

# City Council Memorandum

City of Arts & Innovation

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**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: MARCH 8, 2016**

**FROM: FINANCE DEPARTMENT      WARDS: ALL**

**SUBJECT: FY 2015-16 MID-YEAR BUDGET UPDATE AND REVISIONS/SECOND QUARTER INVESTMENT AND DEBT REPORTS AND DELEGATION OF INVESTMENT RESPONSIBILITY – SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$4,500,000 AND BUDGET REDUCTION OF \$2,500,000**

**ISSUES:**

The items for City Council consideration are to receive the FY 2015-16 second quarter financial, investment, and debt reports; to approve \$4.5 million in supplemental appropriations and revenues, as detailed in this report; to approve \$2.5 million in necessary budget reductions in order to offset a \$7.8 million projected General Fund budget shortfall; to authorize the City Manager to identify and freeze additional expenditure items in order to further mitigate the projected General Fund deficit; and to continue delegation of authority to the Chief Financial Officer/Treasurer to invest/reinvest funds and to sell or exchange purchased securities.

**RECOMMENDATIONS:**

That the City Council:

1. Receive the attached FY 2015-16 Mid-Year financial, investment, and debt reports, for the period from July 1, 2015 through December 31, 2015;
2. Approve \$4.5 million in supplemental appropriations, including offsetting revenue for various budgetary items as detailed below;
3. Approve \$2.5 million in necessary budget reductions in order to offset a \$7.8 million projected General Fund shortfall;
4. Authorize the City Manager to identify and freeze additional expenditure items in order to further mitigate the projected General Fund deficit; and
5. Delegate investment responsibility to the City’s Chief Financial Officer/Treasurer for a period of up to one year.

**BACKGROUND/DISCUSSION:**

On a quarterly basis, the Finance Department undertakes a comprehensive analysis of revenues and expenditures of the City’s various funds, prepares year-end projections based on actuals to

date, and as necessary, recommends adjustments to the budget in order to ensure fiscal stability of the City. This ongoing financial monitoring and review is an essential component of the City's strong fiscal management practices.

The attached FY 2015-16 Mid-Year Financial Report (Attachment A) summarizes the results of that analysis for the period from July 1, 2015 through December 31, 2015. Also included are the Quarterly Investment Report (Attachment B) and the Quarterly Debt Report (Attachment C), which highlights the City's portfolio of investments and its outstanding debts, respectively.

## **Quarterly Financial Report Status**

For the six-month period of July 1, 2015 through December 31, 2015, a complete analysis of General Fund revenues and expenditures was performed. In addition, in an effort to bring further transparency to the City's financial situation, beginning with the first quarter's report for Fiscal Year 2015-16, staff expanded the City's periodic financial reporting to include a summary of the projected financial results for all City funds. This information is included in Attachment A and reflects financial projections for all funds as of December 31, 2015.

### *General Fund Update*

In the first quarter report to the City Council, staff anticipated a General Fund deficit of \$6.5 million. This was the result of revenues being approximately \$0.8 million less than budget; operating expenditures for all departments being collectively \$1.2 million short of the managed savings target for the year; and supplemental appropriations of \$4.5 million made from the reserve, primarily associated with the police labor negotiations, Museum storage emergency repairs and to City Attorney's office move.

The Mid-Year projection for the General Fund, as described below, reflects a larger budgetary deficit of \$7.8 million. The worsening deficit is due primarily to lower than previously projected revenues. Additionally, though not included in this report's totals, the City Council is considering at this same meeting of March 8<sup>th</sup> a supplemental appropriation of as much as \$156,000 for two ballot measures recommended by the Government Affairs Committee.

The magnitude of the projected General Fund deficit requires a corrective action. The City Manager's Office has already administratively placed a hold on \$2.5 million in spending primarily for prior year carryover balances to help offset the \$6.5 million deficit projected during the first quarter. This information is detailed in Attachment D. With this report, the City Council is asked to formally eliminate these balances.

Furthermore, given the worsened deficit position of the General Fund, the City's executive team is identifying additional expenditures that could be administratively frozen to further offset the \$7.8 million gap. One of the actions requested through this item is to authorize the City Manager to hold spending on non-essential items.

### *A. Revenues*

As of the first quarter, very limited actual revenue data were available for meaningful projections. At that time, staff estimated a \$0.8 million revenue shortfall. Additional revenue details through the first half of the year have now revealed a \$2.2 million shortfall. Details are described below.

In the **Taxes** category, total revenue is projected to essentially be on target; however, some of the

categories making up the total have variances that merit further comment.

- Property taxes are projected to exceed projections by \$0.6 million. The former Redevelopment Agency (now Successor Agency) receipts are expected to be greater than budgeted by \$0.8 million and the secured property tax receipts to be \$0.3 million greater than budgeted. This is offset by the Vehicle License Fee Backfill property tax now planned to be below budget by \$0.5 million. The positive news related to the Successor Agency tax receipts was information received very late in the process of developing this mid-year update. The amount is received in two installments that are derived from an allocation to the City after all obligations for that semi-annual period due from Successor Agency tax increment are paid. Not a great deal of information is available to estimate these amounts when the budget is developed. However, staff has been given confirmation by the County Auditor-Controller's Office that the amounts reported here are a solid, conservative estimate of the total receipts the City will receive for the 2015-16 fiscal year.
- Utility users tax (UUT) revenues are projected to be under-collected by \$0.9 million, mainly because of higher than previously estimated electric and water conservation measures by City customers. The Water UUT revenue is projected to be under budget by \$0.5 million and Electric UUT by \$0.4 million.
- A positive variance exists in the transient occupancy tax (TOT), which continues to show impressive growth due to the expanding demand for hotel room nights in the City. This is principally the result of the renovation and expansion of the Riverside Convention Center. TOT revenues are currently projected \$0.6 million above the original budget estimate.
- Other miscellaneous tax revenue items collectively reflect a minor negative variance of \$0.1 million from the budget.

**Interfund Transfers** are projected to be approximately \$1.3 million below budget due to the lower General Fund Transfer (GFT) amount. The GFT is based on the final, audited prior year gross operating revenues of Riverside Public Utilities. A decline in Water Fund-related GFT was already anticipated in the budget, while further decline in Electric Fund revenues was not. The FY 2014-15 worsened electric revenue figure primarily accounts for the \$1.3 million GFT variance.

The **Charges, Licenses and Permits** category is currently projected below the adopted budget estimate by \$1.1 million. The revenue associated with fees and charges for services is projected to be \$1.1 million below budget due to the delay in approval of the City's user fee study and the subsequent stay of several key fee increases as they are being re-examined for process efficiencies. This revenue loss is partially offset by salary savings in the Community and Economic Development Department related to positions to be funded by the additional fee study revenues that have been either held vacant or recruitment delayed.

**Other Revenues** are collectively within \$0.1 million of budgeted revenues, with a minor positive variance due primarily to Intergovernmental Revenue ahead of budget estimates associated with the additional mutual aid activities performed by the Fire Department earlier in the fiscal year.

#### *B. Expenditures*

General Fund expenditures are currently projected to exceed the budget by \$5.6 million. The increase relates to three categories of additional expenditures:

1. Previously approved by the City Council supplemental appropriations from the General Fund reserve are approximately \$0.8 million. These appropriations include \$281,000 for the relocation of the City Attorney's Office, \$360,000 for emergency repairs and improvements to the Museum's storage facility, and \$109,120 associated with the audits of the Finance and Human Resources Departments. While not included in this report's totals, the City Council is considering as part of the same agenda as this report, a supplemental appropriation for two ballot measures that may cost as much as \$156,000 in election costs. This would further erode the reserve by that amount.
2. Departmental expenditure projections currently indicate that they will collectively be short of the managed savings target in the adopted budget by approximately \$0.3 million. Historically, the departments only spend approximately 98% of their adopted budget authority. Within the overall departmental managed savings analysis, the Fire Department has the only projected over budget position, though this has improved since the first quarters report. Budget staff made an adjustment to the Fire budget in developing the 2015/16 budget, but still needs to make a slightly greater adjustment in the two-year budget process to provide an adequate level of backfill spending authorization and to adequately fund retirement payoff costs.
3. Another \$4.5 million of expenditures will be incurred by departments in excess of the adopted 2015/16 budget, however, budget adjustments are recommended for these items as they either have revenue to support the expenditure, or actions subsequent to budget adoption are responsible for the increased expenditure.
  - a. The Fire department has mutual aid expenditures of \$0.6 million beyond the amount anticipated in the adopted budget. These costs are all recoverable, and adjustments to the Fire Department's overtime account and offsetting estimated revenue of the same amount are proposed. This item has no net fiscal impact to the General Fund.
  - b. An appropriation of approximately \$3.9 million is necessary to provide budgetary resources to the Police Department to fund the costs associated with the approved labor contracts with the three Police Department bargaining units. These costs include \$2.8 million for current year impacts of the increases and \$1.1 million in retroactive increases paid in the current year but related to earnings periods from the prior fiscal year.

### *C. Reserves*

The impact of the variances in General Fund revenues and expenditures amount to a projected draw on the General Fund reserve of \$6.8 million. This effectively decreases the projected reserve balance to \$33.3 million, representing only 13.0% and, therefore, falling below the City's 15% reserve level. Eliminating \$2.5 million of prior year carryover balances would keep the reserves at a 14.0% level. The City's executive management team will be identifying further items to administratively freeze to reduce the projected shortfall. In the FY 2016/18 biennial budget, the City's management team will recommend further actions to maintain the General Fund reserves at 15%.

### *All Funds Update*

Attachment A includes a summary of revenue and expenditures for all City funds, showing the

amounts included in the adopted budget and the amounts projected as of December 31, 2015. This report also includes the starting available balance for each fund as of July 1, 2015 and the projected ending available fund balance at June 30, 2016. Most of the City's non-General funds are restricted for specific purposes. These funds, as a matter of routine, do not carry a budgetary fund balance because all resources received are appropriated and expended for the purpose of that fund.

Highlights of the year-to-date activity and projections for other City funds, primarily the enterprise funds (electric, water, sewer, etc.), and the internal service funds (insurance trusts, central garage, etc.), are provided below.

1. First quarter projections for the Electric and Water Funds have been provided by Riverside Public Utilities finance staff. Current projections continue to reflect Water revenues lower than anticipated due to the huge success of the water conservation effort. The reduced revenues were anticipated to be a charge against the reserve in the first quarter report, but staff has worked to identify savings and efficiency opportunities and are now projecting that expenditures can be reduced by an amount almost equivalent to the decrease in revenue, resulting in only a minor reduction to the available fund balance. Electric revenues projections are now expected to be above that reflected in the adopted budget. This is different from what was reported in the first quarter financial report and due primarily to notice of a substantial settlement offsetting the reduced operating revenues.
2. Sewer Fund revenues are projected to be approximately 4% below revenues reflected in the adopted budget. This is due primarily to water conservation efforts mandated throughout the state. Commercial/Industrial customers are billed based on the flow coming out of their facilities. The reduced water usage has had the related impact of lessening revenues in the Sewer Fund too. Management has been able to identify expenditure savings in the Sewer Fund nearly equivalent to the anticipated revenue shortfall and the anticipated positive year-end growth in budgetary fund balance is still anticipated, consistent with the rate plan previously approved by the City Council.
3. Refuse Fund revenues are projected to be below budget by approximately 2%. In the first quarter that difference was fully offset through budgetary savings in operations and a management decision to delay certain capital purchases in the street sweeping program. Since that time, management has decided to proceed with the capital purchase in this fiscal year, so that has been added back to the expenditure projections. Even with the capital purchases added back, the revenue shortfall is more than compensated for with other anticipated expenditure savings.
4. Airport Fund revenues are increasing and a positive variance is currently projected. Any excess funds available at the end of the fiscal year would be reinvested in the continued development and improvement of the Airport.
5. Parking Fund revenues are projected to fall short of the adopted budget estimates. Public Works staff is projecting a reduction in expenditures nearly sufficient to mitigate the shortfall in operating revenues.
6. As of December 31, 2015, expenditures in the Insurance Trust Funds (Workers Compensation and General Liability) are projected slightly below budget for the Worker's Compensation function and more substantially under budget for the General Liability

function. These funds are inherently difficult to project because trends are highly volatile from one year to the next. Each fund had budgeted to return a portion of their “revenues” to the fund balance to improve their current financial positions and that is still projected to occur at this point.

Most of the remaining funds are project type funds and make adjustments to their budget routinely throughout the year as either new funds (grants) become available, or there are sufficient resources on hand previously to proceed with a project. These other funds are functioning in accordance with their purpose and do not have financial issues to discuss in this report.

All listed funds have a positive projected year-end fund balance with the exception of the Liability Insurance and Workers Compensation Insurance Trust Funds. The combined fund balance in these funds is negative, but reflects, in part, long-term liabilities that are not due for a number of years, and claims that may ultimately be resolved for lower amounts than the amounts reserved. Staff is developing a recommended reserve policy for these funds that will be presented to the Finance Committee and subsequently to the City Council in the near future. Despite the negative fund balance of the Insurance Trust Funds, which stands at \$24.3 million, cash on hand (\$12.5 million) plus current year receipts are anticipated to be sufficient to pay all claims as required.

### **Quarterly Investment Report Status**

Sound investment practices are an essential component to 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 December 31, 2015, the City’s pooled investment portfolio’s market value was \$466 million, with the market value of investments held by fiscal agents (bond proceeds and reserve funds primarily) amounting to an additional \$311 million. The weighted average yield of the pooled investment portfolio is currently 0.92%. Additionally, this report requests the continued approval of delegated authorization for the Chief Financial Officer/Treasurer to invest/reinvest funds and to sell or exchange purchased securities, consistent with the City’s adopted investment policy. This is a requirement of State law.

Beginning with the first quarter’s Investment Report, staff began including with the Investment Report a listing of cash balances by fund. This list is included in Attachment B. 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 Finance Director/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. Pending receipt of property taxes in January, the Successor Agency Administration Fund has a negative cash balance of \$0.7 million.
2. The Public Parking Fund has a negative cash balance of \$0.5 million, which is related to both outstanding accounts receivable and the fiscal challenges discussed in the prior section of this report.
3. The Urban Areas Security Initiative, Housing Opportunities for Persons with Aids, Capital Outlay, Transportation Projects, and Transportation Uniform Mitigation Fees Funds all have

a negative cash balance, which is fully offset by outstanding grant receivables.

