



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: APRIL 16, 2024

FROM: FINANCE DEPARTMENT WARDS: ALL

SUBJECT: FISCAL YEAR 2023/24 SECOND QUARTER FINANCIAL UPDATE AND MID-CYCLE BUDGET ADJUSTMENTS – \$386,133 SUPPLEMENTAL APPROPRIATIONS; GENERAL FUND RESERVES

ISSUE:

Receive Fiscal Year 2023/24 Second Quarter Financial Update; approve proposed mid-cycle budget adjustments and contributions to General Fund Reserves.

RECOMMENDATIONS:

That the City Council:

1. Receive and provide input on the Fiscal Year 2022/23 Second Quarter Financial Update;
2. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record mid-cycle budget adjustments resulting in total supplemental appropriations of \$386,133 in various funds as detailed in this report, including \$99,921 in the General Fund fully offset by adjusted revenue projections; and
3. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record an allocation of \$5 million in projected General Fund surplus to the General Fund Infrastructure Reserve (\$3 million) and the Technology Reserve (\$2 million) fully offset by adjusted revenue projections.

COMMITTEE RECOMMENDATION:

This report is published on April 4, 2024, for the April 16, 2024, City Council meeting.

On April 11, 2024, the Budget Engagement Commission will hear this item for consideration to recommend that City Council to approve mid-cycle budget adjustments and allocations to General Fund reserves as described in this report.

DISCUSSION:

Throughout the fiscal year, City departments and the Budget Office monitor and analyze all City funds for potential issues that require attention and mitigating action. For the second-quarter report, City departments analyzed the financial status of all funds and appropriations under their purview. The results of the City’s major funds and areas of concern in other funds (if any) are included in this report. This update spans the period of July through December 2023.

General Fund

The second-quarter analysis presents a positive outlook for the General Fund, with overall revenues performing better than anticipated and expenditures trending within budgeted appropriation limits. This projected positive outcome for the General Fund will enable the City to address the fiscal challenges that have arisen during the fiscal year, namely the escrow of the \$8.57 million Water General Fund Transfer (GFT) revenues and the fiscal impact of recently completed labor negotiations.

Adopted Budget: The adopted FY 2023/24 amended budget for the General Fund totaled \$332.09 million with a projected \$6.41 million surplus. At the time of budget adoption, the surplus was recommended to be preserved as a buffer against the potential impacts of an expected mild recession and other unknown fiscal impacts. In the event of a fiscal year-end budget surplus, the adopted budget included a planned contribution of \$5.00 million to the Infrastructure Reserve, reducing the projected surplus to \$1.41 million.

Revenues: FY 2023/24 General Fund revenues recorded through December 2023 were assessed in the context of FY 2022/23 actual results, performance to date, and potential economic impacts through the end of the fiscal year. Second-quarter analysis reveals that General Fund revenue projections may exceed budgeted revenue estimates by approximately 2%, or \$6.75 million, as depicted in the following table:

REVENUE PROJECTIONS

(in millions)	Adopted Amended Budget	Total Budget as of 12/31/2023	Year-End Projection	\$ Change	% Change
Property Taxes	\$ 84.43	\$ 84.43	\$ 88.83	\$ 4.40	5.2%
Sales Tax	94.04	94.04	91.94	(2.10)	-2.2%
Utility Users Tax	33.52	33.52	32.92	(0.60)	-1.8%
Transient Occupancy Tax	8.58	8.58	8.28	(0.30)	-3.5%
Franchise Fees	5.84	5.84	6.59	0.75	12.8%
Licenses & Non-Developer Permits	10.03	10.03	11.03	1.00	10.0%
Non-Development Charges for Services	10.91	10.93	10.93	0.00	0.0%
Development Fees & Charges	7.37	7.37	7.37	0.00	0.0%
General Fund Transfer	53.20	53.20	53.40	0.20	0.4%
Measure Z Transfer	18.27	18.27	18.27	0.00	0.0%
Other Revenues & Transfers In	7.31	8.58	11.98	3.40	39.6%
Subtotal: Revenues and Transfers In	\$ 333.50	\$ 334.79	\$ 341.54	\$ 6.75	2.0%
Use of Reserves	-	\$ 23.70	\$ 28.20	\$ 4.50	19.0%
Total Incoming Resources	\$ 333.50	\$ 358.49	\$ 369.74	\$ 11.25	3.1%

The following outlines trends for the performance of key revenue streams:

- **Property Taxes** – The City of Riverside continues to experience substantial growth in assessed property values, as evidenced by an 8.2% increase reported by the County of Riverside Assessor in July 2023. This growth has translated into healthy increases in the City's property tax revenues, which constitutes approximately 25% of General Fund revenues. This increase is attributed to rising property values across residential, industrial, and agricultural sectors, driven by property sales, construction, and development activities. Property tax revenue is projected to be 7.3% higher than the previous year's actuals; a \$4.40 million increase in budgeted revenues will be recorded to align with updated estimates.
- **Sales and Use Tax** – The second-quarter analysis indicates that the economy is experiencing the repercussions of the Federal Reserve's actions to counter inflation. While inflation has significantly moderated, households and businesses continue to grapple with the elevated borrowing costs. Year-over-year sales tax revenues have decreased by 1.5% as of the second quarter. Revised FY 2023/24 revenue projections provided by the City's sales tax consultant, HdL, anticipate a 2.2% decline in sales and use tax revenues compared to the budget, with a projected decrease of 1.9% from the prior year's actuals. A \$2.10 million reduction in sales tax revenue projections will be recorded to align with the revised projection.
- **Utility Users Tax** – In FY 2022/23, Utility Users Taxes experienced a total increase of 7.69%, primarily driven by a spike in natural gas prices. However, natural gas prices have since subsided due to record-high production levels, leading to an oversupply in the market. Based on second-quarter projection, a \$600,000 reduction in the revenue projection for the entire category is warranted.
- **Transient Occupancy Tax** – Collections in FY 2022/23 were 2.0% lower than those for FY 2021/22. Second-quarter results are tracking about 3.4% behind FY 2022/23 and falling short of budget by 3.5%. To align with the updated projection, a \$300,000 reduction in the revenue budget will be recorded.
- **Franchise Fees** – At the conclusion of FY 2022/23, franchise tax revenues reached \$6.42 million, marking a notable 7.8% increase compared to the previous fiscal year. This significant rise is attributed to the Year 2 increase in solid waste rates, impacting franchise fees for waste haulers. Additionally, escalating energy costs led to increased franchise fee collections from SoCal Gas and Edison. Based on second-quarter analysis, projected franchise fee tax revenues are 2.7% higher than the prior year and 12.9% above budget. A \$750,000 increase in the revenue projection will be recorded in this line item.
- **Licenses & Non-Developer Permits** – Business License revenue is trending 8.6% higher than the prior year actuals, primarily due to positive business growth and the ongoing Business Tax Discovery and Amnesty program for property rentals aimed at bringing businesses into compliance with business license regulations. Based on current performance and year-end estimates, a \$1.00 million increase in budgeted revenues will be recorded.
- **General Fund Transfer** – The budgeted General Fund Transfer was based on projected FY 2022/23 revenues. The \$200,000 increase in projections is based on FY 2022/23 actual revenue receipts.
- **Other Revenues & Transfers In** – Due to the high interest rate environment, as of second quarter, year-over-year interest earnings on investments is trending 80% higher than prior year prompting a \$1.50 million increase in the projection. Additionally, the City has received

\$3.90 million unbudgeted land sales revenue from the March JPA revenue sharing agreement. A \$3.40 million increase in revenue projections will be recorded for this category.

- **Use of Reserves** – During the fiscal year, the City Council approved the use of reserves for certain supplemental appropriations. The following details the use of reserves approved by Council during FY 2023/24:

Included in Total Budget as of Second Quarter (\$23.70 Million)

- Use of the General Fund's Assigned Fund Balance for encumbrances and nondiscretionary carryovers carried forward from FY 2022/23 as provided for in the Riverside Municipal Code: \$7,072,747
- Use of the General Fund Assigned Fund Balance for restricted and discretionary carryovers approved by City Council in the FY 2022/23 fourth quarter report: \$5,726,579
- Use of the General Fund Insurance Reimbursement Reserves for an interfund transfer from the General Fund to the Public Parking Fund for parking lot construction: \$900,000 on September 19, 2023
- Use of the General Fund Infrastructure Reserves for an interfund transfer from the General Fund to the Capital Outlay Fund for the Museum Expansion and Renovation Project: \$10,000,000 on December 12, 2023

In Addition to the above, Included in the Year-End Projections (\$4.50 Million)

- Use of the General Fund Infrastructure Reserves for an interfund transfer from the General Fund to the Airport fund for Airport building remedial repairs: \$1,000,000 on January 16, 2024
- Use of the General Fund Infrastructure Reserves for an interfund transfer from the General Fund to the Capital Outlay Fund for the SPC Jesus S. Duran Eastside Library: \$3,500,000 on January 16, 2024

Expenditures: The total budget as of the second quarter presented in the following table reflects encumbrances and carryovers of \$7.07 million carried forward from FY 2022/23 as provided for in the Riverside Municipal Code; \$5.73 million in restricted and discretionary carryovers approved by City Council in the FY 2022/23 fourth quarter report; and supplemental appropriations approved by Council through the second quarter. Year-end projections include \$6.44 million in supplemental appropriations approved by Council in the third quarter. Of this amount, \$4.50 million of appropriations are offset using General Fund Infrastructure reserves as previously described, while \$1.94 million will be offset by anticipated personnel savings.

EXPENDITURE PROJECTIONS

(in millions)	Adopted Amended Budget	Total Budget as of 12/31/2023	Year-End Projection	Over / (Under) Budget	% Variance
Personnel	\$ 227.54	\$ 228.27	\$ 223.67	\$ (4.60)	-2.0%
CalPERS UAL – Safety	8.95	8.95	8.95	-	0.0%
CalPERS UAL – Miscellaneous	-	-	-	-	0.0%
Non-Personnel Costs	67.40	78.20	79.44	1.24	1.6%
Special Projects	9.65	11.48	11.73	0.25	2.2%
Minor Capital & Grants	1.30	1.94	1.94	-	0.0%
Debt Service	22.72	22.72	22.72	-	0.0%
Charges To/From	(18.88)	(18.88)	(18.88)	-	0.0%
Cost Allocation Plan	(24.11)	(24.11)	(24.11)	-	0.0%
Transfers to Other Funds	20.92	31.90	36.85	4.95	15.5%
Special Districts Fund Contribution	1.43	1.43	1.43	-	0.0%
Convention Center Fund Contribution	5.30	5.30	5.30	-	0.0%
Entertainment Fund Contribution	3.86	3.86	3.86	-	0.0%
Cheech Marin Center Fund Contribution	1.01	1.01	1.01	-	0.0%
Subtotal Expenditures & Transfers Out	\$ 327.09	\$ 352.07	\$ 353.91	\$ 1.84	0.5%
Water GFT Escrow	-	8.57	8.57	-	0.0%
Total Outgoing Resources	\$ 327.09	\$ 360.64	\$ 362.48	\$ 1.84	0.5%

The following explains significant items:

- Personnel** – The personnel expenditures budget incorporates a 5% attrition rate, equivalent to approximately \$12 million, within a non-departmental fund account. This measure allowed for the allocation of funds to City priorities during the amendment of the originally adopted budget. However, it's worth noting that all positions are fully budgeted within their respective departments, underscoring the City's commitment to filling these positions.

As of the end of the second quarter, the General Fund vacancy rate stood at 11.0%, representing a decrease of 2.5% from the start of the fiscal year. If the current trend of filling positions persists throughout the fiscal year, the projected vacancy rate at year-end is anticipated to be 9.5%, resulting in an average annual projected vacancy rate of 11.5% and projected personnel savings of \$7.92 million. However, this projected personnel savings is offset by recently approved MOU impacts amounting to \$3.32 million. As a result, the estimated net personnel savings are approximately \$4.60 million.

- Non-Personnel** – Non-personnel expenses are challenging to project due to fluctuations in the timing of expenditures throughout the fiscal year, as well as the common occurrence of unexpended funds being carried over at the end of the fiscal year. As of the second quarter, the total budget includes \$12.80 million in encumbrances and carryovers from prior year. The year-end projection includes supplemental appropriations for professional services contracts approved by the Council in the third quarter; those items will be detailed in the third quarter report.

- **Transfers to Other Funds** – Transfers to Other Funds include the Use of Reserves previously described, as well as the allocation of \$450,000 in revenue replacement funds from the American Rescue Plan Act (ARPA) for start-up and ongoing management costs directly related to the Nonprofit Revolving Loan Fund approved by the City Council on March 12, 2024.

During the first two quarters of FY 2023/24, the City Council approved the following supplemental appropriations in the General Fund, totaling approximately \$12.18 million:

- Riverside New Car Dealers Association (RNCDA) for Business Improvement District (BID) Funding \$100,000 – The City entered into a new agreement with the RNCDA to invest in the BID for five years, at a cost of \$100,000 per year in exchange for advertising time on the electronic sign display.
- Emergency Air Support (Corona) \$120,000 – As-needed emergency air support services to the City of Corona, fully offset by corresponding revenues.
- Temporary Parking Lot Construction at 3460 Orange Street \$900,000: Use of General Fund insurance reimbursement reserves for interfund transfer from the General Fund to the Public Parking Fund for parking lot construction.
- Omnicap Group supplemental agreement to master professional services agreement for professional consultant ad-hoc services for arbitrage rebate and swap reporting services fully offset by an increase in revenues: \$14,070
- City of Riverside and OHMIO agreement to purchase or lease autonomous shuttles: \$525,000
- Parks Facility Rental Cleaning (fully offset by deposits): \$12,983
- Department Housing and Human Services additional staffing: \$ 503,945
- Museum Expansion and Renovation Project interfund transfer from the General Fund, offset by Infrastructure Reserves: \$10,000,000

Summary: Based on year-end projections, the General Fund appears poised to conclude the fiscal year with a net gain of approximately \$7.26 million. This gain is largely attributable to strong performance in property taxes and personnel savings resulting from a high vacancy rate. As a result of this positive performance, the General Fund will be able to withstand the current fiscal year challenges of the loss of the Water General Fund Transfer, impacts from recent labor MOU negotiations, and the economic slowdown in consumer spending impacting sales tax revenues.

Given the projected surplus, staff recommends contributing \$3.0 million to the Infrastructure Reserves and \$2.0 million to the Technology Reserves to ensure adequate funding for the future maintenance and/or replacement of assets. Following these allocations, the General Fund is projected to end the fiscal year with a \$2.26 million net gain. A portion of this projected net gain may be required to maintain the General Fund's 20% policy reserves.

GENERAL FUND SUMMARY

FY 2023/24 (in millions)	Adopted Budget	Total Budget	Projected	\$ Change	% Change
Revenue & Transfers In	\$ 333.50	\$ 334.79	\$ 341.54	\$ 6.75	2.0%
Expenditures & Transfers Out	327.09	352.07	353.91	1.84	0.5%
Balance Before Changes in Reserves	\$ 6.41	\$ (17.28)	\$ (12.37)	\$ 4.91	-28.4%
Changes in Reserves					
Use of Reserves	\$ -	\$ 23.70	\$ 28.20	\$ 4.50	19.0%
Water GFT Escrow	-	(8.57)	(8.57)	-	0.0%
Net Surplus/(Deficit)	\$ 6.41	\$ (2.15)	\$ 7.26	\$ 9.41	-437.7%

Mid-cycle Budget Adjustments: Throughout the fiscal year, staff assess the need for adjustments to the adopted budget. Revenue adjustments of approximately \$6.75 million will be recorded in the appropriate revenue category for the General Fund to align with current year-end projections based on FY 2022/23 actual results, performance to date, and potential economic impacts through the end of the fiscal year. The following expenditure budget adjustments are recommended for Council approval:

- **General Fund – City Clerk:** Record adjustments to appropriations in the following funds and accounts in City Clerk direct allocation charges to align with a change in responsibilities for the Budget Engagement Commission, Airport Commission, Board of Public Utilities, and the Community Police Review Committee:

City Clerk Support	Fund	Account	Amount
Budget Engagement Commission - No longer supported	General Fund	1200000-892110	13,642
	Measure Z	8002203-882101	(13,642)
Airport Commission - No long supported	General Fund	1200000-892530	3,445
	Airport Fund	2245000-882101	(3,445)
Board of Public Utilities - Increase support	General Fund	1200000-892510	(5,081)
	Electric Fund	6000000-882101	5,081
Community Police Review Committee - Add support	General Fund	1200000-892101	(19,125)
	General Fund	1125000-882101	19,125

- **Grants and Restricted Programs Fund – Fire Department (\$32,085):** Record an adjustment to appropriations to move \$32,085 from the General Fund, Fire Certified Unified Program Agency (CUPA) – Interfund Services account 3525000-884101, to the Grants and Restricted Programs Fund, Fire Certified Unified Program Agency – Interfund Services account 3525001-884101, to properly reflect direct General Fund – Fire Prevention position charges to the Grants and Restricted Programs Fund – Fire CUPA.
- **General Fund – Public Works (\$20,000):** Record an increase revenue in the amount of \$20,000 in the General Fund, Public Works – Signals Maintenance revenue account 4110400-342420, offset by an increase in supplemental appropriations in the General Fund, Public Works Traffic Signals Maintenance expenditure account 4110400-424220, to cover the cost of installing traffic signal equipment improvements at the intersection of Van Buren Boulevard and Rudicill Street. The installation is required by the City before issuing a Certificate of Occupancy for a nearby project. The developer has negotiated with the City to complete this work.

