



MEASURE Z UPDATE

Finance Department

Budget Engagement Commission
September 9, 2021

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BACKGROUND

- Measure Z: 1¢ transaction and use tax from April 2017 through March 2036.
- Reserve Policy \$5 million, adopted April 2, 2019
- Measure Z website



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DISCUSSION

- Currently closing Year 5 of Spending Plan (FY 2020/21)
- Budget appropriations for FY 2021/22 adopted June 2021
- Projections for FY 2022/23 through 2025/26 will be subject to budget adoption



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ACCOUNTING & REPORTING METHODOLOGY

Budget & Accounting requirements



Transparent and easy-to-understand Spending Plan

Budget and Financial Reporting				
	Measure Z Operating Fund		Measure Z Capital Fund	
	Revenue	Expenditure	Revenue	Expenditure
Tax Revenue	\$60,000,000			
Debt Proceeds	10,000,000			
Interfund Transfer		\$10,000,000	\$10,000,000	
Construction Costs				\$10,000,000
Annual Debt Payment		\$1,000,000		
Budget/Financial Report Total	\$70,000,000	\$11,000,000	\$10,000,000	\$10,000,000



Measure Z Spending Plan		
	Revenue	Expenditure
Tax Revenue	\$60,000,000	
Construction Spending Item – Annual Debt Payment		\$1,000,000
Spending Plan Total	\$60,000,000	\$1,000,000

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FINANCIAL STATUS FY 2017-2021

Measure Z Spending Plan 2017-2021					
	Actual FY 2016/17	Actual FY 2017/18	Actual FY 2018/19	Actual FY 2019/20	Projected FY 2020/21 ¹
Revenue	\$12,606,428	56,237,202	\$62,816,128	\$63,135,477	\$64,361,000
Expenditures	9,973,447	36,134,811	40,988,149	50,063,853	95,749,702
Surplus/(Deficit)	\$2,632,981	\$20,102,391	\$21,827,979	\$13,071,624	\$(31,388,702)
Unallocated Reserves	2,632,981	22,735,372	34,563,351	52,634,975	21,246,273
Policy Reserve ²			\$5,000,000		

¹ Represents the total budget and prior year carryovers through 2020/21 fiscal year end.

² Represents a one-time set-aside of reserves, which will remain intact as per the Measure Z Reserve Policy.



FINANCIAL STATUS FY 2022-2026

Measure Z Spending Plan 2022-2026					
	Adopted FY 2021/22	Projected FY 2022/23	Projected FY 2023/24	Projected FY 2024/25	Projected FY 2025/26
Revenue	\$64,799,610	\$65,689,098	\$66,669,934	\$67,665,483	\$68,675,790
Expenditures	64,035,997	65,188,525	63,039,098	65,615,260	65,546,499
Surplus/(Deficit)	\$763,613	\$500,573	\$3,630,836	\$2,050,223	\$3,129,471
Unallocated Reserves	\$22,009,886	\$22,510,459	\$26,141,295	\$28,191,518	\$31,320,989



NEW SPENDING ITEMS – ADOPTED BUDGET



Public Works – Streets
Vehicle & Equipment
Needs



Parks & Recreation
Infrastructure, Vehicles &
Equipment



Motorhome
Removal & Disposal



Park & Neighborhood
Specialists Program

Measure Z Spending Plan 2022-2026					
	Adopted FY 2021/22	Projected FY 2022/23	Projected FY 2023/24	Projected FY 2024/25	Projected FY 2025/26
PW Streets Vehicle & Equipment Needs	\$2,000,000	\$1,000,000	\$1,050,000	\$1,180,000	\$-
PRCSD Infrastructure, Vehicles & Equipment	1,965,000	-	-	-	-
Motorhome Removal & Disposal	45,000	45,000	45,000	45,000	45,000
PANS Program	2,393,098	1,958,343	2,022,865	2,033,718	2,029,447
Total New Allocations	\$6,403,098	\$3,003,343	\$3,117,865	\$3,258,718	\$2,074,447



