

# FY 2019-2020 FOURTH QUARTER FINANCIAL REPORT AND MEASURE Z UPDATE

Finance Department

City Council Meeting  
January 19, 2021

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## BACKGROUND

- June 2018: FY 2018-2020 Two-Year Budget adopted
- June 2019: FY 2019/20 Amended Budget adopted
- November 2020: Interim Financial Report
  - General Fund potential \$17M in savings



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## GENERAL FUND OVERVIEW

### FY 2019/20 Amended Budget

Revenue & Transfers In	\$279,136,415
Expenditures & Transfers Out	280,372,427
Surplus/(Deficit)	\$(1,236,012)

### General Fund Reserves (in millions)

Emergency Reserves (15%)	\$40.7 M
Economic Contingency Reserves (5%)	13.6 M
Projected Surplus Reserves	15.6 M

### Quarter 4 Highlights

% of Total Budget



Revenues 100%



Expenditures 95%



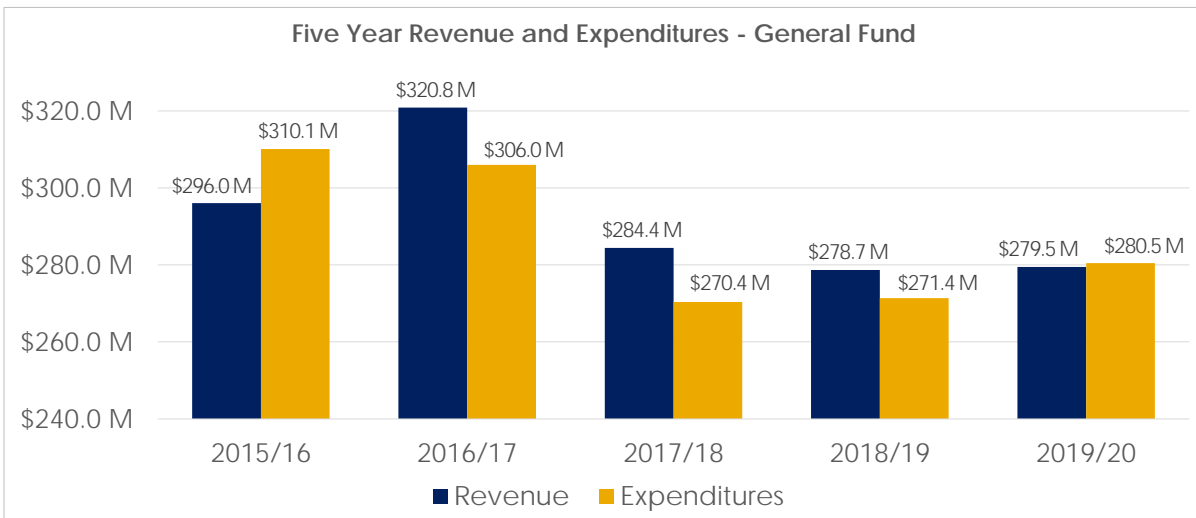
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## GENERAL FUND FIVE-YEAR