- Convention Center Fund – General Services (\$41,133):** Record the following supplemental appropriations in the Convention Center Fund to adjust annual fees for Raincross Hospitality Corporation management contract for the Riverside Convention Center, Convention & Visitors Bureau, and Sports Commission to reflect the actual CPI increase. The FY 2023/24 budgeted amount assumed a 3% CPI increase, whereas the actual CPI increase in March 2023 was 4.6%.

Convention Center Fund	Account	Amount
Riverside Convention Center	2250000-459971	10,215
Riverside Convention & Visitors Bureau	2250100-459974	27,700
Riverside Sports Commission	2250100-459973	3,218

- Grants and Restricted Programs Fund – City Manager (\$75,000):** Despite more than \$200 million in grants awarded to the City in 2023, the City does not have a robust grant management system. A grants management system will allow the City to maintain a centralized database of all grant-related data and documents, facilitate oversight of grant compliance, track performance metrics, provide reporting and analytics, and much more. This amount is expected to be offset in the future through the allowable overhead costs reimbursed by the various grants.
- Grants and Restricted Programs Fund – Housing and Human Services (\$225,000):** Request approval to change the fund used to record a \$225,000 increase in revenues and supplemental appropriations from the General Fund to the Grants and Restricted Programs Fund. On January 16, 2024, per the Memorandum of Understanding with the Riverside County Flood Control and Water Conservation District, City Council approved an increase in revenues and supplemental appropriations of \$225,000 in the General Fund for the removal of illegally dumped materials from District property. Appropriating these funds in the Grants and Restricted Programs Fund, Housing and Human Services expenditure account, will provide more transparent way to track external monies expended and reimbursed for a specific purpose.
- General Fund – Parks, Recreation and Community Services Department (\$250,000):** Record supplemental appropriations of \$250,000 in the General Fund, PRCS Maintenance\Repair of Buildings and Improvements account 5215000-424130, to address costs outside of its control related to vandalism, theft, and other emergencies. To date, these events have resulted in increased costs of \$455,775.

If approved by the City Council, the recommended budget adjustments in this report will increase General Fund budget expenditures by \$99,921.

Measure Z

Based on the spending items approved to date and slowing tax revenue performance, Measure Z is projected to end the fiscal year with approximately \$43.27 million in fund reserves. These reserves are programmed to be drawn down throughout the Five-Year Spending Plan, as annual programmed expenditures exceed annual projected revenue. In FY 2023/24, programmed expenditures exceed projected revenue by \$15.71 million. Separately, \$5.00 million is held in contingency reserves per the adopted Measure Z Reserve Policy to ensure sufficient funding for ongoing costs in the event of under-performing revenues.

Revenues: The FY 2023/24 adopted amended budget incorporated projected revenues of \$84.46 million. However, as discussed earlier, the actions taken by the Federal Reserve to curb inflation have led to a decline in consumer spending, resulting in a 4.5% decrease in transaction and use tax compared to the second quarter of the previous year. Consequently, HdI projects a 4.7%

reduction in sales tax revenues compared to the budget, and a 4.5% decrease from prior year actuals. As a result, revenue projections will be revised to \$80.54 million with this second quarter report.

Expenditures: The total budget presented in the Measure Z Spending Plan reflects encumbrances and carryovers of \$48.65 million carried forward from FY 2022/23 as provided for in the Riverside Municipal Code and approved by Council in December 2023. Measure Z funds include many projects and one-time expenditures, causing expenditures to appear to be trending behind budget. However, spending is progressing as planned and within appropriation limits.

Electric Fund

The FY 2023/24 adopted amended budget for the Electric Fund projects a \$9.12 million operating loss due to a planned draw on reserves. This is a financial strategy employed to draw reserves down to keep rate increases as low as possible.

Revenues: As of the end of the second quarter, Electric operating revenues stand at 56.9% of budgeted projections. With the summer season at the beginning of the fiscal year, projected retail sales were expected to be at 54.6% of total budget through December 2023. Retail sales are at 52.1% of total budget through December 2023 and (2.5%) or \$9.10 million lower than expected. As of December 31, 2023, the lower than anticipated retail revenues are a result of decreased electric consumption attributed to milder temperatures through the second quarter of the fiscal year. Decreased electric retail sales will have a corresponding decrease in electric expenses. Weather can significantly impact retail revenues, which will be monitored throughout the remainder of the fiscal year. Transmission revenues are projected to perform as anticipated for the remainder of Fiscal Year 2023/24. Other operating revenues are at 121.9% of budget due to the sale of surplus emission allowances, as well as excess electricity to external entities above budgeted projections. The projected Fiscal Year revenue remains unchanged.

Expenditures: Electric operating expenditures are 50.7% of the total budget at the end of the second quarter. Personnel savings are anticipated due to a vacancy rate of 15.0%. Within the Non-Personnel budget, Power Supply costs are trending 19% over budget due to significantly higher-than-expected increases in market energy and natural gas prices. This increase is expected to be offset by personnel savings.

Water Fund

The FY 2023/24 adopted amended budget for the Water Fund projected an operating gain of \$4.59 million to help pay for capital projects and ensure reserves are maintained at policy levels.

Revenues: Total operating revenues for the Water Fund are 52.9% of budgeted projections as of second-quarter end. With the summer season at the beginning of the fiscal year, projected retail sales were expected to be at 56.7% of the total budget through December 2023. Actual retail sales are at 52.1% of the total budget through December 2023 and 4.6%, or \$2.70 million, lower than expected. Decreased water consumption appears to be driven by the milder temperatures and increased precipitation through the second quarter of the fiscal year. Weather, including precipitation, can significantly impact retail revenues, which will be monitored throughout the remainder of the fiscal year.

Expenditures: At the end of the second quarter, Water Fund operating expenditures stand at 47.8% of the budget. Personnel savings are anticipated due to a vacancy rate of 15.2%. Non-personnel expenditures are trending 7.4% lower than last year's level of expenditures; however, it is important to note some expenditures vary in their timing throughout the fiscal year. Overall,

water expenditures are projected to remain within the budgeted appropriation limit at fiscal year-end.

Refuse Fund

The FY 2023/24 adopted amended budget for the Refuse Fund anticipates a draw on fund reserves of approximately \$1.16 million. This draw is attributed to several factors, including the decline in recycling revenues stemming from the impacts of China's National Sword policy, escalating recycling costs, an increase in tonnage, and newly implemented state mandates for diverting green waste from landfills. The Refuse Fund began the fiscal year with fund reserves of \$6.19 million net of prior year encumbrances and the cash infusion of a combined \$11.00 million in General Fund contributions and ARPA funding for capital purchases and revenue losses. As of the second quarter, the reserve balance is expected to be sufficient to accommodate the current fiscal year deficit. On September 19, 2023, the City Council adopted a resolution approving and establishing the residential solid waste rate structure from November 1, 2023, through June 30, 2028. The five-year residential solid waste rate plan will address the challenges to solid waste services provided by the City. Since its approval in September, and with several months of actual data, the Refuse fund is projected to utilize \$2.48 million of reserves during the first three years of the five-year plan. According to the updated plan, revenues in FY 2025/26 are expected to nearly match expenditures before reserves begin being rebuilt in the subsequent fiscal years.

Revenues: Second-quarter analysis suggests that Refuse revenues will meet expectation, inclusive of the November 1, 2023, solid waste rate increase. By the end of the second quarter, service revenues stand at 50.5% of projections and total revenues are 52.7% of projections.

Expenditures: Operating expenditures are 32.8% of total budget at second quarter end. During this period, the Refuse Fund continues to experience staffing shortages with 15.00 FTE vacancies, constituting a vacancy rate of 24.2%. Due to staffing shortages, overtime costs are anticipated to exceed budget, but will be offset by personnel savings. Street Sweeping staff are assisting with routes to mitigate impacts from staffing shortages. Solid waste staff anticipate filling vacancies by the end of the fiscal year.

Projected overages are anticipated in the non-personnel budget for motor fuels and lubricants due to increased maintenance costs resulting from an aging fleet. However, vehicle replacements expected in FY 2024/25 are anticipated to reduce these costs. Additionally, a projected overage of \$27,700 is expected in professional services due to the purchase of RubiconSmartCity™ Solid Waste Technology and required in-cab technology. These investments aim to improve operational efficiency, document contamination and other residential violations, and enhance route optimization to ensure compliance with State mandates. In the third quarter, Public Works staff prepared a Council memo to request approval of the master software agreement with Rubicon and requested supplemental appropriations. Furthermore, a \$550,000 overage is anticipated in the special programs budget for Athens Services Private Hauler due to a Consumer Price Index (CPI) increase in disposal costs from the Materials Recovery Facility for FY 2023/24. Staff will monitor costs and make future recommendations for supplemental appropriations if necessary.

Sewer Fund

The FY 2023/24 adopted amended budget projects a net operating loss of \$2.65 million. There are sufficient reserves to cover the potential operating loss. The Sewer Fund is expected to end the fiscal year with an operating gain due to high performing sewer connection revenues.

Revenues: The second-quarter analysis indicates that the Sewer Fund will exceed revenue expectations by \$4.26 million. By the end of the second quarter, 52.7% of the overall projected

revenues have been realized. The largest contributor to this surplus is Sewer Connection Fees, including Commercial and Residential Sewage, as well as Commercial Sewer Specialized Billing and Residential Pumping. The increase in Sewer Connection Fee revenue is correlated with the rise in planned development.

Expenditures: Operating expenditures are 51.4% of the total budget at the end of the second quarter. During this period, the Sewer Fund had 24.00 FTE vacancies, constituting a vacancy rate of 20.3%. The high vacancy rate requires staff to work overtime to cover shifts and manage the increased workload. As a result, overages are expected in the overtime budget, which will be offset by personnel vacancy savings. In the Non-Personnel budget, costs for chemical supplies are rising due to market volatility, temporary supply shortages, and an unexpected increase in the CPI. In the fourth quarter, Public Works staff will present the Council with a request to approve change order increases on four annual purchase orders for various chemicals, as well as approval for \$1.9 million in supplemental appropriations.

Utility Account Delinquencies

The Electric, Water, Refuse and Sewer funds were impacted by the suspension of utility shutoffs in response to the pandemic. In December 2021, Riverside Public Utilities (RPU) provided credits to water and electric customer accounts of \$13.0 million from the California Arrearage Payment Program (CAPP) and California Water and Wastewater Arrearage Management Program (CWWAPP). In May 2022, the City applied credits to customer accounts for the CWWAPP for wastewater utility arrearages in the amount of \$2.3 million. In January 2023, the City applied \$18.6 million in credits to electric customers accounts as part of the General Fund Transfer Settlement.

As of December 31, 2023, the combined delinquent accounts receivable for the four utilities is \$13.66 million, which is \$8.74 million more than March 2020. In August 2022, Riverside Public Utilities (RPU) resumed shut-offs for non-payment along with issuing 48 hour tag notifications. On May 17, 2022, the City Council approved the Restart Utility Bill Repayment (RESTART) Program, which allows utility customers with large past-due balances to enroll in a bill repayment program to pay their delinquent charges over an 18-month period. RPU continues to offer standard twelve-month arrangements for customers with delinquent payments. Of the current \$16.68 million delinquent accounts receivable, \$0.18 million will be paid under the RESTART program and \$0.61 million will be repaid under the standard installment program. The balance of \$10.88 million remains delinquent without an installment plan.

Public Parking Fund

The FY 2023/24 adopted amended budget for the Public Parking Fund anticipates a draw on fund reserves of approximately \$0.48 million. Parking revenues in the original FY 2022-2024 adopted budget included new parking rates, which were subsequently rescinded. On April 18, 2023, the City Council approved a new Parking Rate and Hour Schedule effective July 1, 2023. These adjustments, along with other related expenditure adjustments, are incorporated into the FY 2023/24 adopted amended budget.

The Public Parking Fund began the fiscal year with fund reserves of \$3.48 million net of prior year encumbrances. As of the second quarter, the reserve balance is expected to be sufficient to accommodate the current fiscal year deficit.

Revenues: The downtown parking operation has experienced a significant turnaround in utilization, leading to a positive annual increase in revenues due to the implementation of the Parking Your Way program, incorporating more accessible free parking, new parking rates, expanded hours of operation, new monthly parking programs, the rollout of the Park Riverside

app, and the installation of Parking Access Revenue Control Systems (PARCS) in the garages. The second-quarter comparison to the previous fiscal year reveals that parking revenues are experiencing a 75.9% increase over last year's figures.

Additionally, Parking Enforcement overtime was purposely increased to address the expanded hours of operation. The amount of parking citations issued downtown and City-wide has increased parking fine revenues by 19% compared to FY 22/23. In the second quarter of FY 2023/24, 361 overtime hours, or \$13,025 of paid overtime, were worked while 2,623 parking citations, or \$185,394 in potential fines, were issued.

Expenditures: Operating expenditures are 38.4% of the total budget at the end of the second quarter. During this period, the Public Parking Fund continues to experience staffing shortages with 5.00 FTE vacancies, constituting a vacancy rate of 26.32%. These shortages, coupled with extended hours of operation, have necessitated the need for overtime. The long-term corrective action involves having sufficient staff with staggered shifts to cover the expanded hours of operation with minimal overtime. Nevertheless, overtime remains a practical solution for providing operational coverage given the current vacancies.

Monthly operating costs for Parking Concepts Inc. (PCI) are higher than expected due to the implementation of the Parking Your Way program. This program includes extended hours of operation, new parking programs, additional staffing, additional credit card transaction fees, equipment installation, and weekly power washing maintenance. The contract with PCI will be amended in March 2024 to capture the additional operating costs. A supplemental appropriation will be requested to address the projected overage. Increased revenues generated from the Parking Your Way program will largely offset the additional operating expenses with PCI.

STRATEGIC PLAN ALIGNMENT:

The reporting and presentation of financial results support **Strategic Priority 5 – High Performing Government** and **Goal 5.3** - Enhance communication and collaboration with community members to improve transparency, build public trust and encourage shared decision making.

Financial reporting aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Presentation of financial results provides a transparent view and communication of City finances in a forum that accommodates community engagement.
2. **Equity** – The financial report is available to all members of the public via the City website, and the presentation of the financial report in a public forum accommodates community engagement from all members of the public.
3. **Fiscal Responsibility** – The financial report and proposed recommendations demonstrate the City's commitment to responsible management of the City's financial resources.
4. **Innovation** – The financial reports, methodologies, and strategies proposed by staff demonstrate innovative management of City finances.
5. **Sustainability & Resiliency** – The financial reports, methodologies, and strategies proposed by staff demonstrate the City's commitment to the long-term fiscal health of the City and the preservation of City services.

FISCAL IMPACT:

The total fiscal impact of the recommended mid-cycle budget adjustments is summarized by fund in the following table. Sufficient resources are available in the respective funds to accommodate the recommendations.

MID-CYCLE BUDGET ADJUSTMENTS

Fund	Revenue	Expenditures	Net Impact to Fund Reserves
101 - General Fund	\$ 6,764,300	\$ 99,921	\$ 6,664,379
110 - Measure Z Fund	(3,923,000)	(13,642)	13,642
215 - Grants and Restricted Programs	225,000	257,085	(32,085)
510 - Electric	-	5,081	(5,081)
530 - Airport	-	(3,445)	3,445
580 - Convention Center Fund	-	41,133	(41,133)
Citywide Total	\$ 3,066,300	\$ 386,133	\$ 2,680,167

The General Fund is performing better than expected due to overall revenue performance, especially property taxes. The General Fund is also expected to see personnel savings due to the high vacancy rate experienced through the second quarter. This good news will allow the General Fund to overcome the challenges of the Water GFT escrow and the fiscal impact of labor negotiations. A portion of the projected \$7.26 million surplus is recommended to be allocated as follows: \$3 million increase in the General Fund Infrastructure Reserve and \$2 million increase in the Technology Reserve. These reserves will allow the City to continue to invest in the City’s critical infrastructure, enhancing the quality of life and safety of the community. If approved, the Infrastructure Reserve balance will be \$13.8 million and the Technology Reserve balance will be \$5 million.

The Measure Z fund projected revenues and unallocated reserves are at levels sufficient to fund approved spending items.

The City’s Electric and Water funds are expected to remain within their appropriation limits, and fund reserves are expected to remain within policy levels.

The Refuse Fund continues to experience staffing shortages and increased maintenance costs for an aging fleet. With the new Solid Waste Rate plan, the Refuse fund is anticipated to utilize \$2.48 million in reserves prior to generating a net operating gain in future years.

The Sewer Fund is expected to end the fiscal year with an operating gain due to high performing sewer connection revenues.

Due to the implementation of the Parking Your Way program, the Public Parking Fund has experienced a significant upturn in utilization and is expected to end the fiscal year with an operating gain.

