

FY 2023/24 First Quarter Financial Update

Finance Department

City Council
January 16, 2024

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GENERAL FUND – FUND BALANCE

(in millions)

Beginning Fund Balance	\$ 70.77
FY 2022/23 Activity	
Revenues	\$ 360.69
Use of Infrastructure Reserves	7.00
Expenditures	(333.24)
Encumbrances/Projects/Grants	(7.07)
Restricted Carryovers*	(4.43)
Discretionary Carryovers*	(1.30)
Subtotal	\$ 21.65
Change in Other Reserves	(2.23)
Net Change in Fund Balance	\$ 19.42
Fund Balance Reserves	
15% Emergency Reserve	\$ (49.06)
5% Contingency Reserve	(16.36)
Total Policy Reserves	\$ (65.42)
Projected Surplus Reserves	\$ 24.77

General Fund Reserves at June 30, 2023

(in millions)

Economic Reserves (15%)	\$ 49.06 M
Economic Contingency Reserves (5%)	\$ 16.36 M
MOU Impacts Reserve*	\$ 15.00 M
Infrastructure Reserve	\$ 20.62 M
Technology Reserve	\$ 3.00 M
Section 115 Trust Fund Reserve	\$ 32.70 M
Insurance Reserves	\$ 2.00 M
Surplus Reserves*	\$ 24.77 M

* In FY 2022/23 Fourth Quarter Report, staff presented to Council recommendations for Restricted and Discretionary carryovers, as well as the following use of Surplus Reserves:

- Section 115 Trust: \$20M
 - Staff also recommended reallocating \$15M in reserves earmarked for MOU impacts
- Infrastructure Reserves: \$4.8M

Amounts will post in FY 2023/24 Second Quarter.

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GENERAL FUND OVERVIEW

(in millions)

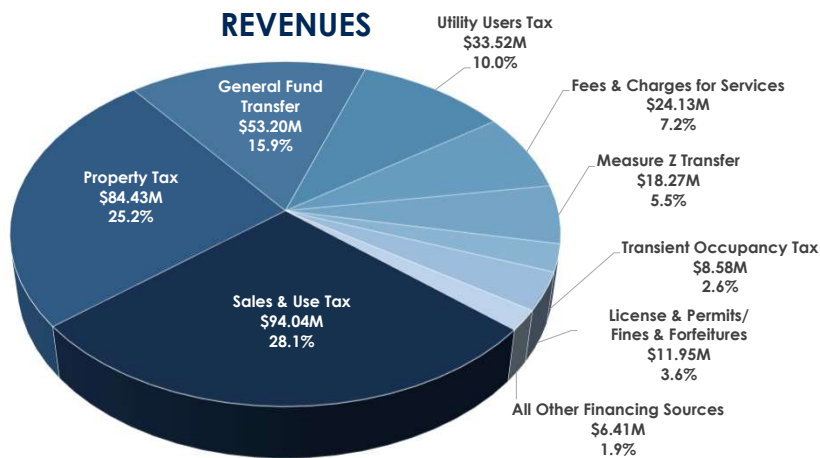
FY 2023/24	Adopted Budget	Total Adjusted Budget As of 9/30/2023	Quarter 1 Actuals
Revenue & Transfers In	\$ 333.50	\$ 333.63	\$ 42.64
Expenditures & Transfers Out*	(332.09)	(335.28)	(77.13)
Balance Before Changes in Reserves	\$ 6.41	\$ (1.65)	\$ (34.49)
Changes in Reserves			
Use of Prior Year Fund Balance for Encumbrance & Project/Grant Carryovers	-	7.07	-
Escrow of \$8.57M Water GFT	-	(8.57)	(2.14)
Drawdown of Insurance Reserves	-	0.90	-
Net Surplus \ (Deficit)**	\$ 6.41	\$ (2.25)	\$ (36.63)

* Includes prior year encumbrances \$7.05M in encumbrances and \$0.02M project/grant carryovers carried over as allowed by the Riverside Municipal Code.

**In the event of a fiscal year-end budget surplus, the adopted budget includes a planned contribution of \$5.00M to the Infrastructure Reserve, which is excluded in the table.



