

City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JUNE 14, 2022**
FROM: FINANCE DEPARTMENT **WARDS: ALL**
SUBJECT: FISCAL YEAR 2021/22 THIRD QUARTER FINANCIAL UPDATE

ISSUE:

Receive and provide input on the Fiscal Year 2021/22 Third Quarter Financial Update.

RECOMMENDATIONS:

That the City Council receive and provide input on the Fiscal Year 2021/22 Third Quarter financial update.

BACKGROUND:

On June 22, 2021, the City Council adopted Resolution No. 23720, approving the Fiscal Year (FY) 2021-2022 Annual Budget.

On January 18, 2022, the City Council received and provided input on the Fiscal Year 2021/22 First Quarter Financial Update and approved mid-cycle budget adjustments. Budget adjustments related to rescinding the adopted vacancy savings balance measure in the General Fund have not been recorded because they were approved contingent upon the certification of the General Fund Transfer election results (Measure C). The City recently received a ruling on the Measure C certification which does not present an immediate fiscal impact to the City. However, given the timing of the ruling, there is no benefit to rolling back the vacancy savings target at this point in the fiscal year. All positions are funded in the proposed FY 2022-2024 Biennial Budget that will be presented to the City Council for adoption on June 21, 2022.

On March 15, 2022, the City Council received the Fiscal Year 2021/22 Second Quarter Financial Update and approved supplemental appropriations and interfund transfers.

The Budget Engagement Commission and Financial Performance and Budget Committee are scheduled to receive and provide input on the Fiscal Year 2021/22 Third Quarter Financial Report on June 9, 2022, and June 10, 2022, respectively.

The City's Chief Financial Officer provides financial updates to the City Council via a standing item on the City Council's agenda and to the Budget Engagement Commission (BEC) via a standing item on the BEC's agenda.

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 third quarter report, City departments analyzed the financial status for all funds and appropriations under their purview. This update spans the period of July 2021 through March 2022.

Refer to the Fiscal Update (Attachment 1) for a discussion of current social and economic impacts on City finances, identified areas of fiscal risk, and their quarter results for the City's major funds (General Fund, Measure Z, Electric, Water, Refuse, and Sewer).

General Fund

The third quarter analysis continues to present a positive short-term outlook for the General Fund, with revenues performing better than anticipated and expenditures trending within budgeted appropriation limits.

Adopted Budget: The adopted FY 2021/22 budget for the General Fund is balanced and includes a \$10 million balancing measure in the form of a vacancy savings target to offset a projected structural deficit. The Fire department's \$2 million vacancy savings target was accommodated via a transfer of 14 Fire personnel to the Measure Z Fund for the adopted budget year.

Revenues: FY 2021/22 General Fund revenues recorded through March 2022 were reviewed in the context of FY 2020/21 actual results, performance to date, and potential COVID-19 impacts through the end of the fiscal year. Third quarter analysis reveals that General Fund revenue projections may exceed revised revenue estimates by \$12 million, primarily due to continued exceptional sales tax revenue performance. Based on strong local sales tax performance through December 2021, the City's sales tax consultant, HdL, has increased revenue projections for year-over-year growth in local sales tax revenue over prior year actuals from a rate of 8.1% last quarter to a rate of 12.9% for this quarter. Unlike prior year increases in sales tax revenue which were driven by consumption, the current trend and increase in sales tax revenue is predominantly the result of inflationary factors. Transient Occupancy Tax continues to perform very strongly and is currently 98% higher than the same period last year. Recreation and development revenue categories remain below pre-Covid levels but are exhibiting gradual recovery.

Expenditures: As of the third quarter, General Fund non-personnel expenditures are trending lower than prior years and may produce some savings at fiscal year-end. For the General Fund as a whole, personnel is expected to end the fiscal year on target. Based on an analysis of overtime trends to date, the Fire Department is still expected to exceed its overtime budget in FY 2021/22, largely due to illness related to the pandemic and vacancies. As of the third quarter, year-to-date trends in all other General Fund departments combined show that total personnel savings from those departments will likely be sufficient to offset the Fire Department's budget overage in overtime costs.

During the first quarter of FY 2021/22, the City Council approved supplemental appropriations totaling \$257,244 in the General Fund:

- Debt Collaboration Software \$17,127 – use of existing funds in the Special Deposits Fund.
- Emergency Air Support (Corona) \$120,000 – as-needed emergency air support services to the City of Corona, fully offset by corresponding revenues.

- Police Facilities Renovations \$120,117: use of existing funds in the Special Deposits Fund, Evidence Trust Account.

During the second quarter of FY 2021/22, the City Council approved supplemental appropriations totaling \$15,000 in the General Fund:

- Board of Ethics \$15,000 – establish an outside legal counsel budget for the Board of Ethics.

During the third quarter of FY 2021/22, the City Council approved supplemental appropriations totaling \$350,000 in the General Fund:

- Shamel Park Pool \$350,000 – replacement of the 10-foot perimeter concrete pool decking.

While the short-term outlook for the General Fund has improved, there are still significant financial challenges that continue to impact the long-term fiscal health of the General Fund. The financial markets continue to impede the financial performance of the CalPERS retirement fund which will likely end the fiscal year in negative territory. This will result in a significant increase to the City's unfunded accrued liability. Additionally, while Measure Z has provided much needed support to the General Fund and has been able to financially support critical unfunded needs, the City has been unable to establish a long-term program for infrastructure investment in much needed deferred maintenance and capital improvements. While the City has received a temporary reprieve in the Measure C litigation, there are sure to be ongoing challenges to the General Fund transfer that will require the City to strategically position itself against further challenges to such a heavily relied upon revenue source for the General Fund. The ongoing risk of losing the General Fund transfer puts key City services at tremendous risk.

Measure Z

History: Measure Z is a one-percent transaction and use tax (sales tax) that was approved by the residents of Riverside on November 8, 2016. Measure Z will sunset in 2037 unless it is approved again in a mandatory election in November 2036.

To help address the service cuts as well as a portion of the City's critical unfunded needs, at staff's recommendation, the Mayor and the City Council placed a measure on the November 8, 2016, ballot for a one-percent increase in the City's sales tax rate. The November 8, 2016, Measure Z ballot presented to voters asked them to consider a yes or no vote to:

“...prevent cutting police, firefighters, paramedics, 911 emergency response, antigang/drug programs, homelessness reduction and youth after-school/senior/disabled services; to repair local streets/potholes/infrastructure; and to provide other general services, shall a one-cent transaction and use tax (sales tax) be implemented providing \$48,000,000 annually through 2036 unless extended by the voters, requiring independent audits with no funds to Sacramento, all funds remaining for Riverside?”

The residents of Riverside approved Measure Z with almost a 60% approval. The Measure Z tax became effective April 1, 2017, increasing the City's sales tax rate from 7.75% to 8.75%.

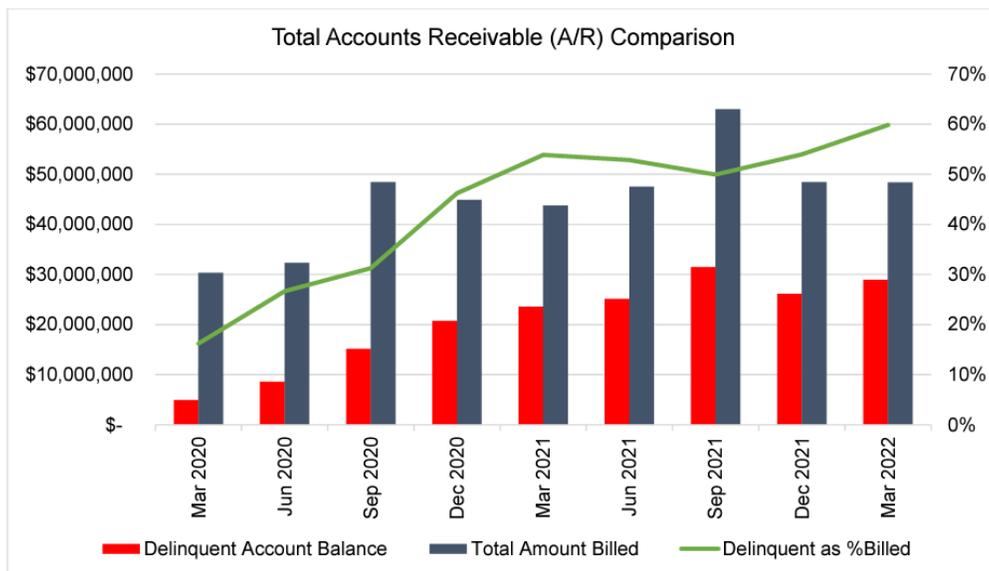
Overview: Based on the spending items approved to date and strong tax revenue performance, Measure Z is projected to end the fiscal year with approximately \$39.29 million in unallocated fund reserves. Separately, \$5 million is held in contingency reserves per the adopted Measure Z Reserve Policy to ensure sufficient funding for ongoing costs in the event of under-performing revenues.

Revenues: The FY 2021/22 adopted budget included projected revenue of \$64.8 million. The local sales tax revenue projection was revised to \$74.3 million in the second quarter. Based on strong local sales tax performance through December 2021, the City’s sales tax consultant, HdL, has increased revenue projections for year-over-year growth in Measure Z tax revenue over prior year actuals from a rate of 6.5% in the second quarter to a rate of 12.5% in the current quarter. If the revenue trend continues through the fiscal year, tax revenue may come in \$6.7 million higher than the revised estimate. Similar to what drove the General Fund sales tax revenue increases, the current year increase in Measure Z revenue is predominantly the result of inflationary factors rather than increased consumption compared to prior year.

Expenditures: 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. Refer to Attachment 2 for a listing of spending items and their spending status.

Utility Account Delinquencies

The Electric, Water, Sewer and Refuse funds continue to be impacted by the suspension of utility shutoffs in response to the pandemic. The combined delinquent accounts receivable for the four utilities, shown as the blue bar in the following chart, increased from March 2020 to March 2022 by \$24.0 million, or 488.3%. The delinquent account balance is comprised of 74.4% residential customers and 25.6% commercial customers.



In March 2020, Riverside Public Utilities (RPU) developed the Emergency Recovery Assistance Program (ERAP). This program was established in response to the COVID-19 pandemic to provide a one-time bill credit (assistance) for residential electric customers whose incomes were negatively impacted. Since May 2020, approximately 5,285 customers have benefitted from this of assistance.

In July 2021, Governor Newsom signed AB 135, which created the California Arrearage Payment Program (CAPP) to administer funding for electric utility customer arrearages. RPU applied for CAPP assistance on behalf of electric customers who incurred a past due balance of 60 days or more on their energy bill during the COVID-19 pandemic relief period covering March 4, 2020, through June 15, 2021. In December 2021, \$11.1 million was applied to 12,599 electric customers' accounts.

In July 2021, Governor Newsom signed AB 148, which created the California Water and Wastewater Arrearage Management Program (CWWAPP) to administer funding for water/wastewater utility customer arrearages. RPU applied for CWWAPP assistance on behalf of water customers who incurred a past due balance of 60 days or more on their water bill during the COVID-19 pandemic relief period covering March 4, 2020 through June 15, 2021. In December 2021, \$1.9 million was applied to 4,390 water customers' accounts.

In February 2022, RPU applied for the CWWAPP for wastewater customers in the amount of \$2.6 million. Funding was approved at \$2.3 million and was applied to accounts in April 2022.

The California Low-Income Household Water Assistance Program (LIHWAP) is administered by the California Department of Community Services & Development. This program provides financial assistance to low-income customers where qualified. Low-income households can apply to their Local Service Provider to receive a one-time credit (up to \$2,000) on their water or wastewater bill. The Local Service Provider for RPU customers is Community Action Partnership of Riverside County.

On May 17, 2022, the City Council voted unanimously to:

1. Approve the Public Utilities Restart Utility Bill Repayment Program for customers who were unable to pay their Riverside Public Utilities bills due to the ongoing COVID-19 pandemic, and
2. Direct the City Manager to reverse the March 17, 2020 suspension discontinuing water, electric, sewer and refuse utility service for non-payment.

Electric Fund

The FY 2021/22 adopted budget for the Electric Fund includes a programmed \$7.4 million operating deficit and draw on fund reserves. This is a financial strategy employed to draw reserves down to keep rate increases as low as possible. Reserve level estimates as of the third quarter end are within established policy levels.