Prepared by: Jaime Martinez, Budget Manager
 Approved by: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
 Certified as to availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
 Approved by: Edward Enriquez, Assistant City Manager/Chief Financial Officer/Treasurer

Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Measure Z Spending Plan
2. Presentation

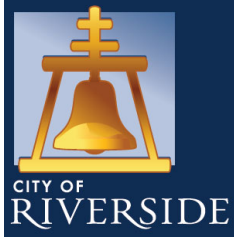
Measure Z Spending Plan
FY 2023/24 Second Quarter Financial Update

Spending Items	Actual	Carryover	Amended	Projected	Projected	Projected	Projected
	FY 2022/23	FY 2022/23 ¹	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
REVENUE							
Transaction & Use Tax	\$ 84,015,703	\$ -	\$ 80,235,000	\$ 82,949,000	\$ 85,675,000	\$ 88,466,000	\$ 91,299,000
Interest Earnings	1,825,380	-	300,000	800,000	800,000	800,000	800,000
Total Revenues	\$ 85,841,083	\$ -	\$ 80,535,000	\$ 83,749,000	\$ 86,475,000	\$ 89,266,000	\$ 92,099,000
EXPENDITURES							
2 Payoff of the Balloon \$32 million Pension Obligation Bond	\$ 1,673,080	\$ -	\$ 1,673,530	\$ 1,673,370	\$ 1,672,800	\$ 1,673,150	\$ -
5 Additional Sworn Police Positions	13,751,855	30,937	12,549,623	13,993,334	14,439,200	14,784,291	15,180,778
6 Public Safety Non-Sworn Positions and Recruitment Costs	952,016	-	1,014,830	1,079,422	1,118,364	1,154,563	1,192,230
7 Police Officer Lateral Hire Incentives and Recruitment Costs	73,986	-	200,000	200,000	200,000	200,000	200,000
8 Additional Dispatchers	1,407,570	-	1,340,627	1,413,058	1,459,240	1,497,030	1,527,433
9 Maintain Firefighter Staffing Level	2,178,353	-	1,587,087	1,715,402	1,792,847	1,844,137	1,907,466
10 Reinstatement of Captains (Training and Arson)	657,475	-	708,920	790,339	819,590	834,098	853,987
11 Reinstatement of Battalion Chief	416,987	-	368,685	439,045	457,617	462,357	469,201
12 Police Vehicle Replacement and Maintenance Plan	2,143,480	1,333,037	2,269,017	2,314,398	2,360,686	2,407,899	2,456,057
14 Fire Vehicle Replacement and Maintenance Plan	1,706,747	4,006,690	4,458,395	3,214,900	5,656,200	6,500,590	5,644,063
16 Additional Fleet Mechanics for Police Department	149,860	-	257,521	250,121	257,470	263,949	270,765
17 Additional Fleet Mechanics for Fire Department	297,025	-	262,973	286,661	289,945	291,898	293,888
18 General Fund Support - Maintain Existing Services	18,266,026	-	18,266,026	18,266,026	18,266,026	18,266,026	18,266,026
19 General Plan Update	279,886	4,339,567	-	-	-	-	-
20 Homeless Services	503,743	796,669	500,000	500,000	500,000	500,000	500,000
21 Principal Analyst - City Manager's Office	170,144	-	154,543	181,171	191,431	201,298	210,044
22 Budget Engagement Commission Support	10,868	310	39,082	27,745	32,775	28,817	33,881
23 New Downtown Main Library	2,738,151	-	2,738,750	2,737,000	2,736,630	2,737,380	2,734,130
24 SPC Jesus S. Duran Eastside Library	-	5,500	2,000,000	-	-	-	-
25 New Police Headquarters (\$43M)	-	-	4,609,963	4,654,268	4,690,073	4,717,378	4,736,183
26 Museum Expansion and Rehabilitation (\$35M)	1,474	-	4,049,924	3,596,381	3,596,381	3,596,381	3,596,381
28 Annual Deferred Maintenance (Existing Facilities)	1,859,493	247,100	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
29 Maximize Roads/Streets (Pavement Condition Index)	7,219,089	18,935,753	10,875,000	10,875,000	10,875,000	10,875,000	10,875,000
30 Tree Trimming	1,842,682	1,673,868	3,500,000	2,000,000	2,000,000	2,000,000	2,000,000
31 Ward Action Team - City Attorney's Office	388,006	-	359,706	412,340	427,667	435,328	438,182
33 Technology Improvements	1,470,850	3,176,936	1,501,315	1,514,271	1,515,464	1,516,098	1,517,886
34 4-Person Staffing on Fire Trucks	979,106	17,595	1,199,078	1,371,306	1,461,456	1,516,929	1,556,707
38 Bourns Family Youth Innovation Center	(2,808)	-	-	-	-	-	-
39 Public Safety & Engagement Team Program (PSET) - Urban	2,657,537	1,190,167	4,572,806	4,882,982	5,192,303	5,556,094	5,450,397
43 PW Streets Vehicle & Equipment Needs	490,337	2,509,628	2,230,000	-	-	-	-
44 PRCSO Infrastructure, Vehicles, and Equipment	189,894	1,523,574	-	-	-	-	-
45 Motorhome Removal & Disposal	9,000	1,500	45,000	45,000	45,000	45,000	45,000
46 Park and Neighborhood Specialist (PANS) Program	1,296,852	118,660	1,815,973	2,148,654	2,263,536	2,362,663	2,418,906
47 Police Helicopters Capital Lease	1,238,158	-	1,238,158	1,238,158	1,238,158	1,238,158	1,238,158
48 Office of Homeless Solutions Expansion	47,454	-	158,649	186,744	197,008	206,212	212,735
49 Public Safety & Engagement Team Program (PSET) - Wildlands	613,870	1,296,840	5,315,839	5,818,850	6,076,923	6,311,230	6,556,973
50 Public Safety Enterprise Communication System (PSEC) Radios	343,438	-	343,438	343,438	343,438	-	-
51 Office of Sustainability	13,402	-	380,988	411,327	428,820	446,011	463,880
52 Sidewalk Repair	371,776	228,224	600,000	600,000	600,000	600,000	600,000
53 Mt Rubidoux Trail Resurfacing	1,198,947	581,053	-	-	-	-	-
55 Parks Capital Improvement Projects	-	6,492,000	-	3,500,000	3,500,000	3,500,000	3,500,000
56 Fire - Analog Simulcast Communication System	-	-	1,566,441	-	-	-	-
Total Expenditures	\$ 69,605,809	\$ 48,645,608	\$ 96,251,887	\$ 94,180,711	\$ 98,202,048	\$ 100,069,965	\$ 98,446,337
Financial Plan Surplus/(Deficit)	\$ 16,235,274	\$ (48,645,608)	\$ (15,716,887)	\$ (10,431,711)	\$ (11,727,048)	\$ (10,803,965)	\$ (6,347,337)

**Measure Z Spending Plan
FY 2023/24 Second Quarter Financial Update**

Spending Items	Actual FY 2022/23	Carryover FY 2022/23 ¹	Amended FY 2023/24	Projected FY 2024/25	Projected FY 2025/26	Projected FY 2026/27	Projected FY 2027/28
FUND RESERVES							
Beginning Measure Z Unallocated Fund Reserve	\$ 91,390,600	\$107,625,874	\$ 58,980,266	\$ 43,263,379	\$ 32,831,668	\$ 21,104,620	\$ 10,300,655
Five-Year Financial Plan Surplus/(Deficit)	16,235,274	(48,645,608)	(15,716,887)	(10,431,711)	(11,727,048)	(10,803,965)	(6,347,337)
Ending Measure Z Unallocated Fund Reserve	\$107,625,874	\$ 58,980,266	\$ 43,263,379	\$ 32,831,668	\$ 21,104,620	\$ 10,300,655	\$ 3,953,318

1. Includes prior year encumbrances and carryovers carried forward from FY 2022/23 as provided for in the Riverside Municipal Code. Additionally, discretionary carryovers approved by the City Council on December 19, 2023.



FY 2023/24 Second Quarter Financial Update

Finance Department

City Council
April 16, 2024

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1

GENERAL FUND – FUND BALANCE

General Fund Reserves at December 31, 2023
(in millions)

General Fund	
Economic Reserves (15%)	\$ 49.06 M
Economic Contingency Reserves (5%)	\$ 16.36 M
Infrastructure Reserve	\$ 15.29 M
Technology Reserve	\$ 3.00 M
Insurance Reserves	\$ 2.00 M
Section 115 Trust	
Section 115 Trust Fund Reserve	\$ 67.70 M

Infrastructure Reserve Balance
(in millions)

Beginning Balance (7/1/23)	\$ 20.62 M
Museum Renovation (12/12/23)	\$ (10.00) M
FYE Surplus Reserves (12/19/23)	\$ 4.68 M
Eastside Library (1/16/24)	\$ (3.50) M
Airport Capital Projects (1/16/24)	\$ (1.00) M
Ending Balance (1/31/24)*	\$ 10.80 M

* At the time of the writing of this report, two additional requests for use of the General Fund Infrastructure Reserves are scheduled for Council consideration:

- Victoria Avenue Funding Plan (\$775,000) – On 3/14/24, Mobility and Infrastructure Committee voted to recommend Council approve this item.
- Airport Infrastructure Loan (\$2,000,000) – To be heard by Council on 4/16/2024

2



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2

GENERAL FUND OVERVIEW

FY 2023/24 (in millions)	Adopted Budget	Total Budget		\$ Change	% Change
		As of 12/31/23	Projected		
Revenue & Transfers In	\$ 333.50	\$ 334.79	\$ 341.54	\$ 6.75	2.0%
Expenditures & Transfers Out*	327.09	352.07	353.91	1.84	0.5%
Balance Before Changes in Reserves	\$ 6.41	\$ (17.28)	\$ (12.37)	\$ 4.91	-28.4%
Changes in Reserves					
Decreases to Reserves	\$ -	\$ 23.70	\$ 28.20	\$ 4.50	19.0%
Water GFT Escrow	-	(8.57)	(8.57)	-	0.0%
Total Change in Reserves	\$ -	\$ 15.13	\$ 19.63	\$ 4.50	29.7%
Net Surplus/(Deficit)	\$ 6.41	\$ (2.15)	\$ 7.26	\$ 9.41	-437.7%

* Includes \$7.05M in encumbrances and \$0.02M project/grant carryovers carried over as allowed by the Riverside Municipal Code. Also includes \$5.73M discretionary carryovers approved by Council in the FY 22/23 4th Quarter report.

Recommendation: From projected surplus: allocate \$3M to Infrastructure Reserves and \$5M to Technology Reserves.



3

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3

GENERAL FUND REVENUE

(in millions)	Adopted Amended Budget	Total Budget as of 12/31/2023	Year-End Projection	\$ Change	% Change
Property Taxes	\$ 84.43	\$ 84.43	\$ 88.83	\$ 4.40	5.2%
Sales Tax	94.04	94.04	91.94	(2.10)	-2.2%
Utility Users Tax	33.52	33.52	32.92	(0.60)	-1.8%
Transient Occupancy Tax	8.58	8.58	8.28	(0.30)	-3.5%
Franchise Fees	5.84	5.84	6.59	0.75	12.8%
Licenses & Non-Developer Permits	10.03	10.03	11.03	1.00	10.0%
Non-Development Charges for Services	10.91	10.93	10.93	0.00	0.0%
Development Fees & Charges	7.37	7.37	7.37	0.00	0.0%
General Fund Transfer	53.20	53.20	53.40	0.20	0.4%
Measure Z Transfer	18.27	18.27	18.27	0.00	0.0%
Other Revenues & Transfers In	7.31	8.58	11.98	3.40	39.6%
Subtotal: Revenues and Transfers In	\$ 333.50	\$ 334.79	\$ 341.54	\$ 6.75	2.0%
Use of Reserves	-	\$ 23.70	\$ 28.20	\$ 4.50	19.0%
Total Incoming Resources	\$ 333.50	\$ 358.49	\$ 369.74	\$ 11.25	3.1%

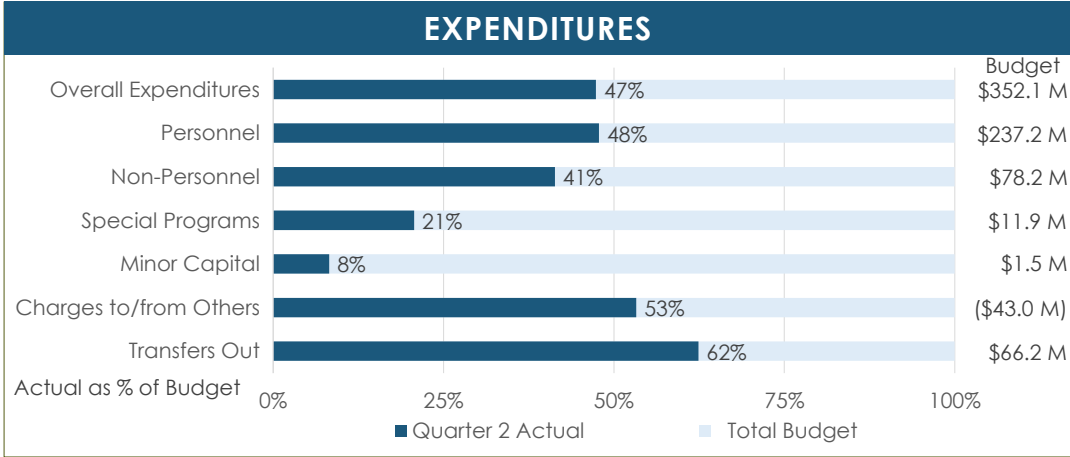


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GENERAL FUND EXPENDITURES



*Includes \$7.07 million prior year encumbrances and carryovers carried per RMC and \$5.73M discretionary carryovers approved by Council in the FY 22/23 4th Quarter report.

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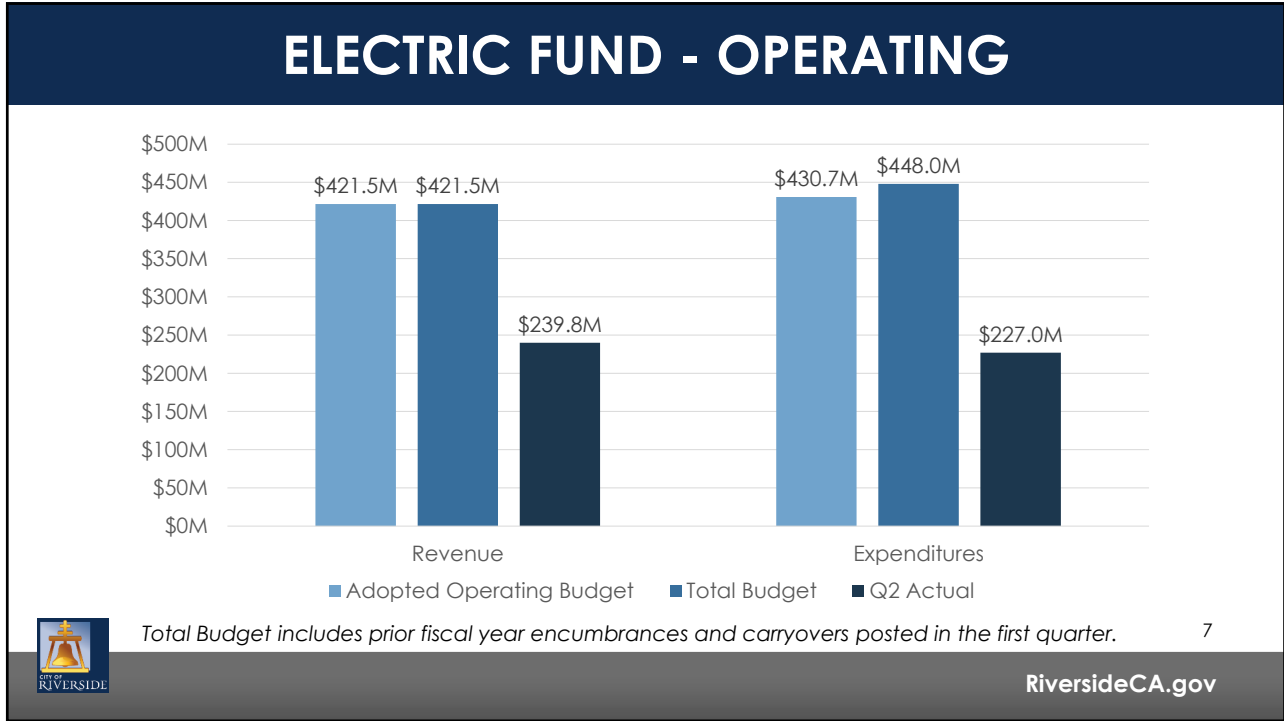
MEASURE Z SPENDING PLAN

(in millions)	Actuals				Projected
	2020	2021	2022	2023	2024
Revenue	\$ 63.14	\$ 72.65	\$ 83.91	\$ 85.84	\$ 80.54
Expenditures	(49.56)	(50.85)	(67.45)	(69.61)	(96.25)
Encumbrances & Carryovers				(48.65)	
Net Change in Fund Balance	\$ 13.58	\$ 21.80	\$ 16.46	\$(32.42)	\$(15.71)
Beginning Unallocated Fund Reserves	\$ 39.56	\$ 53.14	\$ 74.94	\$ 91.40	\$ 58.98
Net Change in Fund Balance	13.58	21.80	16.46	(32.42)	(15.71)
Fund Balance Reserve Policy	-	-	-	-	-
Ending Unallocated Fund Reserves	\$ 53.14	\$ 74.94	\$ 91.40	\$ 58.98	\$ 43.27

