



City of Arts & Innovation

Museum of Riverside Board Memorandum

TO: MUSEUM OF RIVERSIDE BOARD DATE: MARCH 24, 2021

FROM: MUSEUM DEPARTMENT WARDS: ALL

SUBJECT: UPDATE ON MUSEUM OF RIVERSIDE PROPOSED BUDGET FOR FY 2021/22

ISSUE:

Receive and file an update on the Museum of Riverside proposed budget for FY 2021/22.

RECOMMENDATION:

That the Museum of Riverside Board receive and file an update on the Museum of Riverside proposed budget for FY 2021/22.

BACKGROUND:

In December 2015, the City Council approved the move to a two-year budget cycle. Due to the impact of the COVID-19 pandemic, the City of Riverside (City) shifted to an emergency one-year budget cycle in March 2020. The FY 2021/22 budget developed for the Museum includes original revenue and expenditure projections from the two-year FY 2020-22 budget cycle.

DISCUSSION:

On December 17, 2020, the Budget Engagement Commission received a report on the Fiscal Year 2021/22 General Fund and Measure Z Baseline Budgets, budget development strategies, and potential balancing measures. The two primary goals established for the FY 2021/22 budget development cycle include 1) addressing the General Fund structural deficit and potential impacts of COVID-19 on City finances and 2) preparing a contingency plan if the General Fund transfer from the City's Electric fund is invalidated by a trial court in the case of *Parada v. City of Riverside*, in an amount to be determined. The Electric Transfer funds provide an unrestricted revenue source to the General Fund of approximately \$40 million annually, or about 14% of the total General Fund operating budget. Losing the revenue source would require significant budget cuts from services as identified in the February 16, 2021, City Council meeting.

Budget development and adoption process:

February – March: The City Budget Office reviews the City Department submissions

March – April: The proposed Fiscal Year 2021/22 budget is presented to the Budget Engagement Commission

April: Departments present the proposed departmental budgets for FY 2021/22 to City Council during budget workshop

May: The proposed Fiscal Year 2021/22 budget is presented to the City Council

June: City Council adopts the FY 2021/22 budget; fees and charges.

The Museum Department will present the Museum portion of the proposed Fiscal Year 2021/22 budget to the Budget Engagement Commission in March.

The table identifies the Museum's proposed budget appropriations for FY 2021/22 in comparison to appropriations made in FY 2019/20 and FY 2020/21.

Fiscal Year	Proposed/Adopted Budget	Appropriation Adjustments	Total Appropriation	Actual Year-End Expenditures
FY 19/20	\$2,516,739 (adopted)	\$374,244	\$2,890,983	\$2,039,498
FY 20/21	\$2,168,602 (adopted)	\$265,696	\$2,434,298	TBD
FY 21/22	\$2,250,886 (proposed)	TBD	TBD	TBD

FISCAL IMPACT:

The total fiscal impact of the proposed budget will be determined with the adoption of the FY 2021/22 budget.

Prepared by: Robyn G. Peterson, Ph.D., Museum Director

Certified as to

availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer

Approved by: Moises Lopez, Deputy City Manager

Approved as to form: Kristi J. Smith, Interim City Attorney

Attachment: Presentation