Revenues: As of the end of the third quarter, Electric Fund operating revenues are at 77.9% of budgeted projections. Current year actual retail sales are \$9.5 million (3.8%) higher than prior year primarily due to rate plan increases. Retail sales have resulted in higher-than-anticipated residential retail revenues and lower-than-anticipated retail revenue from commercial and industrial customers, which may be attributed to the impacts of COVID-19. By the end of the third quarter, residential revenues were 4.5% higher than budgeted and commercial/industrial revenues remained 2.9% below budget. Transmission revenues are projected to perform as anticipated for the remainder of FY 2021/22.

Expenditures: Electric Fund operating expenditures are at 70.3% of total budget at the end of the third quarter. Year-to-date personnel costs are trending 19.4% lower than budget due to

vacancies and attrition. At March 31, 2022, the Electric Fund had 94.25 FTE vacancies, representing a vacancy rate of 20%. Year-to-date power supply costs are 5.8% higher than budget due to higher-than-expected energy costs. Some costs vary in their timing throughout the fiscal year; overall, Electric Fund expenditures are projected to remain within the budgeted appropriation limit at fiscal year-end.

Water Fund

The Water Fund is in a healthy position with estimated reserve levels at the end of the third quarter within the required policy reserve range (including the available line of credit). The adopted budget includes an operating gain of \$7.2 million, with approximately \$3.4 million to be used to fund \$21.5 million in capital projects in FY 2021/22, supplemented by bond proceeds.

Revenues: As of the end of the third quarter, Water Fund operating revenues are at 79.1% of budgeted projections. Projected retail sales were expected to be at 76.0% of total budget through March 2022 and are at 77.8% of total budget, which is 2.4% higher than expected. Residential revenues were 0.9% higher-than-anticipated and commercial, industrial and other revenues were 4.3% higher-than-anticipated. Weather, including lower-than-anticipated precipitation and higher-than-anticipated evaporation, has had a positive impact on water retail revenues to-date and will continue to be monitored throughout the remainder of the fiscal year.

Expenditures: Water Fund operating expenditures are at 68.8% of budget at the end of the third quarter. Year-to-date personnel costs are trending 10.6% lower than budget due to vacancies and attrition. At March 31, 2022, the Water Fund had 18.5 FTE vacancies, representing a vacancy rate of 11%. Year-to-date production costs are 5.1% below budget due to lower than anticipated chemical costs for water production. Overall, Water Fund expenditures are projected to remain within the budgeted appropriation limit at fiscal year-end.

Sewer Fund

The overall financial position of the Sewer Enterprise fund is in line with the Sewer Fund Reserve Policy objectives. Fund reserves were \$94.5 million at the beginning of FY 2021/22 or \$69.8 million net of prior year encumbrances and carryovers. The FY 2021/22 adopted budget projects a net operating gain of \$4.6 million which will be used alongside fund reserves to fund \$22 million of planned capital projects included in the FY 2021/22 adopted budget and capital improvement plan. Reserve level estimates as of the third quarter end indicate that this target will be met.

Revenues: Based on an analysis of third quarter performance-to-date, the Sewer Fund is on track to meet revenue projections and is trending slightly higher than prior year revenues. At the end of the third quarter, 77.9% of projected revenues have been recorded.

Expenditures: Sewer Fund operating expenditures are at 71.3% of total budget at the end of the third quarter. The Sewer Fund is continuing to experience the challenges mentioned in the second quarter report, such as increased unit cost of chemicals and truck driver shortages; however, the Sewer Fund is expected to remain within total adopted appropriation limits through the fiscal year.

Refuse Fund

The adopted budget for the Refuse Fund projects a draw on fund reserves of approximately \$1 million due to rising costs outpacing revenues. The Refuse Fund began the fiscal year with fund reserves of \$6.5 million, or \$3.5 million net of prior year encumbrances and carryovers. As of the

third quarter, the reserve balance is expected to be sufficient to accommodate a projected current year deficit.

Updates to financial and operational challenges noted in the March 2022 second quarter report are as follows:

1. **Maintenance costs are rising due to an aging fleet:** Three refuse trucks were ordered in the first quarter; however, challenges in the supply chain have delayed delivery of the vehicles until August 2022. The current budget includes funding for one new refuse truck and a new sweeper that will not be ordered this year due to the projected deficit resulting from costs anticipated to exceed budget in other areas. The Public Works Department is continuing to explore funding through the American Rescue Plan Act (ARPA) for the purchase of 7 or 8 additional refuse trucks.
2. **Refuse operations are severely impacted by a high vacancy rate and retention issues:** At March 31, 2022, the Refuse Fund had 16.75 FTE vacancies, representing a vacancy rate of 27%. Recruitment to fill the positions is ongoing. Crews continue to work significant overtime in an effort to provide continuity of service. The Parking Services Division has experienced similar difficulties recruiting new staff members, which has caused a loss of revenues on street sweeping days for the Refuse Fund.

City Staff are in the process of bringing a comprehensive update to the City Council regarding the state of equipment, recruitment, and ongoing challenges for the Solid Waste Division.

Revenues: The Solid Waste rate plan adopted by City Council in September 2020 included a Year 2 increase in rates effective July 1, 2021. As of the end of the third quarter, revenues are trending 18% higher than the same period last year and are at 73.8% of the revenue target. Street sweeping revenues may come in lower than anticipated due to street sweeping activities being negatively impacted by vacancies in the Public Parking Fund.

The Refuse Fund is seeking \$2 million of ARPA funding for revenue replacement to offset increased processing fees; the City Council will be asked to consider this item in the near future.

Expenditures: Refuse Fund operating expenditures are 58.1% of total budget at third quarter end; spending in some categories does not occur evenly throughout the year. Increases in recycling costs and tonnage as well as the impact of State mandates are resulting in higher than anticipated costs. Additional expenditures are anticipated in the fourth quarter as the department has relied on Burrtec Waste Industries for emergency route assistance. Overall, Refuse Fund expenditures are projected to remain within the budgeted appropriation limit at fiscal year-end.

Public Parking Fund

The Public Parking Fund was added to the second quarterly financial report as a fund with ongoing financial concerns that may ultimately impact the General Fund if financial stability is not achieved. If the Public Parking Fund exhausts its reserves, a General Fund subsidy will be necessary to pay Public Parking Fund debt obligations and sustain parking operations.

Public Parking Fund reserves at the beginning of FY 2021/22 are \$1.6 million, or \$0.3 million net of prior year encumbrances. The adopted FY 2021/22 budget projects a draw on fund reserves of \$0.9 million due to the lingering impacts of the pandemic on parking revenues, maintenance costs of aging infrastructure, and parking fees not keeping pace with operating costs. Based on

third quarter analysis, the Public Works Department projected a net operating loss of \$0.17 million for FY 2021/22.

On February 15, 2022, the City Council adopted revised parking rates and hours, and approved moving forward with a Parking Access and Revenue Control Systems (PARCS) contract. The second quarter financial report presented a history of efforts undertaken to reach this point, along with additional information about Public Parking Fund performance during FY 2021/22. These changes, which are scheduled to be in place by July 1, 2022, are expected to enable the Public Parking Fund to operate in a positive position beginning in FY 2022/23. As of the third quarter, the reserve balance is expected to be sufficient to accommodate a projected current year deficit.

Revenues: Parking revenues continue to lag due to the ongoing impact of the pandemic on parking activity and a scaled back Festival of Lights event for the second consecutive year. The Public Works Department projects a revenue shortfall of \$712,000 as position vacancies have limited some revenue-generating operations, such as parking enforcement. A \$1.3 million ARPA allocation for revenue loss will be recognized later this year to help offset some of the financial impacts of the Pandemic on this fund.

Expenditures: Public Parking Fund expenditures are 51.8% of the total budget as of the end of the third quarter. Personnel savings resulting from position vacancies are expected to offset some revenue shortfalls. As of March 31, 2022, the Public Parking Fund had 5 vacancies, representing a vacancy rate of 26.3%. The Public Works Department projects expenditure savings for the fiscal year.

STRATEGIC PLAN ALIGNMENT:

The reporting and presentation of financial results align with **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 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 and the involvement of the Budget Engagement Commission.
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 monitoring and management of City finances.
5. **Sustainability & Resiliency** – The financial reports, methodologies, and strategies implemented by staff demonstrate the City's commitment to the long-term fiscal health of the City and sustainable provision of City services.

FISCAL IMPACT:

As of the third quarter, the General Fund is anticipated to add to reserves at the end the fiscal year primarily due to exceptional sales tax revenue performance. Budget adjustments related to rescinding the adopted vacancy savings balance measure in the General Fund have not been recorded because they were approved contingent upon the certification of the General Fund Transfer election results (Measure C). The City recently received a ruling on the Measure C certification which does not present an immediate fiscal impact to the City. However, given the timing of the ruling, there is no benefit to rolling back the vacancy savings target at this point in the fiscal year.

The Measure Z fund has a significant amount of unallocated reserves available for new spending initiatives. The proposed FY 2022-2024 Biennial Budget scheduled for adoption on June 21, 2022, draws on Measure Z fund reserves with anticipated ending reserves by FY 2026/27 or approximately \$6.3 million.

The City's Sewer, Electric, and Water Funds are healthy, with projected operating gains or strategic drawdowns of reserves to keep rates low. The reserves of each of the three funds are within policy reserve requirements.

Costs continue to outpace revenues in the Refuse fund, but as of the third quarter fund reserves are sufficient to accommodate a projected operating deficit.

At this time, the reserve balance for the Public Parking Fund is expected to be sufficient to accommodate a projected current year deficit, due in large part to a \$1.3 million ARPA allocation for revenue loss. Changes to parking rates and hours, in addition to moving forward with a Parking Access and Revenue Control System, are expected to enable the Public Parking Fund to operate in a positive position beginning in FY 2022/23.

Prepared by: Kristie Thomas, Assistant Chief Financial Officer
Certified as to
availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer
Approved by: Edward Enriquez, Interim Assistant City Manager/CFO/Treasurer
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Fiscal Update
2. Measure Z Spending Status
3. Presentation

CITY OF RIVERSIDE FISCAL UPDATE



EXECUTIVE SUMMARY

This edition of Fiscal Update is being prepared with the backdrop of uncertainty throughout the nation's economy and its impacts on our residents, businesses, and the City's operations. We anticipated there would be more good news to report, and there is; however, supply chain disruptions are taking more time to resolve and inflation is proving to be more stubborn than expected. In May, the Federal Reserve raised short-term interest rates by 0.50%, the most aggressive increase made in a single meeting since May 2000 in an effort to tamp down these pressures.

The Consumer Price Index (CPI) represents a fixed basket of goods that is adjusted every two years, compiled from consumer prices. In this report we share HdL's comparison of the City's sales tax receipts by major business group reported during the fourth calendar quarter of 2020 and 2021. Although sales tax through the third quarter of FY 2021/22 has continued a strong upward trend, it is predominantly the result of inflationary factors. Actual results through the end of the fiscal year depend on how consumers and retailers respond to inflation and its impacts on slowing the economy. Consumers may move more toward essentials versus discretionary merchandise.

The City Council recently received an update on the impact of the suspension of utility shutoffs. Several programs are available to assist customers and more information can be obtained by calling Customer Service at (951) 782-0330 or visiting:

<https://www.riversideca.gov/utilities/residents/assistance-programs/about>

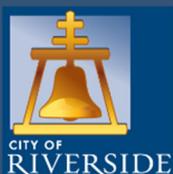
Looking forward to adoption of the FY 2022-2024 biennial budget, staff remains cautiously optimistic about the economy. Steady revenue growth is a good sign with movement toward pre-pandemic levels. Still, significant financial challenges impact the long-term fiscal health of the General Fund, specifically establishment of a long-term program for infrastructure investment and challenges to the General Fund Transfer.

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Interim Assistant City Manager/Chief
Financial Officer/City Treasurer
Edward Enriquez

Assistant Chief Financial Officer
Kristie Thomas



ECONOMIC INDICATORS

INFLATION TRENDS AND IMPLICATIONS

The Consumer Price Index (CPI) is the broadest measure of cost-of-living changes that the average consumer faces. CPI is still trending high; however, we are beginning to see a slowdown in some price increases that we have witnessed over the past 12 - 18 months. **Certain categories of the CPI are still increasing, but at a slower pace.** The Federal Reserve began raising interest rates in the hope of slowing down the price gains; this should provide some relief for extremely tight supply chains and increased demand in the consumer market. While not immediately felt, the impact to the consumer market is already underway.