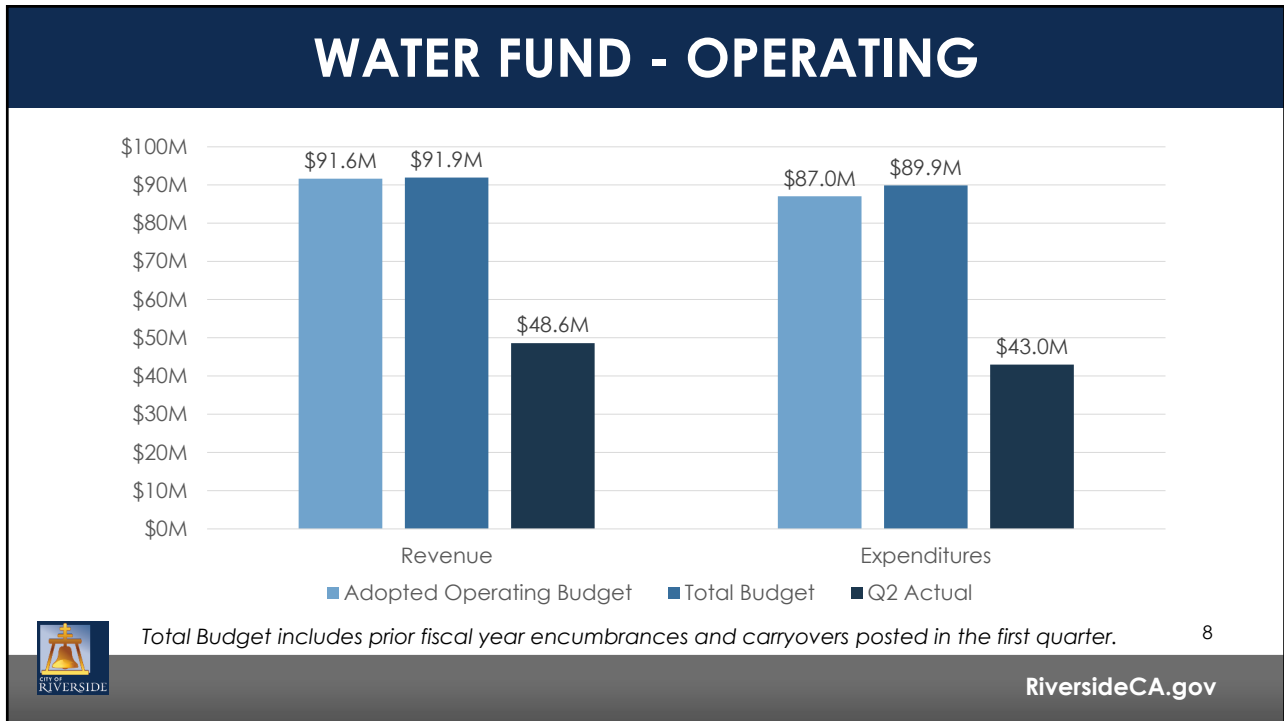


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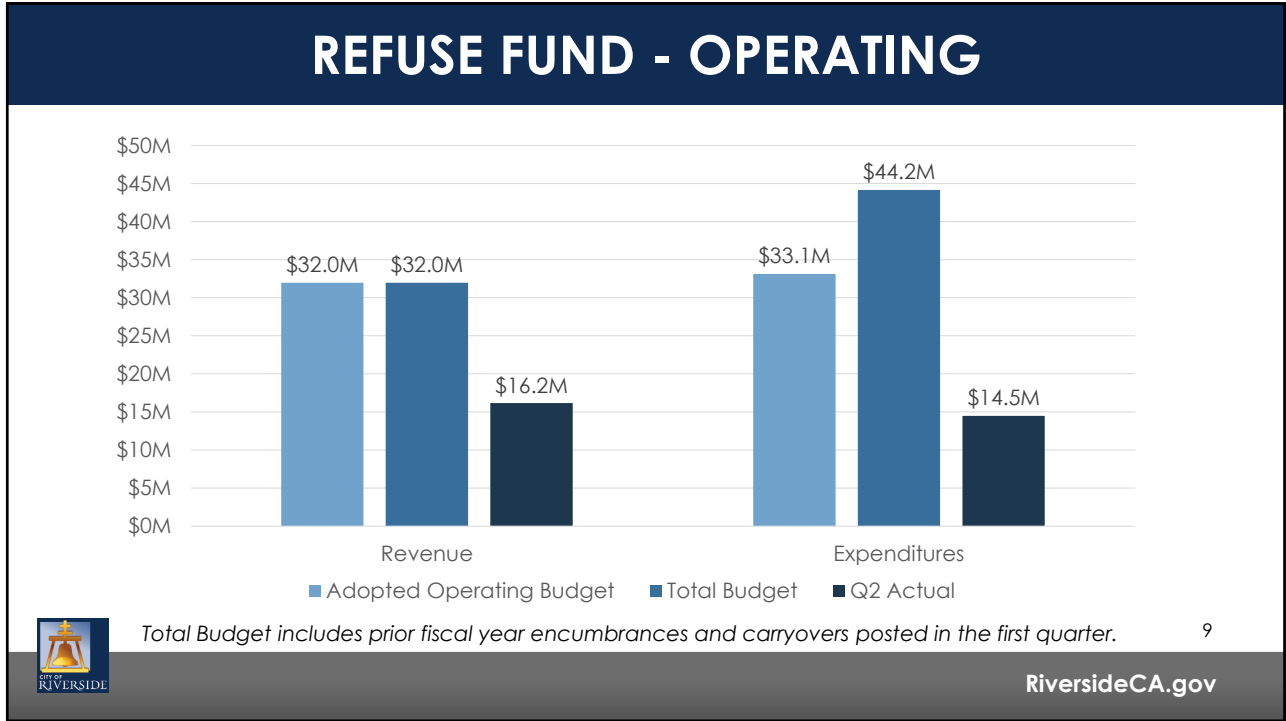
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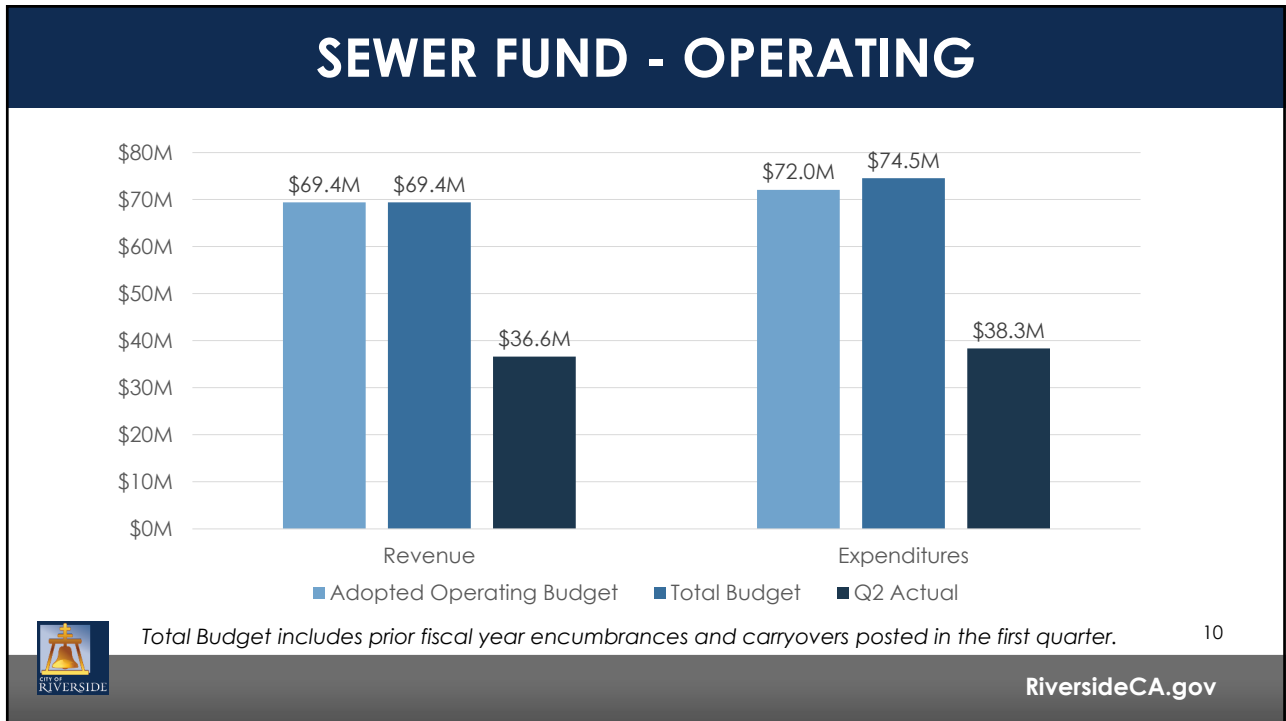
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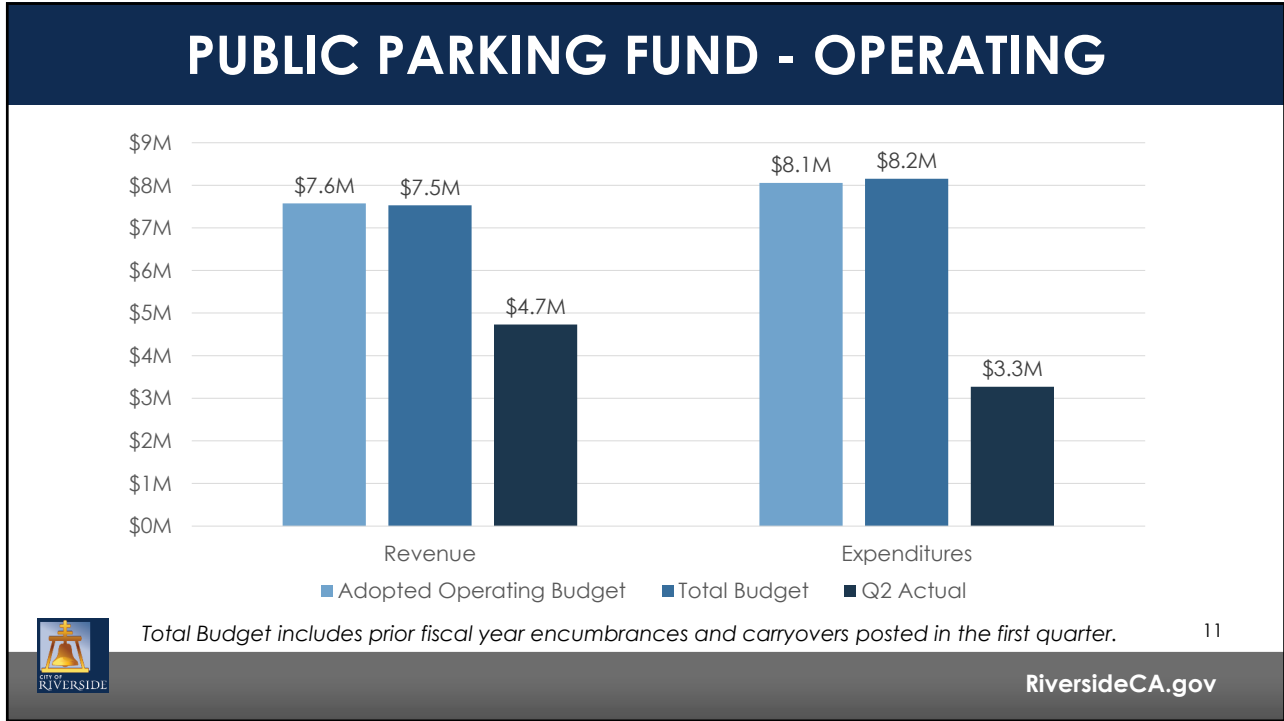
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MID-CYCLE BUDGET ADJUSTMENTS

Fund	Revenue	Expenditures	Net Impact to Fund Reserves
101 - General Fund	\$ 6,764,300	\$ 99,921	\$ 6,664,379
110 - Measure Z Fund	(3,923,000)	(13,642)	13,642
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580 - Convention Center Fund	-	41,133	(41,133)
Citywide Total	\$ 3,066,300	\$ 386,133	\$ 2,680,167

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12

STRATEGIC PLAN ALIGNMENT



HIGH PERFORMING GOVERNMENT

CROSS-CUTTING THREADS



Community Trust



Equity



Innovation



Fiscal Responsibility



Sustainability and Resiliency



13

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13

RECOMMENDATIONS

That the City Council:

1. Receive and provide input on the Fiscal Year 2022/23 Second Quarter Financial Update;
2. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record mid-cycle budget adjustments resulting in total supplemental appropriations of \$386,133 in various funds as detailed in this report, including \$99,921 in the General Fund fully offset by adjusted revenue projections; and
3. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record an allocation of \$5 million in projected General Fund surplus to the General Fund Infrastructure Reserve (\$3 million) and the Technology Reserve (\$2 million) fully offset by adjusted revenue projections.



14

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14



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: APRIL 16, 2024
FROM: FINANCE DEPARTMENT WARDS: ALL
SUBJECT: FISCAL YEAR 2023/24 SECOND QUARTER CASH, INVESTMENTS, AND DEBT REPORT

ISSUE:

That the City Council receive and provide input on the attached Fiscal Year 2023/24 Second Quarter Cash, Investments, and Debt Report.

RECOMMENDATION:

That the City Council receive and provide input on the attached Fiscal Year 2023/24 Second Quarter Cash, Investments, and Debt Report.

BACKGROUND:

On January 16, 2024, the City Council received and provided input on the Fiscal Year (FY) 2023/24 Second Quarter Cash and Investments and Debt report.

DISCUSSION:

It is staff's intention to provide the Quarterly Cash, Investments, and Debt reports at the same City Council meeting as the Quarterly Financial Reports for the General Fund and other City funds, in order to provide a comprehensive review of all City Finance activities and to obtain City Council input related to those activities.

QUARTERLY CASH AND INVESTMENT REPORT

Sound investment practices are an essential component of the City's strong fiscal management. The Finance Department is responsible for managing the City's investment portfolio, focusing first on the safety of investments, and then on liquidity and an appropriate rate of return. The investment results and portfolio composition are summarized and reported to the City Council each quarter. As of December 31, 2023, the City's pooled investment portfolio's market value was \$960 million. The market value of investments held for the Section 115 Pension Trust Fund, fiscal agents (bond proceeds and reserve funds primarily), and other miscellaneous cash amounts to an additional \$195 million. The weighted average yield of the pooled investment portfolio is 3.09% as of December 31, 2023.

The authority to manage the City's investment program is provided by the California Government Code Sections 53600-53610 which allows the City Council to delegate to the Treasurer/CFO for a one-year period the authority to invest or to reinvest all funds of the City. In accordance with the City Charter and under authority granted by the City Council, the Chief Financial Officer is designated the responsibilities of the Treasurer and is responsible for investing the unexpended cash in the City Treasury consistent with the City's adopted investment policy.

The Cash and Investment Report, including a listing of cash balances by fund, is included in Attachment 1. These cash balances reflect each fund's share of the City's pooled investment portfolio. Also shown are interfund loan receivables, which are treated as available cash due to the Chief Financial Officer/Treasurer's authorization to move loan receivables to other funds as needed.

All listed funds have a positive cash balance except for the following funds as of December 31, 2023:

1. Civic Entertainment - Convention Center, Visitors Bureau, Sports Commission (\$928,832) has a negative cash balance in the pooled investment portfolio; however, the negative cash balance is offset by a positive \$2,199,004 in miscellaneous cash. The overall cash balance for Civic Entertainment is a positive \$1,270,172.
2. Civic Entertainment – Cheech Marin Center (\$3,229,738) has a negative cash balance due to a pending submittal of a grant reimbursement and receivables to offset expenses and negative cash. The grant reimbursement was received in the third quarter of the fiscal year.
3. Urban Areas Security Initiative (\$358,177), Community Development Block Grant (\$1,566,806), Housing Opportunities for Persons with AIDS (\$2,894,315), Housing Authority (\$78,604), Special Districts (\$1,011,363), and Transportation Uniform Mitigation Fees (\$2,888,883) have negative cash balances due to the timing of expenditures; however, the negative balances are fully offset by receivables.
4. Debt Service Fund – General (\$39,478,914) which is fully offset by outstanding cash transfers from all funds related to their share of the Pension Obligation Bond (POBs) payments made by the Debt Service Fund (\$23.5 million) and other debt service payments.
5. Central Stores (\$559,676) has a negative cash balance stemming from the impact of inflation on inventory purchases. Inventory is charged out (sold) at an average cost. While over time the total cost of inventory is recovered with this pricing methodology, the cash balance is temporarily negative as inventory is sold at a lower price than the current cost of replenishment.

QUARTERLY DEBT REPORT

The Finance Department is responsible for managing the City's debt portfolio, which includes issuing new debt and monitoring opportunities to refinance existing debt. The Quarterly Debt Report (Attachment 2) summarizes the composition of the City's debt portfolio, details the revenue sources utilized to pay the debt service associated with each outstanding debt, and provides detailed information regarding the total principal and interest payments made in the second quarter of FY 2023/24 by debt classification and fund.