Five Year Revenue and Expenditures - General Fund

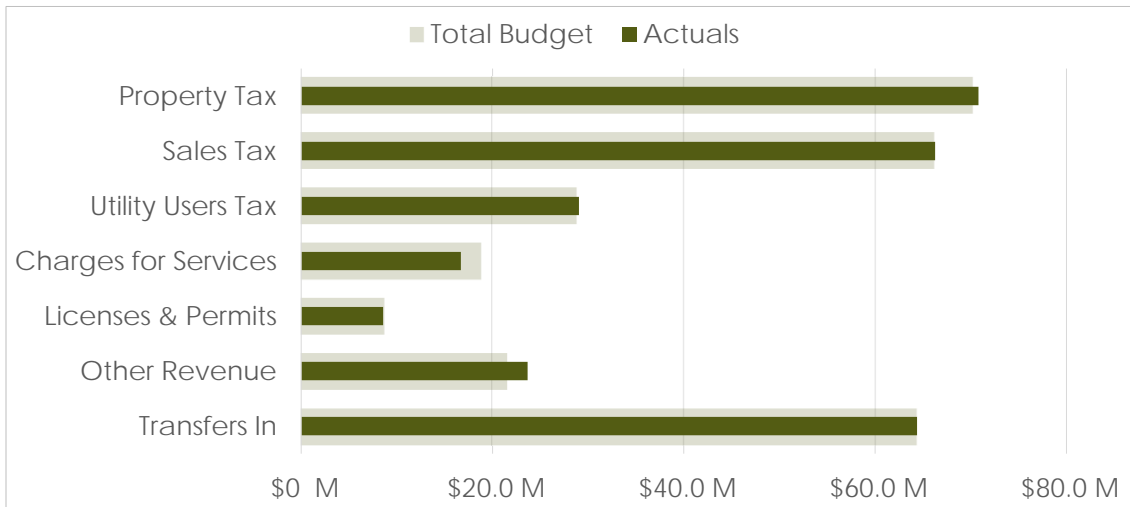


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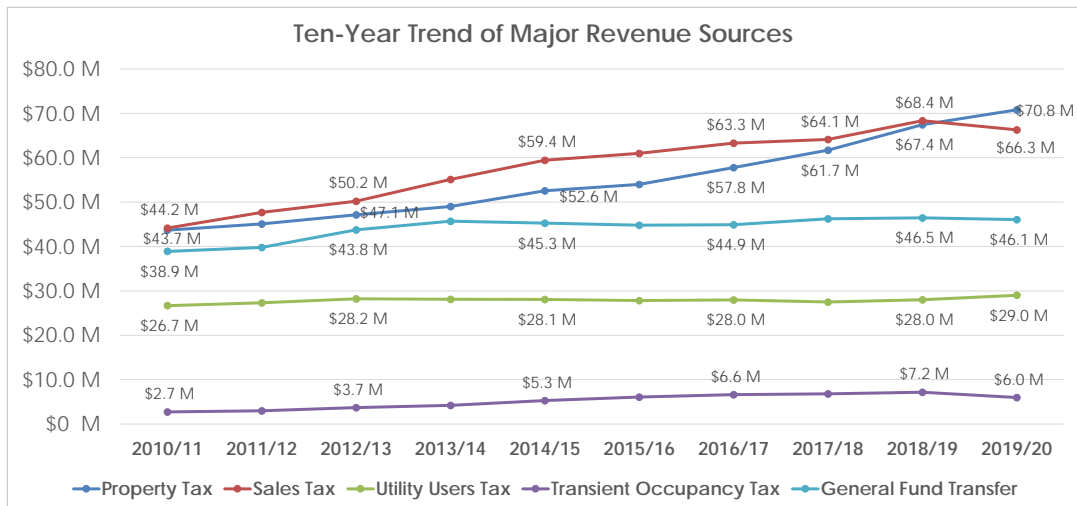
## GENERAL FUND REVENUE



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## GENERAL FUND REVENUE TREND