Energy and food prices are continuing their red-hot gains, both month-over-month and year-over-year. The continued high price of oil, coupled with the **war in Ukraine have strangled the supplies of oil and wheat**, and will continue upward price pressures on those commodities. Financial and de facto shipping embargoes have added to the strain of global energy supply. Continued **supply chain disruptions** are also playing into the higher costs and are now **creeping into service sector costs** (transportation services, medical care services, apparel, etc.) as shown in the graphic below.

One bright spot is the slowdown in motor vehicle prices. While still at an annual increase of over 14%, vehicle prices seem to be slowing down. As supply chains loosen, increases should edge downward and return to a much more normal pace. The inventory supply issues are still prevalent in most U.S. markets, Riverside included; however, the cooling off of demand and additional supplies should help to continue this slowing of price increases in vehicles.

The housing market in Southern California, and specifically Riverside County, is holding up quite well. Prices have been rising by double-digits for multiple years, and the lack of available housing supply is contributing to those increases. A slowdown in the rate of growth may be coming in the next 12 – 24 months, as the Federal Reserve has begun to raise the short-term lending rate, which feeds into long-term borrowing costs. As of April 2022, 30-year conventional mortgage rates have hit 5.11%, their highest point since April 2010. This should dampen price gains; however, California is still suffering from a severe housing shortage, and this will continue for the foreseeable future. We expect that any price declines would be met with buyers waiting on the sidelines to purchase any inventory offered.

Fed Raises Interest Rates by 0.50%, Largest Move Since 2000

The Federal Reserve is raising interest rates as an effort to tamp down inflationary pressures. Over the last two decades, the Fed has opted to raise interest rates in mere increments of 0.25%. On May 4, the Federal Reserve raised short-term interest rates by 0.50%, the most aggressive increase made in a single meeting since May 2000. The Fed is now targeting interest rates in a range between 0.75% and 1.00%, with some Fed officials advocating for raising the target closer to 2.5% by the end of the year.

MONTHLY CPI HEATMAP

	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022
Overall CPI	4.2%	5.0%	5.4%	5.4%	5.3%	5.4%	6.2%	6.8%	7.0%	7.5%	7.9%	8.5%

Category CPI

Food	2.4%	2.2%	2.4%	3.5%	3.7%	4.6%	5.3%	6.1%	6.3%	7.0%	7.9%	8.8%
Energy	25.1%	28.6%	24.5%	23.9%	25.0%	24.8%	30.0%	33.3%	29.3%	27.0%	25.6%	32.0%
Household Furnishings	3.2%	3.7%	3.4%	3.0%	3.3%	4.8%	6.1%	6.0%	7.4%	9.3%	10.3%	10.8%
Apparel	1.9%	5.6%	4.9%	4.2%	4.2%	3.4%	4.3%	5.0%	5.8%	5.3%	6.6%	6.8%
Motor Vehicles & Parts	9.2%	13.3%	20.3%	19.8%	17.2%	15.0%	16.5%	19.2%	21.3%	23.4%	14.3%	14.2%
Shelter	2.1%	2.2%	2.6%	2.8%	2.8%	3.2%	3.5%	3.8%	4.1%	4.4%	4.7%	5.0%
Medical Care Services	2.2%	1.5%	1.0%	0.8%	1.0%	0.9%	1.7%	2.1%	2.5%	2.7%	2.4%	2.9%
Transportation Services	5.6%	11.2%	10.4%	6.4%	4.6%	4.4%	4.5%	3.9%	4.2%	5.6%	6.6%	7.7%

Green = lower CPI



Red = higher CPI

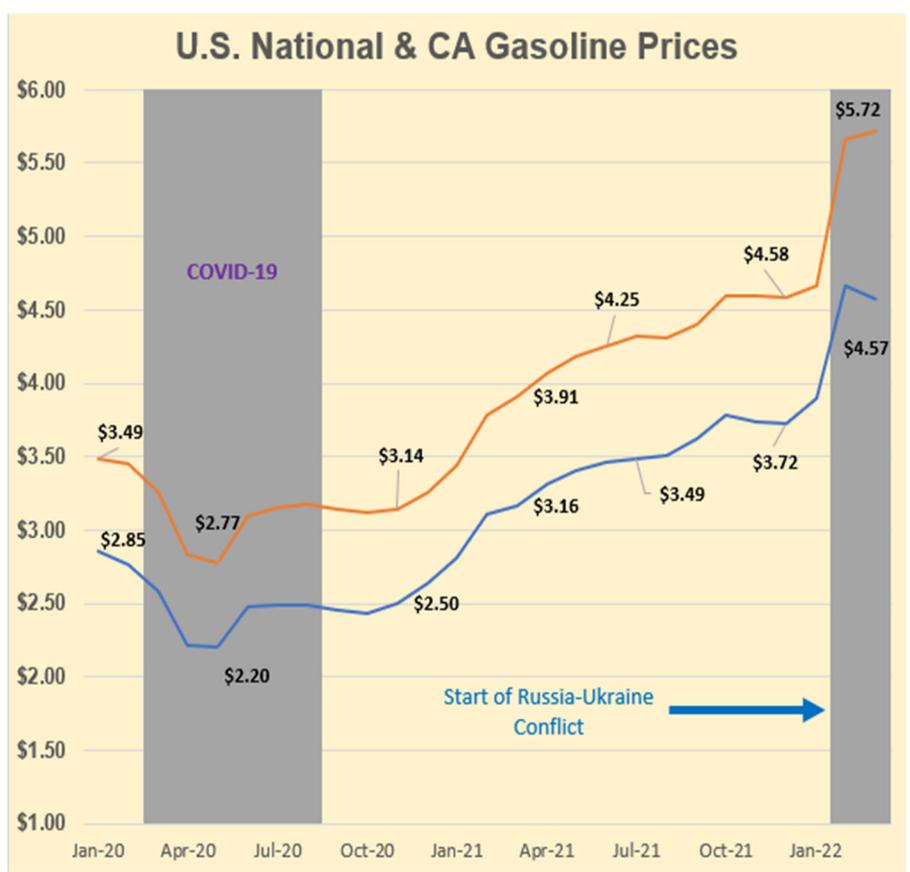
ENERGY TRENDS

Oil and Gasoline Trends

Gasoline prices have continued to rise in sync with oil as the COVID reopening continues. However, another factor in this rapid acceleration in prices is the effect of the Russia-Ukraine conflict. Russia's standing as one of the largest oil producers and exporters (approximately 11% of world daily production according to the U.S. Energy Information Administration) has exacerbated the price increases of both oil and its main derivative, gasoline. Unfortunately, this conflict will continue to strain prices, and financial and energy embargoes will continue to support higher than normal prices.

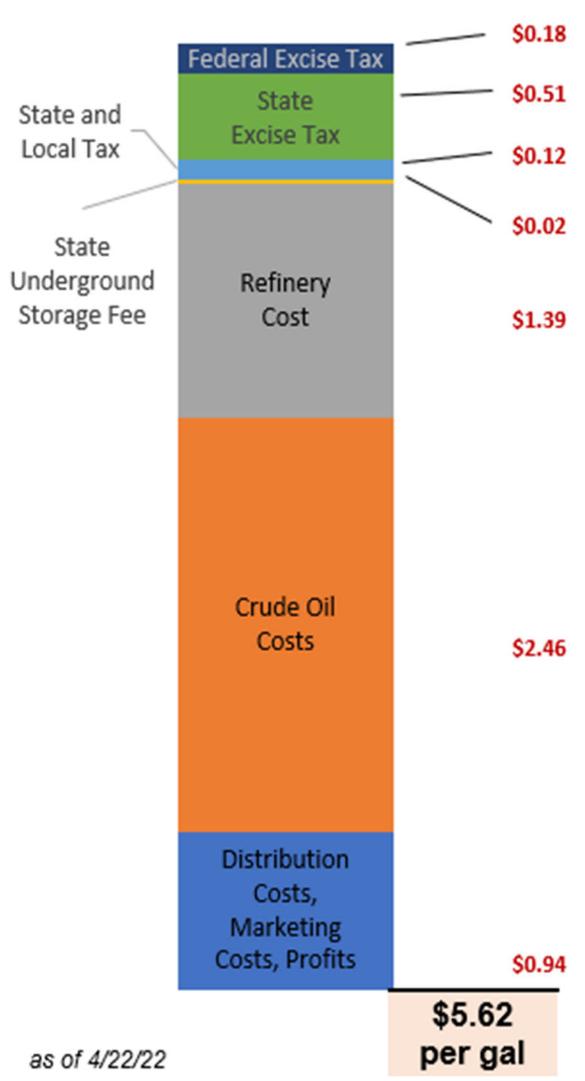
These two major factors (increased economic demand and a slowdown in Russian exports) have created a perfect storm of increased prices and volatility in the energy arena. Because the oil and gasoline markets are following headlines daily, there will be continued upward pressure on prices until supply increases (which are very slow to come onto the market), or the Russia-Ukraine conflict comes to an end, or at least a cease fire.

Even with the release of 1 million barrels per day from the U.S. Strategic Petroleum Reserve, as outlined by President Biden on March 31, 2022, the impact was muted. World demand for oil continues unabated and supplies are very tight. As previously stated, this market condition is expected to continue until one of the two scenarios plays out.



Source: <https://www.eia.gov/tools/faqs/faq.php?id=709&t=6>

California Gasoline Cost Breakdown



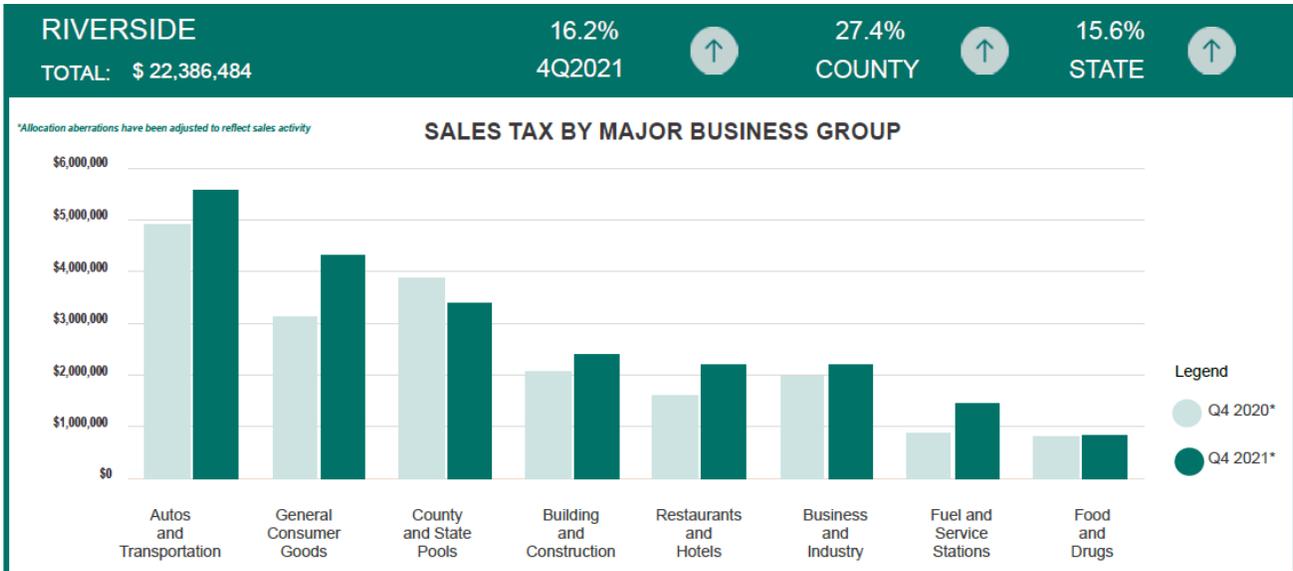
as of 4/22/22

Source: CA Energy Commission
<https://www.energy.ca.gov/data-reports/energy-almanac/transportation-energy/estimated-gasoline-price-breakdown-and-margins>

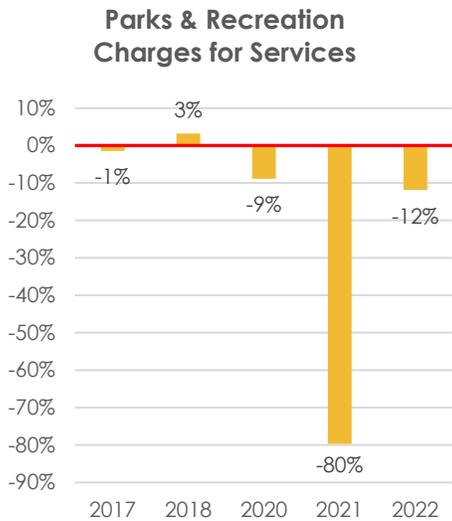
GENERAL FUND REVENUE

As of the third quarter ending March 31, 2022, total General Fund revenues are expected to exceed the budgeted revenue estimates by approximately \$12 million. Since the second quarter report, sales tax has continued a strong upward trend, prompting the City's sales tax consultant (HdL) to revise its previous 8.1% year-over-year growth rate estimate to a rate of 12.9%. Actual results through the end of the fiscal year depend on how consumers and retailers respond to inflation and its impacts on slowing the economy. Consumers may move more toward essentials versus discretionary spending. Retailers, such as Target and Walmart, reported serious margin pressure as inflation in the supply chain bore down on financial statements because they were slow to raise prices. While retailers try to hold costs with suppliers, costs in certain categories will likely be passed on to consumers.