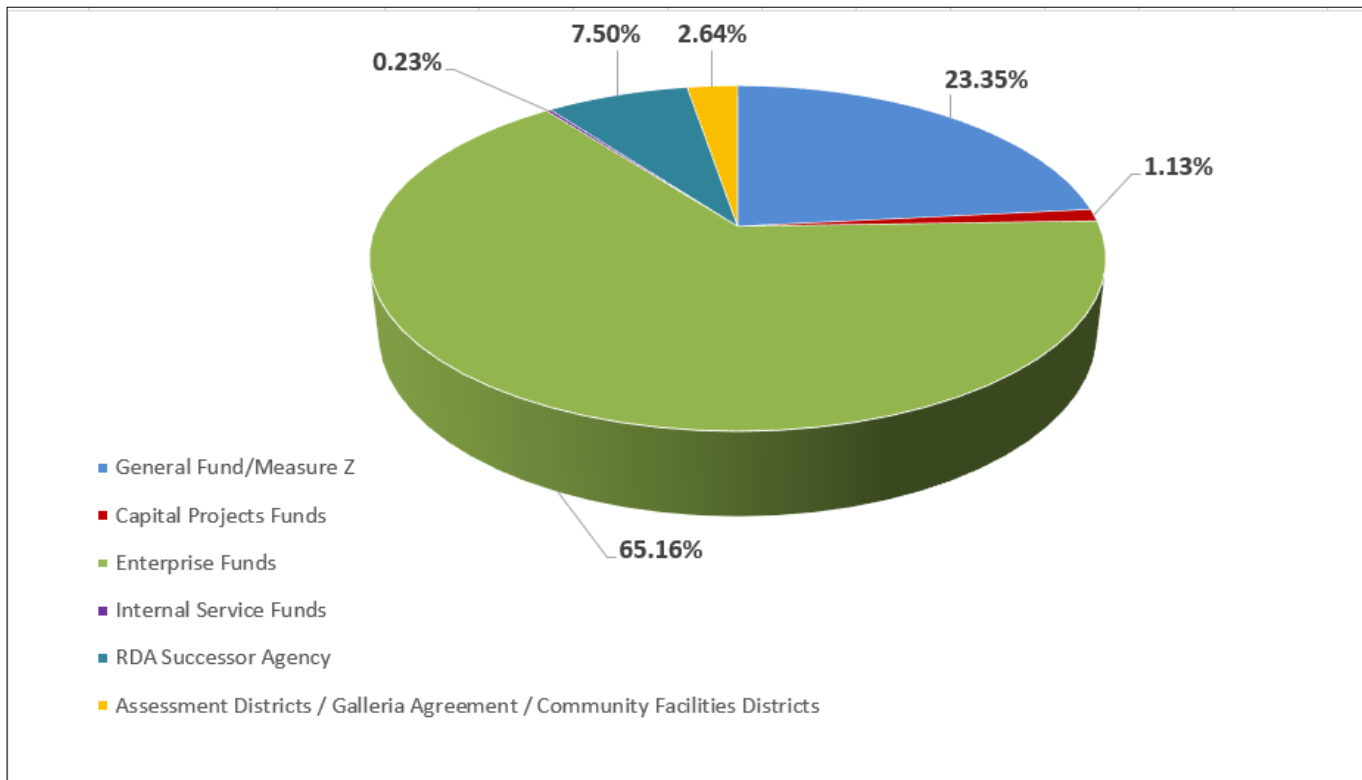
Debt Summary Analysis

The City's outstanding principal varies as a result of debt service payments, bond calls, new debt issuances, and refunding and defeasance activity. At the end of the second quarter of FY 2023/24,

the City’s outstanding principal balance decreased \$36,721,298 from the end of the first quarter of FY 2023/24. This principal decrease is due to debt service principal payments on the following bonds:

- California Tower Lease Revenue Bonds Series 2003A & 2003B
- Lease Revenue Bonds 2012A, 2019A (Galleria) & 2019B (Library)
- Capital Lease for the Police Helicopters
- Fox Entertainment Plaza Loan
- Convention Center Expansion Loan
- RPU Electric Revenue Bonds 2010A, 2011A, 2019A
- RPU Water Revenue Bonds 2009B, 2019A, 2022A
- Refinancing of RPU Electric Revenue Bonds 2013A with the Issuance of 2023A, a net principal paydown of \$3.9 million

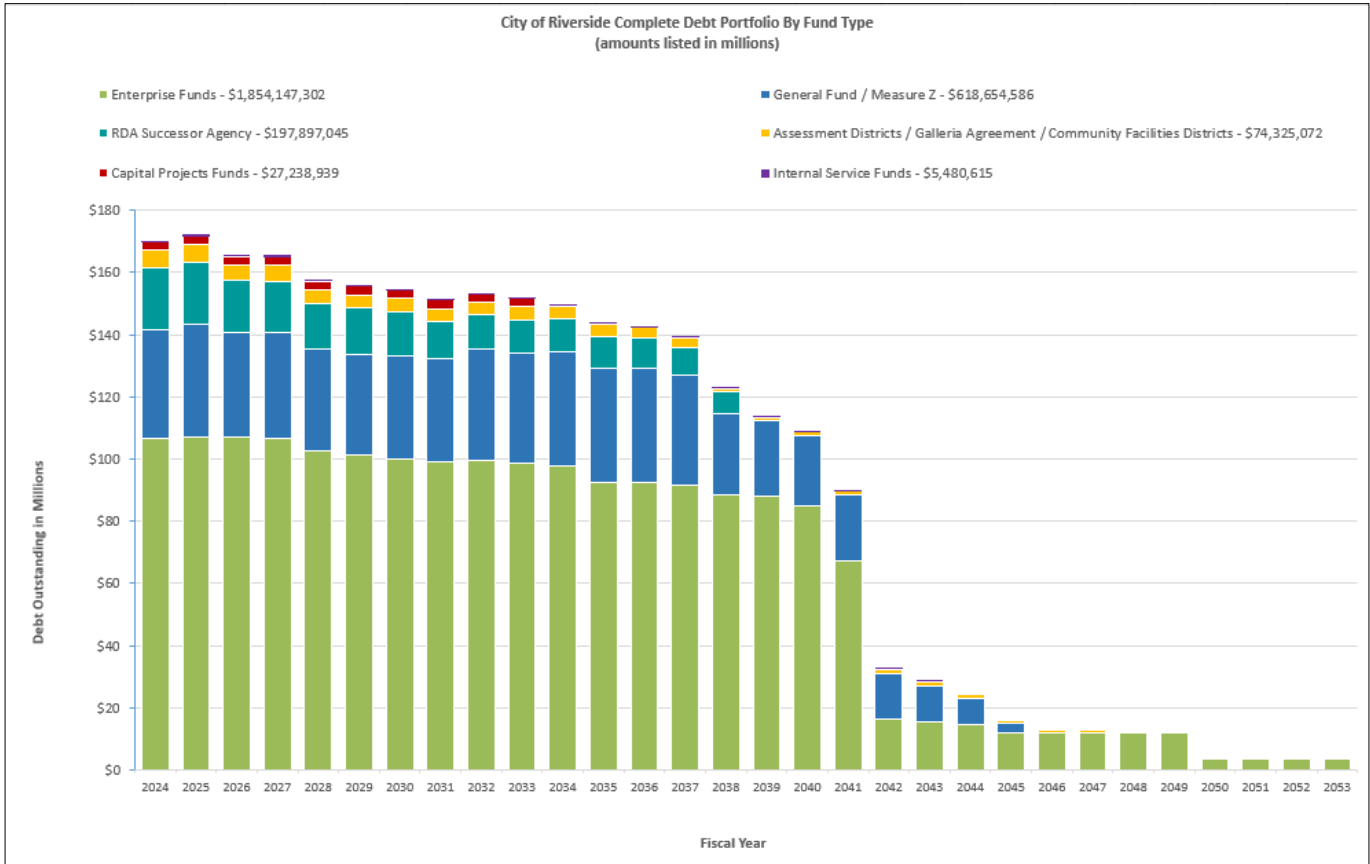
The following chart depicts the composition of the City’s debt portfolio at the end of the second quarter. The Enterprise funds are responsible for most of the City’s debt and are primarily for capital project financing offset by the revenues generated by the newly financed facilities. The General Fund and Measure Z have the next largest percentage of debt, providing financing for projects and equipment related to public safety, downtown revitalization, and public facility and infrastructure improvements. Payment of debt service for the City’s Pension Obligation Bonds is allocated among many of the funds, distributing debt service in alignment with departmental staffing costs.



For the purposes of this report, the Sewer, Water, Electric, Refuse, Special Transit, Civic Entertainment, Convention Center, and Parking funds are consolidated under the classification of Enterprise Funds. Measure Z and the General Fund are grouped together. Measure A is classified under the Capital Projects Funds. While the Assessment Districts, Galleria Agreement, and Community Facilities Districts are part of the City’s debt portfolio, they aren’t classified as City obligations. They are offset by individual Assessment and Community Facilities Districts which

are separate legal entities from the City, formed to issue debt and levy assessments and/or special tax to finance improvements related to development in those districts.

The following chart provides the City’s debt service obligations at the beginning of fiscal year 2023-2024 using the same classification methodology, depicting aggregate principal and interest payments on all City debt by fund. As illustrated below, the City has a stable debt service curve that results in steadily diminishing annual debt service payments, minimizing large upward spikes in payments that could negatively impact the City’s ability to pay debt service in any one fiscal year.



Debt-Related Activities in the Second Quarter

Finance staff regularly monitor the market to identify opportunities to maximize debt service savings through refunding and to issue debt when rates are most advantageous. Within the second quarter, staff finalized the Refunding of the 2013A RPU Electric Revenue Bonds with the issuance of 2023A Electric Revenue Bonds. This financing plan resulted in approximately \$3.1 million in net present value (NPV) savings for the City.

Other debt related activities conducted within the second quarter includes:

- Coordination of the Auto Center, Arlington, and Downtown Business Improvement District annual public hearings
- Senate Bill 165 Reporting
- Preparation of various debt related reports for submission to the California Debt and Investment Advisory Commission (CDIAC) and the State Controller’s Office
- Refunding of RPU’s 2013A Electric Revenue Bonds with the issuance of 2023A Electric Revenue Bonds
- Began the process for a plan to finance the 2024A Refunding Electric Revenue Bonds

STRATEGIC PLAN ALIGNMENT:

This item contributes to Strategic Priority No. 5 High Performing Government Goal No. 5.3 – Enhance communication and collaboration with community members, to improve transparency, build public trust, and encourage shared decision-making.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The preparation and approval of the debt and investment quarterly report ensures transparency and demonstrates compliance with City Debt and Investment Policies.
2. **Equity** – The debt and investment portfolios detailed in this report are used to share and offset the long-term cost of growth, development, and expansion among Riverside businesses and residents.
3. **Fiscal Responsibility** – The Quarterly Report demonstrates fiscal responsibility and accountability by presenting the current financial situation of the City and closely related agencies.
4. **Innovation** – Innovative stewardship of investments and municipal debt is an effective way to track, fund, and finance, repair and improvements while ensuring sufficient cash to meet obligations.
5. **Sustainability & Resiliency** – Quarterly accounting and reporting helps to ensure City funds are used in a sustainable way without compromising future needs.

FISCAL IMPACT:

There is no direct fiscal impact associated with this report.

Prepared by:	Meline Carranza, Debt and Treasury Manager
Approved by:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Certified as to availability of funds:	Kristie Thomas, Assistant Chief Financial Officer/Finance Director
Approved by:	Edward Enriquez, Assistant City Manager/Chief Financial Officer/City Treasurer
Approved as to form:	Phaedra A. Norton, City Attorney

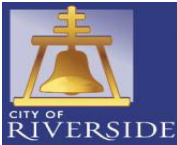
Attachments:

1. Cash and Investment Report – Q2
2. Quarterly Debt Report – Q2

ATTACHMENT 1

CASH AND INVESTMENT REPORT

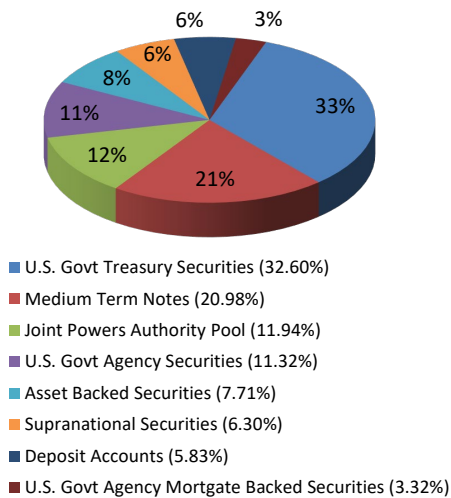




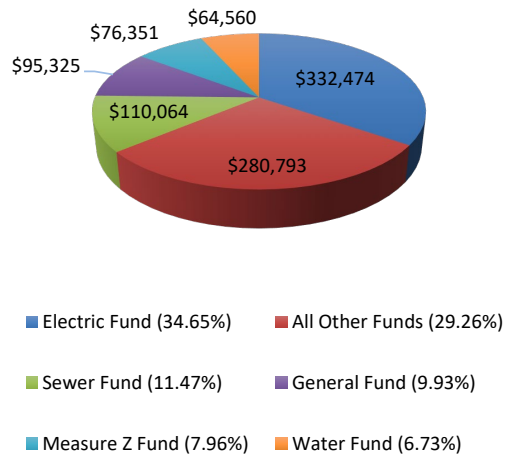
CITY OF RIVERSIDE Quarterly Investment Report December 31, 2023

	AMORTIZED COST	MARKET VALUE
POOLED INVESTMENT PORTFOLIO		
Deposit Accounts	\$ 55,895,970.50	\$ 55,895,970.50
Joint Powers Authority Pool	114,614,332.08	114,614,332.08
Medium Term Notes	206,796,954.08	201,337,500.23
U.S. Govt Agency Mortgage Backed Securities	32,669,690.83	31,872,098.41
Asset Backed Securities	74,274,583.25	74,015,208.71
Supranational Securities	61,496,562.55	60,462,245.49
U.S. Govt Agency Securities	112,263,680.60	108,575,518.24
U.S. Govt Treasury Securities	315,040,890.48	312,794,593.55
TOTAL POOLED INVESTMENT PORTFOLIO	973,052,664.37	959,567,467.21
INVESTMENTS HELD BY FISCAL AGENT -		
SECTION 115 PENSION TRUST FUND	41,052,750.61	43,421,400.18
OTHER INVESTMENTS HELD BY FISCAL AGENT	148,377,237.48	147,205,136.31
OTHER MISCELLANEOUS CASH	4,937,770.56	4,937,770.56
TOTAL CASH & INVESTMENTS	\$ 1,167,420,423.02	\$ 1,155,131,774.26

COMPOSITION OF POOLED PORTFOLIO



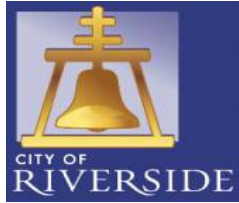
COMPOSITION OF POOLED PORTFOLIO BY FUND



It has been verified that this investment portfolio is in conformity, exclusive of items identified, with the City of Riverside's investment policy which was approved by City Council on 3/11/2020. The Treasurer's cash management program and cash flow analysis indicates that sufficient liquidity is on hand to meet estimated future expenditures for a period of six months. The weighted average maturity of the City's investment portfolio is 2.07 years. Market prices of securities are obtained from Interactive Data Corporation. Weighted average yield on cost for the City's investment portfolio is 3.09%. The cash held and invested with fiscal agents is subject to the investment provisions of the related trust indentures associated with the bond transaction which generated the cash.