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# GENERAL FUND SALES TAX APRIL-JUNE



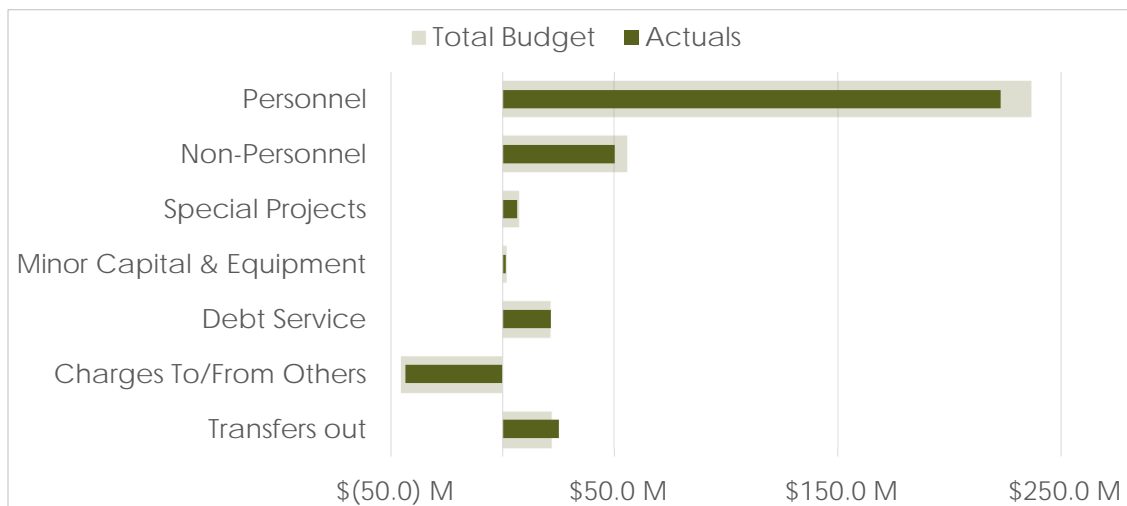
2Q 2020 (APRIL - JUNE)  
**CITY OF RIVERSIDE**  
SALES TAX UPDATE

Source: HdL

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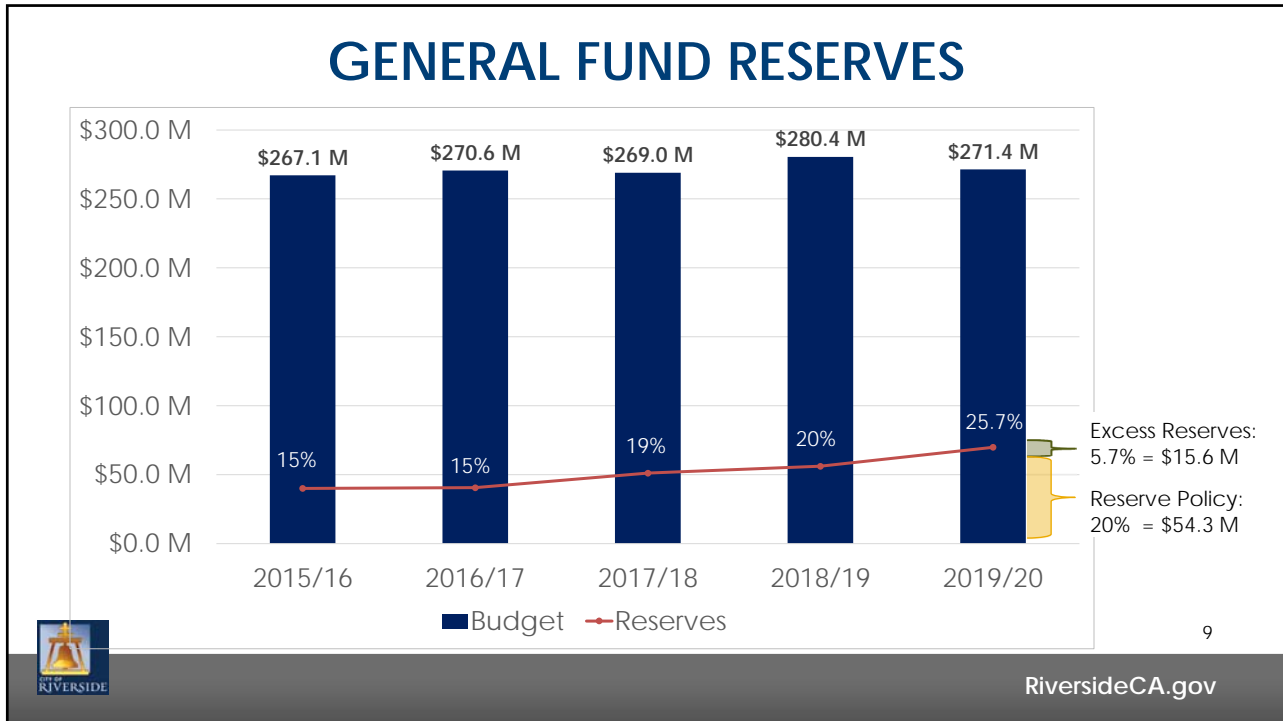
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# GENERAL FUND EXPENDITURES