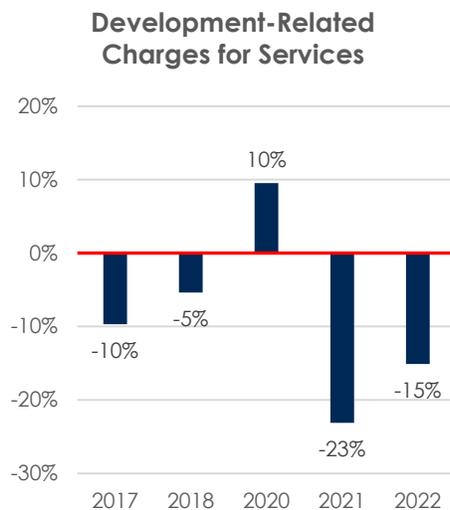
The following chart from HdL compares the City's sales tax receipts by major business group reported during the fourth calendar quarter of 2020 and 2021. Riverside is trending slightly higher than the state average, but lower than the 27.4% county average.



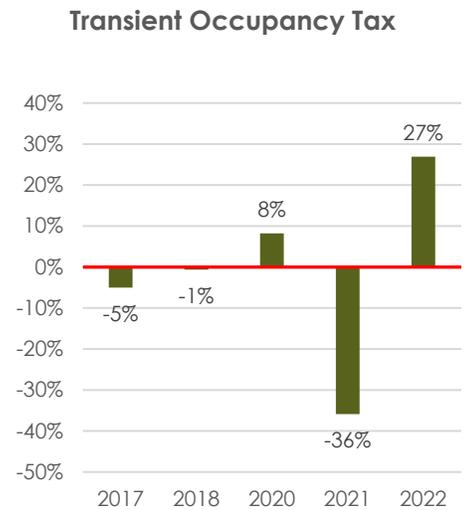
During normal times, staff is able to regularly monitor various revenue streams in comparison to the same period in a previous year. The COVID-19 pandemic through the last three years has impacted several revenue streams to the extent they are still coming in less than the same period in FY 2018/19 – the last full fiscal year before the pandemic. The following three charts compare actuals received through third quarter for two years preceding FY 2018/19 and three years following FY 2018/19, with FY 2018/19 represented as the baseline 0% (red line) in the charts. Steady revenue growth can be observed in the two years preceding the pandemic. Less of a decrease or an increase shown for FY 2021/22 as compared to FY 2020/21 is a good sign that revenue is increasing toward pre-pandemic levels.



Revenues are currently 12% below FY 2018/19 actuals.



Revenues are currently 15% below FY 2018/19 actuals.

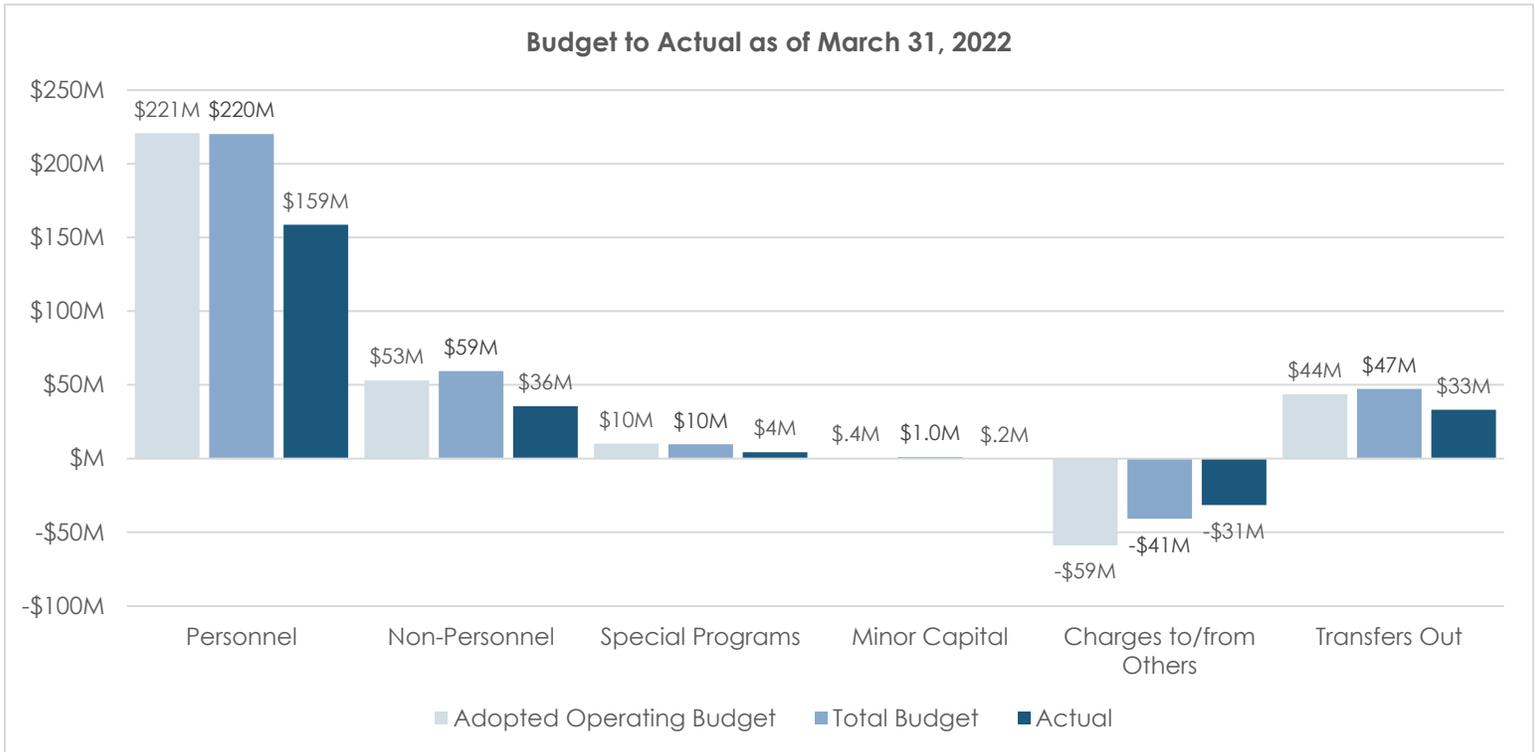


Revenues are currently 27% above FY 2018/19 actuals.

GENERAL FUND EXPENDITURES

As of the second quarter, General Fund expenditures are trending within the approved appropriations limit. General Fund non-personnel expenditures are trending lower than prior years and may produce some savings at fiscal year-end; however, actual expenditures fluctuate during the fiscal year and are subject to carryover at fiscal year-end. Based on an analysis of overtime trends to date, the Fire Department is likely to exceed its overtime budget in FY 2021/22. Overtime costs are largely impacted by vacancies and illnesses during the pandemic. As of the third quarter, year-to-date trends in all other General Fund departments combined show that total savings from those departments may be sufficient to offset the Fire Department's budget overage in overtime costs.

In the chart below, General Fund expenditures recorded as of March 31, 2022, are presented in comparison to the Adopted Budget and the Total Budget. The Total Budget includes prior year encumbrances and carryovers as well as current year budget adjustments. Prior year encumbrances and carryovers represent the amount of unexpended appropriations from previous fiscal years.



CALPERS UPDATE

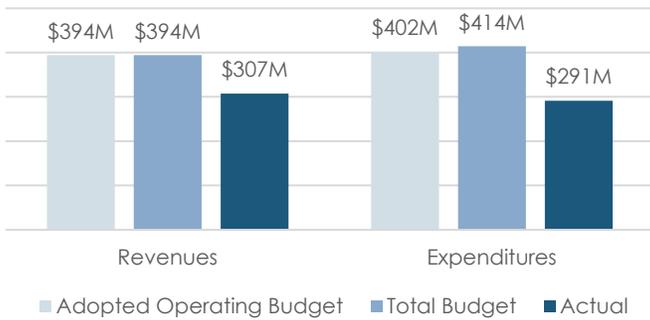
What has happened since the 2020 Pension Obligation Bond was issued? The City benefitted from fortuitous "POB timing." The Unfunded Accrued Liability (UAL) payments are expected to be close to zero starting in 2024 due to significant gains on the CalPERS investment portfolio at June 30, 2021. As a result of a 21.3% return on investments by CalPERS in 2021, CalPERS implemented a policy driven decrease in the discount rate which is the assumed rate of return that the portfolio would achieve over the long term. A reduction in the discount rate from 7% to 6.8% will grow the City's normal retirement cost by \$5 million annually beginning in 2024. The net effect of the two outcomes noted as of June 30, 2021, was that the UAL for public safety decreased to \$7 million and a \$15 million surplus was generated in the Miscellaneous Plan which brought the City's plan to nearly 100% funded on June 30, 2021. In fiscal 2021/22 the financial markets have impacted returns. Currently, CalPERS returns are tracking around a negative 5% for the year. With over a month to go in the fiscal year, CalPERS does have a small window of opportunity to reduce the current projected loss; however, the likelihood of that occurring is remote. Should CalPERS returns end the year at or around a negative 5% loss the City could expect the UAL to grow to approximately \$289 million. As a result, UAL payments would begin to ramp up once again starting in 2025. The City will get a one-year reprieve on UAL payments in 2024 and total POB payments will be approximately \$27 million. Beginning 2025 the collective POB and UAL payments will jump to \$47 million reaching a peak of approximately \$65 million in 2029 through 2035. As noted, any given year can have a significant impact one way or the other on the City's pension obligations. Mitigating that risk with planned increased contributions to the Section 115 trust based on the short term surpluses we have recently experienced will hopefully help alleviate the potential upward pressure on retirement costs.

ENTERPRISE FUNDS

Electric Fund

The FY 2021/22 adopted budget for the Electric Fund includes a programmed \$7.4 million operating deficit and draw on fund reserves. This is a financial strategy employed to draw reserves down to minimize the impact on rate increases and keep them as low as possible. Reserve level estimates as of the third quarter end are within established policy levels. As of the end of the third quarter, Electric operating revenues are at 77.9% of budgeted projections and operating expenditures are 70.3% of total budget.

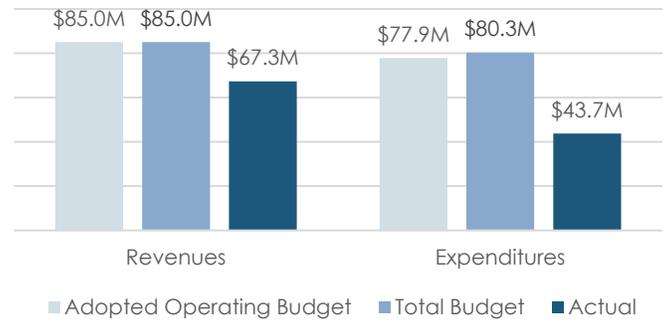
Electric Fund



Water Fund

The Water Fund is in a healthy position with estimated reserve levels at the end of the third quarter within the required policy reserve range (including the available line of credit). Budgeted operating gains of \$7.2 million are anticipated, with approximately \$3.4 million to be used to fund \$21.5 million in capital projects in FY 2021/22, supplemented by bond proceeds. As of the end of the third quarter, Water operating revenues are at 79.1% of budgeted projections and operating expenditures are 68.8% of budget.

