



FISCAL YEAR 2018/19 FIRST QUARTER FINANCIAL REPORT AND MEASURE Z UPDATE, CASH AND INVESTMENT REPORTS AND DEBT REPORT

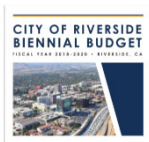
Finance Department

City Council

January 22, 2019

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BACKGROUND



June 2018
Budget Adopted
by City Council



November 2018
Budget Engagement Commission
(CalPERS); CalPERS website



December 2018
Carryover of prior year
unexpended funds



June 2018 – Updated Spending Plan in adopted budget; new spending items (Fire, Parks & Rec)

December 2018 – Updated Spending Plan to reflect actual FY 2017/18 revenues recorded.



LEGISLATIVE/JUDICIAL



Proposition 68:
Parks, Environment,
& Water Bond



Proposition 6:
Repeal Gas &
Vehicle Tax



CalPERS California Rule



Wayfair Ruling

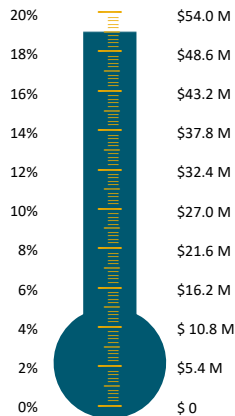


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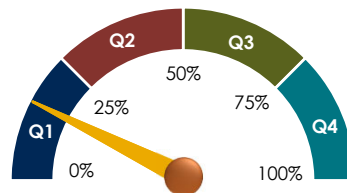
GENERAL FUND SUMMARY