4. The Liability Insurance Trust Fund has a negative cash balance of \$2.5 million, but is consolidated with the positive cash balances of the Workers Compensation Insurance Trust Fund and Unemployment Insurance Trust Fund for financial reporting purposes. Staff is implementing a strategy to return the Liability Insurance Trust Fund to an improved financial condition (cash and fund balance levels) over the next five years. In the current year, the cash position was budgeted to improve by \$1 million; however, that is subject to the year's actual liability claim results.
5. The Central Stores Fund has a negative cash balance of \$0.8 million, which is fully offset by inventory assets.

### **Quarterly Debt Report Status**

The Finance Department is also charged with 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 C) 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. There are no changes to the Quarterly Debt Report for this quarter.

### **FISCAL IMPACT:**

This Mid-Year financial report projects a \$7.8 shortfall in the General Fund for FY 2015/16. To alleviate the deficit, the City Council is asked to approve eliminating \$2.5 million in prior year carryover balances, and authorize the City Manager to identify and freeze additional non-essential items.

Prepared by: Brent A. Mason, Finance Director/Treasurer  
Certified as to  
availability of funds: Brent A. Mason, Finance Director/Treasurer  
Approved by: Marianna Marysheva-Martinez, Assistant City Manager  
Approved as to form: Gary G. Geuss, City Attorney

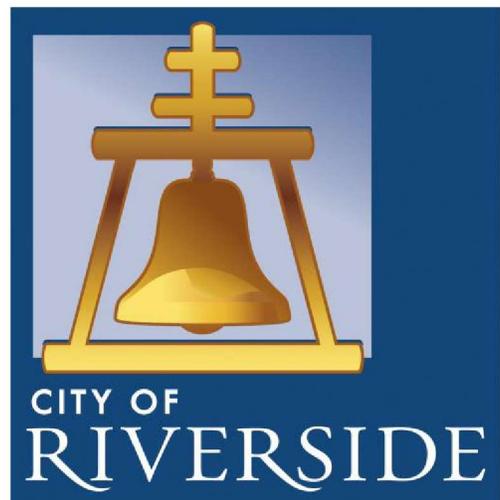
### **Attachments:**

1. Attachment A: Quarterly Financial Report
2. Attachment B: Quarterly Investment Report
3. Attachment C: Quarterly Debt Report
4. Attachment D: Proposed List of Budget Reductions
5. Presentation

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# ATTACHMENT A

# FINANCIAL REPORT



**City of Riverside**  
**Fiscal Year 2015/16 General Fund Budget Forecast**  
**As of December 31, 2015**

	<b>Adopted 2015/16</b>	<b>Projected 2015/16</b>	<b>December Budget Variance</b>	<b>September Budget Variance</b>
Beginning Reserve Balance <sup>1</sup>	\$ 37,436,735	\$ 40,085,510	\$ 2,648,775	\$ 2,648,775
Add: Revenue <sup>2</sup>	257,593,718	255,345,706	(2,248,012)	(780,308)
Less: Expenditures <sup>3</sup>	(256,593,718)	(257,666,838)	(1,073,120)	(1,195,120)
Less: Pending Adjustments <sup>3</sup>	-	(4,474,000)	(4,474,000)	(4,501,279)
<b>Projected Ending Reserve Balance</b>	<b>38,436,735</b>	<b>33,290,378</b>	<b>(5,146,357)</b>	<b>(3,827,932)</b>
	<b>\$ 1,000,000</b>	<b>\$ (6,795,132)</b>	<b>\$ (7,795,132)</b>	<b>\$ (6,476,707)</b>

<sup>1</sup> The adopted balance was the estimate at the time of budget adoption. The projected balance is the audited final balance.

<sup>2</sup> See page A-3 for additional detail.

<sup>3</sup> See page A-4 for additional detail.

**City of Riverside**  
**Fiscal Year 2015/16 General Fund Revenue Forecast**  
**As of December 31, 2015**

	Revised Budget 2015/16	Projected 2015/16	December Budget Variance <sup>1</sup>	September Budget Variance
<b>Taxes</b>				
Sales & Use Taxes	\$ 62,949,000	\$ 62,949,000	\$ -	\$ 237,000
Property Taxes	53,742,073	54,284,782	542,709	-
Utility Users Tax	29,082,000	28,140,000	(942,000)	(231,000)
Transient Occupancy Tax	5,656,000	6,230,000	574,000	529,000
Franchises	5,365,000	5,500,000	135,000	-
Property Transfer Tax	2,609,000	2,440,000	(169,000)	-
<b>SubTotal Taxes</b>	<b>159,403,073</b>	<b>159,543,782</b>	<b>140,709</b>	<b>535,000</b>
<b>Interfund Transfers</b>	<b>46,134,100</b>	<b>44,789,400</b>	<b>(1,344,700)</b>	<b>(1,339,600)</b>
<b>Charges, Licenses, &amp; Permits</b>				
Charges for Services	25,716,677	24,551,677	(1,165,000)	(550,000)
Licenses & Permits	9,093,500	9,153,200	59,700	-
<b>SubTotal Charges, Licenses, &amp; Permits</b>	<b>34,810,177</b>	<b>33,704,877</b>	<b>(1,105,300)</b>	<b>(550,000)</b>
<b>Other Revenues</b>				
Other / One-Time	8,309,025	8,536,409	227,384	-
Special Assessments	4,621,843	4,499,283	(122,560)	-
Fines & Forfeits	2,418,500	2,046,461	(372,039)	-
Intergovernmental	1,897,000	2,225,494	328,494	574,292
<b>SubTotal Other Revenues</b>	<b>17,246,368</b>	<b>17,307,647</b>	<b>61,279</b>	<b>574,292</b>
	<b>\$ 257,593,718</b>	<b>\$ 255,345,706</b>	<b>\$ (2,248,012)</b>	<b>\$ (780,308)</b>

<sup>1</sup> Includes the following material variances:

- a. Property Tax - Increase in Successor Agency General Fund tax increment
- b. Utility User's Tax - Variance strictly related to reduced Water/Electric revenue projections reduced since first quarter.
- c. Transient Occupancy Tax - Strong growth in hotel room nites and daily rate.
- d. Interfund Transfers - Lower than anticipated prior year Water Fund revenues due to water conservation.
- e. Revenue from Fee Study - Delay in approval and implementation of fee study and certain fee increases deferred.

**City of Riverside**  
**Fiscal Year 2015/16 General Fund Expenditure Forecast**  
**As of December 31, 2015**

Department	Adopted 2015/16	Previously Approved Adjustments	Pending Mid- Year Adjustments	Revised Budget 2015/16	Projected Expenditures 2015/16	December Budget Variance	September Budget Variance
City Attorney	\$ 4,066,225	\$ 281,000	\$ -	\$ 4,347,225	\$ 4,247,225	\$ (100,000)	\$ (150,000)
City Clerk	1,596,263		-	1,596,263	1,550,263	(46,000)	(70,000)
City Council	1,274,352		-	1,274,352	1,234,352	(40,000)	(41,000)
City Manager	5,290,931		-	5,290,931	5,265,931	(25,000)	(2,000)
Community & Economic Development	11,687,783		-	11,687,783	10,187,783	(1,500,000)	(1,178,000)
Finance	5,838,473	35,924	-	5,874,397	5,524,397	(350,000)	(394,000)
Fire	47,600,629		574,000	48,174,629	48,324,629	150,000	554,000
General Services	4,058,278		-	4,058,278	3,508,278	(550,000)	(381,000)
Human Resources	2,726,952	73,196	-	2,800,148	2,405,148	(395,000)	(260,000)
Innovation & Technology	11,079,054		-	11,079,054	10,654,054	(425,000)	(397,000)
Library	6,149,818		-	6,149,818	5,779,818	(370,000)	(355,000)
Mayor	872,591		-	872,591	847,591	(25,000)	(56,000)
Museum & Cultural Affairs	3,785,710	360,000	-	4,145,710	4,020,710	(125,000)	(144,000)
Non-Departmental	24,846,896		-	24,846,896	24,420,896	(426,000)	(478,000)
Non-Departmental - Community Livability	786,680		-	786,680	786,680	-	-
Parks, Recreation & Community Services	15,795,719		-	15,795,719	15,295,719	(500,000)	(394,000)
Police	88,122,448		3,900,000	92,022,448	91,772,448	(250,000)	(801,000)
Public Works	12,933,933		-	12,933,933	12,133,933	(800,000)	(1,108,000)
<b>SubTotal</b>	<b>248,512,735</b>	<b>750,120</b>	<b>4,474,000</b>	<b>253,736,855</b>	<b>247,959,855</b>	<b>(5,777,000)</b>	<b>(5,655,000)</b>
Estimated Managed Savings	(6,100,000)		-	(6,100,000)	N/A	6,100,000	6,100,000
Interfund Transfers	2,487,202		-	2,487,202	2,487,202	-	-
Net Cost Allocation	(19,940,744)		-	(19,940,744)	(19,940,744)	-	-
Net Debt Service Allocation	31,634,525		-	31,634,525	31,634,525	-	-
<b>Total</b>	<b>\$ 256,593,718</b>	<b>\$ 750,120</b>	<b>\$ 4,474,000</b>	<b>\$ 261,817,838</b>	<b>\$ 262,140,838</b>	<b>\$ 323,000</b>	<b>\$ 445,000</b>

<sup>1</sup> Includes the previous or anticipated appropriations by the City Council listed on the following page.

<sup>2</sup> Managed Savings is budgeted at the fund level but reflected in department-level actual expenditures.

<sup>3</sup> Material variances as outlined on the following page.

<sup>4</sup> Final payment to the Water Fund for the \$10,000,000 GFT-related settlement.

**City of Riverside**  
**Fiscal Year 2015/16 General Fund Expenditure Forecast**  
**As of December 31, 2015**

The City Council has made the following mid-year supplemental appropriations as of the date of this report:

- a. \$360,000 for emergency repairs and improvements to the Museum's storage facility (City Council action 11/3/2015)
- b. \$281,000 of net General Fund impact for the relocation of the City Attorney's Office (City Council action 11/10/2015)
- c. \$35,924 of net General Fund impact for the audit of the Finance Department (City Council action 12/1/2015)
- d. \$73,196 of net General Fund impact for the audit of the Human Resources Department (City Council action 12/1/2015)

The following budget adjustments are being proposed in this Mid-Year report:

- a. \$574,000 to offset additional mutual aid costs for the Fire Department, which are fully offset by additional revenue.
- b. \$3,900,000 for current year and retroactive costs associated with the RPOA and RPAA MOUs.

Department-level projected negative variances from the adopted budget are due to the following:

- a. The Fire Department variance relates to additional backfill costs. A portion of the Department's historical structural deficit was addressed in the current fiscal year. The remaining anticipated deficit will be addressed as part of the fiscal year 2016/17-2017/18 two-year budget.

City of Riverside  
Detail of Projected Fiscal Year 2015/16 Budgetary Fund Balances by Fund  
As of December 31, 2015