Verified by: 
Nancy Garcia, Controller

Approved by: 
Edward P. Enriquez, Assistant City Manager/CFO



CITY OF RIVERSIDE
Pooled Investment Portfolio Holdings
December 31, 2023

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	**MARKET VALUE
<u>DEPOSIT ACCOUNTS</u>						
Bank of America Checking and Reserve	N/A	Varies	NR	Varies	54,919,069.14	54,919,069.14
Federated Investors Federated Treasury	N/A	Varies	AAA	Varies	976,901.36	976,901.36
SUBTOTAL DEPOSIT ACCOUNTS					55,895,970.50	55,895,970.50
<u>JOINT POWERS AUTHORITY POOL</u>						
California Asset Management Program (CAMP)	N/A	Varies	AAA	Varies	114,614,332.08	114,614,332.08
SUBTOTAL JOINT POWERS AUTHORITY POOL					114,614,332.08	114,614,332.08
<u>MEDIUM TERM NOTES</u>						
Amazon.com Inc	0.450	05/12/24	AA	05/10/21	3,649,663.70	3,592,647.53
John Deere Capital Corp	0.450	06/07/24	A	06/07/21	2,077,400.00	2,036,159.84
Salesforce.com Inc	0.625	07/15/24	A+	06/29/21	1,064,456.85	1,041,222.75
Royal Bank of Canada	2.250	11/01/24	A	02/06/20	3,037,950.00	2,935,623.00
John Deere Capital Corp	2.050	01/09/25	A	02/06/20	3,024,810.00	2,947,819.33
American Honda Finance	1.500	01/13/25	A-	Various	1,992,466.80	1,943,556.00
Toyota Motor Credit Corp	1.800	02/13/25	A+	05/05/21	2,072,840.00	1,948,188.00
JP Morgan Chase & Co	3.220	03/01/25	A-	08/18/20	3,238,920.00	3,019,867.00
Bank of America Corp	3.458	03/15/25	A-	04/23/20	5,263,900.00	5,027,059.44
Chubb INA Holdings Inc	3.150	03/15/25	A	Various	6,518,943.13	5,872,555.36
Royal Bank of Canada	3.375	04/14/25	A	04/14/22	1,497,420.00	1,480,298.63
Bank of Montreal	1.850	05/01/25	A-	08/12/21	2,581,050.00	2,404,595.83
Caterpillar Financial Service	3.400	05/13/25	A	05/10/22	2,736,520.20	2,705,553.63
Qualcomm Inc	3.450	05/20/25	A	Various	5,245,703.20	4,928,700.83
Morgan Stanley	0.790	05/30/25	A-	Various	7,461,656.65	7,302,735.39
Honeywell Intl	1.350	06/01/25	A	06/23/20	5,119,000.00	4,778,865.00
Royal Bank of Canada	1.150	06/10/25	A	Various	5,044,880.00	4,741,724.17
Northwestern Mutual Gbl	4.000	07/01/25	AA+	06/27/22	6,402,822.30	6,474,583.92
American Honda Finance	1.200	07/08/25	A-	06/22/21	2,017,540.00	1,906,597.33
Toronto Dominion Bank	0.750	09/11/25	A	09/15/20	4,986,850.00	4,676,773.33
National Rural Utilities	3.250	11/01/25	A-	04/14/22	2,994,000.00	2,930,456.00
Simon Property Group	3.300	01/15/26	A-	08/11/21	4,750,593.75	4,304,919.79
Goldman Sachs Group Inc	0.855	02/12/26	BBB+	06/18/21	4,334,706.25	4,162,826.72
Bank of America Corp	2.015	02/13/26	A-	03/04/21	2,066,760.00	1,937,280.33
JP Morgan Chase & Co	2.005	03/13/26	A-	03/12/21	3,086,490.00	2,900,268.00
Citigroup Inc	3.106	04/08/26	BBB+	Various	6,788,825.00	6,241,577.98
Mass Mutual Global funding	4.500	04/10/26	AA+	04/04/23	1,998,620.00	2,014,324.00
JP Morgan Chase & Co	2.083	04/22/26	A-	06/23/21	3,105,570.00	2,885,524.25
Guardian Life Glob Fun	1.250	05/13/26	AA+	02/09/22	2,307,168.00	2,208,652.00
United Health Group Inc	1.150	05/15/26	A+	Various	2,852,118.20	2,781,574.33
Toyota Motor Credit Corp	1.125	06/18/26	A+	Various	4,989,707.50	4,619,006.26
Bank of America Corp	1.319	06/19/26	A-	06/18/21	2,004,120.00	1,883,141.33
Met Tower Global Funding	1.250	09/14/26	AA-	09/07/21	2,927,304.40	2,676,025.48
Bank of Montreal	1.250	09/15/26	A-	Various	2,495,539.50	2,286,521.39
Wal-Mart Stores	1.050	09/17/26	AA	09/08/21	1,332,476.85	1,230,655.51
Morgan Stanley	6.138	10/16/26	A-	10/19/22	1,498,185.00	1,546,170.75
Metlife	1.875	01/11/27	AA-	01/03/22	4,240,160.70	3,913,844.02
Toronto-Dominion Bank	1.950	01/12/27	A	01/25/22	992,295.35	932,959.18
Charles Schwab Corp	2.450	03/03/27	A-	03/01/22	1,668,196.40	1,567,972.28
Goldman Sachs Group Inc	1.431	03/09/27	BBB+	Various	2,914,727.50	3,011,255.00



CITY OF RIVERSIDE
Pooled Investment Portfolio Holdings
December 31, 2023

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	**MARKET VALUE
Berkshire Hathaway	2.300	03/15/27	AA	03/07/22	4,924,064.25	4,691,403.42
Toyota Motor Credit Corp	3.050	03/22/27	A+	06/14/23	1,881,520.00	1,933,355.00
Amazon.com Inc	3.300	04/13/27	AA	04/25/22	2,994,810.00	2,933,568.00
Virginia Electric Power Corp	3.750	05/15/27	BBB+	Various	5,509,511.95	5,396,224.17
Qualcomm Inc	3.250	05/20/27	A	Various	4,754,650.00	4,858,576.94
Citigroup Inc	1.462	06/09/27	BBB+	06/21/22	1,753,880.00	1,832,068.89
Merck & Co	1.700	06/10/27	A+	06/23/22	3,966,221.40	4,019,099.68
Caterpillar Financial Service	3.600	08/12/27	A	Various	3,213,062.50	3,218,855.25
Wal-Mart Stores	3.950	09/09/27	AA	Various	2,495,938.60	2,516,812.22
Amazon.com Inc	4.550	12/01/27	AA	Various	3,027,460.00	3,057,284.00
Toronto-Dominion Bank	5.156	01/10/28	A	Various	3,980,080.00	4,158,296.00
John Deere Capital Corp	4.750	01/20/28	A	Various	7,069,150.00	7,264,537.39
Bank of America Corp	3.824	01/20/28	A-	Various	2,356,757.55	2,444,709.44
United Health Group Inc	5.250	02/15/28	A+	02/21/23	4,061,040.00	4,215,613.33
Comcast Corp	3.550	05/01/28	A-	Various	4,785,920.00	4,851,473.33
JP Morgan Chase & Co	3.540	05/01/28	A-	06/12/23	1,872,100.00	1,920,504.00
Apple Inc	4.000	05/10/28	AA+	05/08/23	1,571,960.25	1,580,256.83
Merck & Co	4.050	05/17/28	A+	Various	3,997,647.20	4,002,220.00
Bank of NY Mellon Corp	3.992	06/13/28	A	07/14/23	1,922,520.00	1,954,984.00
American Honda Finance	5.125	07/07/28	A-	Various	2,330,643.15	2,494,933.27
ROYAL BANK OF CANADA	5.200	08/01/28	A	09/07/23	1,478,460.00	1,563,728.33
Bank of Montreal	5.717	09/25/28	A-	11/09/23	2,467,200.00	2,628,915.83
SUBTOTAL MEDIUM TERM NOTES					206,796,954.08	201,337,500.23

U.S. GOVERNMENT AGENCY MORTGAGE BACKED SECURITIES

FHLMC - K041 A2	3.171	10/25/24	AAA	07/01/21	5,321,068.18	4,875,916.02
FHLMC - K047 A2	3.329	05/25/25	NR	05/20/22	5,028,906.25	4,909,185.83
FHLMC - K049 A2	3.010	07/25/25	NR	06/23/21	1,789,016.21	1,613,501.97
FHLMC - K059 A2	3.120	09/25/26	AAA	02/18/22	3,128,437.50	2,903,370.00
FHLMC - K073 A2	3.350	01/25/28	NR	05/24/23	5,156,267.97	5,162,623.26
FHLMC - K074 A2	3.600	01/25/28	NR	07/25/23	2,386,035.15	2,428,027.50
FHLMC - K077 A2	3.850	05/25/28	NR	05/24/23	7,023,638.67	7,008,871.06
FHLMC - K085 A2	4.060	10/25/28	NR	10/30/23	2,836,320.90	2,970,602.77
SUBTOTAL U.S. GOVERNMENT AGENCY MORTGAGE BACKED SECURITIES					32,669,690.83	31,872,098.41

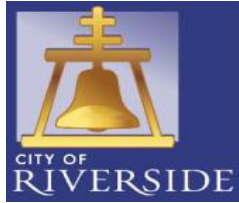
ASSET BACKED SECURITIES

Honda Auto Receivables Trust	0.370	10/18/24	AAA	09/22/20	42,995.21	42,890.05
Mercedes-Benz Auto Lease Trust	0.400	11/15/24	AAA	06/22/21	233,457.29	233,074.70
Hyundai Auto Lease Trust	1.160	01/15/25	AAA	01/11/22	866,069.61	860,915.22
Toyota Lease Owner Trust	1.960	02/20/25	AAA	02/23/22	2,658,630.73	2,640,900.97
GM Financial Auto Lease Trust	1.900	03/20/25	NR	02/15/22	1,785,490.36	1,775,257.91
BMW Vehicle Lease Trust	1.100	03/25/25	AAA	01/11/22	447,138.48	444,749.44
Honda Auto Receivables Trust	0.270	04/21/25	NR	02/17/21	187,927.21	185,662.90
Toyota Auto Receivables Owners	0.260	05/15/25	NR	02/02/21	711,355.24	703,694.05
GM Financial Auto Lease Trust	3.420	06/20/25	AAA	05/03/22	2,057,546.11	2,047,208.54
John Deere Owner Trust	0.360	09/15/25	NR	03/02/21	462,862.01	454,804.42
Hyundai Auto Receivables Trust	0.380	09/15/25	AAA	04/20/21	426,528.32	420,609.65
BMW Vehicle Lease Trust	5.160	11/25/25	AAA	02/07/23	894,978.70	894,639.32
Hyundai Auto Receivables Trust	0.380	01/15/26	AAA	07/20/21	2,179,162.09	2,132,580.04
Honda Auto Receivables Trust	0.880	01/21/26	NR	11/16/21	1,218,709.48	1,183,126.93
John Deere Owner Trust	0.520	03/16/26	NR	07/13/21	1,343,399.28	1,307,443.09



CITY OF RIVERSIDE
Pooled Investment Portfolio Holdings
December 31, 2023

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	**MARKET VALUE
Hyundai Auto Receivables Trust	0.740	05/15/26	AAA	11/09/21	862,949.93	839,990.41
Honda Auto Receivables Trust	1.880	05/15/26	AAA	02/15/22	2,746,755.57	2,676,172.42
BMW Vehicle Owner Trust	3.210	08/25/26	AAA	05/10/22	1,952,471.93	1,926,055.56
GM Financial Securitized Term	0.680	09/16/26	AAA	10/13/21	961,756.26	929,812.47
John Deere Owner Trust	2.320	09/16/26	NR	03/10/22	1,457,374.38	1,426,640.75
Hyundai Auto Receivables Trust	2.220	10/15/26	AAA	03/09/22	2,990,850.40	2,925,857.22
GM Financial Auto Receivables	1.260	11/16/26	AAA	01/11/22	950,623.52	923,358.14
GM Financial Securitized ART	3.100	02/16/27	AAA	04/05/22	1,674,649.93	1,644,636.72
John Deere Owner Trust	3.740	02/16/27	NR	07/12/22	2,689,743.11	2,650,960.63
Honda Auto Receivables Owner	5.040	04/21/27	NR	02/16/23	1,849,656.27	1,854,902.50
American Express Credit Trust	3.390	05/17/27	AAA	05/17/22	5,188,851.97	5,091,627.01
John Deere Owner Trust	5.090	06/15/27	NR	10/12/22	3,454,731.89	3,462,546.49
Verizon Master Trust	3.720	07/20/27	AAA	08/02/22	2,349,896.60	2,350,375.22
American Express Credit Trust	3.750	08/16/27	NR	10/28/22	3,868,125.00	3,938,078.00
Mercedes-Benz Auto Receivables	5.210	08/16/27	AAA	11/15/22	6,158,781.55	6,182,764.62
John Deere Owner Trust	5.010	11/15/27	NR	02/22/23	2,814,487.11	2,826,597.17
GM Auto Receivable Trust	4.470	02/16/28	AAA	04/04/23	1,549,957.38	1,542,914.18
BMW Vehicle Owner Trust	5.470	02/25/28	AAA	07/11/23	1,499,734.20	1,516,961.50
John Deere Owner Trust	5.180	03/15/28	NR	06/21/23	2,649,557.98	2,679,192.99
Toyota Auto Receivables Owner	5.540	08/15/28	AAA	11/07/23	2,669,712.17	2,728,673.89
Chase Issuance Trust	5.160	09/15/28	AAA	09/07/23	8,417,665.98	8,569,533.59
SUBTOTAL ASSET BACKED SECURITIES					74,274,583.25	74,015,208.71
<u>SUPRANATIONAL SECURITIES</u>						
Inter-American Dev Bank	0.500	09/23/24	AAA	09/15/21	4,996,300.00	4,846,165.56
Intl. Bank Recon & Development	0.625	04/22/25	AAA	04/15/20	4,278,378.35	4,084,802.34
Inter-American Dev Bank	0.625	07/15/25	AAA	01/13/21	5,071,967.50	4,772,971.87
Intl. Bank Recon & Development	0.500	10/28/25	AAA	Various	9,994,372.85	9,328,130.01
Inter-American Dev Bank	0.875	04/20/26	AAA	04/13/21	9,342,016.70	8,717,151.15
Intl. Bank Recon & Development	3.500	07/12/28	AAA	Various	14,429,190.65	14,933,438.33
International Finance Corp	4.500	07/13/28	AAA	07/06/23	4,365,149.30	4,553,168.55
Inter-American Dev Bank	3.125	09/18/28	AAA	Various	9,019,187.20	9,226,417.68
SUBTOTAL SUPRANATIONAL SECURITIES					61,496,562.55	60,462,245.49
<u>U.S. GOVERNMENT AGENCY SECURITIES</u>						
FHLB	2.750	12/13/24	AA+	02/06/20	5,281,300.00	4,911,410.00
FNMA	1.625	01/07/25	AA+	03/04/20	8,281,440.00	7,814,913.33
FHLMC	1.500	02/12/25	AA+	02/13/20	6,599,914.15	6,414,780.41
FHLB	2.375	03/14/25	AA+	03/19/20	6,346,620.00	5,888,004.17
FNMA	0.625	04/22/25	AA+	04/22/20	5,199,267.40	4,959,804.95
FHLB	0.500	06/13/25	AA+	06/29/20	5,007,400.00	4,726,650.00
FNMA	0.500	06/17/25	AA+	06/17/20	6,506,503.60	6,153,767.98
FHLMC	0.375	07/21/25	AA+	07/21/20	4,606,942.60	4,358,657.31
FNMA	0.375	08/25/25	AA+	Various	7,962,282.50	7,489,836.00
FHLMC	0.375	09/23/25	AA+	Various	7,970,197.55	7,474,790.67
FNMA	0.500	11/07/25	AA+	11/09/20	6,063,215.70	5,672,443.09
FHLB	4.500	12/12/25	AA+	02/03/23	7,592,925.00	7,535,415.00
FFCB	4.375	06/23/26	AA+	06/20/23	7,745,892.50	7,791,960.22
FHLB	4.500	03/10/28	AA+	Various	10,246,000.00	10,375,220.00
Tennessee Valley Authority	3.875	03/15/28	AA+	Various	10,325,114.60	10,371,582.14
FHLB	4.375	06/09/28	AA+	07/26/23	6,528,665.00	6,636,282.97

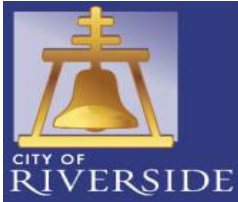


CITY OF RIVERSIDE
Pooled Investment Portfolio Holdings
December 31, 2023

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	**MARKET VALUE
SUBTOTAL U.S. GOVERNMENT AGENCY SECURITIES					112,263,680.60	108,575,518.24
<u>U.S. GOVERNMENT TREASURY SECURITIES</u>						
US Treasury	2.000	04/30/24	AA+	Various	3,030,734.11	2,978,812.78
US Treasury	0.250	06/15/24	AA+	06/18/21	4,717,158.21	4,646,830.57
US Treasury	1.750	06/30/24	AA+	09/09/19	9,358,759.77	9,096,154.71
US Treasury	1.500	02/15/25	AA+	Various	15,947,968.76	16,016,628.54
US Treasury	1.125	02/28/25	AA+	03/24/20	6,177,656.25	5,785,857.07
US Treasury	1.750	03/15/25	AA+	05/04/22	4,827,539.06	4,857,406.54
US Treasury	2.750	05/15/25	AA+	Various	9,795,000.00	9,798,788.24
US Treasury	3.125	08/15/25	AA+	09/27/22	4,826,171.88	4,959,408.34
US Treasury	0.250	09/30/25	AA+	10/16/20	6,975,937.50	6,523,196.72
US Treasury	4.250	10/15/25	AA+	10/28/22	3,983,750.00	4,028,729.51
US Treasury	0.375	12/31/25	AA+	12/29/20	2,249,824.22	2,085,228.68
US Treasury	0.375	01/31/26	AA+	Various	8,625,488.28	8,097,908.82
US Treasury	4.000	02/15/26	AA+	02/16/23	7,425,585.94	7,579,040.22
US Treasury	0.750	03/31/26	AA+	03/30/21	3,969,843.75	3,718,714.95
US Treasury	0.750	05/31/26	AA+	Various	9,942,773.44	9,237,417.38
US Treasury	0.750	08/31/26	AA+	Various	5,170,878.90	4,826,489.54
US Treasury	1.125	10/31/26	AA+	Various	12,919,453.14	12,020,959.72
US Treasury	1.500	01/31/27	AA+	Various	15,585,117.20	15,419,566.37
US Treasury	2.750	04/30/27	AA+	Various	18,449,570.32	18,365,363.25
US Treasury	3.250	06/30/27	AA+	Various	20,141,015.63	19,546,325.70
US Treasury	4.125	09/30/27	AA+	Various	20,091,445.31	20,336,191.15
US Treasury	3.875	12/31/27	AA+	Various	20,147,968.81	19,969,309.12
US Treasury	3.625	03/31/28	AA+	Various	20,028,125.00	19,966,261.31
US Treasury	3.625	05/31/28	AA+	Various	26,998,242.19	27,296,043.47
US Treasury	4.125	07/31/28	AA+	Various	30,015,292.97	31,341,044.46
US Treasury	4.625	09/30/28	AA+	Various	9,375,585.94	9,917,430.47
US Treasury	4.375	11/30/28	AA+	Various	14,264,003.90	14,379,485.92
SUBTOTAL U.S. GOVERNMENT TREASURY SECURITIES					315,040,890.48	312,794,593.55
TOTAL POOLED CASH & INVESTMENTS					973,052,664.37	959,567,467.21