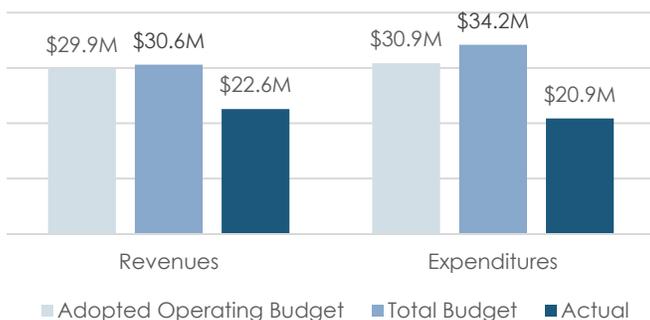
Water Fund



Refuse Fund

The adopted budget for the Refuse Fund projects a draw on fund reserves of approximately \$1 million due to revenues not keeping pace with rising costs. The Refuse Fund began the fiscal year with fund reserves of \$3.1 million net of prior year encumbrances and carryovers; as of the third quarter, the reserve balance is expected to be sufficient to accommodate a current year deficit. The Refuse Fund is currently experiencing both financial and operational challenges. Despite a recent rate increase, revenues are not keeping pace with rising costs. City Staff is in the process of bringing a comprehensive update to the City Council regarding ongoing challenges for the Refuse Fund.

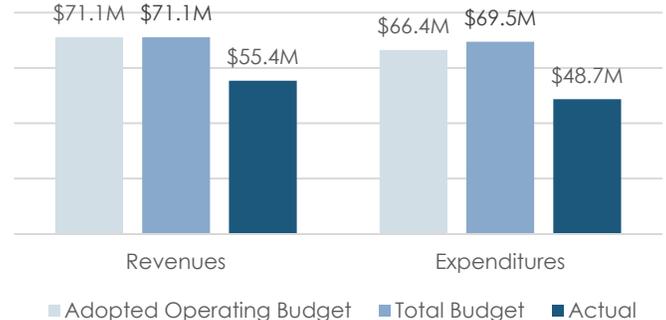
Refuse Fund



Sewer Fund

The FY 2021/22 adopted budget for the Sewer Fund projects a net operating gain of \$4.6 million. The operating gain, in addition to fund reserves will be used to fund \$22 million of planned capital projects. Based on an analysis of third quarter performance to date, the Sewer Fund is on track to meet revenue projections and is trending slightly higher than the prior year revenues. The Sewer Fund is continuing to experience the challenges mentioned in the second quarter report, such as increased unit cost of chemicals and truck driver shortages; however, the Sewer Fund is expected to remain within total adopted appropriation limits through the fiscal year.

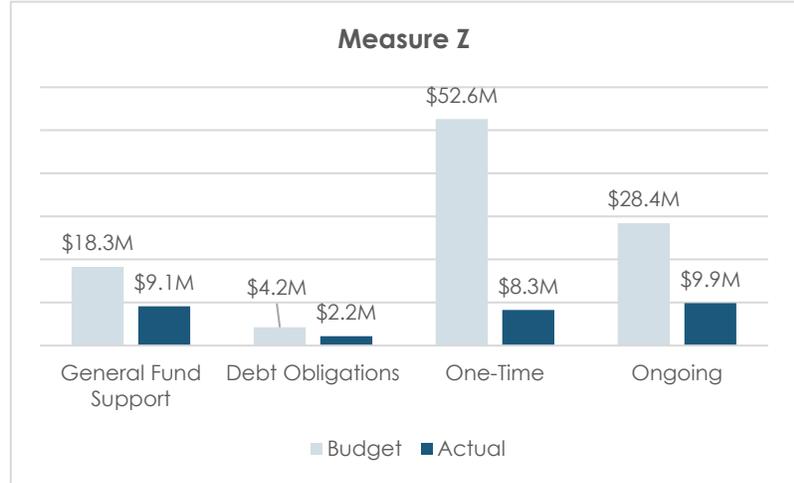
Sewer Fund



Measure Z

Based on the spending items approved to date and strong tax revenue performance, Measure Z is projected to end the fiscal year with approximately \$39.3 million in unallocated fund reserves. The City's sales tax consultant, HdL, has increased revenue projections from a year-over-year growth in local sales tax revenue over prior year actuals from a rate of 6.5% to a rate of 12.5%. If the current revenue trend continues through the fiscal year, tax revenue may come in \$6.7 million higher than the revised estimate.

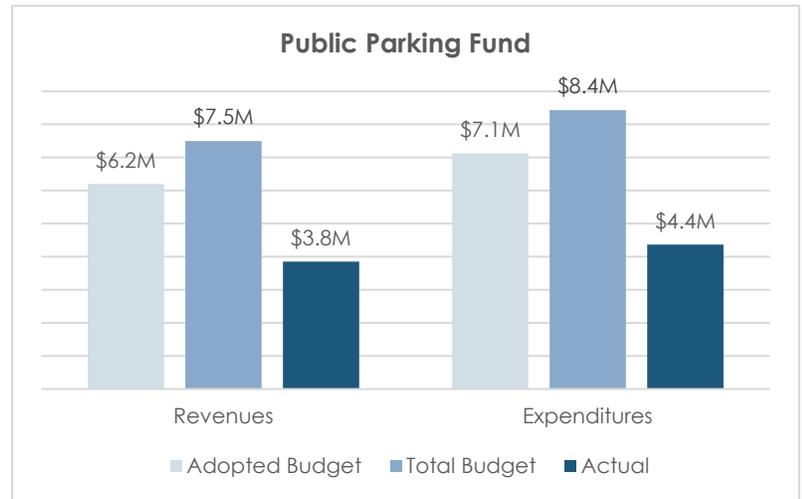
The chart to the right displays the spending status as of March 31, 2022, of approved spending items of various types. Ongoing items are obligations that may increase annually and cannot be easily defunded, such as personnel. One-time items are spending items that can be defunded if necessary, depending on contractual obligations.



Public Parking Fund

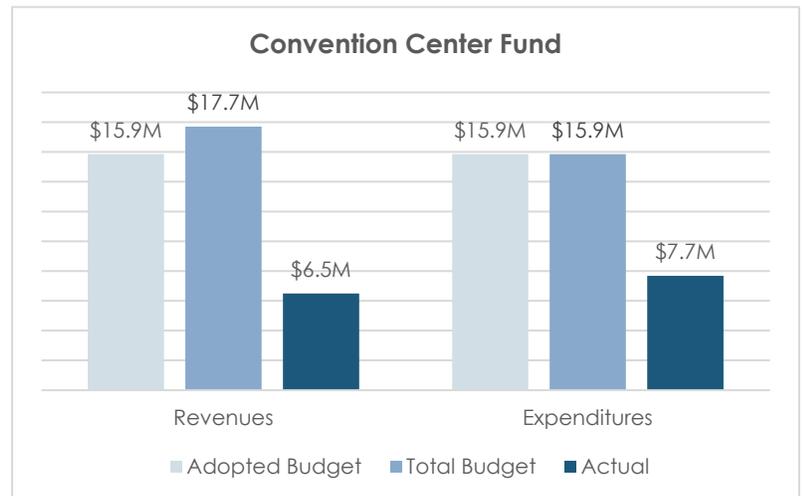
Parking Fund reserves at the beginning of FY 2021/22 are \$1.6 million, or \$300,000 net of prior year encumbrances. The adopted FY 2021/22 budget projects a draw on fund reserves of \$923,000 due to the lingering impacts of the pandemic on parking revenues, maintenance costs of aging infrastructure, and parking fees not keeping pace with operating costs. Based on third quarter analysis, the Public Works Department projected a net operating loss of \$1.6 million for FY 2021/22 which would fully deplete fund reserves; however, actions executed as discussed in the second quarter Fiscal Update may produce ending fund reserves.

The Public Works Department has presented several strategies to address infrastructure needs and revenue requirements to achieve financial sustainability in the Parking Fund, and some corrective actions have been approved.



Convention Center Fund

The Convention Center Fund is continuing to experience impacts from the COVID-19 pandemic with shortfalls requiring increased subsidies from the General Fund. As of May, many of the events scheduled to occur at the Convention Center in the fourth quarter has been confirmed and revenue generated is expected to be higher than that for each of the previous three quarters; however, revenue for the year is projected to fall short of budgeted revenues. In that event, the budgeted General Fund subsidy will not be sufficient and additional subsidy will be needed.

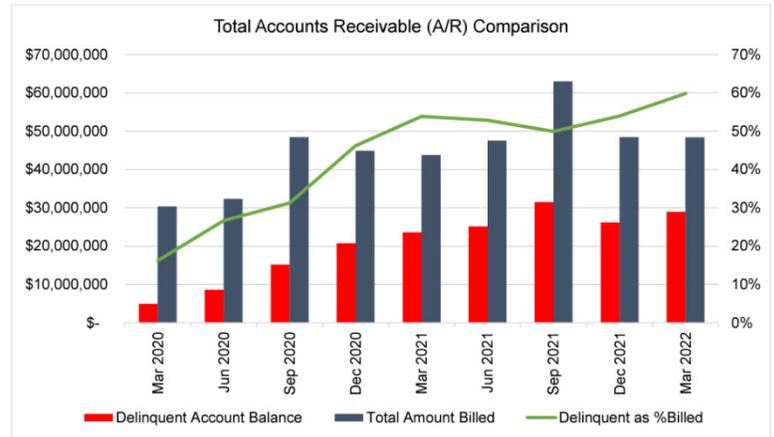


OTHER FINANCIAL NEWS

Utility Account Delinquencies Update

The Electric, Water, Sewer and Refuse funds continue to be impacted by the suspension of utility shutoffs in response to the pandemic. The combined delinquent accounts receivable for the four utilities, shown as the blue bar in the chart to the right, increased from March 2020 to March 2022 by \$24.0 million, or 488.3%. On May 17, 2022, the City Council voted unanimously to:

1. Approve the Public Utilities Restart Utility Bill Repayment Program for customers who were unable to pay their Riverside Public Utilities bills due to the ongoing COVID-19 pandemic, and
2. Direct the City Manager to reverse the March 17, 2020 suspension discontinuing water, electric, sewer and refuse utility service for non-payment .



Utility Assistance Programs

Emergency Recovery Assistance Program (ERAP)

RPU developed this program in response to the COVID-19 pandemic to provide a one-time bill credit (assistance) for residential electric customers whose incomes were negatively impacted. Since May 2020, approximately 5,285 customers have benefitted from this assistance.

Low-Income Household Water Assistance Program (LIHWAP)

This program is administered by the California Department of Community Services & Development to provide financial assistance to low-income customers where qualified. Low-income households can apply to their Local Service Provider to receive a one-time credit (up to \$2,000) on their water or wastewater bill. The Local Service Provider for RPU customers is Community Action Partnership of Riverside County.

More information can be obtained by calling Customer Service at (951) 782-0330 or visiting:

<https://www.riversideca.gov/utilities/residents/assistance-programs/about>

Arrearage Payment Programs

California Arrearage Payment Program (CAPP)

In July 2021, Governor Newsom signed AB 135, which created this program to administer funding for electric utility customer arrearages. RPU applied for CAPP assistance on behalf of electric customers who incurred a past due balance of 60 days or more on their energy bill during the COVID-19 pandemic relief period covering March 4, 2020 through June 15, 2021. In December 2021, \$11.1 million was applied to 12,599 electric customers' accounts.

California Wastewater Arrearages Payment Program (CWWAPP)

In July 2021, Governor Newsome signed AB 148, which created this program to administer funding for water/wastewater utility customer arrearages. RPU applied for CWWAPP assistance on behalf of water customers who incurred a past due balance of 60 days or more on their energy bill during the COVID-19 pandemic relief period covering March 4, 2020 through June 15, 2021. In December 2021, \$1.9 million was applied to 4,390 water customers' accounts.

In February 2022, RPU applied for \$2.6 million of funding for wastewater customer accounts. Funding was approved at \$2.3 million and was applied to accounts in April 2022.

FY 2022-2024 Biennial Budget Development

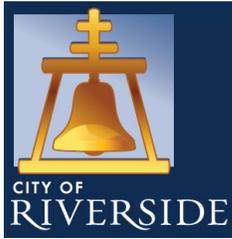
The City is currently developing the FY 2022-2024 biennial budget. Public engagement is encouraged at numerous meetings during which budget presentations and discussion will be conducted and feedback will be received. The final budget will be presented at two meetings, with a public hearing at the City Council meeting. Public engagement is encouraged. Get the latest information on public meetings related to the development of the FY 2022-2024 biennial budget by visiting the City's budget website at <https://riversideca.gov/finance/budget.asp>.