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## MEASURE Z OVERVIEW

### MEASURE Z SUMMARY

	FY 2016/17 Actuals	FY 2017/18 Actuals	FY 2018/19 Actuals	FY 2019/20 Actuals
Revenue	\$12,606,428	\$56,237,202	\$62,816,127	\$63,135,477
Expenditures	(9,973,447)	(36,134,811)	(40,988,149)	(49,603,436)
(Unexpended) / Carryovers				(28,177,644)
<b>Net Change in Fund Balance</b>	<b>\$2,632,981</b>	<b>\$20,102,391</b>	<b>\$21,827,978</b>	<b>\$(14,645,603)</b>

### MEASURE Z UNALLOCATED FUND RESERVES

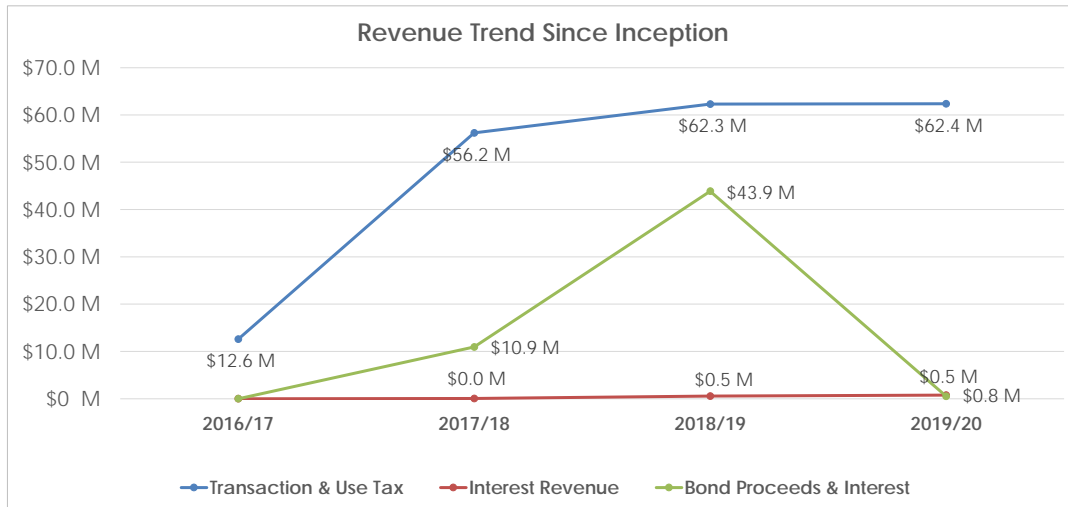
Beginning Unallocated Fund Balance	\$-	\$2,632,981	\$22,735,372	\$39,563,350
Net Change in Fund Balance	2,632,981	20,102,391	21,827,978	(14,645,603)
Policy Reserve	-	-	(5,000,000)	-
<b>Ending Unallocated Fund Balance (Projected)</b>	<b>\$2,632,981</b>	<b>\$22,735,372</b>	<b>\$39,563,350</b>	<b>\$24,917,747</b>