Fund	Budgetary Fund Balance 7/1/2015 <sup>1</sup>	Revenue Per Adopted Budget	Projected Revenue	Variance	Expenditures Per Adopted Budget	Projected Expenditures	Variance	Estimated Budgetary Fund Balance 6/30/2016 <sup>2</sup>	Projected Budgetary Fund Balance 6/30/2016	December Budget Variance	September Budget Variance	
<b>General Fund</b>	<b>101</b>	<b>40,085,510</b>	<b>257,593,718</b>	<b>255,345,706</b>	<b>(2,248,012)</b>	<b>(256,593,718)</b>	<b>(262,140,838)</b>	<b>(5,547,120)</b>	41,085,510	33,290,378	(7,795,132)	(6,476,707)
Add: Grant-Related <sup>3</sup>	101	-	-	9,969,081	9,969,081	-	(9,969,081)	(9,969,081)	-	-	-	-
Add: New Debt Issuance-Related <sup>4</sup>	101	-	-	9,274,488	9,274,488	-	(9,274,488)	(9,274,488)	-	-	-	-
<b>Successor Agency Administration Fund</b>	<b>170</b>	<b>-</b>	<b>1,932,343</b>	<b>1,671,592</b>	<b>(260,751)</b>	<b>(1,932,343)</b>	<b>(1,671,592)</b>	260,751	-	-	-	-
<b>Enterprise Funds</b>												
Electric	510	129,324,709	395,780,542	399,349,742	3,569,200	(395,801,511)	(394,831,011)	970,500	129,303,740	133,843,440	4,539,700	(2,620,300)
Electric - Public Benefits Charge	511	9,546,529	8,972,800	8,972,800	-	(13,966,551)	(13,966,551)	-	4,552,778	4,552,778	-	-
Water	520	54,628,294	83,549,576	78,029,307	(5,520,269)	(85,012,056)	(79,831,004)	5,181,052	53,165,814	52,826,597	(339,217)	(2,974,043)
Water - Conservation & Reclamation Program	521	2,269,913	850,300	2,350,300	1,500,000	(2,457,718)	(3,957,718)	(1,500,000)	662,495	662,495	-	-
Airport	530	11,625	1,194,100	1,532,244	338,144	(1,169,555)	(1,215,336)	(45,781)	36,170	328,533	292,363	323,370
Refuse Collection	540	4,820,532	22,158,614	21,596,272	(562,342)	(23,160,161)	(22,248,013)	912,148	3,818,985	4,168,791	349,806	1,077,896
Sewer Service	550	45,913,447	56,875,613	54,073,991	(2,801,622)	(53,733,580)	(51,331,334)	2,402,246	49,055,480	48,656,104	(399,376)	(1,832,233)
Special Transit	560	-	4,029,957	4,677,004	647,047	(4,029,957)	(4,677,004)	(647,047)	-	-	-	-
Public Parking	570	298,240	6,549,918	6,184,694	(365,224)	(6,536,452)	(6,255,342)	281,110	311,706	227,592	(84,114)	(585,266)
<b>SubTotal - Enterprise Funds</b>		<b>246,813,289</b>	<b>579,961,420</b>	<b>576,766,354</b>	<b>(3,195,066)</b>	<b>(585,867,541)</b>	<b>(578,313,313)</b>	7,554,228	240,907,168	245,266,330	4,359,162	(6,610,576)
<b>Special Revenue Funds</b>												
Urban Areas Security Initiative	205	-	-	3,088,411	3,088,411	-	(3,088,411)	(3,088,411)	-	-	-	-
Community Development Block Grant	220	-	3,132,682	3,160,836	28,154	(3,132,682)	(3,160,836)	(28,154)	-	-	-	-
Home Investment Partnership Program	221	-	788,793	922,946	134,153	(788,793)	(922,946)	(134,153)	-	-	-	-
Housing Opportunities for Persons with AIDS	222	-	1,977,633	1,977,633	-	(1,977,633)	(1,977,633)	-	-	-	-	-
Community Development Grants	223	-	-	1,986,761	1,986,761	-	(1,986,761)	(1,986,761)	-	-	-	-
Neighborhood Stabilization Program	225	2,077	36,202	36,864	662	(36,202)	(36,864)	(662)	2,077	2,077	(0)	-
Special Gas Tax	230	4,565,237	6,758,000	6,758,000	-	(8,872,097)	(8,872,097)	-	2,451,140	2,451,140	-	-
Air Quality	240	371,018	614,000	616,724	2,724	(380,210)	(380,210)	-	604,808	607,532	2,724	(45,550)
NPDES Storm Drain	260	320,941	1,082,053	1,082,259	206	(1,402,994)	(1,402,994)	-	206	206	-	-
Housing Authority	280	3,927,246	1,224,335	1,255,478	31,143	(1,224,335)	(1,759,341)	(535,006)	3,927,246	3,423,383	(503,863)	(514,922)
Housing Assets	281	40,154	-	297,969	297,969	-	-	-	40,154	338,123	297,969	116,500
<b>SubTotal - Special Revenue Funds</b>		<b>9,226,673</b>	<b>15,613,698</b>	<b>21,183,879</b>	5,570,181	<b>(17,814,946)</b>	<b>(23,588,093)</b>	(5,773,147)	7,025,425	6,822,460	(202,965)	(443,971)
<b>Capital Projects Funds</b>												
Certificates of Participation Projects	401	-	-	244	244	-	-	-	-	244	244	-
Storm Drain	410	1,500,116	150,000	561,597	411,597	(166,173)	(577,770)	(411,597)	1,483,943	1,483,943	-	-
Local Park Special Capital Improvements	411	7,597	2,500,000	2,502,522	2,522	(2,503,747)	(2,506,269)	(2,522)	3,850	3,850	0	-
Regional Park Special Capital Improvements	413	1,576,370	620,000	628,924	8,924	(14,812)	(23,736)	(8,924)	2,181,558	2,181,558	(0)	-
Capital Outlay	430	-	10,614,450	28,840,600	18,226,150	(10,614,450)	(28,840,600)	(18,226,150)	-	-	-	-
Transportation Projects	431	70,075	-	133,800	133,800	-	(133,800)	(133,800)	70,075	70,075	-	-
Measure A Capital Outlay	432	4,085,223	6,947,000	12,920,223	5,973,223	(7,076,988)	(13,050,211)	(5,973,223)	3,955,235	3,955,235	-	-
Transportation Development Impact Fees	433	2,481,492	210,000	290,000	80,000	(1,025,000)	(1,105,000)	(80,000)	1,666,492	1,666,492	-	-
Transportation Uniform Mitigation Fees	434	-	-	6,229,687	6,229,687	-	(6,229,687)	-	-	-	-	-
Community Facilities Dist. & Assessment Dist.	Various	2,707,685	-	8,552	8,552	-	-	-	2,707,685	2,716,237	8,552	-
<b>SubTotal - Capital Project Funds</b>		<b>12,428,558</b>	<b>21,041,450</b>	<b>52,116,148</b>	31,074,698	<b>(21,401,170)</b>	<b>(52,467,073)</b>	(31,065,903)	12,068,838	12,077,634	8,796	-
<b>Debt Service Funds</b>												
Debt Service Fund - General	390	-	1,560,000	1,669,094	109,094	(1,547,483)	(1,656,577)	(109,094)	12,517	12,517	-	-
Debt Service Fund - Public Works	391	-	-	4,251	4,251	-	-	-	4,251	4,251	-	-
<b>SubTotal Debt Service Funds</b>		<b>-</b>	<b>1,560,000</b>	<b>1,673,345</b>	113,345	<b>(1,547,483)</b>	<b>(1,656,577)</b>	(109,094)	12,517	16,768	4,251	-
<b>Agency Funds</b>												
Redevelopment Successor Agency	Various	-	22,413,186	22,499,624	86,438	(22,413,186)	(22,413,186)	-	-	86,438	86,438	-
Community Facilities Dist. & Assessment Dist.	Various	6,624,491	3,501,779	3,526,042	24,263	(3,503,382)	(3,503,382)	-	6,622,888	6,647,151	24,263	-
Special Deposits	Various	-	-	-	-	-	-	-	-	-	-	-
<b>SubTotal Agency Funds</b>		<b>6,624,491</b>	<b>25,914,965</b>	<b>26,025,666</b>	110,701	<b>(25,916,568)</b>	<b>(25,916,568)</b>	-	6,622,888	6,733,589	110,701	-
<b>Internal Service Funds</b>												
Workers' Compensation Insurance Trust	610	(8,280,816)	6,276,389	6,276,389	-	(5,976,259)	(5,889,629)	86,630	(7,980,686)	(7,894,056)	86,630	150,224
Unemployment Insurance Trust	620	227,485	103,045	103,045	-	(153,110)	(217,682)	(64,572)	177,420	112,848	(64,572)	14,116
Liability Insurance Trust	630	(18,933,569)	7,493,629	7,493,629	-	(6,309,200)	(5,120,212)	1,188,988	(17,749,140)	(16,560,152)	1,188,988	1,244,374
Central Stores	640	3,925,755	1,566,000	1,566,000	-	(1,059,008)	(1,059,008)	-	4,432,747	4,432,747	-	-
Central Garage	650	1,476,174	12,660,232	13,086,989	426,757	(12,829,791)	(13,256,548)	(426,757)	1,306,615	1,306,615	-	-
<b>SubTotal - Internal Service Funds</b>		<b>(21,584,971)</b>	<b>28,099,295</b>	<b>28,526,052</b>	426,757	<b>(26,327,368)</b>	<b>(25,543,079)</b>	784,289	<b>(19,813,044)</b>	<b>(18,601,998)</b>	1,211,046	1,408,714
<b>Total - All Funds</b>		<b>\$ 293,593,549</b>	<b>\$ 931,716,889</b>	<b>\$ 982,552,312</b>	<b>\$ 50,835,423</b>	<b>\$ (937,401,137)</b>	<b>\$ (990,540,701)</b>	<b>\$ (53,139,564)</b>	<b>\$ 287,909,301</b>	<b>\$ 285,605,160</b>	<b>\$ (2,304,142)</b>	<b>\$ (12,122,541)</b>

<sup>1</sup> Amount reflects resources available for appropriation as of 6/30/2015.

<sup>2</sup> Per the budget adopted by the City Council.

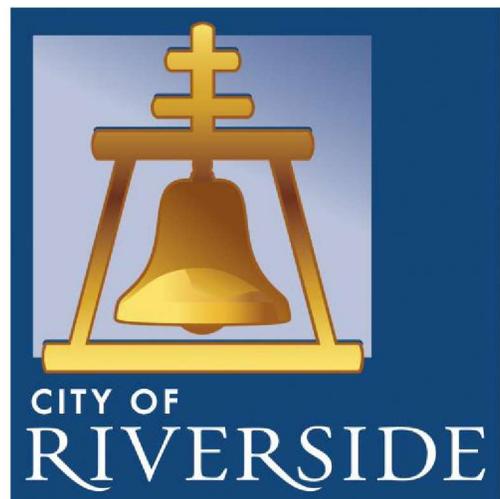
<sup>3</sup> Revenues and related appropriations associated with grants anticipated to be received during the fiscal year.

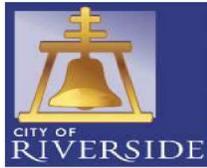
<sup>4</sup> Revenues and related appropriations associated with debt anticipated to be issued during the fiscal year.

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# ATTACHMENT B

## INVESTMENT REPORT

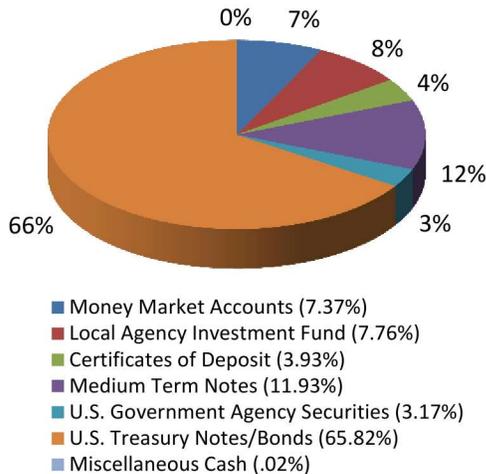




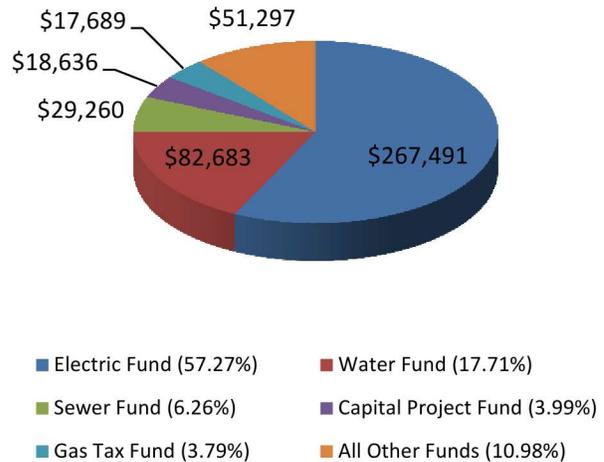
## CITY OF RIVERSIDE Quarterly Investment Report December 31, 2015

	AMORTIZED COST	MARKET VALUE
<b>POOLED INVESTMENT PORTFOLIO</b>		
Money Market Accounts	\$ 34,352,514.83	\$ 34,351,521.91
Local Agency Investment Fund (LAIF)	36,183,277.23	36,183,277.23
Certificates of Deposit	18,349,177.30	18,324,405.18
Medium Term Notes	55,707,345.46	55,600,593.75
U.S. Government Agency Securities	14,831,958.57	14,770,772.00
U.S. Treasury Notes/Bonds	307,552,493.00	306,780,206.55
Miscellaneous Cash	80,000.00	80,000.00
<b>TOTAL POOLED INVESTMENT PORTFOLIO</b>	<b>467,056,766.39</b>	<b>466,090,776.62</b>
<b>INVESTMENTS HELD BY FISCAL AGENT</b>	<b>312,027,815.83</b>	<b>310,522,678.73</b>
<b>TOTAL CASH &amp; INVESTMENTS</b>	<b>\$ 779,084,582.22</b>	<b>\$ 776,613,455.35</b>

**COMPOSITION OF POOLED  
PORTFOLIO**



**COMPOSITION OF POOLED  
PORTFOLIO BY FUND  
(In Thousands)**



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 1.67 years. Market prices of securities are obtained from Interactive Data Corporation. Weighted average yield on cost is 0.924%. 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:   
Edward P. Enriquez, Controller