Date	Time	Meeting Body	Subject Matter
June 9	5:00 PM	Budget Engagement Commission	FY 2022-2024 Final Budget
June 21	6:15 PM	City Council – Evening Session	Public Hearing and Adoption of the FY 2022-2024 Biennial Budget

Measure Z
FY 2021/22 Quarter 3 Financial Update

Spending Item	Adopted Budget	Total Budget ¹	Spent as of Mar 31, 2022	Amount Remaining
Financial Discipline/ Responsibility				
2 Payoff of the Balloon \$32 million Pension Obligation Bond	1,674,490	1,674,490	1,260,867	413,623
Total Financial Discipline/ Responsibility	1,674,490	1,674,490	1,260,867	413,623
Public Safety				
5 Additional Sworn Police Positions	10,696,098	10,672,658	8,005,096	2,667,563
6 Public Safety Non-Sworn Positions and Recruitment Costs	960,636	959,358	663,637	295,721
7 Police Officer Lateral Hire Incentives and Recruitment Costs	200,000	200,000	25,080	174,920
8 Additional Dispatchers	1,166,456	1,164,863	637,534	527,329
9 Reinstatement of Fire Squad	3,346,678	3,337,980	3,054,846	283,134
10 Reinstatement of Captains (Training and Arson)	578,012	576,430	350,979	225,451
11 Reinstatement of Battalion Chief	393,599	392,488	298,836	93,652
12 Revised PD Vehicle Replacement and Maintenance Plan	2,180,909	4,987,046	1,297,097	3,689,950
14 Revised Fire Vehicle Replacement and Maintenance Plan	1,934,544	3,678,712	1,579,613	2,099,099
16 Additional Fleet Mechanics for Police Department (2)	224,766	224,416	169,319	55,097
17 Additional Fleet Mechanics for Fire Department (2)	240,535	240,153	182,385	57,768
34 4-Person Staffing on Fire Trucks	1,429,255	1,425,883	798,423	627,460
35 Fire Equipment and One-Time Operating Needs	-	73,042	18,218	54,824
36 Contingency - Fire Radios	-	19,679	-	19,679
38 Bourns Youth Innovation Center Furniture, Fixtures & Equip.	-	366,503	110,330	256,173
40 Library Security Guards	372,829	380,635	310,716	69,920
46 Parks and Neighborhood Program	2,393,098	2,393,098	133,110	2,259,988
47 Police Helicopters Capital lease	-	10,777,070	-	10,777,070
Total Public Safety	26,117,415	41,870,015	17,635,219	24,234,796
Critical Operating Needs				
18 Funding Gap - Existing Services	18,266,026	18,266,026	13,699,519	4,566,507
19 General Plan Update	-	4,656,987	(123,453)	4,780,440
20 Homeless Services	500,000	1,773,455	425,434	1,348,021
21 Principal Analyst - City Manager's Office	180,858	180,566	143,093	37,473
22 Budget Engagement Commission Support	37,687	37,987	11,477	26,510
43 PW Vehicle and Equipment Needs	2,000,000	2,000,000	-	2,000,000
44 PRCSD Facility, Vehicles, and Infrastructure	1,965,000	1,965,000	9,041	1,955,959
45 Motorhome Removal & Disposal	45,000	45,000	3,500	41,500
Total Critical Operating Needs	22,994,571	28,925,022	14,168,612	14,756,410
Facility Capital Needs				
23 New Downtown Main Library and Archives	2,751,200	4,305,112	2,063,400	2,241,712
24 Eastside Library Site Selection	-	81,100	75,600	5,500
25 New Police Headquarters	-	26,003	-	26,003
26 Museum Expansion and Rehab	-	9,991	-	9,991
28 Annual Deferred Maintenance	1,000,000	1,565,956	452,078	1,113,878
Total Facility Capital Needs	3,751,200	5,988,162	2,591,078	3,397,084
Quality of Life				
29 Maximize Roads/Streets (Pavement Condition Index)	4,375,000	23,254,111	7,128,126	16,125,985
30 Tree Trimming	1,000,000	1,005,415	421,600	583,815
31 Ward Action Team - City Attorney's Office	323,321	322,800	245,194	77,606
39 Public Safety and Engagement Team (PSET)	2,800,000	6,282,922	725,620	5,557,302
Total Quality of Life	8,498,321	30,865,248	8,520,540	22,344,707
Technology				
33 Technology Improvements	1,000,000	4,982,497	1,242,159	3,740,338
Total Technology	1,000,000	4,982,497	1,242,159	3,740,338
Grand Total	64,035,997	114,305,433	45,418,475	68,886,958

¹ Includes prior year's accumulated unexpended funds (encumbrances and carryovers) totaling \$36.16 million.



FY 2021/22 Third Quarter Financial Update

Finance Department

City Council
June 14, 2022

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GENERAL FUND OVERVIEW

FY 2021/22	Adopted Budget	Total Budget	Actuals as of Mar 31, 2022
Revenues & Transfers In	\$ 286,973,197	\$ 301,717,083	\$ 203,353,404
Expenditures & Transfers Out	(286,973,197)	(296,558,628)	(200,272,388)
Surplus/(Deficit)	\$ -	\$ 5,158,455	\$ 3,081,016

General Fund Reserves at June 30, 2021 (in millions)

Economic Reserves (15%)	\$ 43.05 M
Economic Contingency Reserves (5%)	\$ 14.35 M
Surplus Reserves*	\$ 47.12 M
Section 115 Trust Fund Reserves	\$ 10.98 M

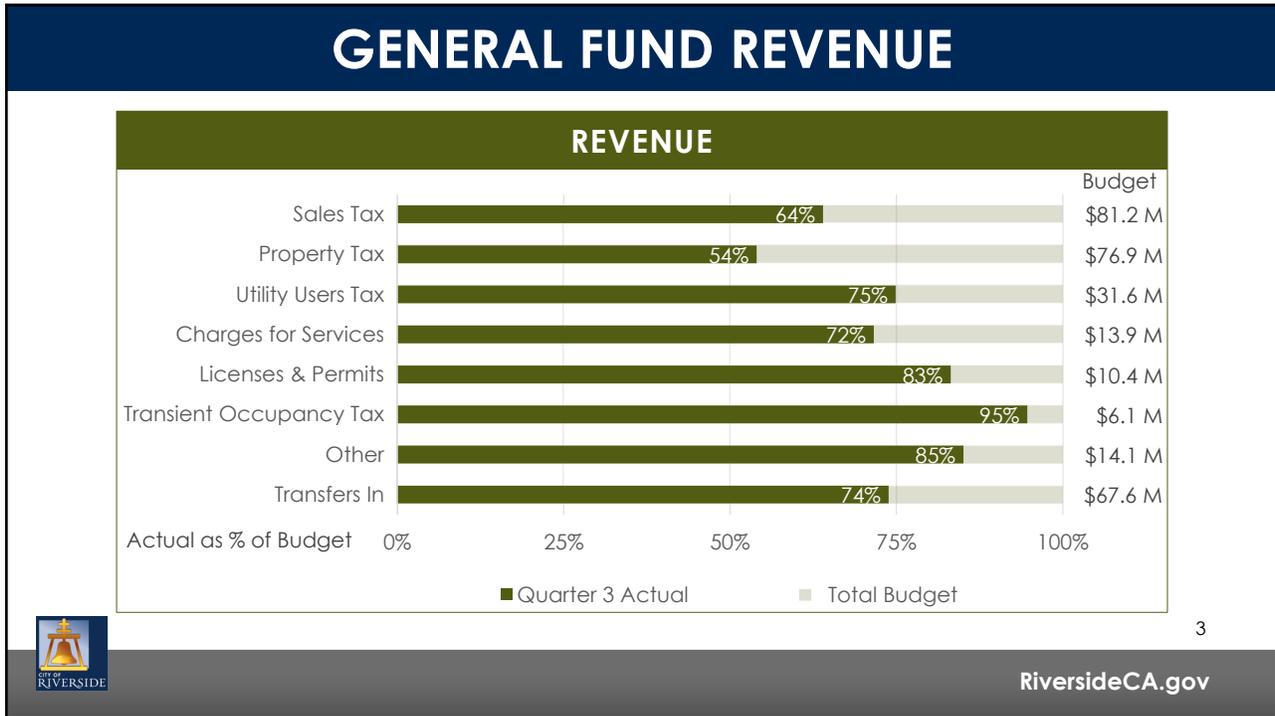
* Per City Council direction on December 14, 2021, surplus reserves have been allocated for specific purposes contingent upon the certification of Measure C results.

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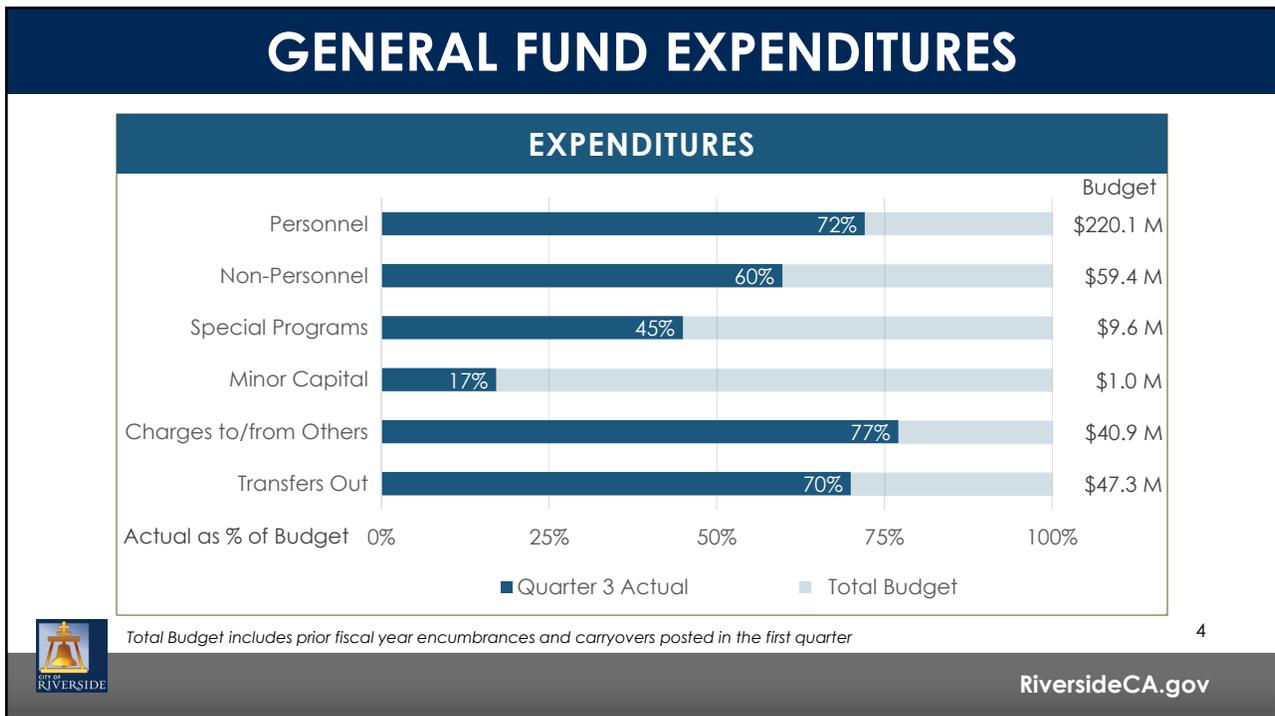