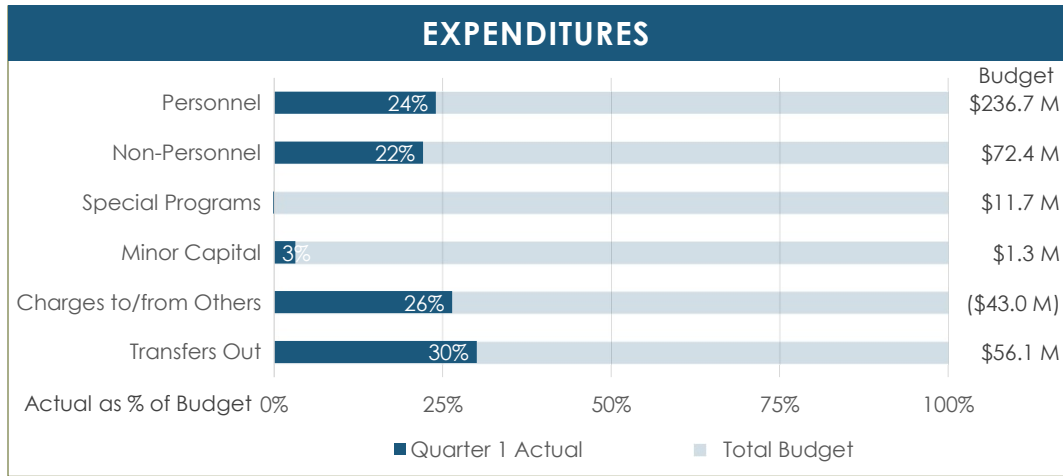
GENERAL FUND REVENUE BUDGET



* All revenues are being reviewed in preparation for the FY 2024-2026 mid-cycle budget update.



GENERAL FUND EXPENDITURES



*Total Budget includes prior fiscal year encumbrances and carryovers posted in the first quarter.

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MEASURE Z SPENDING PLAN

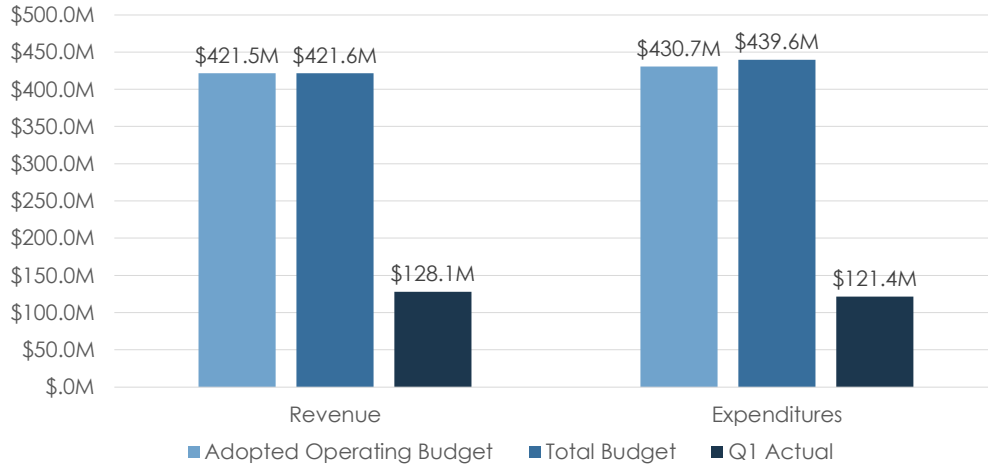
(in millions)	Actuals				Projected
	2020	2021	2022	2023	2024
Revenue	\$ 63.14	\$ 72.65	\$ 83.91	\$ 85.84	\$ 84.46
Expenditures	(49.56)	(50.85)	(67.45)	(69.61)	(96.25)
Encumbrances & Carryovers				(48.65)	
Net Change in Fund Balance	\$ 13.58	\$ 21.80	\$ 16.46	\$(32.42)	\$(11.79)
Beginning Fund Reserves	\$ 39.56	\$ 53.14	\$ 74.94	\$ 91.40	\$ 58.98
Net Change in Fund Balance	13.58	21.80	16.46	(32.42)	(11.79)
Fund Balance Reserve Policy	-	-	-	-	-
Ending Fund Reserves	\$ 53.14	\$ 74.94	\$ 91.40	\$ 58.98	\$ 47.19