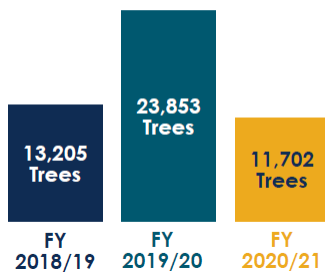
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SPENDING ITEMS STATUS

Tree Trimming



10.13 miles
Pavement
Improvements
completed



28.99 miles
Pavement
Improvements
scheduled



Annual Deferred Maintenance

- City Hall
- Libraries
- Parks
- Fox Theater
- Fire Stations
- Police Stations



Technology

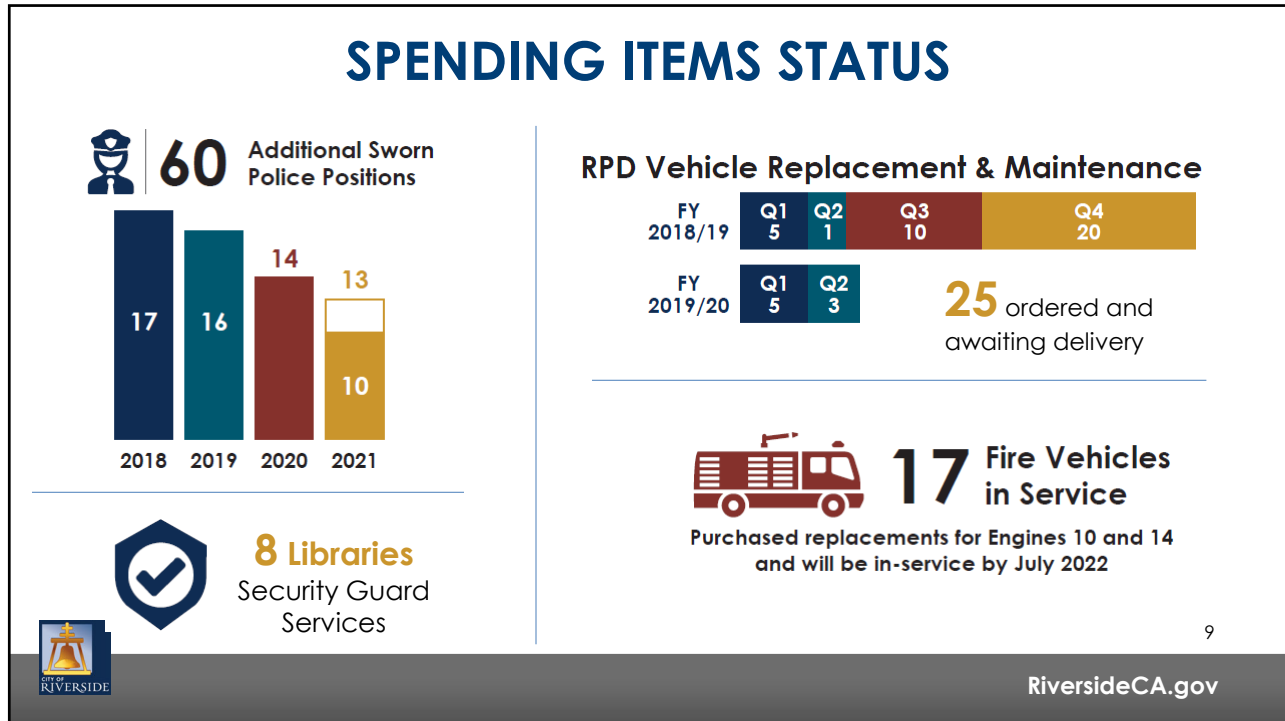
- Video Retention
- Disaster Recovery
- Phone System
- Security Cameras
- Uninterrupted Power Supply
- Network Refresh