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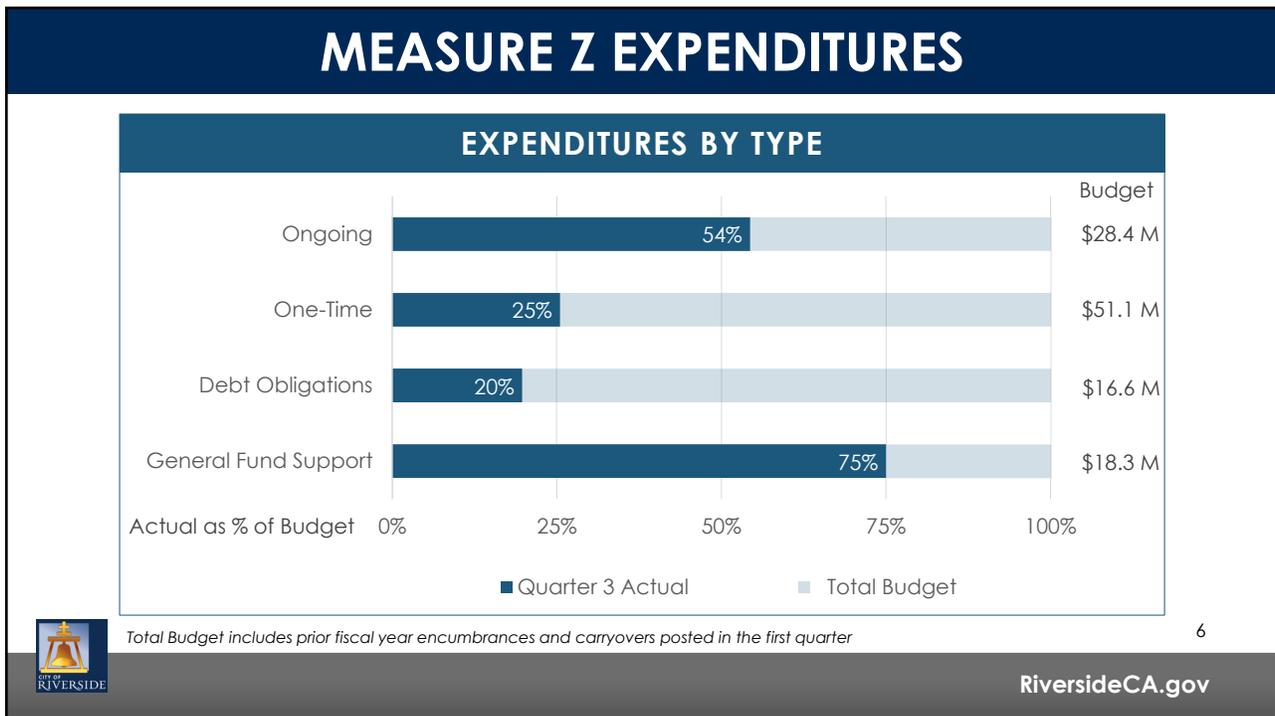
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MEASURE Z SPENDING PLAN

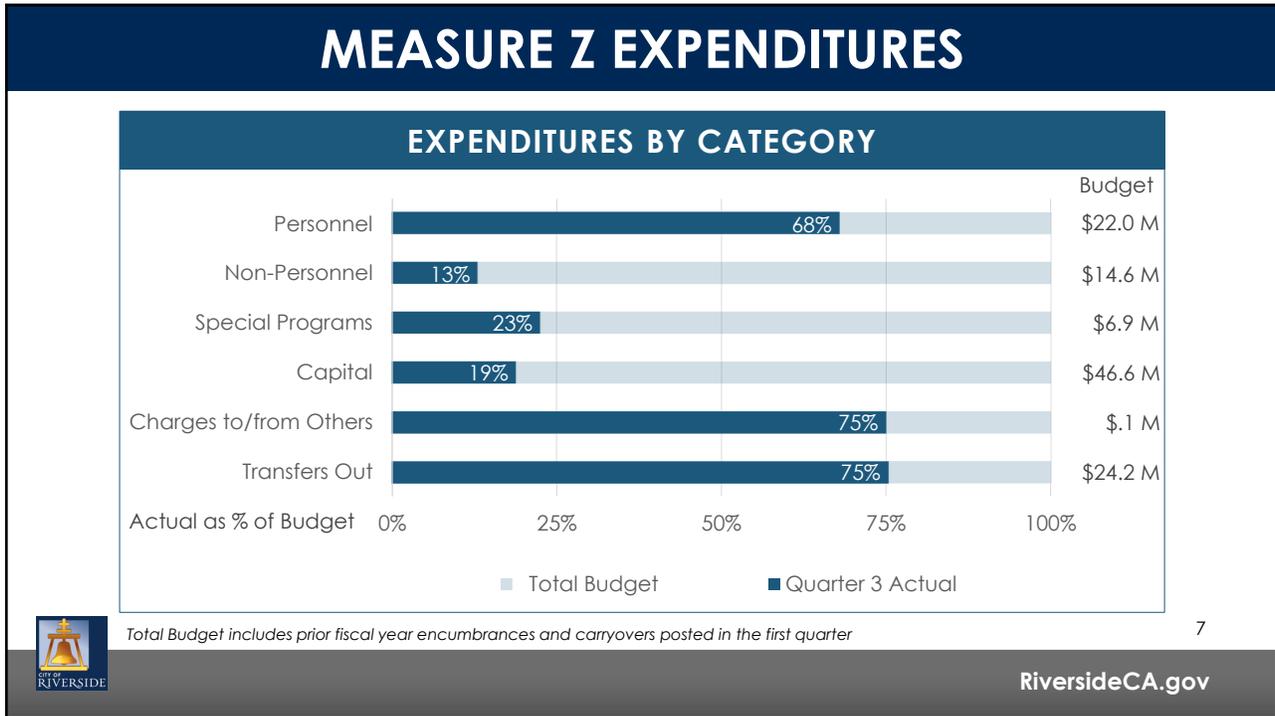
(in millions)	Actuals				Projected
	2018	2019	2020	2021	2022
Revenue	\$ 56.24	\$ 62.82	\$ 63.14	\$ 72.65	\$ 74.65
Expenditures	(36.14)	(40.99)	(49.56)	(50.85)	(74.14)
Encumbrances & Carryovers	-	-	-	(36.16)	-
Net Change in Fund Balance	\$ 20.10	\$ 21.83	\$ 13.58	\$(14.36)	\$0.51
Beginning Unallocated Fund Reserves	\$ 2.63	\$ 22.73	\$ 39.56	\$ 53.14	\$ 38.78
Net Change in Fund Balance	20.10	21.83	13.58	(14.36)	0.51
Fund Balance Reserve Policy	-	(5.00)	-	-	-
Ending Unallocated Fund Reserves	\$ 22.73	\$ 39.56	\$ 53.14	\$ 38.78	\$ 39.29


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ELECTRIC FUND OVERVIEW

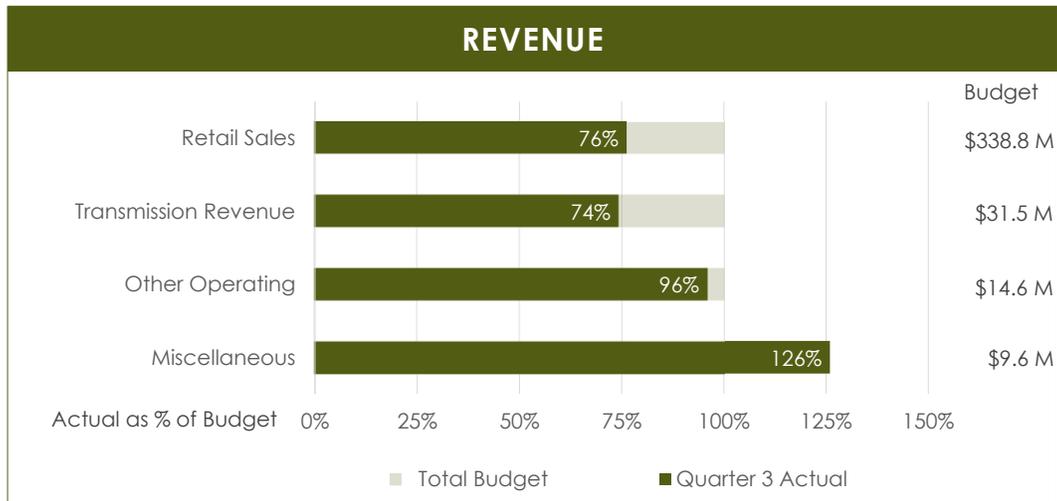
FY 2021/22 Operating Budget	Adopted Budget	Total Operating Budget	Actuals as of Mar 31, 2022
Revenue & Transfers In	\$ 394,458,800	\$ 394,458,800	\$ 307,470,585
Expenditures & Transfers Out	(401,889,290)	(414,231,961)	(291,336,271)
Surplus/(Deficit)	\$ (7,430,490)	\$ (19,773,161)	\$ 16,134,314

Undesignated Cash Reserves As of 3/31/2022 (in millions)	
Cash Reserves	\$ 179.4 M
Available Line of Credit	\$ 35.0 M
Minimum Reserve Level	\$ 139.0 M
Maximum Reserve Level	\$ 220.0 M

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ELECTRIC FUND OPERATING REVENUE

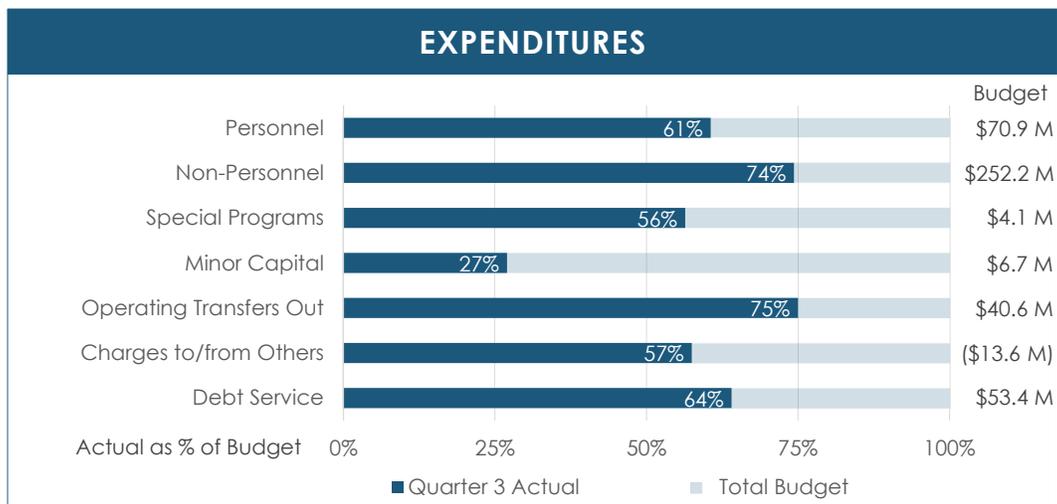


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ELECTRIC FUND OPERATING EXPENDITURES



Total Budget includes prior fiscal year encumbrances and carryovers posted in the first quarter

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WATER FUND OVERVIEW

FY 2021/22 Operating Budget	Adopted Budget	Total Operating Budget	Actuals as of Mar 31, 2022
Revenue & Transfers In	\$ 85,043,500	\$85,043,500	\$ 67,300,054
Expenditures & Transfers Out	(77,863,871)	(80,337,130)	(55,276,368)
Surplus/(Deficit)	\$ 7,179,629	\$ 4,706,370	\$ 12,023,686

Undesignated Cash Reserves As of 3/31/2022 (in millions)

Cash Reserves	\$ 40.3 M
Available Line of Credit	\$ 25.0 M
Minimum Reserve Level	\$ 42.0 M
Maximum Reserve Level	\$ 65.0 M