Reserves

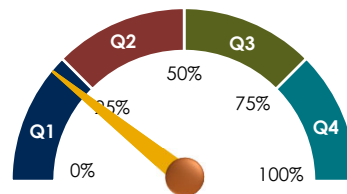


19%, computed as a % of the FY 2018/19 Adopted Appropriations of \$269 million

Revenue Recorded to Date



Expenditures Recorded to Date

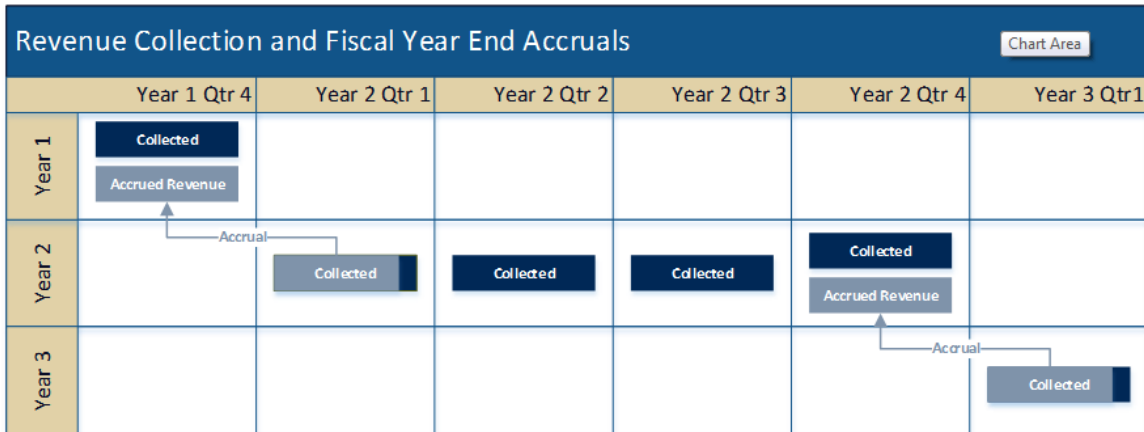


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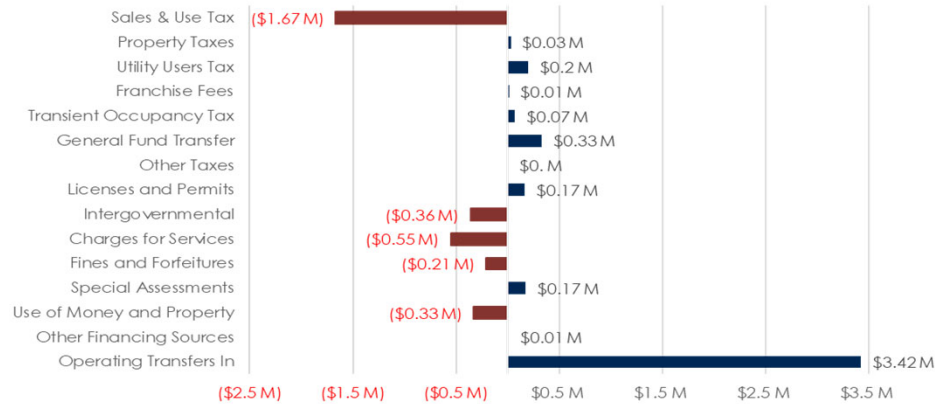
GENERAL FUND REVENUE (First Quarter Characteristics)



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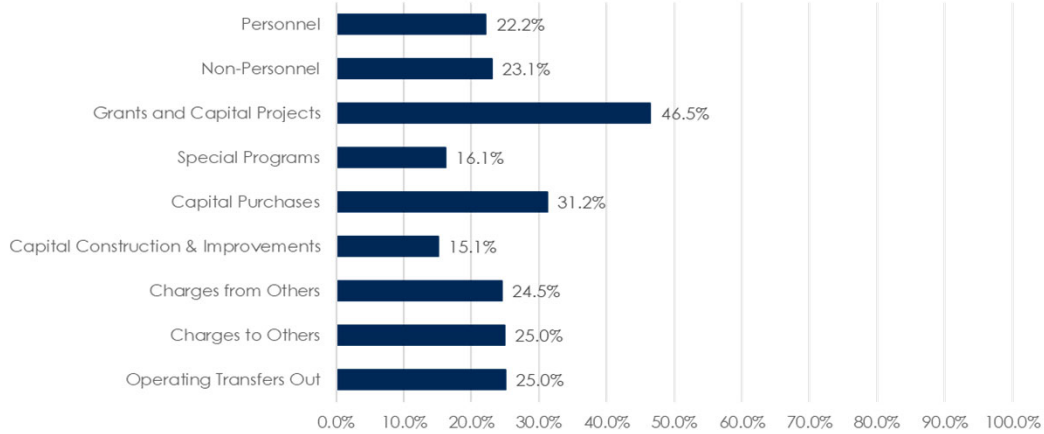
GENERAL FUND REVENUE (As Compared to First Quarter of Prior Year)



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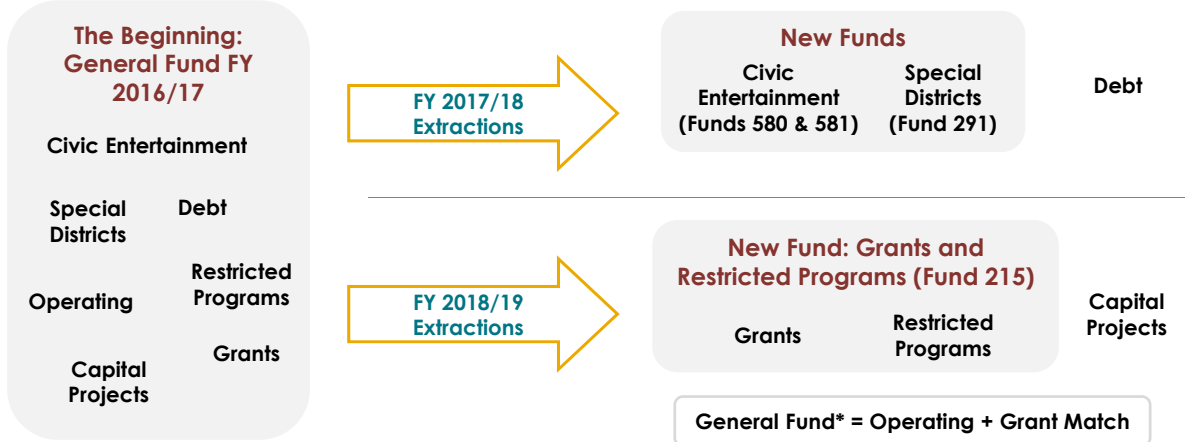
GENERAL FUND EXPENDITURES (First Quarter Actuals as Compared to Total Budget)



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GENERAL FUND STRUCTURAL IMPROVEMENTS



*A policy defining the purpose and content of the General Fund is being drafted by the Finance Department and will be presented at a later date.