*The City uses S&P ratings

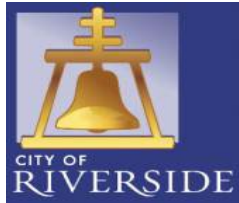
** Includes accrued interest



CITY OF RIVERSIDE
Investments held by Fiscal Agent
Section 115 Pension Trust Fund
December 31, 2023

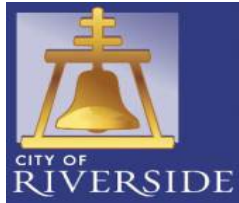
DESCRIPTION OF SECURITY	COST VALUE	MARKET VALUE
<u>CASH AND EQUIVALENTS</u>		
*Cash	7,072.76	7,072.76
First American Government Obligation Fund CL "X"	1,465,550.26	1,465,550.26
SUBTOTAL CASH AND EQUIVALENTS	1,472,623.02	1,472,623.02
<u>MUTUAL FUNDS - EQUITY</u>		
Ishares Core - S P500 Etf	5,296,328.82	6,341,015.88
Ishares S P - 500 Growth Etf	1,963,680.32	2,348,001.50
Ishares S P - 500 Value Etf	2,275,212.85	2,714,596.79
Ishares - Russell Mid Cap Etf	2,084,497.36	2,327,780.31
Ishares - Russell 2000 Value Etf	1,307,839.06	1,440,064.43
Ishares - Russell 2000 Growth Etf	1,327,400.03	1,447,995.02
Ishares Core - Msci Eafe Etf	2,438,865.25	2,643,541.95
Vanguard Ftse - Emerging Markets Etf	1,474,135.85	1,457,447.10
Vanguard Real - Estate Etf	660,790.11	682,757.72
SUBTOTAL MUTUAL FUNDS - EQUITY	18,828,749.65	21,403,200.70
<u>MUTUAL FUNDS - FIXED INCOME</u>		
Ishares Core - U.S. Aggregate Bond Etf	18,955,929.55	18,731,055.50
Ishares Mbs - Etf	1,795,448.39	1,814,520.96
SUBTOTAL MUTUAL FUNDS - FIXED INCOME	20,751,377.94	20,545,576.46
TOTAL ASSETS	41,052,750.61	43,421,400.18

* Includes accrued income



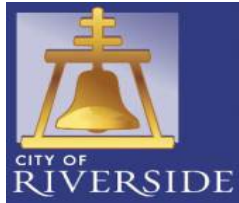
CITY OF RIVERSIDE
Investments Held by Fiscal Agent
December 31, 2023

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	**MARKET VALUE
<u>CASH & MONEY MARKET ACCOUNTS</u>						
US Bank Commercial Paper Sweep	N/A	Varies	NR	Varies	330,383.21	330,383.21
US Bank Gcts0170	N/A	Varies	NR	Varies	26,126,474.25	26,126,474.25
US Bank Gcts0185	N/A	Varies	NR	Varies	3,110.42	3,110.42
First American Government Obligation CL "Y"	N/A	Varies	AAA	Varies	75,716.54	75,716.54
First American Government Obligation CL "Z"	N/A	Varies	AAA	Varies	4,230,434.68	4,230,434.68
First American Treasury MMF Class "Z"	N/A	Varies	AAA	Varies	48,019,614.79	48,019,614.79
SUBTOTAL CASH & MONEY MARKET ACCOUNTS					78,785,733.89	78,785,733.89
LOCAL AGENCY INVESTMENT FUND (LAIF)	N/A	Varies	NR	Varies	1,289,347.73	1,301,603.15
<u>MEDIUM TERM NOTES</u>						
Charles Schwab Corp	0.750	03/18/24	A-	Various	601,166.80	595,124.92
Amazon.com Inc	0.450	05/12/24	AA	05/10/21	394,423.30	388,261.50
John Deere Capital Corp	0.450	06/07/24	A	06/07/21	369,537.50	362,201.52
Salesforce.com Inc	0.625	07/15/24	A+	06/29/21	94,951.55	92,879.03
American Honda Finance	1.500	01/13/25	A-	Various	695,744.40	680,244.60
Toyota Motor Credit Corp	1.800	02/13/25	A+	05/05/21	777,315.00	730,570.50
Chubb INA Holdings Inc	3.150	03/15/25	A	01/26/21	659,406.00	592,290.00
Caterpillar Financial Service	3.400	05/13/25	A	05/10/22	209,733.30	207,359.95
Morgan Stanley	0.790	05/30/25	A-	05/26/21	640,340.50	626,088.49
Eli Lilly & Co	2.750	06/01/25	A+	06/10/21	699,166.00	634,056.58
Honeywell Intl	1.350	06/01/25	A	06/10/21	717,066.00	669,041.10
PNC Bank	3.250	06/01/25	A	06/10/21	710,365.50	633,792.46
Royal Bank of Canada	1.150	06/10/25	A	02/22/21	607,344.00	569,006.90
Toronto Dominion Bank	0.750	09/11/25	A	02/10/21	650,292.50	607,980.53
Simon Property Group	3.300	01/15/26	A-	08/11/21	678,656.25	614,988.54
Goldman Sachs Group Inc	0.855	02/12/26	BBB+	06/18/21	619,243.75	594,689.54
Bank of America Corp	2.015	02/13/26	A-	03/04/21	620,028.00	581,184.10
JP Morgan Chase & Co	2.005	03/13/26	A-	03/12/21	617,298.00	580,053.60
Citigroup Inc	3.106	04/08/26	BBB+	06/18/21	669,075.00	611,919.41
United Health Group Inc	1.150	05/15/26	A+	Various	130,420.30	120,534.90
Wal-Mart Stores	1.050	09/17/26	AA	09/08/21	119,773.20	110,620.72
Target Corp	1.950	01/15/27	A	01/19/22	264,549.50	249,620.64
Virginia Electric Power Corp	3.750	05/15/27	BBB+	05/16/22	119,625.60	117,735.80
Merck & Co	4.050	05/17/28	A+	05/15/23	600,024.00	600,333.01
SUBTOTAL MEDIUM TERM NOTES					12,265,545.95	11,570,578.34
<u>ASSET BACKED SECURITIES</u>						
Mercedes-Benz Auto Lease Trust	0.400	11/15/24	AAA	06/22/21	21,633.10	21,597.65
GM Financial Auto Lease Trust	1.900	03/20/25	NR	02/15/22	153,750.56	152,869.44
BMW Vehicle Lease Trust	1.100	03/25/25	AAA	01/11/22	38,994.62	38,786.28
Honda Auto Receivables Trust	0.270	04/21/25	NR	02/17/21	20,788.41	20,537.93
Toyota Auto Receivables Owners	0.260	05/15/25	NR	02/02/21	79,802.22	78,942.77
Hyundai Auto Receivables Trust	0.380	09/15/25	AAA	04/20/21	47,713.36	47,051.27
John Deere Owner Trust	0.360	09/15/25	NR	03/02/21	51,270.85	50,378.33
Hyundai Auto Receivables Trust	0.380	01/15/26	AAA	07/20/21	201,046.76	196,749.17
Honda Auto Receivables Trust	0.880	01/21/26	NR	11/16/21	107,942.87	104,791.25
John Deere Owner Trust	0.520	03/16/26	NR	07/13/21	124,896.51	121,553.66
Hyundai Auto Receivables Trust	0.740	05/15/26	AAA	11/09/21	75,939.59	73,919.15



CITY OF RIVERSIDE
Investments Held by Fiscal Agent
December 31, 2023

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	**MARKET VALUE
Honda Auto Receivables Trust	1.880	05/15/26	AAA	02/15/22	239,060.43	232,917.30
BMW Vehicle Owner Trust	3.210	08/25/26	AAA	05/10/22	146,435.40	144,454.17
GM Financial Securitized Term	0.680	09/16/26	AAA	10/13/21	82,847.94	80,096.23
John Deere Owner Trust	2.320	09/16/26	NR	03/10/22	152,073.85	148,866.86
GM Financial Auto Receivables	1.260	11/16/26	AAA	01/11/22	83,388.03	80,996.33
GM Financial Securitized ART	3.100	02/16/27	AAA	04/05/22	139,970.75	137,462.19
John Deere Owner Trust	3.740	02/16/27	NR	07/12/22	184,982.33	182,315.13
Honda Auto Receivables Owner	5.040	04/21/27	NR	02/16/23	139,973.99	140,371.00
John Deere Owner Trust	5.090	06/15/27	NR	10/12/22	239,981.38	240,524.22
Verizon Master Trust	3.720	07/20/27	AAA	08/02/22	159,992.96	160,025.56
Mercedes-Benz Auto Receivables	5.210	08/16/27	AAA	11/15/22	414,917.91	416,533.65
SUBTOTAL ASSET BACKED SECURITIES					2,907,403.82	2,871,739.54
<u>SUPRANATIONAL SECURITIES</u>						
Inter-American Dev Bank	0.500	09/23/24	AAA	09/15/21	764,433.90	741,463.33
International Finance Corp	1.375	10/16/24	AAA	07/12/21	1,026,900.00	974,875.58
Intl. Bank Recon & Development	0.500	10/28/25	AAA	01/26/21	1,000,640.00	932,813.00
Inter-American Dev Bank	0.875	04/20/26	AAA	04/13/21	1,040,213.90	970,636.44
SUBTOTAL SUPRANATIONAL SECURITIES					3,832,187.80	3,619,788.35
<u>U.S. GOVERNMENT AGENCY SECURITIES</u>						
FHLB	4.500	10/03/24	AA+	10/27/22	799,128.00	805,923.20
FFCB	4.500	11/18/24	AA+	11/15/22	809,141.40	811,373.76
FFCB	1.750	02/14/25	AA+	02/10/22	603,384.65	590,600.83
FHLB	4.500	12/12/25	AA+	01/30/23	1,264,562.50	1,255,902.50
SUBTOTAL U.S. GOVERNMENT AGENCY SECURITIES					3,476,216.55	3,463,800.29
<u>U.S. GOVERNMENT TREASURY SECURITIES</u>						
US Treasury	0.125	02/15/24	AA+	02/23/21	673,101.56	671,128.30
US Treasury	0.250	05/15/24	AA+	05/18/21	1,870,458.99	1,841,913.38
US Treasury	3.250	08/31/24	AA+	09/30/22	1,703,341.53	1,726,524.53
US Treasury	0.375	09/15/24	AA+	09/29/21	1,990,312.50	1,939,101.28
US Treasury	3.000	07/15/25	AA+	09/30/22	247,159.51	248,005.67
US Treasury	3.125	08/15/25	AA+	08/25/22	1,241,503.90	1,239,852.08
US Treasury	4.250	10/15/25	AA+	Various	2,523,849.62	2,543,135.51
US Treasury	0.375	01/31/26	AA+	Various	1,724,482.43	1,619,581.77
US Treasury	4.000	02/15/26	AA+	09/06/23	7,404,702.04	7,604,303.68
US Treasury	0.750	03/31/26	AA+	05/18/21	2,194,070.32	2,045,293.23
US Treasury	0.750	05/31/26	AA+	06/23/21	3,232,099.61	3,002,160.65
US Treasury	4.375	08/15/26	AA+	09/06/23	200,867.63	206,695.32
US Treasury	1.500	01/31/27	AA+	03/30/22	765,312.50	747,615.34
US Treasury	3.250	06/30/27	AA+	Various	1,486,835.94	1,465,974.42
US Treasury	3.125	08/31/27	AA+	09/30/22	670,665.96	677,879.99
US Treasury	4.125	09/30/27	AA+	Various	2,533,158.21	2,567,444.14
US Treasury	3.875	12/31/27	AA+	01/30/23	1,007,656.26	998,465.46
US Treasury	3.625	03/31/28	AA+	05/25/23	987,265.62	998,313.06
US Treasury	4.125	07/31/28	AA+	08/30/23	719,392.58	744,992.04
US Treasury	4.625	09/30/28	AA+	Various	1,694,119.14	1,748,599.57
US Treasury	3.125	08/31/29	AA+	09/30/22	189,730.51	194,197.95



CITY OF RIVERSIDE
Investments Held by Fiscal Agent
December 31, 2023

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	**MARKET VALUE
SUBTOTAL U.S. GOVERNMENT TREASURY SECURITIES					35,060,086.36	34,831,177.37
<u>INVESTMENT CONTRACTS</u>						
Guaranteed Inv. Contract	0.047	10/01/29	NR	05/14/08	6,411,744.65	6,411,744.65
Guaranteed Inv. Contract	0.047	10/01/35	NR	05/14/08	4,348,970.73	4,348,970.73
SUBTOTAL INVESTMENT CONTRACTS					10,760,715.38	10,760,715.38
TOTAL INVESTMENTS HELD WITH FISCAL AGENT					148,377,237.48	147,205,136.31

*The City uses S&P ratings

**Includes accrued interest

City of Riverside
Cash Balances by Fund
As of December 31, 2023

Fund	Cash Balance ¹	Interfund Loan Receivables ²	Cash Balance + Loan Receivables	
General Fund	101	95,324,860	-	95,324,860
Measure Z	110	76,351,096	-	76,351,096
Pension Trust	115	7,347,996	-	7,347,996
Enterprise Funds				
Electric	510	300,907,228	2,002,899	302,910,127
Electric - Public Benefits Program	511	31,567,028	-	31,567,028
Water	520	60,875,712	-	60,875,712
Water - Conservation & Reclamation Program	521	3,684,398	-	3,684,398
Airport	530	1,886,631	-	1,886,631
Refuse Collection	540	15,978,476	-	15,978,476
Sewer Service	550	110,064,094	1,130,944	111,195,038
Special Transit	560	504,091	-	504,091
Public Parking	570	6,788,860	-	6,788,860
Civic Entertainment (Convention Center, Visitors Bureau, Sports Commission)	580	(928,832)	-	(928,832)
Civic Entertainment (Fox, Box, RMA, Showcase)	581	3,943,324	-	3,943,324
Civic Entertainment (Cheech Marin Center)	582	(3,229,738)	-	(3,229,738)
SubTotal - Enterprise Funds		532,041,272	3,133,843	535,175,115
Special Revenue Funds				
Urban Areas Security Initiative	205	(358,177)	-	(358,177)
Grants and Restricted Programs	215	41,668,151	-	41,668,151
Community Development Block Grant	220	(1,566,806)	-	(1,566,806)
Home Investment Partnership Program	221	1,070,589	-	1,070,589
Housing Opportunities for Persons with AIDS	222	(2,894,315)	-	(2,894,315)
Community Development Grants	223	14,858,306	-	14,858,306
Neighborhood Stabilization Program	225	61,236	-	61,236
Special Gas Tax	230	30,762,628	-	30,762,628
Air Quality Improvement	240	1,996,349	-	1,996,349
NPDES Storm Drain	260	43,776	-	43,776
Housing Authority	280	(78,604)	-	(78,604)
Housing Assets	281	8,702,070	-	8,702,070
Special Districts	Various	(1,011,363)	-	(1,011,363)
SubTotal - Special Revenue Funds		93,253,840	-	93,253,840
Capital Projects Funds				
Capital Outlay	401	23,782,262	-	23,782,262
Storm Drain	410	835,860	-	835,860
Local Park Special Capital Improvements	411	2,328,124	-	2,328,124
Regional Park Special Capital Improvements	413	4,553,547	-	4,553,547
Measure Z Capital Outlay	420	27,873,298	-	27,873,298
Capital Outlay Grants	430	24,436,437	-	24,436,437
Transportation Projects	431	110	-	110
Measure A Capital Outlay	432	35,614,761	-	35,614,761
Transportation Development Impact Fees	433	8,254,024	-	8,254,024
Transportation Uniform Mitigation Fees	434	(2,888,883)	-	(2,888,883)
Community Facilities Districts and Assessment Districts	Various	2,153,707	-	2,153,707
SubTotal - Capital Project Funds		126,943,247	-	126,943,247
Debt Service Funds				
Debt Service Fund - General	390	(39,478,914)	-	(39,478,914)
Debt Service Fund - Public Works	391	1,254,412	-	1,254,412
SubTotal Debt Service Funds		(38,224,502)	-	(38,224,502)
Agency Funds				
Successor Agency	Various	20,091,315	-	20,091,315
Community Facilities Districts and Assessment Districts	Various	643,104	-	643,104
Special Deposits	Various	1,645,160	-	1,645,160
SubTotal Agency Funds		22,379,579	-	22,379,579
Internal Service Funds				
Workers' Compensation Insurance Trust	610	23,249,770	-	23,249,770
Unemployment Insurance Trust	620	409,650	-	409,650
Liability Insurance Trust	630	6,324,796	-	6,324,796
Parada Settlement Fund	631	2,932,171	-	2,932,171
Central Stores	640	(559,676)	-	(559,676)
Central Garage	650	11,793,368	-	11,793,368
SubTotal - Internal Service Funds		44,150,079	-	44,150,079
Total - All Funds \$ 959,567,467 \$ 3,133,843 \$ 962,701,310				

¹ Amount reflects each fund's share of the City's pooled investment portfolio.