Approved by:   
Brent A. Mason, Finance Director/Treasurer



**CITY OF RIVERSIDE**  
**Pooled Investment Portfolio Holdings**  
**December 31, 2015**

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	INVEST RATING	PURCH DATE	AMORTIZED COST	YIELD ON MATURITY	MARKET VALUE
<b><u>MONEY MARKET ACCOUNTS</u></b>							
CALTRUST Investment Trust of California	Varies	Varies	AA	Varies	1,297,178.26	0.56%	1,296,185.34
CALTRUST Heritage Money Market Fund - Select Class	Varies	Varies	AAA	Varies	1,063,333.34	0.31%	1,063,333.34
Bank of America	Varies	Varies	Coll. <sup>1</sup>	Varies	26,880,238.50	0.50%	26,880,238.50
Citizens Business Bank	Varies	Varies	Coll. <sup>1</sup>	Varies	5,072,996.38	0.35%	5,072,996.38
Bank of the West	Varies	Varies	Coll. <sup>1</sup>	Varies	38,768.35	0.13%	38,768.35
<b>SUBTOTAL MONEY MARKET ACCOUNTS</b>					<b>34,352,514.83</b>		<b>34,351,521.91</b>
<b>LOCAL AGENCY INVESTMENT FUND (LAIF)</b>	Varies	Varies	NR	Varies	<b>36,183,277.23</b>	0.43%	<b>36,183,277.23</b>
<b><u>CERTIFICATES OF DEPOSIT</u></b>							
Oriental Bank and Trust (FDIC Gtd)	0.90%	02/08/16	FDIC	02/06/13	249,000.00	0.90%	249,086.15
FirstMerit Bank NA (FDIC Gtd)	0.50%	02/12/16	FDIC	02/13/15	248,000.00	0.50%	247,997.52
Investors Bank (FDIC Gtd)	0.65%	02/25/16	FDIC	08/25/14	248,000.00	0.65%	248,043.90
AmericanWest Bank (FDIC Gtd)	0.65%	04/20/16	FDIC	10/20/14	248,000.00	0.65%	248,057.04
Wells Fargo Bank NA (FDIC Gtd)	0.82%	04/29/16	FDIC	04/29/11	247,000.00	1.75%	244,530.00
First Bank (FDIC Gtd)	0.70%	05/27/16	FDIC	11/27/13	248,000.00	0.70%	248,090.52
Landmark Community Bank (FDIC Gtd)	0.70%	05/27/16	FDIC	11/27/13	248,000.00	0.70%	248,090.52
Brookline Bank (FDIC Gtd)	0.60%	06/10/16	FDIC	12/10/14	248,000.00	0.60%	247,975.94
Great Southern Bank (FDIC Gtd)	0.85%	06/28/16	FDIC	08/28/14	248,000.00	0.85%	248,027.53
First Business Bank (FDIC Gtd)	0.75%	06/30/16	FDIC	12/30/13	248,000.00	0.75%	248,119.29
Merrick Bank (FDIC Gtd)	0.70%	06/30/16	FDIC	12/30/14	248,000.00	0.70%	248,060.26
Midland States Bank (FDIC Gtd)	0.60%	07/22/16	FDIC	01/22/15	247,000.00	0.60%	247,019.76
Pacific Premier Bank (FDIC Gtd)	0.65%	07/25/16	FDIC	10/24/14	248,000.00	0.65%	248,000.00
GE Capital Retail Bank (FDIC Gtd)	1.00%	08/09/16	FDIC	08/09/13	248,000.00	1.00%	248,415.90
BMW Bank of North America (FDIC Gtd)	1.05%	08/16/16	FDIC	08/16/13	247,921.60	1.10%	248,487.07
Whitney Bank (FDIC Gtd)	0.60%	08/18/16	FDIC	02/18/15	248,000.00	0.60%	247,803.09
Ally Bank (FDIC Gtd)	1.00%	08/22/16	FDIC	08/22/13	247,903.50	1.06%	248,407.71
Park National Bank (FDIC Gtd)	0.85%	08/22/16	FDIC	08/22/14	248,000.00	0.85%	248,176.08
Peoples United Bank (FDIC Gtd)	0.85%	08/22/16	FDIC	08/20/14	248,000.00	0.85%	248,175.83
Synovus Bank (FDIC Gtd)	0.80%	08/23/16	FDIC	12/23/14	248,000.00	0.80%	248,096.72
First Credit Bank (FDIC Gtd)	0.75%	08/25/16	FDIC	11/25/13	248,000.00	0.75%	248,014.14
Sterling Bank (FDIC Gtd)	0.80%	08/29/16	FDIC	08/29/14	249,000.00	0.80%	249,083.66
Medallion Bank (FDIC Gtd)	1.10%	10/04/16	FDIC	10/04/13	248,000.00	1.10%	248,705.81
Community Financial Services Bank (FDIC Gtd)	0.80%	10/17/16	FDIC	10/17/14	248,000.00	0.80%	248,006.20
Interwest National Bank (FDIC Gtd)	1.00%	10/17/16	FDIC	10/17/13	249,000.00	1.00%	249,720.36
Lakeside Bank (FDIC Gtd)	0.90%	10/24/16	FDIC	12/23/14	248,000.00	0.90%	248,150.04
JPMorgan Chase Bank (FDIC Gtd)	0.75%	11/03/16	FDIC	05/09/13	247,792.42	0.60%	247,950.40
Main Street Bank Corp (FDIC Gtd)	0.90%	12/16/16	FDIC	10/16/14	248,000.00	0.90%	248,032.74
Southwest Bank (FDIC Gtd)	0.75%	02/13/17	FDIC	02/13/15	237,000.00	0.75%	237,120.63
Triad Bank (FDIC Gtd)	1.00%	03/14/17	FDIC	11/14/13	249,000.00	1.00%	249,819.71
BMO Harris Bank NA (FDIC Gtd)	0.90%	03/23/17	FDIC	09/23/15	248,000.00	0.90%	247,595.51
Parkway Bank & Trust Co (FDIC Gtd)	1.15%	04/07/17	FDIC	10/07/14	248,000.00	1.15%	247,537.48
United Community Bank (FDIC Gtd)	1.00%	04/13/17	FDIC	10/14/14	248,000.00	1.00%	247,499.29
Leader Bank NA (FDIC Gtd)	1.05%	04/21/17	FDIC	10/23/14	248,000.00	1.05%	247,671.15
Georgia Bank & Trust Co of Augusta (FDIC Gtd)	1.00%	06/20/17	FDIC	12/20/13	249,000.00	1.00%	248,347.37
First Commercial Bank (FDIC Gtd)	1.00%	07/31/17	FDIC	10/30/14	248,000.00	1.00%	247,463.33
American Express Bank FSB (FDIC Gtd)	1.25%	08/21/17	FDIC	08/21/14	248,000.00	1.25%	247,309.07
Capital One NA (FDIC Gtd)	1.25%	08/21/17	FDIC	08/19/15	249,000.00	1.25%	248,624.51
Discover Bank (FDIC Gtd)	1.30%	08/21/17	FDIC	08/20/14	248,000.00	1.30%	247,309.32
Signature Bank of Arkansas (FDIC Gtd)	1.05%	08/25/17	FDIC	08/26/15	249,000.00	1.05%	248,594.88
EverBank (FDIC Gtd)	1.10%	08/28/17	FDIC	08/28/15	248,000.00	1.10%	247,615.10
Mauch Chunk Trust Financial Corp (FDIC Gtd)	1.20%	09/11/17	FDIC	10/10/14	248,000.00	1.20%	247,512.68
First Niagra Bank NA (FDIC Gtd)	1.15%	09/25/17	FDIC	09/25/15	248,000.00	1.15%	247,364.38



**CITY OF RIVERSIDE**  
**Pooled Investment Portfolio Holdings**  
**December 31, 2015**

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	INVEST RATING	PURCH DATE	AMORTIZED COST	YIELD ON MATURITY	MARKET VALUE
First Bank of Highland (FDIC Gtd)	1.25%	10/10/17	FDIC	10/08/14	248,000.00	1.25%	247,328.91
Third Federal Savings & Loan Association MHC (FDIC Gtd)	1.40%	11/27/17	FDIC	11/27/13	248,000.00	1.40%	248,713.74
BBVA Compass	0.45%	12/04/17	FDIC <sup>2</sup>	12/04/15	1,000,000.00	0.45%	1,000,000.00
Wex Bank (FDIC Gtd)	1.20%	12/11/17	FDIC	12/11/15	248,000.00	1.20%	246,694.03
Customers Bank (FDIC Gtd)	1.25%	12/18/17	FDIC	12/18/15	248,000.00	1.25%	246,675.18
Bank of North Carolina (FDIC Gtd)	1.25%	01/16/18	FDIC	01/16/15	247,000.00	1.25%	246,861.43
Mercantil Commercebank NA (FDIC Gtd)	1.50%	04/24/18	FDIC	10/24/14	248,000.00	1.50%	247,300.14
GE Capital Bank (FDIC Gtd)	1.60%	07/03/18	FDIC	07/03/14	248,000.00	1.60%	246,188.11
Bank of Georgetown (FDIC Gtd)	1.55%	07/17/18	FDIC	10/17/14	248,000.00	1.55%	246,977.99
MB Financial Bank NA (FDIC Gtd)	1.35%	08/21/18	FDIC	08/21/15	249,000.00	1.35%	248,579.19
Comenity Capital Bank (FDIC Gtd)	1.70%	08/24/18	FDIC	08/24/15	249,000.00	1.71%	248,558.77
East Boston Savings Bank (FDIC Gtd)	1.40%	08/24/18	FDIC	08/24/15	249,000.00	1.40%	248,557.03
Goldman Sachs Bank USA (FDIC Gtd)	1.65%	09/04/18	FDIC	09/03/14	247,000.00	1.65%	245,653.11
Sallie Mae Bank (FDIC Gtd)	1.80%	09/04/18	FDIC	09/03/14	247,000.00	1.80%	245,656.07
First Priority Bank (FDIC Gtd)	1.45%	09/28/18	FDIC	09/30/15	248,000.00	1.45%	247,290.47
UBS Bank USA (FDIC Gtd)	1.40%	10/01/18	FDIC	10/08/15	248,000.00	1.40%	247,266.17
Capital One Bank USA NA (FDIC Gtd)	1.80%	10/09/18	FDIC	10/08/14	248,000.00	1.80%	247,008.50
Marlin Business Bank (FDIC Gtd)	1.70%	10/15/18	FDIC	10/14/14	248,000.00	1.71%	246,822.25
Community Banker's Bank (FDIC Gtd)	1.65%	10/17/18	FDIC	10/17/14	248,000.00	1.66%	246,804.39
American Express Centurion Bank (FDIC Gtd)	2.00%	11/28/18	FDIC	11/28/14	248,000.00	2.00%	248,663.15
Flushing Bank (FDIC Gtd)	1.50%	12/17/18	FDIC	12/17/15	249,000.00	1.50%	247,251.02
CIT Bank (FDIC Gtd)	2.00%	05/14/19	FDIC	05/14/14	247,000.00	2.00%	246,835.99
Webster Bank NA (FDIC Gtd)	1.90%	07/02/19	FDIC	07/02/14	247,559.78	1.95%	247,496.56
ConnectOne Bank (FDIC Gtd)	1.55%	07/29/19	FDIC	01/28/15	247,000.00	1.56%	247,062.49
Alma Bank (FDIC Gtd)	1.70%	09/30/19	FDIC	09/30/15	247,000.00	1.71%	246,247.88
Barclays Bank Delaware (FDIC Gtd)	2.20%	09/16/20	FDIC	09/16/15	247,000.00	2.20%	245,987.55
Bank of Charles Town (FDIC Gtd)	1.80%	09/30/20	FDIC	09/30/15	249,000.00	1.81%	247,874.02
HSBC Bank USA NA (FDIC Gtd)	1.60%	11/17/20	FDIC	11/23/15	246,000.00	1.60%	244,342.45
<b>SUBTOTAL CERTIFICATES OF DEPOSIT</b>					<b>18,349,177.30</b>		<b>18,324,405.18</b>
<b><u>MEDIUM TERM NOTES</u></b>							
Toyota Motor Credit Corp	2.80%	01/11/16	AA- / Aa3	09/16/11	10,002,398.72	1.92%	10,002,880.00
General Electric Capital Corp	2.95%	05/09/16	AA+ / A1	07/17/14	2,520,189.97	0.66%	2,516,455.00
Merck & Co Inc	0.70%	05/18/16	AA / A1	09/10/14	4,853,216.25	0.52%	4,850,465.60
Chevron Corp	0.89%	06/24/16	AA / Aa1	09/10/14	1,502,646.24	0.52%	1,500,370.50
General Electric Capital Corp	1.50%	07/12/16	AA+ / A1	07/17/14	5,021,307.68	0.69%	5,024,165.00
General Electric Capital Corp	5.38%	10/20/16	AA+ / A1	09/10/14	2,071,377.37	0.90%	2,067,530.00
General Electric Capital Corp	2.30%	04/27/17	AA+ / A1	09/10/14	7,699,184.61	1.15%	7,678,090.70
Apple Inc	1.05%	05/05/17	AA+ / Aa1	09/10/14	4,004,258.63	0.97%	4,002,348.00
Shell International Finance BV	1.13%	08/21/17	AA- / Aa1	04/10/14	1,803,100.34	1.19%	1,792,357.78
IBM Corp	5.70%	09/14/17	AA- / Aa3	01/17/13	4,308,726.51	1.11%	4,290,328.00
IBM Corp	5.70%	09/14/17	AA- / Aa3	01/17/13	6,462,984.90	1.11%	6,435,492.00
Toyota Motor Credit Corp	1.25%	10/05/17	AA- / Aa3	04/10/14	2,716,098.91	1.27%	2,709,020.17
Chevron Corp	1.10%	12/05/17	AA / Aa1	04/10/14	2,741,855.33	1.26%	2,731,091.00
<b>SUBTOTAL MEDIUM TERM NOTES</b>					<b>55,707,345.46</b>		<b>55,600,593.75</b>
<b><u>U.S. GOVERNMENT AGENCY SECURITIES</u></b>							
Federal Home Loan Mortgage Corporation	2.00%	08/25/16	AA+ / Aaa	04/22/14	4,036,127.22	0.60%	4,032,192.00
Federal Home Loan Mortgage Corporation	5.13%	11/17/17	AA+ / Aaa	01/16/13	10,795,831.35	0.85%	10,738,580.00
<b>SUBTOTAL U.S. GOVERNMENT AGENCY SECURITIES</b>					<b>14,831,958.57</b>		<b>14,770,772.00</b>