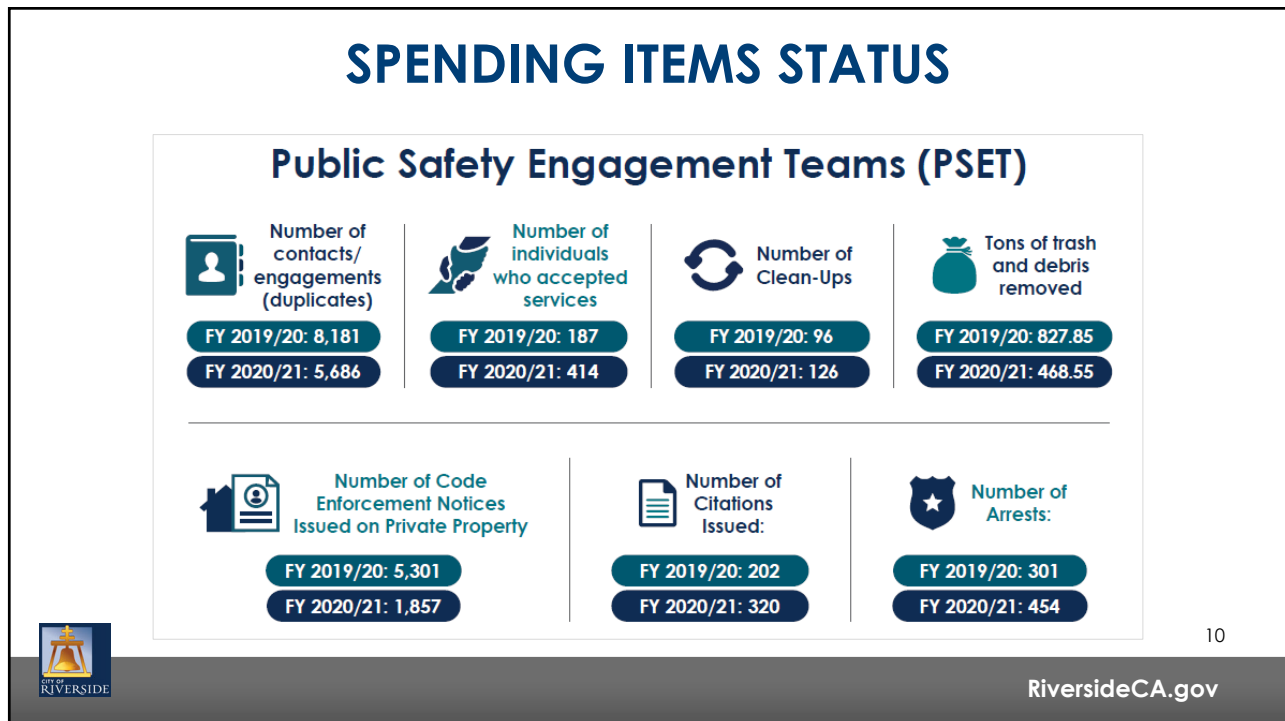
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SPENDING ITEMS STATUS



**New Main
Library**



**Bourns Family
Youth Innovation
Center**



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STRATEGIC PLAN ALIGNMENT

Each spending item funded by Measure Z aligns with one or more of the City Council’s strategic priorities.

The Measure Z Spending Plan and this report aligns with the five Cross-Cutting Threads as follows:

- 1. Community Trust** – The City’s transparency and continued discussion of the Measure Z Spending Plan and funded items is provided for public benefit in a hybrid in-person/virtual BEC meeting accessible to all community members. assets.
- 2. Equity** – Individual Measure Z Spending Items produce outcomes that benefit all members of the Riverside community.



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STRATEGIC PLAN ALIGNMENT

3. **Fiscal Responsibility** – The separate accounting and reporting of items funded by the Measure Z Spending Plan, as well as the process of discussion and public participation for new funding requests, demonstrate fiscal responsibility in the administration and use of Measure Z funds.
4. **Innovation** – Reports demonstrate an innovative method of sharing information in a transparent and easy-to-understand manner.
5. **Sustainability & Resiliency** – The careful deliberation of Measure Z Spending Items, periodic review and discussion, and the Measure Z Reserve Policy demonstrate the City's commitment to the prudent use of funds to address current critical needs while balancing long-term investment in the construction and maintenance of capital assets.



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RECOMMENDATION

That the Budget Engagement Commission receive an update on the current Measure Z Spending Plan and status of spending items.



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