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CARRYOVER RECOMMENDATIONS (Change from December 11, 2018 Approved Carryovers)

Fund	Discretionary	Non-Discretionary	Net Projects/Grants	Total
General Fund	\$0	\$0	\$25,000	\$25,000
Electric Fund	\$66,280	\$0	\$2,939,105	\$3,005,385
Water Fund	\$2,263,958 ¹	\$0	\$685,000	\$2,948,958
Total Increase/ (Decrease)	\$2,330,238	\$0	\$3,649,105	\$5,979,343

¹ Carryover approved by City Council as a verbal addendum to the December 11, 2018 published recommendation, and affirmed in this report.



INTERFUND / INTERDEPARTMENTAL TRANSFERS

Description	Funds Impacted	Departments Impacted	Amount	Net City-Wide Impact	Net General Fund Impact
Cost Allocation Plan	Multiple	Multiple	(Net zero)	\$0	\$111,308
Transfer Claims Management staff	630 – General Liability	Finance	(\$223,831)	\$0	\$0
		City Attorney	\$223,831		
Transfer SmartRiverside administration	101 – General Fund	Innovation & Technology	(\$4,743)	\$0	\$0
		Community & Economic Development	\$4,743		



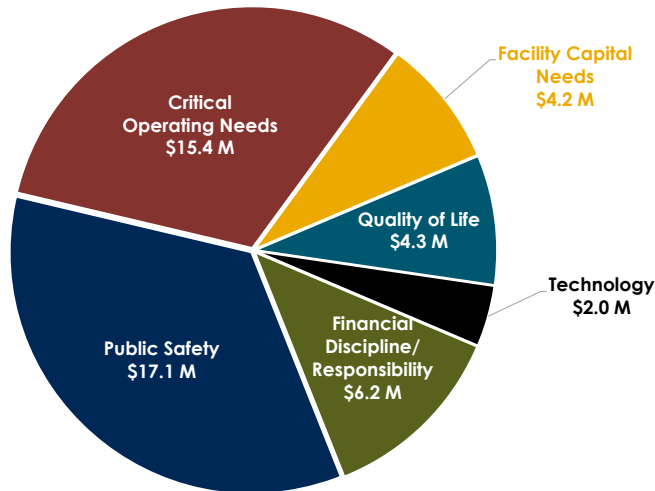
SUPPLEMENTAL APPROPRIATIONS

Description	Funds/Departments Impacted	Type	Account	Amount
Return unexpended funds to General Fund	101 – General Fund / Non-Departmental	R	Operating Transfer from 401	\$204,200
	401 – Capital Projects Fund / Museum	E	Operating Transfer to 101 Fund	\$204,200

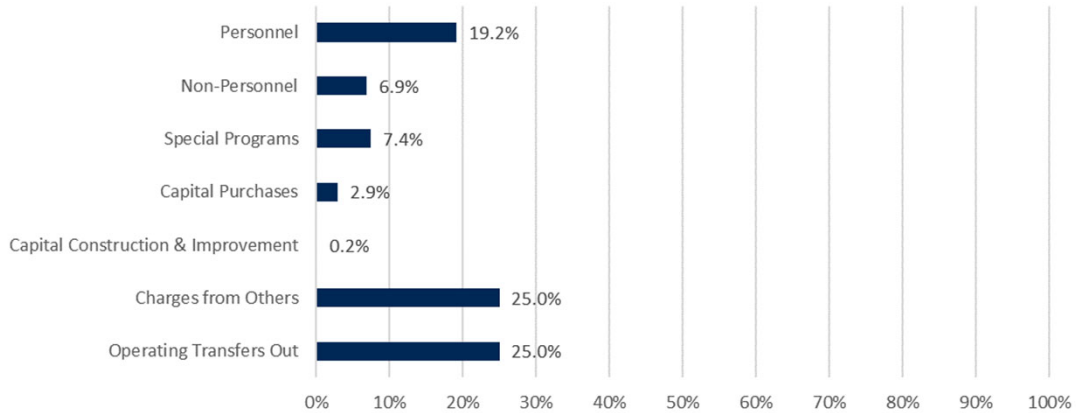
Type Legend:
 R: Resource, in the form of revenue or Transfers In
 E: Use of resources, in the form of expenditures or Transfers Out