**CITY OF RIVERSIDE**  
**Pooled Investment Portfolio Holdings**  
**December 31, 2015**

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	INVEST RATING	PURCH DATE	AMORTIZED COST	YIELD ON MATURITY	MARKET VALUE
<b>U.S. GOVERNMENT TREASURY SECURITIES</b>							
US Treasury Notes/Bonds	1.50%	06/30/16	AA+ / Aaa	05/22/14	5,027,357.98	0.39%	5,023,045.00
US Treasury Notes/Bonds	3.25%	07/31/16	AA+ / Aaa	05/22/14	4,574,031.63	0.41%	4,566,973.50
US Treasury Notes/Bonds	1.00%	08/31/16	AA+ / Aaa	02/26/15	5,571,988.14	0.40%	5,561,272.05
US Treasury Notes/Bonds	1.00%	09/30/16	AA+ / Aaa	06/16/14	1,504,798.86	0.57%	1,502,988.00
US Treasury Notes/Bonds	1.00%	10/31/16	AA+ / Aaa	02/26/15	5,574,346.68	0.47%	5,560,839.15
US Treasury Notes/Bonds	2.75%	11/30/16	AA+ / Aaa	06/16/14	10,192,144.75	0.64%	10,172,270.00
US Treasury Notes/Bonds	0.63%	12/31/16	AA+ / Aaa	03/09/15	16,004,828.13	0.59%	15,973,120.00
US Treasury Notes/Bonds	3.13%	01/31/17	AA+ / Aaa	05/22/14	5,134,174.24	0.63%	5,119,920.00
US Treasury Notes/Bonds	3.00%	02/28/17	AA+ / Aaa	06/16/14	14,875,046.84	0.76%	14,851,175.50
US Treasury Notes/Bonds	0.75%	03/15/17	AA+ / Aaa	06/16/14	9,995,508.47	0.79%	9,985,550.00
US Treasury Notes/Bonds	0.50%	04/30/17	AA+ / Aaa	07/13/15	14,991,338.11	0.54%	14,921,490.00
US Treasury Notes/Bonds	2.75%	05/31/17	AA+ / Aaa	05/22/14	8,220,858.46	0.78%	8,202,496.00
US Treasury Notes/Bonds	0.75%	06/30/17	AA+ / Aaa	10/10/14	1,496,893.39	0.89%	1,495,312.50
US Treasury Notes/Bonds	0.75%	06/30/17	AA+ / Aaa	07/13/15	15,039,263.38	0.57%	14,953,125.00
US Treasury Notes/Bonds	0.50%	07/31/17	AA+ / Aaa	05/21/14	6,956,970.66	0.89%	6,946,954.00
US Treasury Notes/Bonds	1.00%	09/15/17	AA+ / Aaa	05/28/15	11,795,325.06	0.77%	11,743,114.50
US Treasury Notes/Bonds	0.63%	09/30/17	AA+ / Aaa	05/21/14	1,988,178.25	0.97%	1,986,172.00
US Treasury Notes/Bonds	0.88%	11/15/17	AA+ / Aaa	03/09/15	6,237,364.08	0.98%	6,228,268.75
US Treasury Notes/Bonds	0.75%	12/31/17	AA+ / Aaa	03/09/15	6,216,923.64	1.02%	6,207,762.50
US Treasury Notes/Bonds	2.63%	01/31/18	AA+ / Aaa	05/21/14	12,380,076.61	1.08%	12,371,256.00
US Treasury Notes/Bonds	0.88%	01/31/18	AA+ / Aaa	07/16/14	1,986,291.06	1.21%	1,990,000.00
US Treasury Notes/Bonds	0.75%	03/31/18	AA+ / Aaa	07/13/15	10,227,449.36	0.85%	10,158,313.75
US Treasury Notes/Bonds	2.63%	04/30/18	AA+ / Aaa	05/21/14	11,363,333.61	1.18%	11,369,963.00
US Treasury Notes/Bonds	1.00%	05/31/18	AA+ / Aaa	05/21/14	3,978,737.15	1.22%	3,979,532.00
US Treasury Notes/Bonds	1.00%	05/31/18	AA+ / Aaa	07/13/15	10,274,170.20	0.90%	10,197,550.75
US Treasury Notes/Bonds	1.38%	06/30/18	AA+ / Aaa	10/10/14	1,501,583.89	1.33%	1,505,917.50
US Treasury Notes/Bonds	1.50%	08/31/18	AA+ / Aaa	05/21/14	5,527,030.95	1.31%	5,536,525.50
US Treasury Notes/Bonds	1.38%	09/30/18	AA+ / Aaa	12/16/15	10,563,783.71	1.15%	10,532,812.50
US Treasury Notes/Bonds	1.25%	10/31/18	AA+ / Aaa	05/21/14	4,983,152.80	1.37%	4,992,970.00
US Treasury Notes/Bonds	1.25%	11/30/18	AA+ / Aaa	07/13/15	5,322,156.48	1.10%	5,291,096.00
US Treasury Notes/Bonds	1.25%	01/31/19	AA+ / Aaa	05/21/14	2,981,640.95	1.45%	2,989,923.00
US Treasury Notes/Bonds	2.75%	02/15/19	AA+ / Aaa	05/21/14	2,080,010.60	1.44%	2,083,984.00
US Treasury Notes/Bonds	2.75%	02/15/19	AA+ / Aaa	07/16/14	2,072,228.12	1.56%	2,083,984.00
US Treasury Notes/Bonds	1.38%	02/28/19	AA+ / Aaa	10/10/14	2,587,446.81	1.53%	2,598,273.60
US Treasury Notes/Bonds	1.63%	04/30/19	AA+ / Aaa	02/26/15	7,069,268.45	1.32%	7,040,740.00
US Treasury Notes/Bonds	1.50%	05/31/19	AA+ / Aaa	07/16/14	3,978,636.51	1.66%	4,003,752.00
US Treasury Notes/Bonds	1.50%	05/31/19	AA+ / Aaa	07/13/15	3,928,734.72	1.28%	3,903,658.20
US Treasury Notes/Bonds	1.63%	06/30/19	AA+ / Aaa	11/09/15	3,729,586.95	1.39%	3,716,620.40
US Treasury Notes/Bonds	1.63%	07/31/19	AA+ / Aaa	09/09/14	3,496,359.45	1.65%	3,512,169.50
US Treasury Notes/Bonds	1.00%	08/31/19	AA+ / Aaa	10/10/14	1,855,181.14	1.67%	1,862,518.70
US Treasury Notes/Bonds	1.00%	09/30/19	AA+ / Aaa	12/16/14	7,857,634.97	1.49%	7,831,872.00
US Treasury Notes/Bonds	1.00%	09/30/19	AA+ / Aaa	05/28/15	3,447,185.05	1.42%	3,426,444.00
US Treasury Notes/Bonds	1.50%	11/30/19	AA+ / Aaa	11/09/15	6,798,461.59	1.51%	6,772,908.80
US Treasury Notes/Bonds	1.00%	11/30/19	AA+ / Aaa	07/13/15	2,950,675.01	1.43%	2,932,149.00
US Treasury Notes/Bonds	1.13%	12/31/19	AA+ / Aaa	02/26/15	1,876,088.99	1.45%	1,863,930.40
US Treasury Notes/Bonds	1.25%	01/31/20	AA+ / Aaa	05/28/15	2,476,381.73	1.49%	2,461,522.50
US Treasury Notes/Bonds	1.25%	02/29/20	AA+ / Aaa	11/09/15	9,870,762.30	1.57%	9,836,330.00
US Treasury Notes/Bonds	1.38%	05/31/20	AA+ / Aaa	07/13/15	6,949,911.97	1.54%	6,899,375.00
US Treasury Notes/Bonds	2.13%	08/31/20	AA+ / Aaa	11/09/15	2,041,191.12	1.66%	2,032,266.00
<b>SUBTOTAL U.S. GOVERNMENT TREASURY SECURITIES</b>					<b>307,552,493.00</b>		<b>306,780,206.55</b>
<b>MISCELLANEOUS CASH</b>					<b>80,000.00</b>		<b>80,000.00</b>
<b>TOTAL POOLED CASH &amp; INVESTMENTS</b>					<b>467,056,766.39</b>		<b>466,090,776.62</b>

<sup>1</sup> Collateralized in accordance with Section 53652 of the CA state code.

<sup>2</sup> Balance in excess of FDIC insurance limits collateralized in accordance with state statutes.



**CITY OF RIVERSIDE**  
**Investments Held by Fiscal Agent**  
**December 31, 2015**

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	INVEST RATING	PURCH DATE	AMORTIZED COST	YIELD ON MATURITY	MARKET VALUE
<b><u>CASH &amp; MONEY MARKET ACCOUNTS</u></b>							
Cash	Varies	Varies	NR	Varies	484,481.76	Varies	484,481.76
Wells Fargo Advantage Heritage Money Market	0.00%	Varies	AAAm	Varies	6,289.46	0.00%	6,289.46
Wells Fargo Advantage 100% Treasury Money Market	0.00%	Varies	AAAm	Varies	6,960,038.68	0.00%	6,960,038.68
Wells Fargo Advantage Government Money Market	0.00%	Varies	AAAm	Varies	952.73	0.00%	952.73
Wells Fargo Advantage Municipal Cash Mngmnt Money Mkt	0.00%	Varies	AAAm	Varies	117,527.92	0.00%	117,527.92
US Bank Money Market Account 10	0.05%	Varies	A+	Varies	90,072,827.94	0.05%	90,072,827.94
US Bank Mmkt 5 - CT	0.02%	Varies	A+	Varies	2,145,739.86	0.02%	2,145,739.86
Public Funds Money Market Account	0.10%	Varies	NR	Varies	1.21	0.10%	1.21
First American Government Obligation	0.00%	Varies	AAAm	Varies	421,897.76	0.00%	421,897.76
First American Prime Obligations Fund CL " Z "	0.02%	Varies	AAAm	Varies	13,740,967.14	0.02%	13,740,967.14
Deutsche-JP#283-Prime MMF Morgan	0.01%	Varies	NR	Varies	148,153.44	0.01%	148,153.44
<b>SUBTOTAL CASH &amp; MONEY MARKET ACCOUNTS</b>					<b>114,098,877.90</b>		<b>114,098,877.90</b>
<b>LOCAL AGENCY INVESTMENT FUND (LAIF)</b>	<b>0.30%</b>	<b>Varies</b>	<b>NR</b>	<b>Varies</b>	<b>10,773,394.56</b>	<b>0.30%</b>	<b>10,773,394.56</b>
<b><u>BONDS, DEBENTURES, NOTES &amp; AGREEMENTS</u></b>							
US Bank Na C P	0.10%	02/01/16	A+	06/01/15	332,240.22	0.10%	332,240.22
Merck Co Inc	2.25%	01/15/16	A1	09/03/14	614,536.80	2.25%	600,270.00
Cisco Sys Inc	5.50%	02/22/16	A1	09/03/14	322,161.00	5.50%	301,914.00
FHLB Debt	4.60%	03/11/16	AA+	08/03/15	3,167,441.34	4.60%	3,256,175.52
Natixis Funding Corp	0.61%	03/15/16	A	10/15/13	7,226,752.98	0.61%	7,226,752.98
US Treasury Note	2.00%	4/30/16	AAA	10/20/15	11,116,210.08	2.00%	11,062,035.00
FHLMCM	2.50%	5/27/16	AAA	11/1/12	4,922,837.20	2.50%	4,635,374.00
Invnt Agmt-Deutsche Bank Securities Inc.	0.27%	7/22/16	A-	4/24/14	17,575,015.23	0.27%	17,575,015.23
US Treasury Note	1.50%	07/31/16	AAA	3/9/15	649,548.80	1.50%	643,225.60
Caterpillar	2.05%	8/1/16	A2	11/1/12	2,083,240.00	2.05%	2,012,240.00
FHLMCM	2.00%	8/25/16	AAA	11/1/12	4,850,424.00	2.00%	4,637,030.00
US Govt Agency-Federal Home Loan MTG Corp Nts	2.00%	08/25/16	AAA	02/21/12	1,627,829.85	2.00%	1,571,549.95
General Electric Cap Corp Medium Term Nts	5.38%	10/20/16	A1	04/30/08	5,478,300.00	5.38%	5,582,358.00
US Govt Agency-Treasury Note	4.63%	11/15/16	AAA	04/30/08	26,347.15	4.63%	27,884.79
FNMA Debt	1.38%	11/15/16	AAA	11/1/12	4,745,268.00	1.38%	4,621,344.00
US Treasury Note	2.75%	11/30/16	AAA	8/29/14	769,682.81	2.75%	747,664.05
US Treasury Note	0.63%	12/31/16	AAA	3/9/15	490,267.93	0.63%	489,176.80
US Treasury Note	0.88%	12/31/16	AAA	10/20/15	1,132,597.66	0.88%	1,126,709.38
FNAMMT	1.25%	1/30/17	AAA	11/1/12	4,106,960.00	1.25%	4,015,000.00
US Treasury Note	0.88%	01/31/17	AAA	10/10/14	4,769,788.12	0.88%	4,742,379.36
US Treasury Note	0.50%	01/31/17	AAA	10/20/15	1,129,234.03	0.50%	1,123,860.24
US Treasury Note	0.88%	01/31/17	AAA	12/16/15	951,382.03	0.88%	950,076.00
General Electric Cap Corp Medium Term Nts	5.40%	02/15/17	A1	07/05/07	2,029,629.00	5.40%	2,195,424.00
US Treasury Note	0.88%	02/28/17	AAA	12/16/14	2,016,810.63	0.88%	2,006,782.34
US Treasury Note	1.00%	3/31/17	AAA	8/29/14	934,359.38	1.00%	931,450.80
US Treasury Note	3.25%	3/31/17	AAA	10/20/15	12,615,309.53	3.25%	12,469,478.75
FNMA Debt	1.13%	4/27/17	AAA	1/16/13	3,559,500.00	1.13%	3,505,775.00
US Treasury Note	3.13%	4/30/17	AAA	12/16/15	778,564.26	3.13%	776,766.65
Glaxosmithkline Cap	1.50%	5/8/17	A2	11/1/12	2,040,140.00	1.50%	2,008,420.00
US Govt Agency-F N M A MTN	5.00%	05/11/17	AAA	07/06/07	996,779.15	5.00%	1,094,887.81
US Treasury Note	2.75%	5/31/17	AAA	8/29/14	977,371.88	2.75%	953,538.30
Caterpillar	1.63%	6/1/17	A2	11/1/12	2,290,826.72	1.63%	2,243,669.48
US Govt Agency-Federal Home Loan Bks Bonds	5.63%	06/09/17	AAA	06/13/07	5,400,000.00	5.63%	5,750,244.00
FNAMMTN	5.38%	6/12/17	AAA	11/1/12	4,844,520.00	5.38%	4,248,320.00
FHLMCM	1.00%	6/29/17	AAA	11/1/12	3,042,120.00	1.00%	2,999,700.00
US Treasury Note	0.75%	06/30/17	AAA	10/10/14	962,810.48	0.75%	961,989.20
FHLMC Debt	1.00%	7/28/17	AAA	11/1/12	3,040,080.00	1.00%	2,995,020.00
US Treasury Note	2.38%	07/31/17	AAA	10/20/15	4,914,160.78	2.38%	4,862,430.58
US Treasury Note	0.50%	07/31/17	AAA	11/09/15	1,025,292.58	0.50%	1,022,192.60
IBM Corp	5.70%	9/14/17	AA3	9/03/14	340,134.00	5.70%	321,774.00
FHLMCM	1.00%	9/29/17	AAA	1/16/13	3,023,340.00	1.00%	2,991,750.00
US Treasury Note	0.63%	9/30/17	AAA	8/29/14	967,405.47	0.63%	973,228.20
Toyota Motor Credit Corp Med Term Note	1.25%	10/05/17	AA3	09/03/14	299,889.00	1.25%	299,118.00
Oracle Corp	1.20%	10/15/17	A1	11/1/12	4,015,960.00	1.20%	4,002,120.00
General Electric Co	5.25%	12/06/17	A1	9/3/14	336,870.00	5.25%	320,304.00
FNMA Debt	0.88%	12/20/17	AAA	1/16/13	3,498,145.00	0.88%	3,483,200.00
FHLMCM	0.75%	1/12/18	AAA	3/19/13	3,973,128.00	0.75%	3,967,800.00
US Treasury Note	2.63%	1/31/18	AAA	8/29/14	6,053,605.39	2.63%	5,978,421.06
US Treasury Note	0.75%	02/28/18	AAA	05/28/15	373,095.70	0.75%	371,805.00



