



Fiscal Year 2014/15 Year-End Results

Finance Department

*City Council
December 1, 2015*

RiversideCa.gov

2014/15 Adopted Budget & Actuals

- 2014/15 Adopted General Fund Budget
 - Starting Reserves \$ 36.0 Million
 - Revenues \$240.1 Million
 - Expenditures \$240.1 Million
 - Ending Reserves \$ 36.0 Million
 - Surplus (Deficit) \$ 0.0 Million
- 2014/15 Actual Results
 - Starting Reserves \$ 38.4 Million
 - Revenues \$251.2 Million
 - Expenditures \$249.5 Million
 - Ending Reserves \$ 40.1 Million
 - Surplus (Deficit) \$ 1.6 Million

1. \$5.1 M Approved Mid-Year
2. \$4.3 M Requires Council Approval



2

RiversideCa.gov

Required Year-End Appropriations

Department	Adopted 2014/15	Mid-Year 2014/15	Year-End Adjustments	Total 2014/15	Actual 2014/15	Budget Variance
City Attorney	\$ 3,923,080	\$ -	\$ -	\$ 3,923,080	\$ 3,653,076	\$ (270,004)
City Clerk	945,802	75,000	-	1,020,802	1,052,538	31,736
City Council	1,142,728	-	-	1,142,728	1,045,301	(97,427)
City Manager	4,986,456	-	-	4,986,456	4,929,305	(57,151)
Community Development	9,535,123	35,000	-	9,570,123	9,465,472	(104,651)
Finance	7,462,538	-	675,000	8,137,538	7,630,025	(507,513)
Fire	44,482,241	87,435	826,839	45,396,515	47,064,485	1,667,970
General Services	4,546,653	-	-	4,546,653	4,195,996	(350,657)
Human Resources	2,500,699	-	-	2,500,699	2,367,426	(133,273)
Innovation & Technology	10,815,540	-	-	10,815,540	10,468,535	(347,005)
Library	5,877,233	50,000	-	5,927,233	5,653,567	(273,666)
Mayor	813,097	25,000	-	838,097	836,798	(1,299)
Museum	3,151,933	-	-	3,151,933	2,989,989	(161,944)
Non-Departmental	15,146,388	792,186	-	15,938,574	14,231,058	(1,707,516)
Live Nation and Convention Center	5,988,000	4,000,000	1,470,148	11,458,148	11,458,148	-
Parks, Recreation & C.S.	14,555,537	50,000	-	14,605,537	14,275,779	(329,758)
Police	86,606,288	-	-	86,606,288	86,114,875	(491,413)
Public Works	11,900,890	-	-	11,900,890	10,101,873	(1,799,017)
SubTotal	234,380,225	5,114,621	2,971,967	242,466,833	237,534,245	(4,932,588)
Managed Savings	(6,301,000)	-	1,368,412	(4,932,588)	N/A	4,932,588
Net Cost Allocation	(18,103,303)	-	-	(18,103,303)	(18,103,303)	-
Net Debt Service Allocation	30,080,878	-	-	30,080,878	30,080,878	-
Total	\$240,056,800	\$ 5,114,621	\$ 4,340,399	\$249,511,820	\$249,511,820	\$ -

- \$4.3 million of year-end adjustments require approval
- These adjustments are fully offset by additional revenue



3

RiversideCa.gov

2014/15 Actual Results

- Revenue in excess of expenditures by \$1.6 million
 - Primarily due to higher than anticipated sales tax and property tax receipts
- Challenges:
 - \$1.1 million of mid-year appropriations from reserves. (This issue has continued into FY 2015-16)
 - Costs associated with the RCFA and RFMG MOUs
 - Park fee support of Renaissance debt service \$0.7 million below budget
 - Managed savings \$1.4 million below target. The concept will be revisited in the next budget



4

RiversideCa.gov

General Fund Reserve Update

- \$40.1 million beginning balance, including \$38.0 million in cash
- \$1.0 million addition to reserve in the FY 2015-16 adopted budget **could** increase current year's total balance to \$41.1 million
- This is not likely to occur in reality, due to continued year-to-date reserve appropriations and other anticipated draws:
 - Police labor contract costs of \$3.7 million
 - \$631,000 for Museum storage facility and relocation of City Attorney's Office
 - \$135,000 for internal audits of the Finance and HR Departments
 - \$550,000 of reduced revenues due to the approval of the user fee study approximately one month later than planned and the deferral of certain fee increases
- A formal General Fund reserve policy will be presented to the Finance Committee in January and to the City Council in February to set parameters for future reserve use



5

RiversideCa.gov

Budgetary Fund Balances for Other Funds

- Attached to the staff report is a listing of year-end available budgetary fund balances by fund
- Total available resources amount to \$293.6 million
 - General Fund \$ 40.1 Million
 - Enterprise Funds \$246.8 Million
 - All Other Funds \$ 6.7 Million
- All funds have a positive balance other than two of the City's insurance trust funds
 - These funds liabilities are, in part, long-term in nature and reflect claims that may ultimately be resolved for lower amounts than the amount reserved
 - The funds have \$12.1 million of cash on hand
 - Staff will be presenting a recommended reserve policy for the insurance trust funds to the Finance Committee in February



6

RiversideCa.gov

Upcoming Financial Reports

- Budget carryovers are on today's consent calendar
- Information regarding the two year budget and five year financial plan will be presented to the City Council on December 8th
- Results for the first quarter of fiscal year 2015/16 will be reported to the City Council on December 15th
 - That report will include an update on revenues, expenditures, and the projected reserve balance, **for all City funds**
 - It is anticipated that General Fund reserves will be projected to decline by several million dollars due to the approval of the contracts with the Police bargaining units and other mid-year appropriations
- The City's comprehensive annual financial report (CAFR) will be presented to the Finance Committee on December 9th and to the City Council in January
- A reserve policy for the General Fund and the insurance trust funds will be presented to the Finance Committee in January and to the City Council in February
- The mid-year budget review will be presented to the City Council in February
- Conversation on the five-year plan and biennial budget will also commence in February-March



7

RiversideCa.gov

Recommendations

- That the City Council:
 1. receive this report; and
 2. Authorize supplemental appropriations totaling \$4,340,399 (fully supported by revenues) to various General Fund accounts to reflect year-end variances versus the adopted budget.



8

RiversideCa.gov