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ELECTRIC FUND - OPERATING

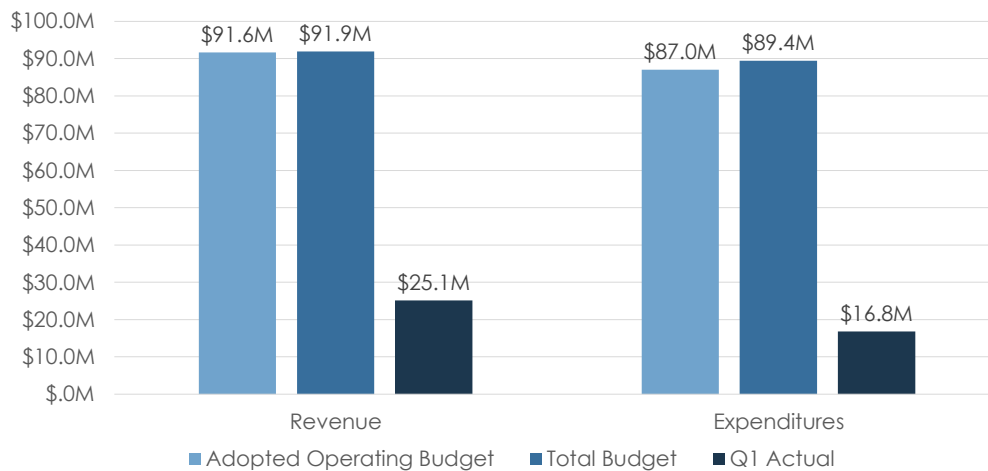


Total Budget includes prior fiscal year encumbrances and carryovers posted in the first quarter.

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WATER FUND - OPERATING

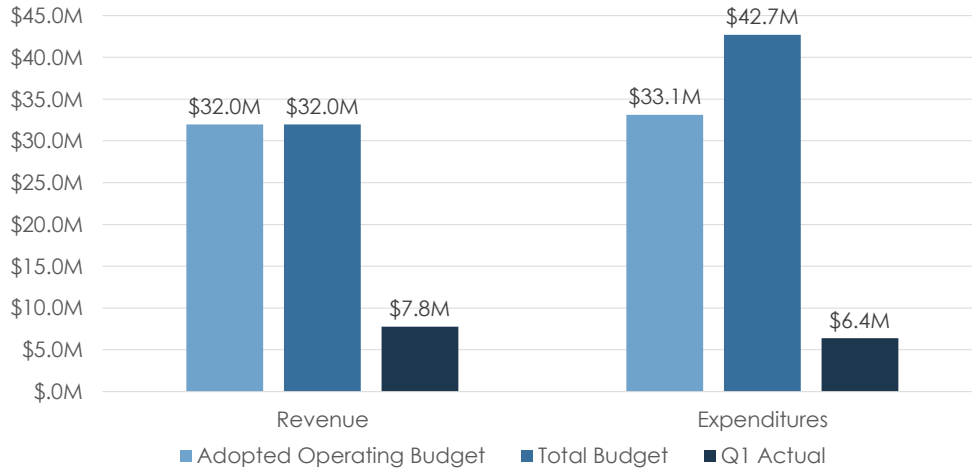


Total Budget includes prior fiscal year encumbrances and carryovers posted in the first quarter.