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## MEASURE Z REVENUE TREND

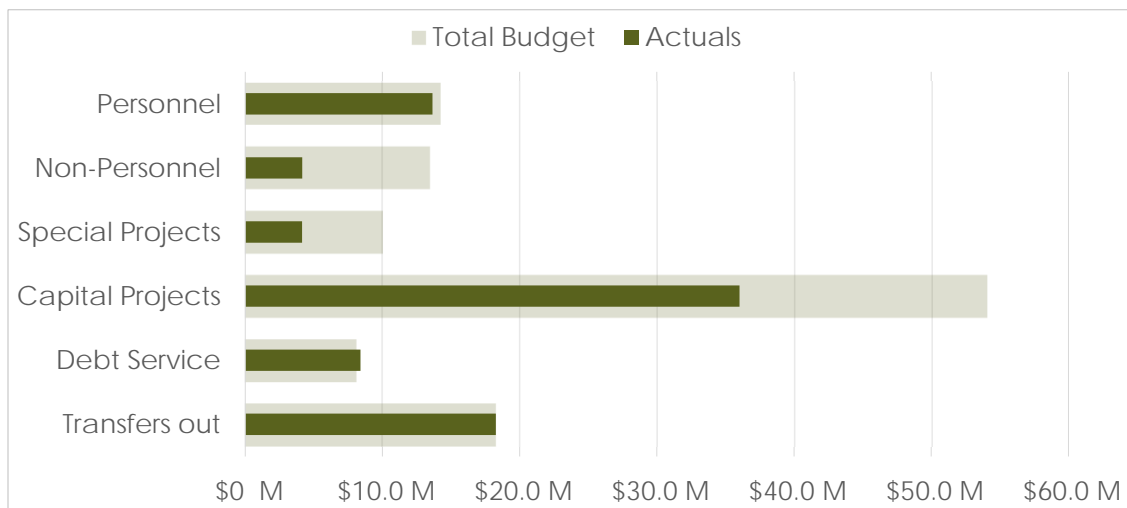


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## MEASURE Z EXPENDITURES



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## SEWER FUND OVERVIEW

### FY 2019/20 Amended Budget - Operating

Revenue & Transfers In	\$68,439,438
Expenditures & Transfers Out	64,259,272
Surplus/(Deficit)	\$4,180,166

### Quarter 4 Highlights

% of Total Budget



Revenues 102%



Expenditures 91%

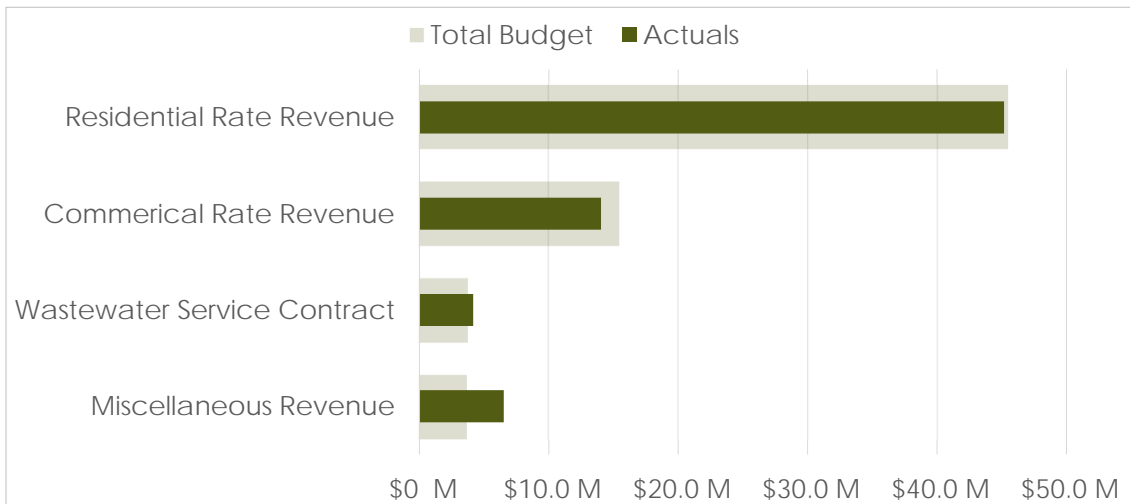
### Fund Reserves

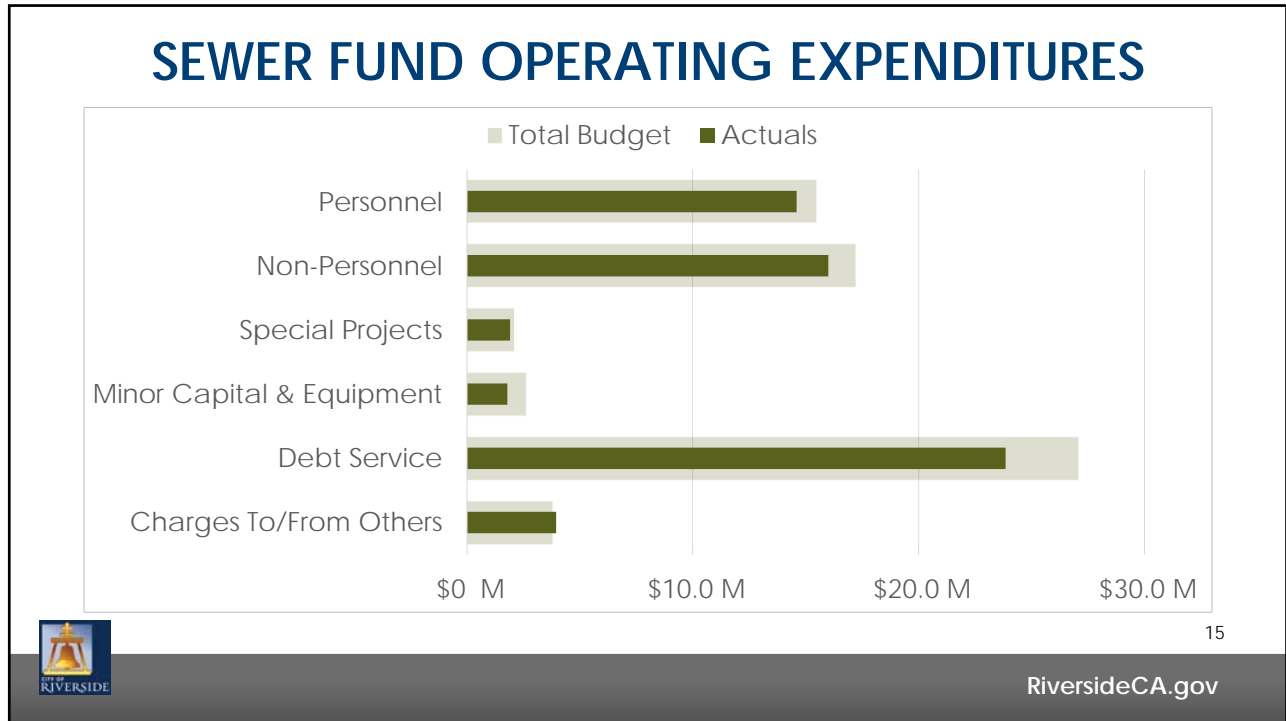
Beginning Balance <sup>1</sup>	\$99,455,823
Revenues	69,884,316
Operating Expenditures	62,122,535
Capital Expenditures & Carryovers	31,013,130
Estimated Ending Reserves	\$76,204,474