**CITY OF RIVERSIDE**  
**Investments Held by Fiscal Agent**  
**December 31, 2015**

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	INVEST RATING	PURCH DATE	AMORTIZED COST	YIELD ON MATURITY	MARKET VALUE
FNMMATN	1.10%	3/27/18	AAA	2/28/13	1,786,000.00	1.10%	1,774,212.40
US Treasury Note	0.75%	3/31/18	AAA	8/29/14	579,651.95	0.75%	584,719.50
Apple Inc	1.00%	05/03/18	AA1	9/03/14	294,750.00	1.00%	297,564.00
Berkshire Hath	5.40%	05/15/18	AA2	9/03/14	341,136.00	5.40%	325,623.00
FHLB Debt	1.25%	06/08/18	AAA	06/28/13	290,532.33	1.25%	294,766.95
US Treasury Note	1.38%	07/31/18	AAA	09/08/15	743,153.91	1.38%	737,815.05
US Treasury Note	1.38%	07/31/18	AAA	10/20/15	3,366,614.38	2.25%	3,326,583.78
IBM Corp	7.63%	10/15/18	AA3	9/03/14	368,976.00	7.63%	345,810.00
US Treasury Note	0.88%	10/15/18	AAA	12/16/15	391,775.20	0.88%	390,647.10
US Treasury Note	1.25%	11/30/18	AAA	8/29/14	737,870.12	1.25%	743,748.40
Natixis Funding Corp	1.67%	03/01/19	A	02/14/14	7,422,802.00	1.67%	7,422,802.00
FHLMC MTN	1.00%	03/29/19	AAA	09/29/15	3,900,000.00	1.00%	3,901,911.00
US Treasury Note	1.63%	03/31/19	AAA	10/10/14	270,864.84	1.63%	271,687.50
US Treasury Note	1.63%	04/30/19	AAA	12/16/14	444,193.75	1.63%	442,560.80
US Treasury Note	1.50%	5/31/19	AAA	8/29/14	308,413.67	1.50%	310,291.40
US Treasury Note	1.63%	06/30/19	AAA	11/09/15	140,156.52	1.63%	139,624.11
US Treasury Note	0.88%	07/31/19	AAA	10/10/14	366,462.50	0.88%	371,419.60
US Treasury Note	1.00%	09/30/19	AAA	05/28/15	368,466.80	1.00%	367,117.50
US Treasury Note	1.25%	10/31/19	AAA	12/16/14	242,435.16	1.25%	242,109.00
US Treasury Note	1.50%	11/30/19	AAA	11/09/15	135,968.13	1.50%	135,458.72
US Treasury Note	1.13%	12/31/19	AAA	09/08/15	513,987.50	1.13%	510,130.40
US Treasury Note	1.25%	01/31/20	AAA	05/28/15	247,304.69	1.25%	246,152.50
US Treasury Note	1.25%	02/29/20	AAA	11/09/15	330,524.61	1.25%	329,516.05
US Treasury Note	1.88%	06/30/20	AAA	09/08/15	249,478.91	1.88%	246,712.55
US Treasury Note	2.13%	08/31/20	AAA	11/09/15	115,396.84	2.13%	114,822.69
Invt Agmt-Trinity Plus Fdg Co Gic	4.68%	10/01/29	AA+	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	AA+	05/14/08	4,348,970.73	4.68%	4,348,970.73
<b>SUBTOTAL BONDS, DEBENTURES, NOTES &amp; AGREEMENTS</b>					<b>187,155,543.37</b>		<b>185,650,406.27</b>
<b>TOTAL INVESTMENTS HELD BY FISCAL AGENT</b>					<b>312,027,815.83</b>		<b>310,522,678.73</b>

City of Riverside  
Cash Balances by Fund  
As of December 31, 2015

Fund		Cash Balance <sup>1</sup>	Interfund Loan Receivables <sup>2</sup>	Cash Balance + Loan Receivables
<b>General Fund</b>	<b>101</b>	<b>1,422,374</b>	-	<b>1,422,374</b>
<b>Successor Agency Administration Fund</b>	<b>170</b>	<b>(712,420)</b>	-	<b>(712,420)</b>
<b>Enterprise Funds</b>				
Electric	510	254,069,960	5,849,861	259,919,821
Electric - Public Benefits Charge	511	13,420,780	-	13,420,780
Water	520	79,360,266	-	79,360,266
Water - Conservation & Reclamation Program	521	3,323,091	-	3,323,091
Airport	530	233,221	-	233,221
Refuse Collection	540	5,324,257	-	5,324,257
Sewer Service	550	29,260,216	11,450,846	40,711,062
Special Transit	560	1,212,786	-	1,212,786
Public Parking	570	(519,320)	-	(519,320)
<b>SubTotal - Enterprise Funds</b>		<b>385,685,259</b>	<b>17,300,707</b>	<b>402,985,965</b>
<b>Special Revenue Funds</b>				
Urban Areas Security Initiative	205	(137,582)	-	(137,582)
Community Development Block Grant	220	(48,376)	-	(48,376)
Home Investment Partnership Program	221	365,937	-	365,937
Housing Opportunities for Persons with AIDS	222	(873,646)	-	(873,646)
Community Development Grants	223	1,197,531	-	1,197,531
Neighborhood Stabilization Program	225	163,102	-	163,102
Special Gas Tax	230	17,689,081	-	17,689,081
Air Quality	240	669,910	-	669,910
NPDES Storm Drain	260	(85,839)	-	(85,839)
Housing Authority	280	3,265,732	-	3,265,732
Housing Assets	281	315,551	16,524,121	16,839,672
<b>SubTotal - Special Revenue Funds</b>		<b>22,521,398</b>	<b>16,524,121</b>	<b>39,045,519</b>
<b>Capital Projects Funds</b>				
Certificates of Participation Projects	401	(129,957)	-	(129,957)
Storm Drain	410	1,407,122	-	1,407,122
Local Park Special Capital Improvements	411	441,935	-	441,935
Regional Park Special Capital Improvements	413	1,954,612	-	1,954,612
Capital Outlay	430	(6,054,671)	-	(6,054,671)
Transportation Projects	431	(63,629)	-	(63,629)
Measure A Capital Outlay	432	19,615,095	-	19,615,095
Transportation Development Impact Fees	433	3,028,677	-	3,028,677
Transportation Uniform Mitigation Fees	434	(3,526,882)	-	(3,526,882)
Community Facilities Districts and Assessment Districts	Various	1,963,863	-	1,963,863
<b>SubTotal - Capital Project Funds</b>		<b>18,636,167</b>	-	<b>18,636,167</b>
<b>Debt Service Funds</b>				
Debt Service Fund - General	390	1,535,716	-	1,535,716
Debt Service Fund - Public Works	391	647,661	-	647,661
<b>SubTotal Debt Service Funds</b>		<b>2,183,377</b>	-	<b>2,183,377</b>
<b>Agency Funds</b>				
Redevelopment Successor Agency	Various	16,751,108	-	16,751,108
Community Facilities Districts and Assessment Districts	Various	930,597	-	930,597
Special Deposits	Various	11,289,643	-	11,289,643
<b>SubTotal Agency Funds</b>		<b>28,971,349</b>	-	<b>28,971,349</b>
<b>Internal Service Funds</b>				
Workers' Compensation Insurance Trust	610	7,074,870	7,899,150	14,974,020
Unemployment Insurance Trust	620	460,984	-	460,984
Liability Insurance Trust	630	(2,502,588)	-	(2,502,588)
Central Stores	640	(833,096)	-	(833,096)
Central Garage	650	3,183,104	3,460,000	6,643,104
<b>SubTotal - Internal Service Funds</b>		<b>7,383,274</b>	<b>11,359,150</b>	<b>18,742,424</b>
<b>Total - All Funds</b>		<b>\$ 466,090,777</b>	<b>\$ 45,183,978</b>	<b>\$ 511,274,755</b>

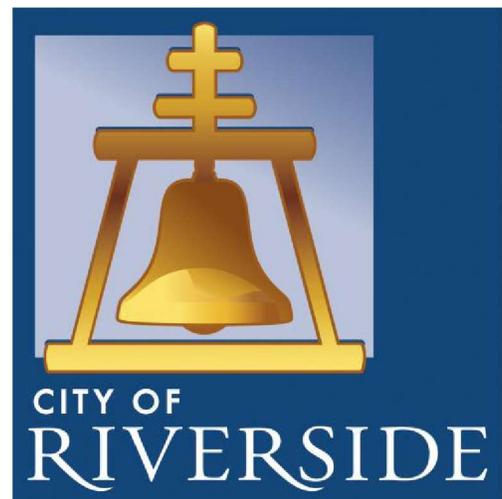
<sup>1</sup> Amount reflects each fund's share of the City's pooled investment portfolio.

<sup>2</sup> 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.

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# ATTACHMENT C

## DEBT REPORT

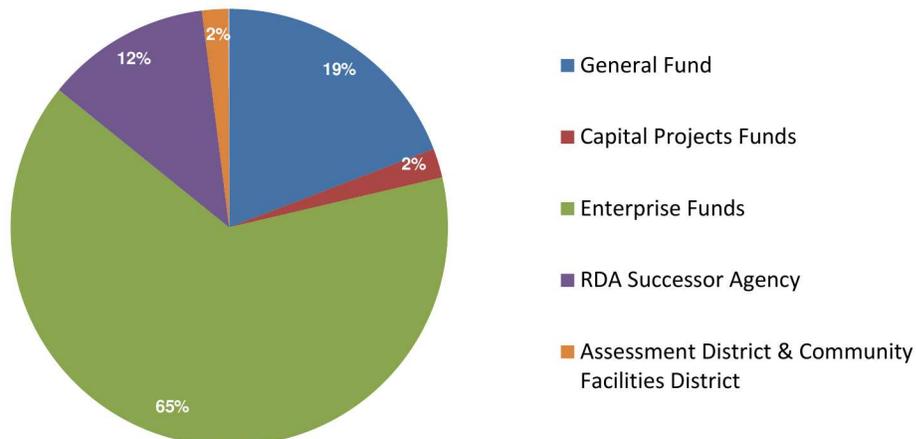


**City of Riverside**  
**Fiscal Year 2015/16 Summary of Outstanding Debt <sup>1</sup>**  
**As of December 31, 2015**

Debt Issuance <sup>2</sup>	Outstanding Principal Balance 6/30/2015	New Debt Issued During Fiscal Year	2015/16 Principal Payments	2015/16 Interest Payments	2015/16 Total Payments	Projected Principal Balance 6/30/2016
<b>General Fund</b>						
General Obligation	13,395,000	-	965,000	634,073	1,599,073	12,430,000
Pension Obligation	108,725,000	-	7,930,000	4,625,979	12,555,979	100,795,000
Certificates of Participation	151,135,000	-	4,445,000	5,634,347	10,079,347	146,690,000
Lease Revenue Bonds	38,615,000	-	1,370,000	1,702,075	3,072,075	37,245,000
Capital Leases	14,967,193	-	2,960,746	263,442	3,224,188	12,006,447
Interfund Loans	3,646,607	-	367,238	44,684	411,922	3,279,369
Private Placement Financings	45,574,907	-	2,093,623	1,409,810	3,503,433	43,481,284
<b>Total General Fund</b>	<b>376,058,706</b>	<b>-</b>	<b>20,131,607</b>	<b>14,314,409</b>	<b>34,446,016</b>	<b>355,927,099</b>
<b>Capital Projects Funds</b>						
Local Park Impact Fee Fund Interfund Loans	6,862,000	-	676,475	85,775	762,250	6,185,525
Measure A Certificates of Participation	35,235,000	-	1,285,000	1,711,088	2,996,088	33,950,000
<b>Total Capital Projects Funds</b>	<b>42,097,000</b>	<b>-</b>	<b>1,961,475</b>	<b>1,796,863</b>	<b>3,758,338</b>	<b>40,135,525</b>
<b>Enterprise Funds</b>						
Electric Fund Revenue Bonds	582,660,000	-	15,825,000	25,519,114	41,344,114	566,835,000
Electric Fund Capital Leases	1,719,868	-	506,527	36,538	543,064	1,213,341
Water Fund Revenue Bonds	198,740,000	-	5,260,000	8,046,366	13,306,366	193,480,000
Sewer Fund Revenue Bonds	419,820,000	-	7,660,000	16,123,073	23,783,073	412,160,000
Sewer Fund Loans	3,725,001	-	745,268	71,593	816,861	2,979,734
Parking Fund Interfund Loans	334,455	-	116,819	4,181	121,000	217,636
Parking Fund Loans	21,186,791	-	939,974	806,730	1,746,704	20,246,817
<b>Total Enterprise Funds</b>	<b>1,228,186,115</b>	<b>-</b>	<b>31,053,587</b>	<b>50,607,595</b>	<b>81,661,183</b>	<b>1,197,132,527</b>
<b>Internal Service Funds</b>						
Central Garage Fund Interfund Loans	1,352,794	-	333,090	16,910	350,000	1,019,704
<b>Total Internal Service Funds</b>	<b>1,352,794</b>	<b>-</b>	<b>333,090</b>	<b>16,910</b>	<b>350,000</b>	<b>1,019,704</b>
<b>RDA Successor Agency</b>						
Tax Allocation Bonds	203,020,000	-	6,950,000	9,962,350	16,912,350	196,070,000
Lease Revenue Bonds	19,440,000	-	1,410,000	929,909	2,339,909	18,030,000
Interfund Loans	16,005,850	-	5,122,376	172,110	5,294,485	10,883,474
Loans	1,915,000	-	740,000	46,509	786,509	1,175,000
<b>Total RDA Successor Agency</b>	<b>240,380,850</b>	<b>-</b>	<b>14,222,376</b>	<b>11,110,877</b>	<b>25,333,252</b>	<b>226,158,474</b>
<b>Housing Authority</b>						
3836-3844 Second Street Acquisition Interfund Loan	458,151	-	458,151	4,295	462,446	-
<b>Total Housing Authority</b>	<b>458,151</b>	<b>-</b>	<b>458,151</b>	<b>4,295</b>	<b>462,446</b>	<b>-</b>
<b>Assessment District &amp; Community Facilities District</b>						
Assessment Districts	25,615,000	-	1,180,000	1,232,736	2,412,736	24,435,000
Community Facilities Districts	12,300,000	-	320,000	610,740	930,740	11,980,000
<b>Total AD &amp; CFD</b>	<b>37,915,000</b>	<b>-</b>	<b>1,500,000</b>	<b>1,843,476</b>	<b>3,343,476</b>	<b>36,415,000</b>
<b>Total</b>	<b>\$ 1,926,448,616</b>	<b>\$ -</b>	<b>\$ 69,660,286</b>	<b>\$ 79,694,425</b>	<b>\$ 149,354,711</b>	<b>\$ 1,856,788,330</b>

