



Proposed Measure Z Reserve Policy

Finance Department

Finance Committee

March 13, 2019

RiversideCA.gov

BACKGROUND

1. Measure Z:
 - A. One-cent Transaction and Use Tax
 - B. Approved by voters in November 2016
 - C. Effective April 2017 - March 2036
 - D. To restore critical General Fund needs:
 - i. First responder staffing and vehicles
 - ii. Road and tree maintenance
 - iii. Building repair and maintenance



2

RiversideCA.gov

DISCUSSION

1. Fund Balance Reserves may be necessary due to the following risks:
 - A. Economic Downturn = insufficient revenues to fund previously approved items
 - B. Insufficient revenue growth to fund the increase in previously approved ongoing, escalating expenditures



3

RiversideCA.gov

DISCUSSION

2. The proposed Measure Z Reserve Policy includes:
 - A. 15% minimum Contingency Reserve
 - B. Requirements for utilizing reserves
 - C. Requirements for a Replenishment Plan when Reserves are Utilized
 - D. Process for A Wind-Down Plan
 - E. Requirements to utilize Surplus Reserves



4

RiversideCA.gov

RECOMMENDATION

That the Finance Committee:

1. Receive and provide input on the proposed Measure Z Reserve Policy; and
2. Recommend City Council approve the proposed Measure Z Reserve Policy.