<sup>1</sup> Includes bond cash available for capital projects.

## SEWER FUND OPERATING REVENUE





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## REFUSE FUND OVERVIEW

FY 2019/20 Amended Budget	
Revenue & Transfers In	\$25,441,965
Expenditures & Transfers Out	26,815,371
Surplus/(Deficit)	\$(1,373,406)

Fund Reserves	
Beginning Balance	\$8,326,106
Revenues	25,524,805
Expenditures	27,252,978
Estimated Ending Reserves	\$6,597,933

### Quarter 4 Highlights

% of Total Budget

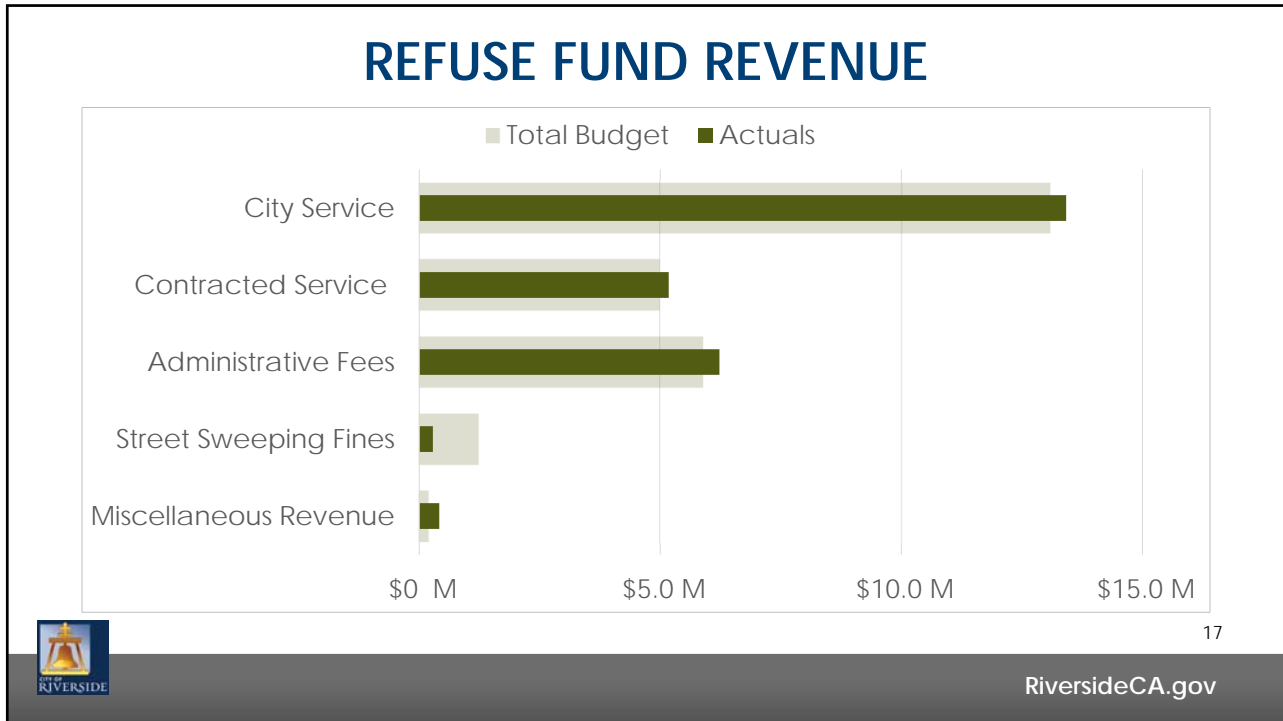
- ✓
Revenues 100%
- ✓
Expenditures 95%

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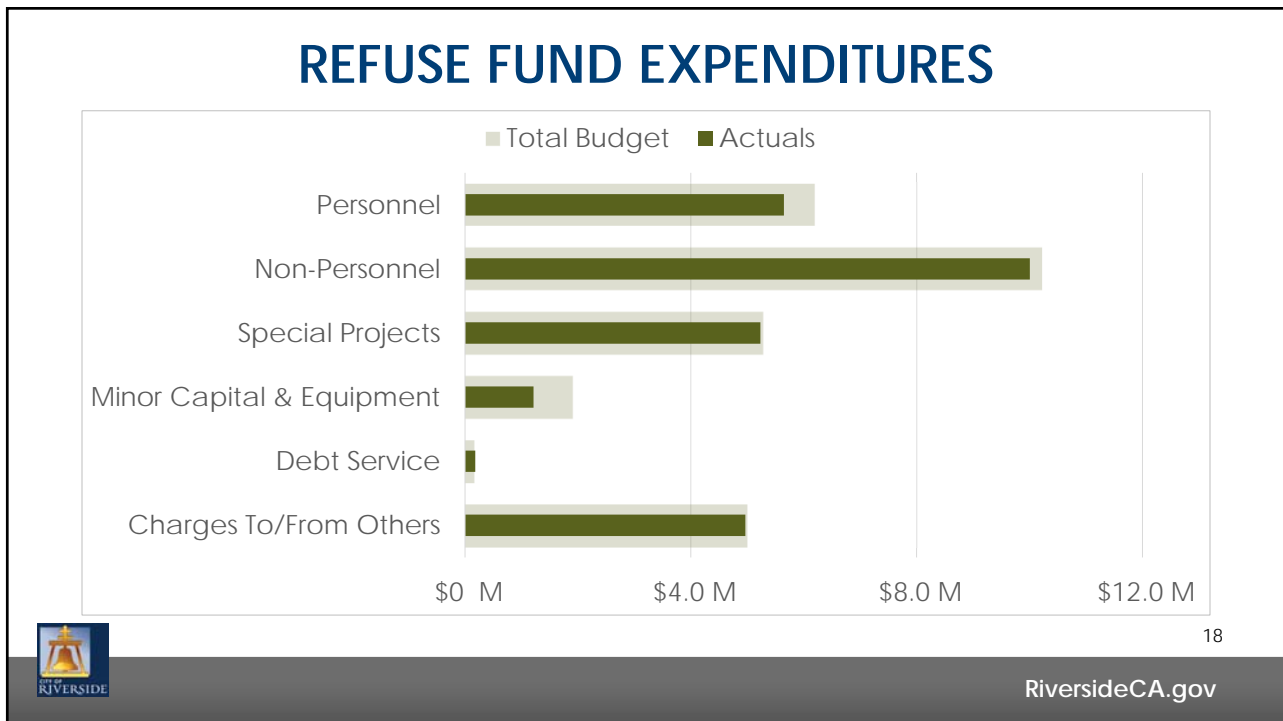
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## ELECTRIC FUND OVERVIEW

### FY 2019/20 Amended Budget - Operating

Revenue & Transfers In	\$382,074,694
Expenditures & Transfers Out	404,034,819
Surplus/(Deficit)*	\$(21,960,125)

### Unrestricted, Undesignated Cash Reserves (Preliminary/Unaudited)

Cash Reserves	\$193 M
Available Line of Credit	\$35 M
Minimum Reserve Level	\$141 M
Maximum Reserve Level	\$221 M