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

<sup>2</sup> 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 2015/16 Detail of Outstanding Debt <sup>1</sup>  
As of December 31, 2015

Debt Issuance	Year of Issuance	Year of Final Maturity	Total Issue Size	Repayment Source	Outstanding Principal Balance 6/30/2015	New Debt Issued During Fiscal Year	2015/16 Principal Payments	2015/16 Interest Payments	2015/16 Total Payments	Projected Principal Balance 6/30/2016
<b>General Obligation</b>										
Measure G Fire Facility Projects Bonds	2004	2024	20,000,000	Existing Special Property Tax	13,395,000	-	965,000	634,073	1,599,073	12,430,000
<b>Pension Obligation</b>										
Pension Obligation Bonds (2004)	2004	2023	89,540,000	General Purpose General Fund Revenues	61,745,000	-	5,145,000	3,624,639	8,769,639	56,600,000
Pension Obligation Bonds (2005) Series A	2005	2020	30,000,000	General Purpose General Fund Revenues <sup>2</sup>	16,040,000	-	2,785,000	766,712	3,551,712	13,255,000
Pension Obligation Refunding Bond Anticipation Notes	2015	N/A	30,940,000	General Purpose General Fund Revenues <sup>2</sup>	30,940,000	-	-	234,628	234,628	30,940,000
<b>Certificates of Participation</b>										
Galleria Mall Improvements	2006	2036	19,945,000	Project Developer / Successor Agency	18,090,000	-	515,000	811,491	1,326,491	17,575,000
Riverside Renaissance Projects Refunding	2008	2037	128,300,000	General Purpose General Fund Revenues	112,800,000	-	3,500,000	3,762,919	7,262,919	109,300,000
Recovery Zone Facility Hotel Project (Hyatt)	2010	2040	20,660,000	Project Developer / Successor Agency	20,245,000	-	430,000	1,059,938	1,489,938	19,815,000
<b>Lease Revenue Bonds</b>										
Lease Revenue Refunding Bonds Series A	2012	2033	41,240,000	General Purpose General Fund Revenues <sup>3</sup>	38,615,000	-	1,370,000	1,702,075	3,072,075	37,245,000
<b>Capital Leases</b>										
Various Vehicles	2011	2016	2,000,000	General Purpose General Fund Revenues	420,847	-	420,847	8,192	429,040	-
VOIP Phone System	2012	2022	1,650,000	General Purpose General Fund Revenues	1,273,346	-	157,011	29,377	186,388	1,116,334
Mobile Data Computers	2012	2015	561,923	General Purpose General Fund Revenues	190,455	-	190,455	3,219	193,674	-
Police Department Helicopter	2013	2019	1,348,316	General Purpose General Fund Revenues	911,328	-	222,130	14,424	236,554	689,198
Various Vehicles, Software, and Hardware	2013	2019	3,642,934	General Purpose General Fund Revenues	2,462,262	-	600,160	38,972	639,131	1,862,102
Various Vehicles, Software, and Hardware	2013	2018	2,957,221	General Purpose General Fund Revenues	2,086,132	-	587,151	23,277	610,428	1,498,981
Convention Center, Fox, Muni, and RPD Dispatch FF&E	2013	2020	3,668,000	General Purpose General Fund Revenues	3,172,822	-	506,040	53,320	559,360	2,666,783
Various Vehicles, Software, and Hardware	2014	2022	4,450,000	General Purpose General Fund Revenues	4,450,000	-	276,952	92,660	369,612	4,173,048
<b>Interfund Loans</b>										
WiFi Network Startup Costs Interfund Loan	2010	2015	425,000	General Purpose General Fund Revenues	71,922	-	71,922	-	71,922	-
Utilities Plaza Purchase Interfund Loan	2012	2028	4,469,221	Building Lease Revenue	3,574,685	-	295,316	44,684	340,000	3,279,369
<b>Private Placement Financings</b>										
Ryan Bonaminio Park Loan	2012	2021	4,000,000	General Purpose General Fund Revenues	2,924,370	-	380,803	86,312	467,115	2,543,567
Convention Center Expansion Loan	2012	2034	44,650,000	General Fund Transient Occupancy Tax <sup>4</sup>	42,650,536	-	1,712,820	1,323,498	3,036,318	40,937,717
<b>Total General Fund</b>					<b>376,058,706</b>	<b>-</b>	<b>20,131,607</b>	<b>14,314,409</b>	<b>34,446,016</b>	<b>355,927,099</b>
<b>Local Park Impact Fee Fund</b>										
Riverside Renaissance Debt Service Interfund Loan #1	2010	2018	3,460,000	Development Impact Fee Revenue	3,460,000	-	-	43,250	43,250	3,460,000
Riverside Renaissance Debt Service Interfund Loan #2	2011	2018	3,402,000	Development Impact Fee Revenue	3,402,000	-	676,475	42,525	719,000	2,725,525
<b>Total Local Park Impact Fee Fund</b>					<b>6,862,000</b>	<b>-</b>	<b>676,475</b>	<b>85,775</b>	<b>762,250</b>	<b>6,185,525</b>
<b>Measure A Fund</b>										
RPFA Local Measure A Sales Tax Revenue COPs	2013	2033	35,235,000	Measure A Sales Tax Revenues	35,235,000	-	1,285,000	1,711,088	2,996,088	33,950,000
<b>Total Measure A Fund</b>					<b>35,235,000</b>	<b>-</b>	<b>1,285,000</b>	<b>1,711,088</b>	<b>2,996,088</b>	<b>33,950,000</b>
<b>Electric Utility</b>										
Electric Revenue Refunding Bonds (2008) Series A	2008	2029	84,515,000	Existing Electric Rates/Refunding Proceeds	70,540,000	-	-	2,194,499	2,194,499	70,540,000
Electric Revenue Refunding Bonds (2008) Series C	2008	2035	57,325,000	Existing Electric Rates/Refunding Proceeds	41,975,000	-	-	1,344,879	1,344,879	41,975,000
Electric Revenue Bonds (2008) Series D	2008	2038	209,740,000	Existing Electric Rates	209,740,000	-	-	10,246,400	10,246,400	209,740,000
Electric Revenue Bonds (2009) Series A	2009	2018	34,920,000	Existing Electric Rates	6,780,000	-	3,140,000	237,050	3,377,050	3,640,000
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	7,090,000	-	-	307,050	307,050	7,090,000
Electric Revenue Bonds (2011) Series A	2011	2036	56,450,000	Existing Electric Rates/Refunding Proceeds	41,925,000	-	-	1,613,274	1,613,274	41,925,000
Electric Revenue Refunding Bonds (2013) Series A	2013	2043	79,080,000	Existing Electric Rates	71,320,000	-	12,685,000	3,096,481	15,781,481	58,635,000
Electric Fund Vehicles Capital Leases	Various	Various	Various	Existing Electric Rates	1,719,868	-	506,527	36,538	543,064	1,213,341
<b>Total Electric Fund</b>					<b>584,379,868</b>	<b>-</b>	<b>16,331,527</b>	<b>25,555,652</b>	<b>41,887,179</b>	<b>568,048,341</b>
<b>Water Utility</b>										
Water Revenue Bonds (2008) Series B	2008	2038	58,235,000	Existing Water Rates	58,235,000	-	-	2,830,350	2,830,350	58,235,000
Water Revenue Bonds (2009) Series A	2009	2020	31,895,000	Existing Water Rates	17,065,000	-	4,335,000	694,975	5,029,975	12,730,000
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	55,650,000	-	925,000	1,803,664	2,728,664	54,725,000
<b>Total Water Fund</b>					<b>198,740,000</b>	<b>-</b>	<b>5,260,000</b>	<b>8,046,366</b>	<b>13,306,366</b>	<b>193,480,000</b>
<b>Sewer Utility</b>										
Headworks Project Loan	2000	2019	7,956,419	Existing Sewer Rates	1,828,226	-	445,140	32,247	477,387	1,383,086
Cogeneration Project Loan	2003	2021	5,374,978	Existing Sewer Rates	1,896,775	-	300,127	39,346	339,474	1,596,647
Sewer Revenue Bonds (2009) Series A	2009	2016	36,835,000	Existing Sewer Rates	15,715,000	-	7,660,000	594,250	8,254,250	8,055,000
Sewer Revenue Bonds (2009) Series B	2009	2039	204,075,000	Existing Sewer Rates	204,075,000	-	-	9,216,748	9,216,748	204,075,000
Sewer Revenue Bonds (2015) Series A	2015	2040	200,030,000	Existing Sewer Rates	200,030,000	-	-	6,312,075	6,312,075	200,030,000
<b>Total Sewer Fund</b>					<b>423,545,001</b>	<b>-</b>	<b>8,405,268</b>	<b>16,194,666</b>	<b>24,599,934</b>	<b>415,139,734</b>

Debt Issuance	Year of Issuance	Year of Final Maturity	Total Issue Size	Repayment Source	Outstanding Principal Balance 6/30/2015	New Debt Issued During Fiscal Year	2015/16 Principal Payments	2015/16 Interest Payments	2015/16 Total Payments	Projected Principal Balance 6/30/2016
<b>Parking Fund</b>										
Parking Garages 1 & 2 Interfund Loan #2	2008	2018	942,006	Parking Fund Revenue	334,455	-	116,819	4,181	121,000	217,636
Fox Entertainment Plaza Loan	2010	2032	25,000,000	Parking Fund Revenue <sup>5</sup>	21,186,791	-	939,974	806,730	1,746,704	20,246,817
<b>Total Parking Fund</b>					<b>21,521,246</b>	<b>-</b>	<b>1,056,793</b>	<b>810,911</b>	<b>1,867,704</b>	<b>20,464,453</b>
<b>Central Garage Fund</b>										
CNG Refueling Station Interfund Loan	2013	2019	1,674,262	Fuel Sales	1,352,794	-	333,090	16,910	350,000	1,019,704
<b>Total Central Garage Fund</b>					<b>1,352,794</b>	<b>-</b>	<b>333,090</b>	<b>16,910</b>	<b>350,000</b>	<b>1,019,704</b>
<b>RDA Successor Agency</b>										
RPFA Multiple Project Area TABs (1991)	1991	2018	13,285,000	Successor Agency Tax Increment	65,000	-	20,000	5,200	25,200	45,000
California Tower Lease Revenue Bonds Series A	2003	2024	26,255,000	Successor Agency Tax Increment	16,670,000	-	1,195,000	784,004	1,979,004	15,475,000
California Tower Lease Revenue Bonds Series B	2003	2024	4,810,000	Successor Agency Tax Increment	2,770,000	-	215,000	145,905	360,905	2,555,000
Olivewood Property Assembly Interfund Loan	2007	- - -	3,678,991	Successor Agency Tax Increment	4,474,161	-	4,474,161	27,964	4,502,124	-
RPFA Multiple Project Area TABs (2007) Series A	2007	2037	8,340,000	Successor Agency Tax Increment	8,195,000	-	25,000	357,331	382,331	8,170,000
RPFA Multiple Project Area TABs (2007) Series B	2007	2028	14,850,000	Successor Agency Tax Increment	12,080,000	-	460,000	683,055	1,143,055	11,620,000
RPFA Multiple Project Area TABs (2007) Series C	2007	2037	89,205,000	Successor Agency Tax Increment	86,550,000	-	590,000	4,220,025	4,810,025	85,960,000
RPFA Multiple Project Area TABs (2007) Series D	2007	2032	43,875,000	Successor Agency Tax Increment	33,150,000	-	1,720,000	1,874,874	3,594,874	31,430,000
Municipal Auditorium Renovations Interfund Loan	2008	- - -	727,818	Successor Agency Tax Increment	335,239	-	(4,190)	4,190	-	339,429
3615-3653 Main Street Acquisition Interfund Loan	2009	- - -	4,280,000	Successor Agency Tax Increment	4,200,044	-	(52,501)	52,501	-	4,252,545
HUD Section 108 Refunding Loan - University Village	2009	2015	2,260,000	Successor Agency Tax Increment	395,000	-	395,000	8,552	403,552	-
3225 Market Street Acquisition Interfund Loan	2010	- - -	1,200,000	Successor Agency Tax Increment	1,146,545	-	(14,332)	14,332	-	1,160,877
HUD Section 108 Refunding Loan - Mission Village	2011	2018	2,695,000	Successor Agency Tax Increment	1,520,000	-	345,000	37,957	382,957	1,175,000
Reid Park Acquisition Interfund Loan	2011	- - -	720,000	Successor Agency Tax Increment	757,877	-	93,403	9,473	102,877	664,473
Riverside Golf Course Acquisition Interfund Loan	2011	- - -	4,837,500	Successor Agency Tax Increment	5,091,984	-	625,834	63,650	689,484	4,466,150
2014 Subordinate Tax Allocation Refunding Bonds Series A	2014	2034	61,250,000	Successor Agency Tax Increment	61,250,000	-	3,970,000	2,776,950	6,746,950	57,280,000
2014 Subordinate Tax Allocation Refunding Bonds Series B	2014	2024	1,730,000	Successor Agency Tax Increment	1,730,000	-	165,000	44,915	209,915	1,565,000
<b>Total RDA Successor Agency</b>					<b>240,380,850</b>	<b>-</b>	<b>14,222,376</b>	<b>11,110,877</b>	<b>25,333,252</b>	<b>226,158,474</b>
<b>Housing Authority</b>										
3836-3844 Second Street Acquisition Interfund Loan	2012	2015	458,151	Housing Authority Revenue	458,151	-	458,151	4,295	462,446	-
<b>Total Housing Authority</b>					<b>458,151</b>	<b>-</b>	<b>458,151</b>	<b>4,295</b>	<b>462,446</b>	<b>-</b>
<b>Assessment District &amp; Community Facilities District</b>										
Riverwalk Business Center Assessment District Bonds	2005	2029	3,755,000	Existing Special Property Tax	2,810,000	-	120,000	166,603	286,603	2,690,000
Sycamore Canyon Business Park CFD 92-1 Bonds	2005	2034	9,700,000	Existing Special Property Tax	7,930,000	-	240,000	404,171	644,171	7,690,000
Hunter Park Assessment District Bonds	2006	2036	15,269,906	Existing Special Property Tax	13,015,000	-	340,000	657,528	997,528	12,675,000
Riverwalk Assessment District Refunding Bonds	2011	2026	7,805,000	Existing Special Property Tax	6,540,000	-	440,000	281,481	721,481	6,100,000
Auto Center Assessment District Refunding Bonds	2012	2024	4,050,000	General Fund Sales Tax Revenue <sup>6</sup>	3,250,000	-	280,000	127,125	407,125	2,970,000
Riverwalk Vista CFD 2006-1	2013	2043	4,415,000	Existing Special Property Tax	4,370,000	-	80,000	206,569	286,569	4,290,000
<b>Total Assessment District &amp; Community Facilities District</b>					<b>37,915,000</b>	<b>-</b>	<b>1,500,000</b>	<b>1,843,476</b>	<b>3,343,476</b>	<b>36,415,000</b>
<b>Total</b>					<b>\$ 1,926,448,616</b>	<b>\$ -</b>	<b>\$ 69,660,286</b>	<b>\$ 79,694,425</b>	<b>\$ 149,354,711</b>	<b>\$ 1,856,788,330</b>

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

<sup>2</sup> 48.3% 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.