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REFUSE FUND - OPERATING



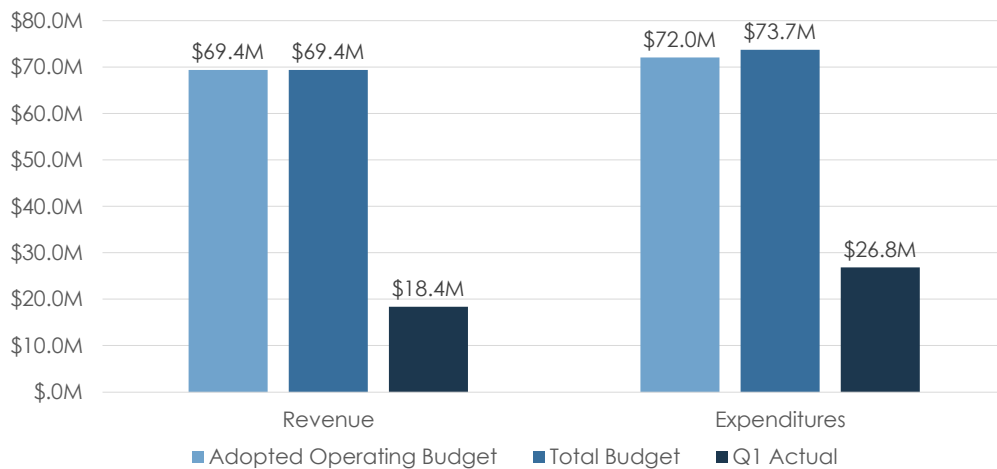
Total Budget includes prior fiscal year encumbrances and carryovers posted in the first quarter.

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SEWER FUND - OPERATING



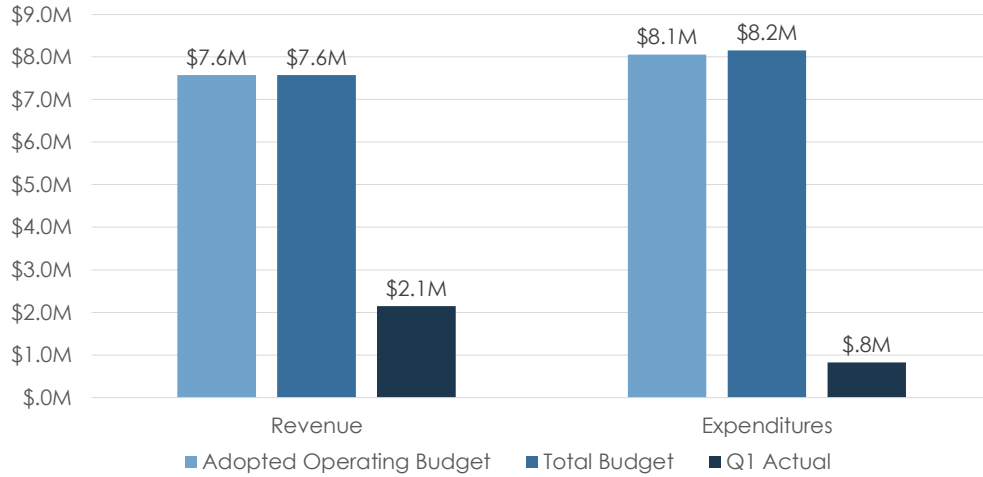
Total Budget includes prior fiscal year encumbrances and carryovers posted in the first quarter.

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PUBLIC PARKING FUND - OPERATING



Total Budget includes prior fiscal year encumbrances and carryovers posted in the first quarter.

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STRATEGIC PLAN ALIGNMENT



HIGH PERFORMING GOVERNMENT

CROSS-CUTTING THREADS



Community Trust



Equity



Innovation



Fiscal Responsibility



Sustainability and Resiliency

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RECOMMENDATIONS

That the City Council:

1. Receive and provide input on the Fiscal Year 2023/24 First Quarter financial update; and
2. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record a supplemental appropriation in the General Fund of \$1,000,000 million from the Infrastructure Reserve for an interfund transfer to the Airport Fund and record supplemental appropriations in the same amount in Airport Capital Projects expenditure account for Airport building remedial repairs; and
3. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record a supplemental appropriation of \$3,000 in the General Fund, Mayor's College Council of Riverside expenditure account, fully offset with funds from the Special Deposit Fund, College Council of Riverside deposit account; and

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RECOMMENDATIONS

4. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record a supplemental appropriation in the General Fund, Human Resources Department of \$250,000 to the employee Education Reimbursement Program; and
5. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record a supplemental appropriation in the General Fund, Non-Departmental of \$100,000 to fund payment processing upgrades and related compliance requirements; and
6. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record a supplemental appropriation of \$100,000 in the General Fund, Non-Departmental General Services expenditure account for additional security patrols in Ward 5 and 6.

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