### Quarter 4 Highlights

% of Total Budget



Revenues 101%



Expenditures 89%

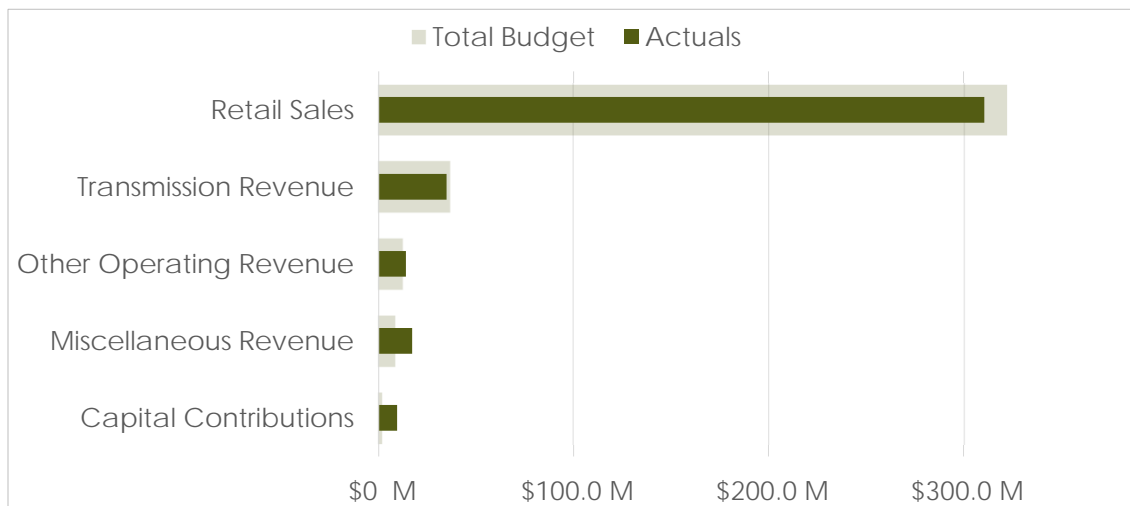


*\*Strategic drawdown of cash reserves.*

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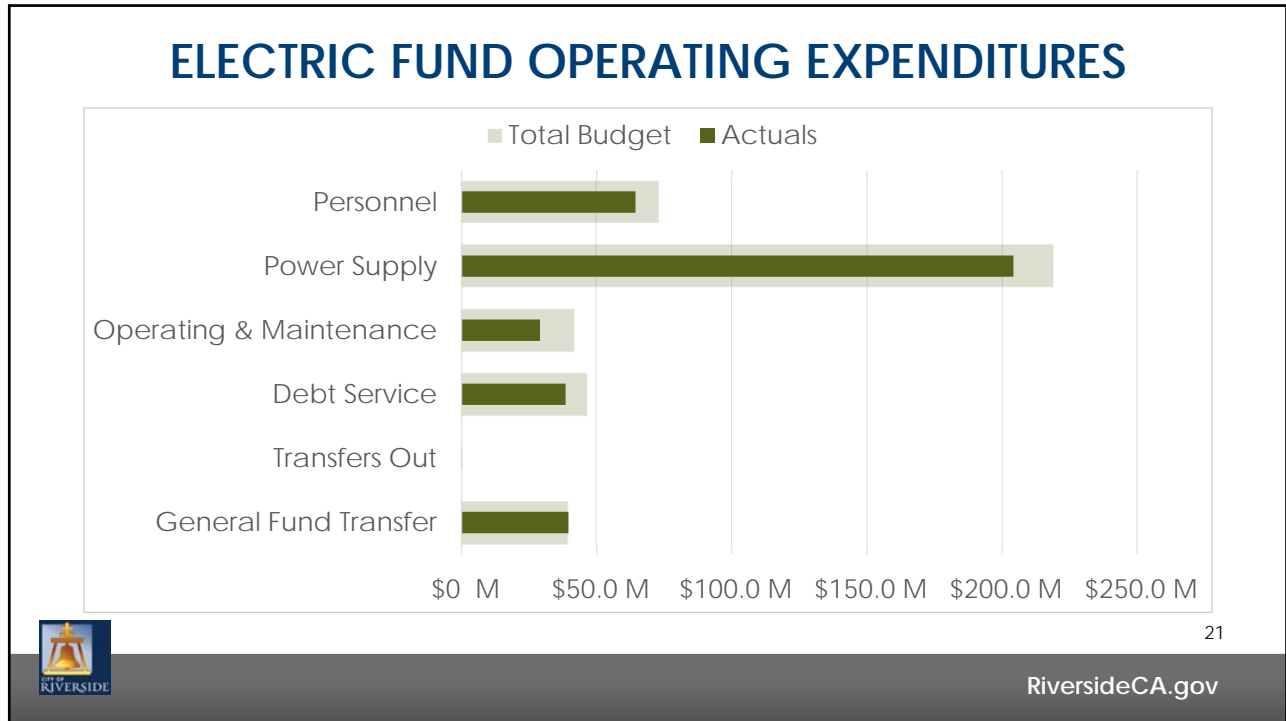
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## ELECTRIC FUND OPERATING REVENUE



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## WATER FUND OVERVIEW

**FY 2019/20 Amended Budget - Operating**

Revenue & Transfers In	\$80,710,703
Expenditures & Transfers Out	74,840,912
Surplus/(Deficit)	\$5,869,791

**Unrestricted, Undesignated Cash Reserves (Preliminary/Unaudited)**

Cash Reserves	\$29 M
Available Line of Credit	\$25 M
Minimum Reserve Level	\$46 M
Maximum Reserve Level	\$70 M