<sup>3</sup> 25.4% 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.

<sup>4</sup> Debt service for this loan is primarily funded from a voter-approved increase in the transient occupancy tax rate from 11% to 13%.

<sup>5</sup> A portion of the debt service for this loan related to non-parking facilities is funded by the General Fund.

<sup>6</sup> 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.

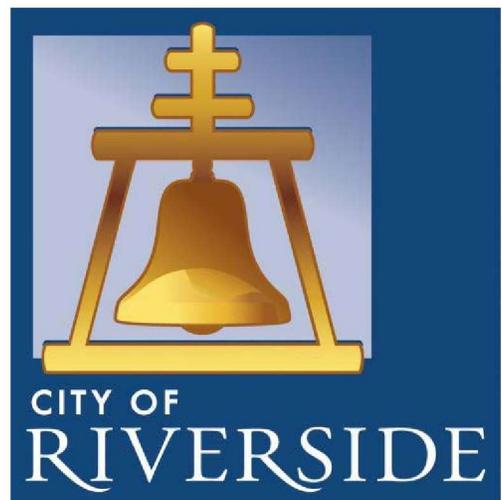
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**ATTACHMENT D**

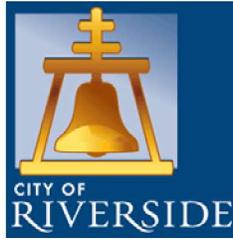
**PROPOSED LIST**

**OF**

**BUDGET REDUCTIONS**



Department	Division	Reduction Amount	Justification
City Attorney	Administration	\$ 100,000	Reduction in outside counsel account
City Manager's Office	Communications	45,381	Reduced funding in 453053 (Seizing our Destiny)
City Manager's Office	Various	60,000	Reduce funding in professional services
City Manager's Office	CPRC	14,550	Reduced carryover in 421000 (Professional Services) for investigations
Community & Economic Development	Administration	25,000	Reduced carryover in 421000 (Professional Services) for Director recruitment (duplicate funds)
Community & Economic Development	Economic Development	204,708	Reduced carryovers in various accounts
Community & Economic Development	Historic Preservation	12,400	Reduced carryover in 421000 (Professional Services) for wi-fi project.
Community & Economic Development	Historic Preservation	10,000	reduced carryover in 450309 (Neighborhoods Program) for grant program.
Community & Economic Development	Homeless Services	50,000	TBD to replace carryover in 453056 (Riverside Emergency Shelter)
Community & Economic Development	Various	150,000	Miscellaneous items to increase projected savings number from 9/30.
Finance	Administration	100,000	Hold Asst. Finance Director vacant until 7/1
Finance	Debt Administration	75,000	Likely net savings on roll of pension obligation note.
Finance	Various	25,000	Will monitor budget savings to target an increase in savings from 9/30 of \$25,000.
General Services	Administration	135,000	Hold Assistant Director vacant through 7/1.
Human Resources	Various	25,000	Will monitor budget savings to target an increase in savings from 9/30 of \$25,000.
Innovation & Technology	Administration	175,000	Reduction in outsourcing costs and other accounts.
Innovation & Technology	Administration	250,000	Reduced carryover in 421202 (Outsourcing) per conversation with Adam.
Museum	Arts & Culture	4,947	Reduced carryover in 459950 (Tourism, Marketing, and Promotion special project).
Museum	Arts & Culture	57,656	Reduced carryover in 450302 (Sponsorship Program special project).
Museum	Arts & Culture	8,288	Reduced carryover in 453054 (Farmer's Market special project).
Museum	Arts & Culture	4,423	Reduced carryover in 453225 (Festival of Lights special project).
Museum - 401 Fund	N/A	360,000	Funding not currently needed for Harada House - Reallocate to Museum Emergency Repairs.
Museum & Cultural Affairs	Arts & Culture	53,000	TBD savings due to pace of recruitment of part-time Coordinator in Arts & Culture through 7/1
Non-Departmental	Library	99,518	Prior year mid-year appropriation not needed for Library drawings (duplicate funds).
Parks, Recreation & Community Services	Various	156,000	Department has indicated that they can increase their savings from \$394,000 to \$550,000.
Police	Various	150,000	Non-Sworn Vacancy Freeze
Public Works	Various	150,000	Miscellaneous items to increase projected savings number from 9/30
	<b>Total</b>	<b>\$ 2,500,871</b>	



## Fiscal Year 2015/16 Mid-Year Budget Update and Revisions

Finance Department

City Council  
March 8, 2016

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## 2015/16 Adopted Budget & Projection

- 2015/16 Adopted General Fund Budget
  - Revenues \$257.6 Million
  - Expenditures \$256.6 Million
  - Ending Reserves \$ 38.4 Million
  - **Surplus \$ 1.0 Million**
- 2015/16 Projection (Mid-Year)
  - Revenues \$255.4 Million
  - Expenditures \$262.2 Million
  - Ending Reserves \$ 33.3 Million
  - **Deficit \$ (7.8) Million**
- 2015/16 Projection (September)
  - Revenues \$256.8 Million
  - Expenditures \$262.3 Million
  - Ending Reserves \$ 34.6 Million
  - **Deficit \$ (6.5) Million**

1. \$3.9 million Police union contracts
2. \$0.8 million of supplemental appropriations
3. Revenue \$2.2 million below budget
4. \$0.4 million managed savings shortfall



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## Pending Mid-Year Appropriations

Department	Adjusted Budget 2015/16	Pending Mid-Year Adjustments	Revised Budget 2015/16	Projected Expenditures 2015/16	December Budget Variance	September Budget Variance
City Attorney	\$ 4,347,225	\$ -	\$ 4,347,225	\$ 4,247,225	\$ (100,000)	\$ (150,000)
City Clerk	1,596,263	-	1,596,263	1,550,263	(46,000)	(70,000)
City Council	1,274,352	-	1,274,352	1,234,352	(40,000)	(41,000)
City Manager	5,290,931	-	5,290,931	5,265,931	(25,000)	(2,000)
Community & Economic Development	11,687,783	-	11,687,783	10,187,783	(1,500,000)	(1,178,000)
Finance	5,874,397	-	5,874,397	5,524,397	(350,000)	(394,000)
Fire	47,600,629	574,000	48,174,629	48,324,629	150,000	554,000
General Services	4,058,278	-	4,058,278	3,508,278	(550,000)	(381,000)
Human Resources	2,800,148	-	2,800,148	2,405,148	(395,000)	(260,000)
Innovation & Technology	11,079,054	-	11,079,054	10,654,054	(425,000)	(397,000)
Library	6,149,818	-	6,149,818	5,779,818	(370,000)	(355,000)
Mayor	872,591	-	872,591	847,591	(25,000)	(56,000)
Museum & Cultural Affairs	4,145,710	-	4,145,710	4,020,710	(125,000)	(144,000)
Non-Departmental	24,846,896	-	24,846,896	24,420,896	(426,000)	(478,000)
Non-Departmental - Community Livability	786,680	-	786,680	786,680	-	-
Parks, Recreation & Community Services	15,795,719	-	15,795,719	15,295,719	(500,000)	(394,000)
Police	88,122,448	3,900,000	92,022,448	91,772,448	(250,000)	(801,000)
Public Works	12,933,933	-	12,933,933	12,133,933	(800,000)	(1,108,000)
<b>SubTotal</b>	<b>249,262,855</b>	<b>4,474,000</b>	<b>253,736,855</b>	<b>247,959,855</b>	<b>(5,777,000)</b>	<b>(5,655,000)</b>
Estimated Managed Savings	(6,100,000)	-	(6,100,000)	N/A	6,100,000	6,100,000
Interfund Transfers	2,487,202	-	2,487,202	2,487,202	-	-
Net Cost Allocation	(19,940,744)	-	(19,940,744)	(19,940,744)	-	-
Net Debt Service Allocation	31,634,525	-	31,634,525	31,634,525	-	-
<b>Total</b>	<b>\$ 257,343,838</b>	<b>\$ 4,474,000</b>	<b>\$ 261,817,838</b>	<b>\$ 262,140,838</b>	<b>\$ 323,000</b>	<b>\$ 445,000</b>

- \$0.8 million of reserve usage to date this fiscal year
- \$4.5 million of mid-year adjustments will require approval
- \$0.6 million offset by revenue / \$3.9 million will draw on reserves



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## 2015/16 Projected Results

- Mid-Year Expenditures in excess of revenue by \$7.8 million, an increase from \$6.5 million at 1<sup>st</sup> quarter change due to weakening revenues
- Components of the \$7.8 million gap:
  - Utility Users Tax \$0.9 million below budget – primarily due to weaker utility revenue projections since 1<sup>st</sup> quarter
  - GFT \$1.3 million below budget primarily due to lower than anticipated Electric Fund revenues – no change from 1<sup>st</sup> quarter
  - \$1.1 million revenue loss due to fee deferrals, partially offset by salary savings reflected in the Community & Economic Development Department – most attributed to reduced projections since 1<sup>st</sup> quarter
  - Property Taxes exceed budget \$0.6 million – primarily due to enhanced Successor Agency property tax increment receipts
  - Managed savings improved by \$0.1 million to \$0.4 million below target
  - \$0.8 million year-to-date appropriations from General Fund reserves
  - Pending mid-year appropriations - largest item is approval of the Police union contracts (\$3.9 million)



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## General Fund Reserve Update

- Reserves are projected to drop to 13.0% by year-end if no actions are taken
- Mid-Year report recommends \$2.5 million in reduced spending authority to bring the reserve back up to 14.0%
- Mid-Year report seeks authorization for the City Manager to identify and make further budgetary reductions
- A General Fund reserve policy has been presented to the Finance Committee (coming to City Council in March or April) to set the reserve level at 15% and to provide parameters for future reserve use and replenishment



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## Projections for Other Funds

- Electric and Water Funds
  - Lower operating funds due to conservation efforts exceeding anticipation; Electric \$7 million SONGS settlement
  - Corresponding expenditure reductions to mitigate lower revenues
- Sewer Fund
  - Lower operating revenues associated with water conservation primarily in the industrial/commercial sectors
  - Expenditure reductions to mitigate a portion of the shortfall
- Refuse Fund
  - Lower operating revenues by small margin
  - Delayed capital expenditures account for offsets to allow the fund to avoid charge to reserve



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## Projections for Other Funds

- Airport Fund
  - Revenues are increasing and a positive variance is projected
- Parking Fund
  - Lower operating revenues
  - Expenditures being reduced to mitigate the shortfall
- Insurance Trust Funds
  - Revenues anticipated to exceed expenditures
  - Negative fund balance – liabilities long-term in nature and reflect claims that may ultimately be resolved for lower amounts than reserved
  - Adequate cash on hand to pay all anticipated claims



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## Other Reports

- The quarterly investment report is included in this report
  - Report showing cash balances by fund has been added
  - Information is provided regarding funds with an unusual cash position
  - No funds' cash balance is currently a concern
- The quarterly debt report is included in this report
  - There have been no changes to the City's debt portfolio through 12/31/15



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## Recommendations

That the City Council:

1. Receive the Mid-Year financial, investment and debt reports for the period of 7/1/15 to 12/31/15;
2. Approve \$4.5 million in supplemental appropriations including offsetting revenue as detailed in report;
3. Approve \$2.5 million in budget reductions to offset projected General Fund shortfall;
4. Authorize the City Manager to identify and freeze additional expenditure items to further mitigate the projected General fund shortfall; and,
5. Delegate investment responsibility to the City's Chief Financial Officer/Treasurer for a period of up to one year.



**CITY OF RIVERSIDE  
SPEAKER CARD**

AGENDA ITEM NO.: 2

WELCOME TO THE RIVERSIDE CITY COUNCIL MEETING.

IF YOU WISH TO ADDRESS THE CITY COUNCIL, PLEASE COMPLETE AND SUBMIT THIS CARD TO THE CITY CLERK. SPEAKER CARDS WILL BE ACCEPTED UNTIL CONCLUSION OF PUBLIC COMMENT ON THE AGENDA ITEM.

NAME: JASON Hunter

DATE: 3-8-16

CITY/NEIGHBORHOOD: \_\_\_\_\_

PHONE # (Optional): \_\_\_\_\_

ADDRESS (Optional): \_\_\_\_\_  
Address City/State/Zip

SUBJECT: \_\_\_\_\_

SUPPORT

OPPOSE

NEUTRAL

*In accordance with the Public Records Act, any information you provide on this form is available to the public.*

**Pursuant to the City Council Meeting Rules adopted by Resolution No. 22796, the Members of the City Council and the public are reminded that they must preserve order and decorum throughout the Meeting.**

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NAME: Raychele Sterling DATE: 3-8-16

CITY/NEIGHBORHOOD: \_\_\_\_\_ PHONE # (Optional): \_\_\_\_\_

ADDRESS (Optional): \_\_\_\_\_  
Address City/State/Zip

SUBJECT: \_\_\_\_\_

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