MEASURE Z SPENDING PLAN – FY 2018/19

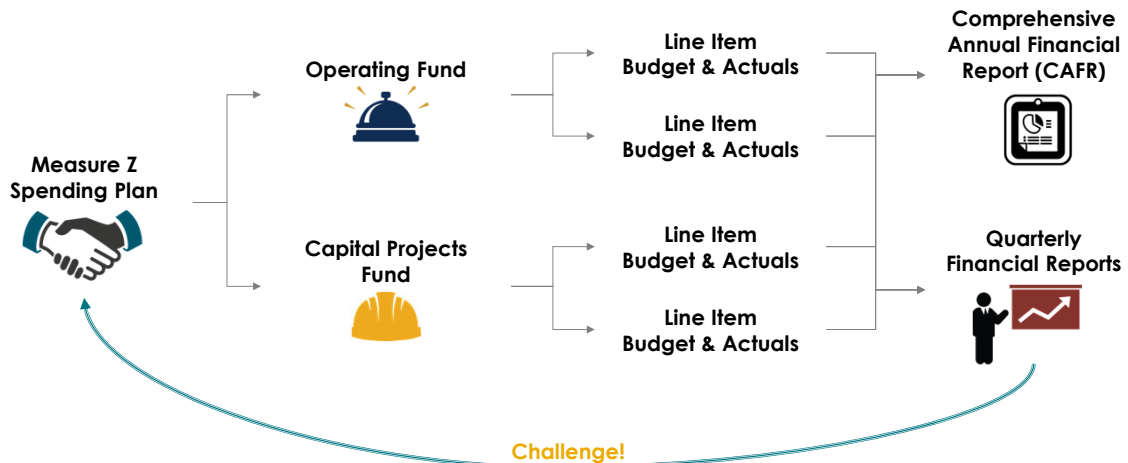


MEASURE Z EXPENDITURES (First Quarter Actuals as Compared to Total Budget)



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MEASURE Z REPORTING CHALLENGES



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DEBT AND INVESTMENT REPORTS

Quarterly investment report:

- Report shows cash balances by fund
- No fund's cash balance is currently a concern

Quarterly debt report:

- Report shows debt balances by fund type and debt issuance
- Changes in debt portfolio this quarter:
 - Refunding of 2009B Sewer Revenue Bonds (estimated \$20.4 savings over the life of the bonds*)
 - Refunding of 2007 Tax Allocation Bonds for the Successor Agency to the Redevelopment Agency (estimated \$18.9 savings of the life of the bonds*)



*Net present value

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RECOMMENDATIONS

That the City Council:

1. Receive and provide input on the attached Fiscal Year 2018/19 First Quarter Financial Report and Measure Z Update, Cash and Investment reports, and Debt report for all funds.
2. Approve for supplemental carryover into Fiscal Year 2018/19 the balance of previously appropriated and unspent funds approximating \$6.0 million as detailed in Attachment 2.
3. Approve interfund and interdepartmental transfers of appropriations as detailed in Attachment 3.

(Continued)

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RECOMMENDATIONS (CONT'D)

4. Approve supplemental appropriations as detailed in Attachment 3, recording net resources of \$204,200 in the General Fund; and net use of resources of \$204,200 in the Capital Projects Fund.
5. Approve the transfer of grant, capital projects, and other restricted fund appropriations previously accounted for in the General Fund from the General Fund to the new Grants and Restricted Programs Fund (Fund 215) and other funds as appropriate, according to generally accepted accounting principles (GAAP); approve the appropriation of offsetting "Charges To" and "Charges From" related to the transfers; and direct staff to report transfers and additional appropriations that result from the establishment of a new Grants and Restricted Programs Fund and other restructuring efforts in applicable quarterly financial reports.



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