**Quarter 4 Highlights**

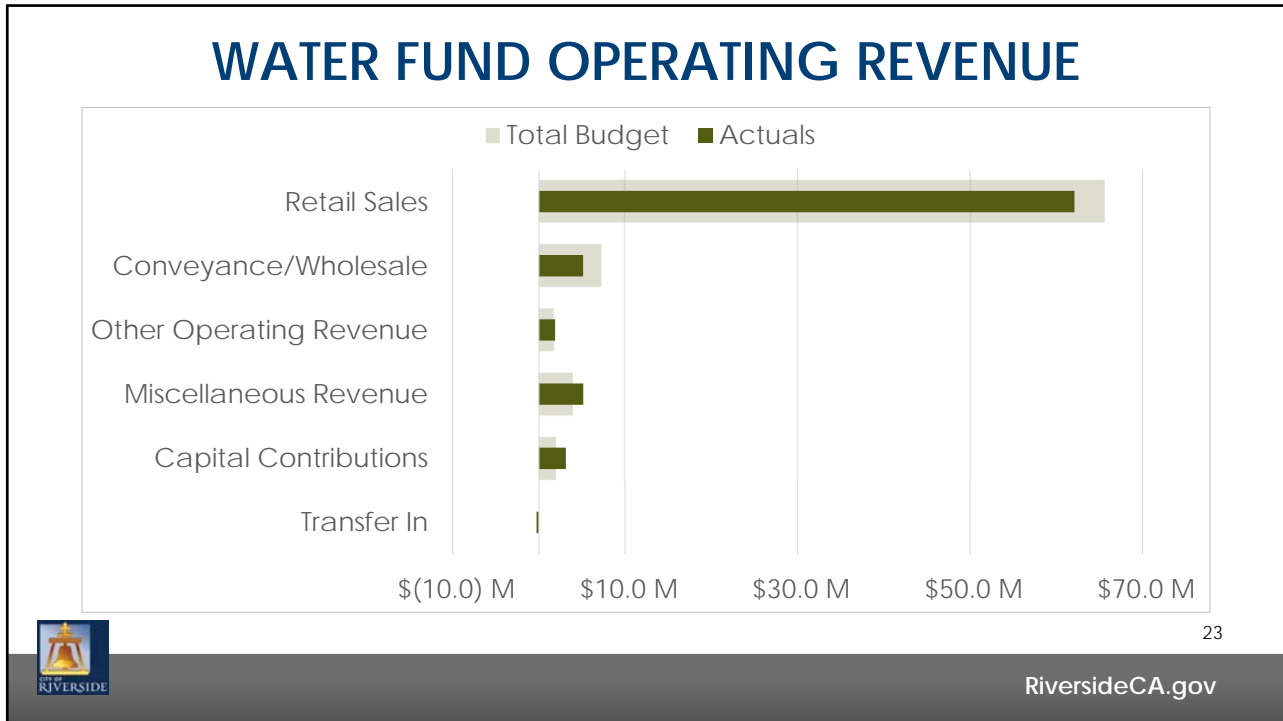
% of Total Budget

- ✓ Revenues 96%
- ✓ Expenditures 95%

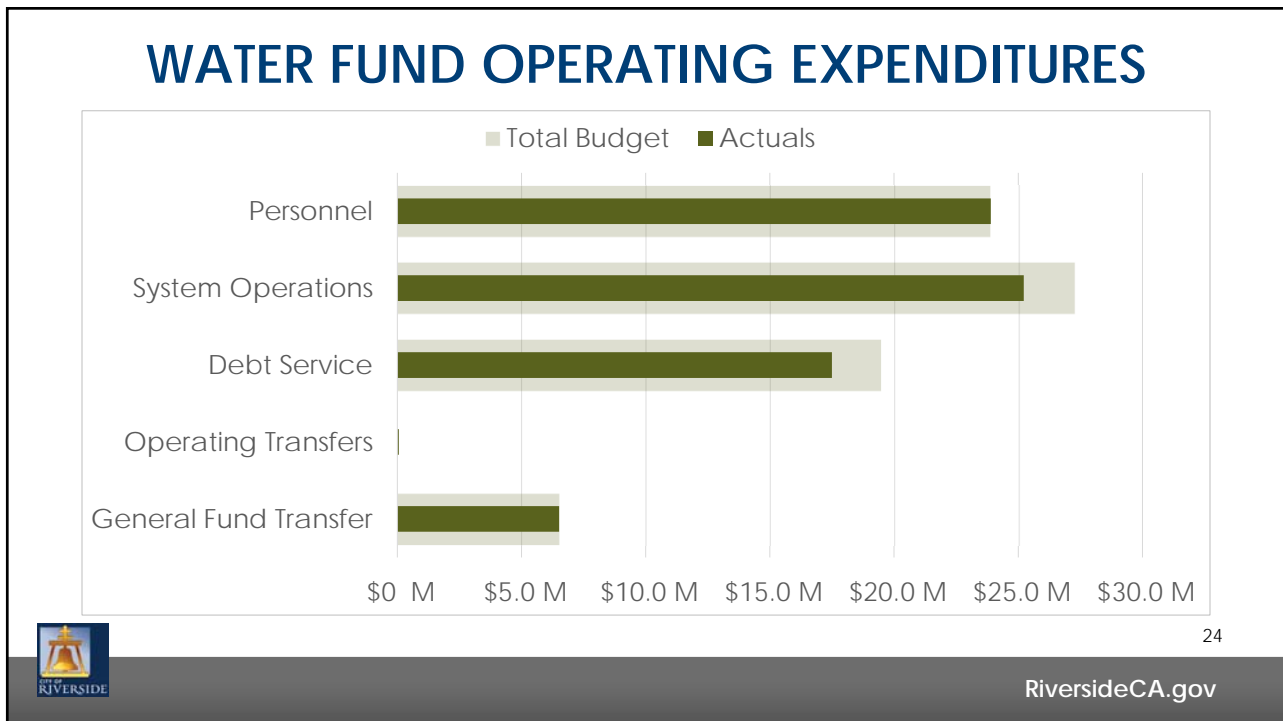
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## CARRYOVER OF UNEXPENDED FUNDS

Fund Type	Discretionary	Restricted Purpose	Total
101 - General Fund	\$499,627	\$763,779	\$1,263,406
110 - Measure Z Fund	14,750,219	-	14,750,219
2xx - Special Revenue	759,890	4,112,376	4,872,266
4xx - Capital	1,627,573	579,091	2,206,664
510 - Electric Fund	5,822,179	-	5,822,179
511- Electric Public Benefit Programs	4,719,250	-	4,719,250
520 - Water Fund	565,412	-	565,412
<b>Total Carryover Requests</b>	<b>\$28,744,150</b>	<b>\$5,455,246</b>	<b>\$34,199,396</b>



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## RECOMMENDATIONS

That the City Council:

1. Receive and provide input on the Fiscal Year 2019/20 Fourth Quarter Financial Report and Measure Z update;
2. Approve a carryover of unexpended funds of approximately \$1.3 million in the General Fund and \$32.9 million in other City funds into fiscal year 2020/21; and
3. Provide direction to staff on the use of approximately \$15.6 million of surplus reserves in the General Fund.



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