund / Non-Departmental	R	Operating Transfer from 401	\$204,200
	401 – Capital Projects Fund / Museum	E	Operating Transfer to 101 Fund	\$204,200

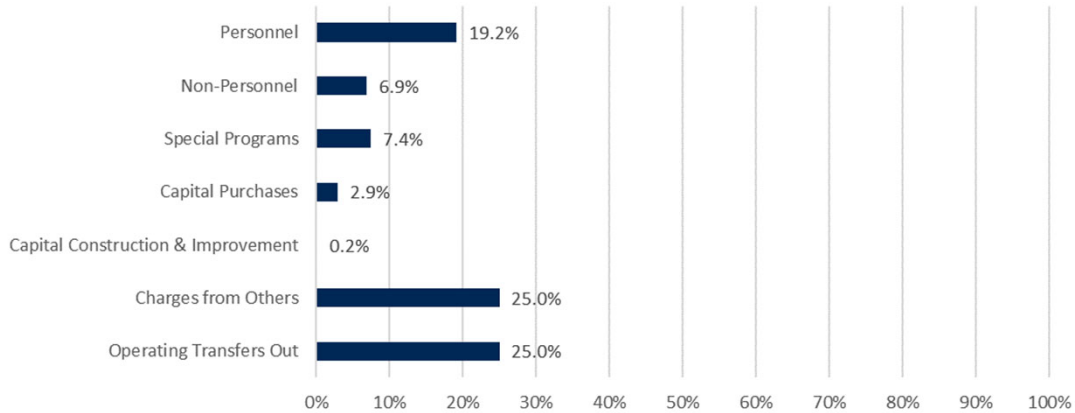
Type Legend:
 R: Resource, in the form of revenue or Transfers In
 E: Use of resources, in the form of expenditures or Transfers Out



MEASURE Z SPENDING PLAN – FY 2018/19

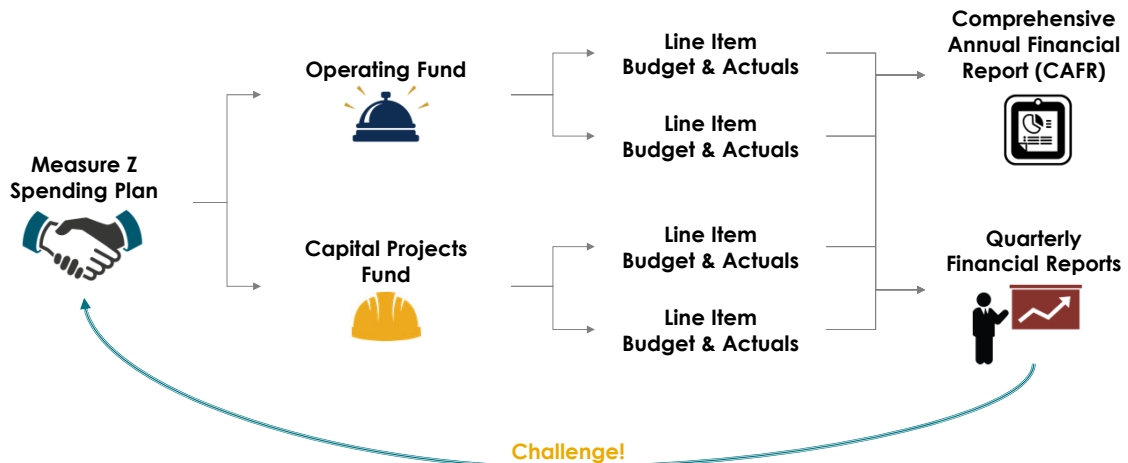


MEASURE Z EXPENDITURES (First Quarter Actuals as Compared to Total Budget)



13

MEASURE Z REPORTING CHALLENGES



14

DEBT AND INVESTMENT REPORTS

Quarterly investment report:

- Report shows cash balances by fund
- No fund's cash balance is currently a concern

Quarterly debt report:

- Report shows debt balances by fund type and debt issuance
- Changes in debt portfolio this quarter:
 - Refunding of 2009B Sewer Revenue Bonds (estimated \$20.4 savings over the life of the bonds*)
 - Refunding of 2007 Tax Allocation Bonds for the Successor Agency to the Redevelopment Agency (estimated \$18.9 savings of the life of the bonds*)



*Net present value

15

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RECOMMENDATIONS

That the City Council:

1. Receive and provide input on the attached Fiscal Year 2018/19 First Quarter Financial Report and Measure Z Update, Cash and Investment reports, and Debt report for all funds.
2. Approve for supplemental carryover into Fiscal Year 2018/19 the balance of previously appropriated and unspent funds approximating \$6.0 million as detailed in Attachment 2.
3. Approve interfund and interdepartmental transfers of appropriations as detailed in Attachment 3.

(Continued)

16



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RECOMMENDATIONS (CONT'D)

4. Approve supplemental appropriations as detailed in Attachment 3, recording net resources of \$204,200 in the General Fund; and net use of resources of \$204,200 in the Capital Projects Fund.
5. Approve the transfer of grant, capital projects, and other restricted fund appropriations previously accounted for in the General Fund from the General Fund to the new Grants and Restricted Programs Fund (Fund 215) and other funds as appropriate, according to generally accepted accounting principles (GAAP); approve the appropriation of offsetting "Charges To" and "Charges From" related to the transfers; and direct staff to report transfers and additional appropriations that result from the establishment of a new Grants and Restricted Programs Fund and other restructuring efforts in applicable quarterly financial reports.



17

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