² Amounts shown are interfund loans outstanding. Interfund loan receivable balances are treated as available cash due to the ability to move loan receivables to other funds as needed.

CITY OF RIVERSIDE
Fiscal Year 2023/2024 Quarterly
Summary of Outstanding Debt¹

Debt Type By Funding Source	Principal Balance as of 7/1/2023	Q2 New Debt Issued	Q2 Principal Payments	Q2 Interest Payments	Principal Balance as of 1/1/2024	Projected Principal Balance 6/30/2024
General Fund/Measure Z						
General Obligation Bonds	\$ 3,380,000	\$ -	\$ -	\$ -	\$ 1,740,000	\$ 1,740,000
Pension Obligation Bonds	317,279,231	-	-	5,692,540	317,279,231	310,004,808
Certificates of Participation	56,717,969	-	-	280,272	56,717,969	53,508,835
Lease Revenue Bonds	45,199,648	-	2,779,350	1,072,567	42,420,298	42,420,298
Capital Leases	19,289,928	-	528,147	90,932	17,504,912	15,701,019
Interfund Loans	1,130,945	-	-	-	824,873	824,873
Total General Fund	\$ 442,997,721	\$ -	\$ 3,307,497	\$ 7,136,311	\$ 436,487,283	\$ 424,199,832
Capital Projects Funds						
Measure A Certificates of Participation	23,225,000	-	-	364,939	21,190,000	19,360,000
Total Capital Projects Funds	\$ 23,225,000	\$ -	\$ -	\$ 364,939	\$ 21,190,000	\$ 19,360,000
Enterprise Funds						
Pension Obligation Bonds	\$ 103,708,515	\$ -	\$ -	\$ 1,671,025	\$ 103,708,515	\$ 95,251,995
Electric Fund Revenue Bonds	507,370,000	31,390,000	51,885,000	12,212,188	486,875,000	600,680,000
Water Fund Revenue Bonds	243,300,000	-	7,950,000	5,977,396	235,350,000	235,350,000
Water Fund Capital Lease	986,007	-	-	-	867,768	748,130
Sewer Fund Revenue Bonds	313,085,000	-	-	-	301,625,000	301,625,000
Lease Revenue Bonds	6,168,000	-	480,000	134,217	5,688,000	5,688,000
Certificates of Participation	24,582,031	-	-	121,472	24,582,031	23,191,165
Civic Entertainment Fund Loan	5,929,782	-	298,161	114,148	5,631,621	5,327,720
Convention Center Expansion Loan	27,410,223	-	541,587	223,150	26,331,131	25,239,939
Parking Fund Loans	6,630,655	-	333,402	127,640	6,297,252	5,957,432
Total Enterprise Funds	\$ 1,239,170,213	\$ 31,390,000	\$ 61,488,151	\$ 20,581,237	\$ 1,196,956,318	\$ 1,299,059,382
Internal Service Funds						
Pension Obligation Bonds	\$ 4,287,254	\$ -	\$ -	\$ 69,083	\$ 4,287,254	\$ 3,938,197
Total Internal Service Funds	\$ 4,287,254	\$ -	\$ -	\$ 69,083	\$ 4,287,254	\$ 3,938,197
RDA Successor Agency						
Lease Revenue Bonds	6,802,353	-	2,555,650	165,835	4,246,703	4,246,703
Tax Allocation Bonds	143,085,000	-	-	-	132,805,000	132,805,000
Interfund Loans	2,002,900	-	-	-	1,562,987	1,562,987
Total RDA Successor Agency	\$ 151,890,253	\$ -	\$ 2,555,650	\$ 165,835	\$ 138,614,689	\$ 138,614,689
Assessment Districts / Galleria Agreement / Community Facilities Districts						
Assessment Districts	\$ 14,395,000	\$ -	\$ -	\$ -	\$ 12,770,000	\$ 12,770,000
Galleria Mall Improvements District Certificates of Participation	5,000	-	-	-	5,000	5,000
Lease Revenue Refunding Bonds (Galleria) Series 2019A	13,225,000	-	760,000	238,756	12,465,000	12,465,000
Community Facilities Districts	24,585,000	-	-	-	23,775,000	23,775,000
Total AD / Galleria / CFDs	\$ 52,210,000	\$ -	\$ 760,000	\$ 238,756	\$ 49,015,000	\$ 49,015,000
Total	\$ 1,913,780,440	\$ 31,390,000	\$ 68,111,297	\$ 28,556,162	\$ 1,846,550,544	\$ 1,934,187,101

¹ Excludes water stock acquisition rights, copier leases, development agreements, and amortization of premiums and discounts on outstanding debt, none of which are material.

CITY OF RIVERSIDE
Fiscal Year 2023/2024 Quarterly
Outstanding Debt¹

Debt Type / Issuance	Year Issued (FY)	Final Maturity (FY)	Total Issue Size	Outstanding Principal Balance 7/1/2023	Q2 New Debt Issued	Q2 Principal Payments	Q2 Interest Payments	Outstanding Principal Balance 1/1/2024	Projected Principal Balance 6/30/2024
General Obligation									
Measure G Fire Facility Projects General Obligation Bonds 2004	2004	2025	\$ 20,000,000	\$ 3,380,000	\$ -	\$ -	\$ -	\$ 1,740,000	\$ 1,740,000
Total General Obligation Bonds			\$ 20,000,000	\$ 3,380,000	\$ -	\$ -	\$ -	\$ 1,740,000	\$ 1,740,000
Pension Obligation²									
Pension Obligation Bonds Series 2017A	2017	2027	31,960,000	13,715,000	-	-	203,856	13,715,000	10,430,000
Pension Obligation Bonds Series 2020A (Safety)	2020	2045	231,085,000	231,085,000	-	-	4,304,160	231,085,000	230,895,000
Pension Obligation Bonds Series 2020A (Misc)	2020	2043	201,080,000	180,475,000	-	-	2,924,632	180,475,000	167,870,000
Total Pension Obligation Bonds			\$ 464,125,000	\$ 425,275,000	\$ -	\$ -	\$ 7,432,648	\$ 425,275,000	\$ 409,195,000
Certificates of Participation									
Galleria Mall Improvements COPs Series 2006A	2006	2037	\$ 19,945,000	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000
Riverside Renaissance Projects Refunding COPs Series 2008A	2008	2037	128,300,000	81,300,000	-	-	401,745	81,300,000	76,700,000
Local Measure A Sales Tax Revenue COPs Series 2023A ⁽⁶⁾	2023	2033	21,190,000	23,225,000	-	-	364,939	21,190,000	19,360,000
Total Certificates of Participation			\$ 169,435,000	\$ 104,530,000	\$ -	\$ -	\$ 766,684	\$ 102,495,000	\$ 96,065,000
Lease Revenue Bonds									
California Tower Lease Revenue Bonds Series 2003A	2003	2024	\$ 26,255,000	\$ 4,315,000	\$ -	\$ 2,085,000	\$ 107,875	\$ 2,230,000	\$ 2,230,000
California Tower Lease Revenue Bonds Series 2003B	2003	2024	4,810,000	680,000	-	330,000	18,632	350,000	350,000
Lease Revenue Refunding Bonds Series 2012A	2013	2034	41,240,000	25,700,000	-	2,000,000	559,238	23,700,000	23,700,000
Lease Revenue Refunding Bonds (Galleria) Series 2019A	2019	2037	15,980,000	13,225,000	-	760,000	238,756	12,465,000	12,465,000
Lease Revenue Bonds (Main Library Project) Series 2019B	2019	2037	33,505,000	27,475,000	-	1,400,000	686,875	26,075,000	26,075,000
Total Lease Revenue Bonds			\$ 121,790,000	\$ 71,395,000	\$ -	\$ 6,575,000	\$ 1,611,376	\$ 64,820,000	\$ 64,820,000
Capital Leases									
BofA #2 - Various Hardware and Software	2018	2028	7,955,000	2,127,954	-	-	-	1,605,310	1,076,485
BofA #3 - Fire, PW and Refuse Vehicles and Equipment	2017	2027	14,500,000	6,904,003	-	-	-	6,169,778	5,427,538
BofA #4 - Police Helicopters	2022	2032	11,291,564	10,257,971	-	528,147	90,932	9,729,824	9,196,996
BofA #2 - Water Fund Vehicles Capital Lease	2018	2028	2,305,000	986,007	-	-	-	867,768	748,130
Total Capital Leases			\$ 36,051,564	\$ 20,275,935	\$ -	\$ 528,147	\$ 90,932	\$ 18,372,679	\$ 16,449,149
Interfund Loans³									
Reid Park Acquisition Interfund Loan	2011	2028	\$ 720,000	\$ 257,604	-	-	-	200,332	200,332
Riverside Golf Course Acquisition Interfund Loan	2011	2028	4,837,500	1,745,296	-	-	-	1,362,655	1,362,655
Utilities Plaza Purchase Interfund Loan	2012	2027	4,469,221	1,130,945	-	-	-	824,873	824,873
Total Interfund Loans			\$ 10,026,721	\$ 3,133,845	\$ -	\$ -	\$ -	\$ 2,387,860	\$ 2,387,860
Private Placement Loans									
Fox Entertainment Plaza Loan	2011	2032	\$ 25,000,000	\$ 12,560,437	\$ -	\$ 631,564	\$ 241,788	\$ 11,928,873	\$ 11,285,152
Convention Center Expansion Loan ⁴	2013	2034	44,650,000	27,410,223	-	541,587	223,150	26,331,131	25,239,939
Total Private Placement Loans			\$ 69,650,000	\$ 39,970,660	\$ -	\$ 1,173,151	\$ 464,938	\$ 38,260,004	\$ 36,525,092
Enterprise Revenue Bonds									
Electric Revenue Refunding Bonds (2008) Series A	2008	2029	\$ 84,515,000	\$ 34,465,000	\$ -	\$ -	\$ 158,657	\$ 34,465,000	\$ -
Electric Revenue Refunding Bonds (2008) Series C	2008	2036	57,325,000	32,150,000	-	-	141,760	32,150,000	-
Electric Revenue Bonds (2010) Series A	2010	2041	133,290,000	126,110,000	-	2,595,000	4,759,065	123,515,000	123,515,000
Electric Revenue Bonds (2011) Series A	2011	2036	56,450,000	33,600,000	-	725,000	142,404	32,875,000	-
Electric Revenue Refunding Bonds (2013) Series A	2014	2044	79,080,000	35,385,000	-	35,385,000	868,803	-	-
Electric Revenue Refunding Bonds (2019) Series A	2019	2049	283,325,000	245,660,000	-	13,180,000	6,141,500	232,480,000	232,480,000

CITY OF RIVERSIDE
Fiscal Year 2023/2024 Quarterly
Outstanding Debt¹

Debt Type / Issuance	Year Issued (FY)	Final Maturity (FY)	Total Issue Size	Outstanding Principal Balance 7/1/2023	Q2 New Debt Issued	Q2 Principal Payments	Q2 Interest Payments	Outstanding Principal Balance 1/1/2024	Projected Principal Balance 6/30/2024
Electric Revenue Refunding Bonds (2023) Series A	2024	2044	31,390,000	-	31,390,000	-	-	31,390,000	31,390,000
Electric Revenue Refunding Bonds (2024) Series A	2024	2050	213,295,000	-	-	-	-	-	213,295,000
Water Revenue Bonds (2009) Series B	2010	2040	67,790,000	62,760,000	-	2,645,000	1,957,921	60,115,000	60,115,000
Water Revenue Bonds (2011) Series A	2011	2036	59,000,000	24,050,000	-	-	107,225	24,050,000	24,050,000
Water Revenue Refunding Bonds (2019) Series A	2019	2049	114,215,000	98,465,000	-	4,570,000	2,461,625	93,895,000	93,895,000
Water Revenue Bonds (2022) Series A	2022	2053	58,025,000	58,025,000	-	735,000	1,450,625	57,290,000	57,290,000
Sewer Revenue Bonds (2015) Series A	2015	2041	200,030,000	173,610,000	-	-	-	167,490,000	167,490,000
Sewer Revenue Bonds (2018) Series A	2019	2040	153,670,000	139,475,000	-	-	-	134,135,000	134,135,000
Total Enterprise Revenue Bonds			\$ 1,591,400,000	\$ 1,063,755,000	\$ 31,390,000	\$ 59,835,000	\$ 18,189,585	\$ 1,023,850,000	\$ 1,137,655,000
Tax Allocation Bonds									
2014 Subordinate Tax Allocation Refunding Bonds Series 2014A	2014	2034	\$ 61,250,000	\$ 28,025,000	\$ -	\$ -	\$ -	\$ 23,425,000	\$ 23,425,000
2014 Subordinate Tax Allocation Refunding Bonds Series 2014B	2014	2024	1,730,000	385,000	-	-	-	195,000	195,000
2018 Tax Allocation Refunding Bonds Series 2018A	2018	2034	74,435,000	74,295,000	-	-	-	68,805,000	68,805,000
2018 Tax Allocation Refunding Bonds, Taxable Series 2018B	2018	2033	40,380,000	40,380,000	-	-	-	40,380,000	40,380,000
Total Tax Allocation Bonds			\$ 177,795,000	\$ 143,085,000	\$ -	\$ -	\$ -	\$ 132,805,000	\$ 132,805,000
Mello Roos and Assessment District Bonds									
Riverwalk Business Center Assessment District Bonds	2004	2029	\$ 3,755,000	\$ 1,620,000	\$ -	\$ -	\$ -	\$ 1,430,000	\$ 1,430,000
Sycamore Canyon Business Park CFD 92-1 Bonds	2005	2034	9,700,000	5,660,000	-	-	-	5,310,000	5,310,000
Hunter Park Assessment District Bonds	2006	2036	15,269,906	9,460,000	-	-	-	8,985,000	8,985,000
Riverwalk Assessment District Refunding Bonds	2011	2026	7,805,000	2,565,000	-	-	-	1,970,000	1,970,000
Auto Center Assessment District Refunding Bonds ⁵	2012	2024	4,050,000	750,000	-	-	-	385,000	385,000
Riverwalk Vista CFD 2006-1 Bonds	2013	2043	4,415,000	3,660,000	-	-	-	3,555,000	3,555,000
Riverwalk Vista CFD 2006-1 Improv Area No.2 2016 Series A	2016	2046	5,505,000	5,055,000	-	-	-	4,970,000	4,970,000
Riverwalk Vista CFD 2006-1 Improv Area No.2 2016 Series B	2016	2031	1,275,000	790,000	-	-	-	715,000	715,000
Highlands CFD 2014-2 2016 Series A	2016	2046	1,800,000	1,740,000	-	-	-	1,730,000	1,730,000
Highlands CFD 2014-2 2016 Series B	2016	2031	810,000	530,000	-	-	-	480,000	480,000
Orangecrest CFD 2015-1 Bonds Series 2020 Series A	2020	2050	2,075,000	2,075,000	-	-	-	2,075,000	2,075,000
Orangecrest CFD 2015-1 Bonds Series 2020 Series B	2020	2028	365,000	270,000	-	-	-	220,000	220,000
Pomelo CFD 2015-2 Bonds Series 2022	2022	2053	4,805,000	4,805,000	-	-	-	4,720,000	4,720,000
Total Mello Roos and Assessment District Bonds			\$ 61,629,906	\$ 38,980,000	\$ -	\$ -	\$ -	\$ 36,545,000	\$ 36,545,000
Total				\$ 1,913,780,440	\$ 31,390,000	\$ 68,111,297	\$ 28,556,162	\$ 1,846,550,544	\$ 1,934,187,101

¹ Excludes water stock acquisition rights, copier leases, development agreements, and amortization of premiums and discounts on outstanding debt, none of which are material.

² Debt service for these bonds is allocated based on the percentage of CalPERS plan employees budgeted in those Funds. Payments sent to trustee 8/1 annually, but are actually paid to bondholders in Dec & June

³ Beginning outstanding principal balance on interfund loans may be less than prior year projected ending balance due to actual FY 2018 pooled interest rate adjustment at end of FY

⁴ Debt service for this loan is primarily funded from a voter-approved increase in the transient occupancy tax rate from 11% to 13%.

⁵ Under the terms of an existing development agreement, increased incremental sales tax resulting from the expansion of the Auto Center funds the debt service on these bonds.