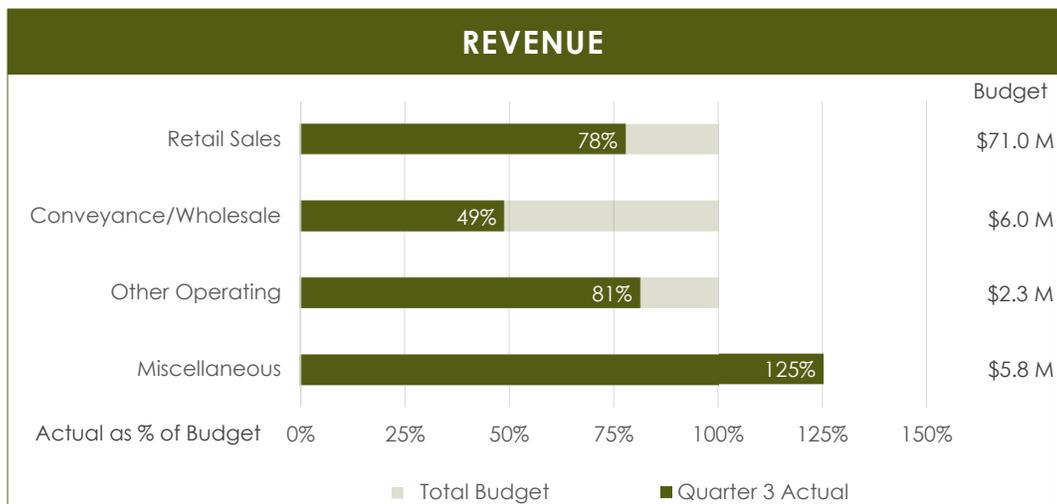


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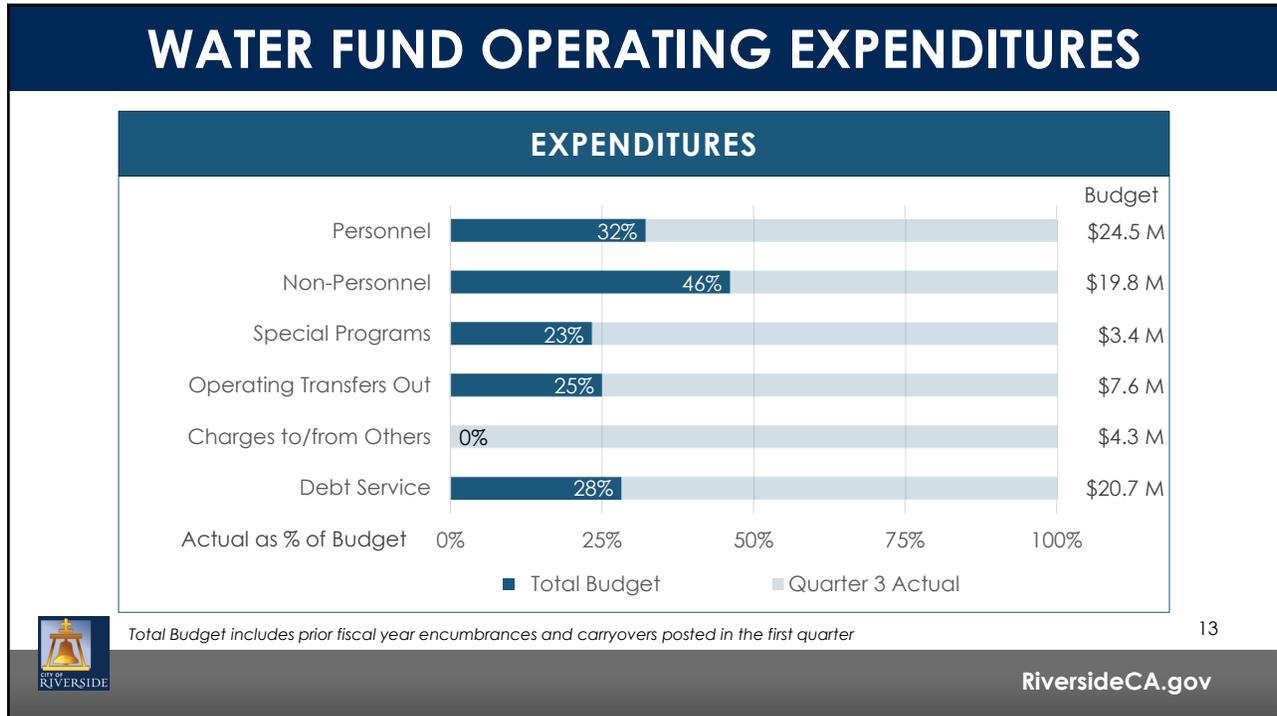
WATER FUND OPERATING REVENUE



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SEWER FUND OVERVIEW

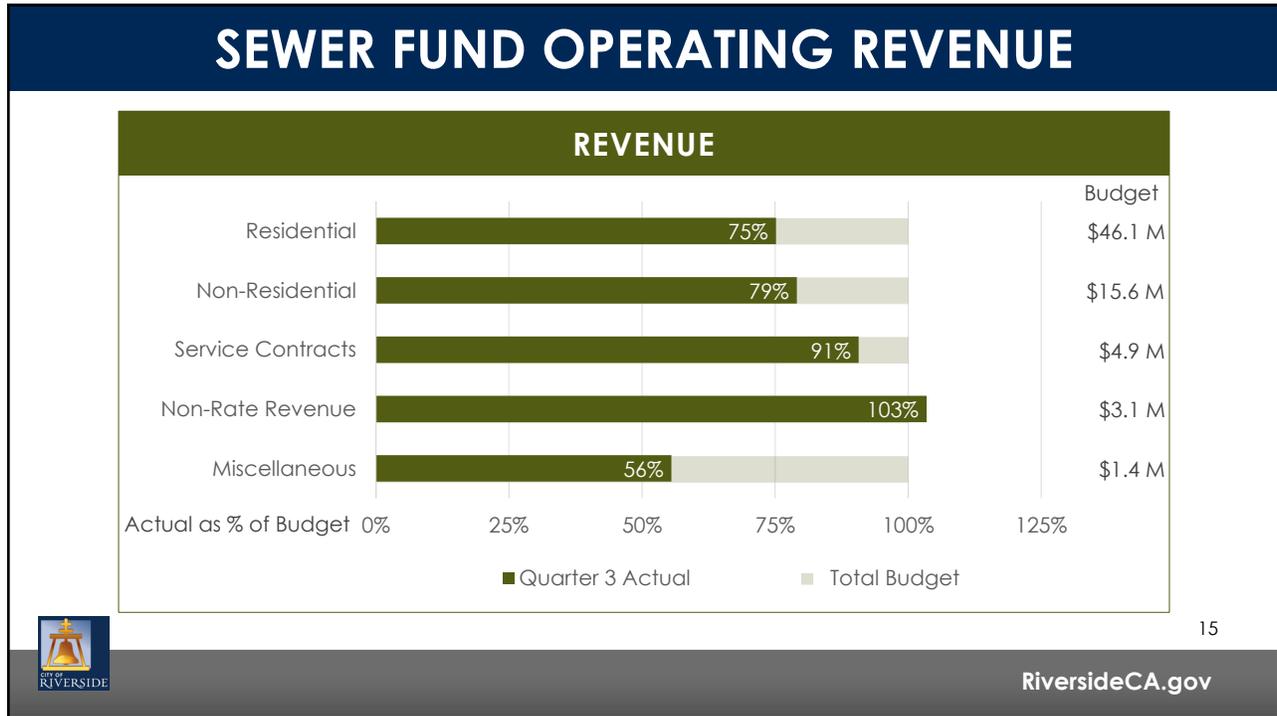
FY 2021/22 Operating Budget	Adopted Budget	Total Budget	Actuals as of Mar 31, 2022
Revenue & Transfers In	\$ 71,086,253	\$ 71,086,253	\$ 55,397,962
Expenditures & Transfers Out	(66,443,526)	(69,481,901)	(49,525,963)
Surplus/(Deficit)	\$ 4,642,727	\$ 1,604,352	\$ 5,872,000

Fund Reserves (in millions)	
Beginning Balance	\$ 94.5 M
Estimated Revenues	73.7 M
Total Budgeted Expenditures*	(111.4) M
Estimated Ending Reserves	\$ 56.8 M

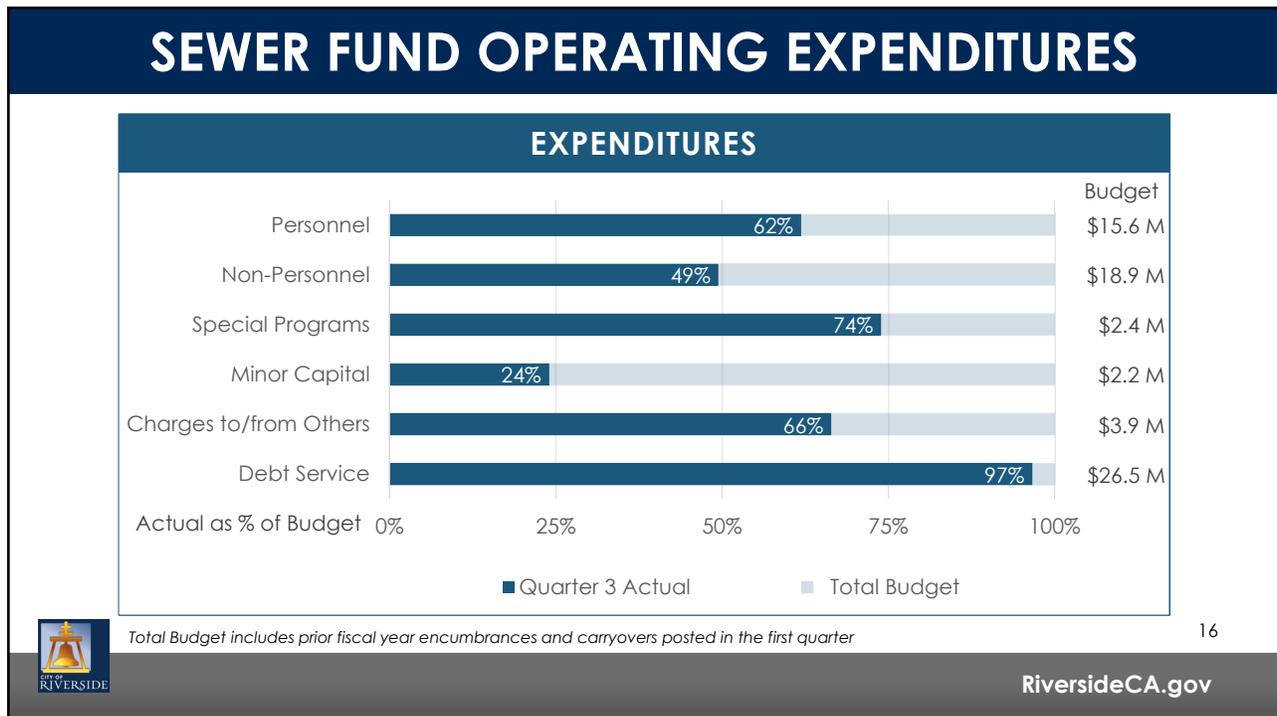
* Includes \$43.5 million in unexpended capital project budget

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REFUSE FUND OVERVIEW

FY 2021/22 Operating Budget	Adopted Budget	Total Budget	Actuals as of Mar 31, 2022
Revenue & Transfers In	\$ 29,894,417	\$ 30,588,135	\$ 22,576,767
Expenditures & Transfers Out	(30,855,904)	(34,172,055)	(19,850,520)
Surplus/(Deficit)	\$ (961,705)	\$ (3,583,920)	\$ 2,726,247

Fund Reserves (in millions)

Beginning Balance	\$ 6.5 M
Estimated Revenues	30.6 M
Total Budgeted Expenditures	(34.2) M
Estimated Ending Reserves	\$ 2.9 M

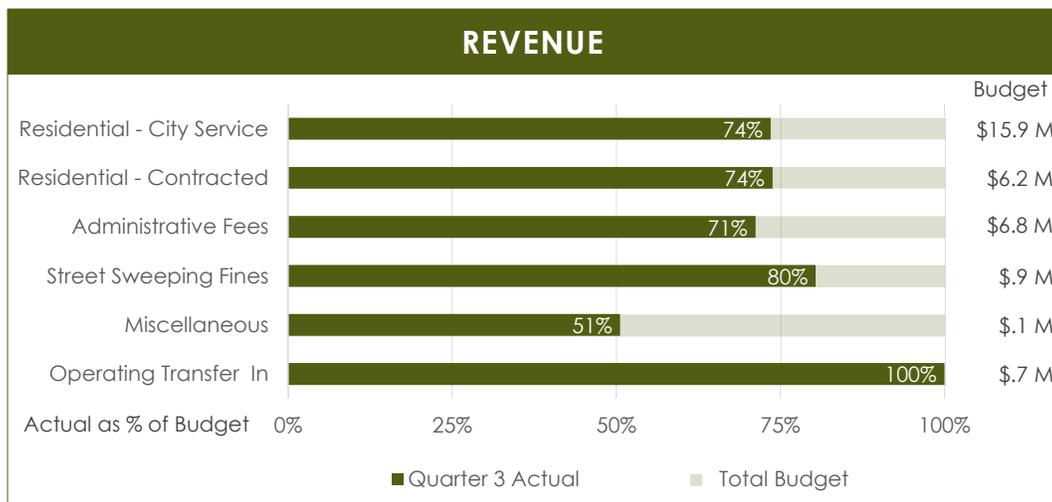


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REFUSE FUND OPERATING REVENUE

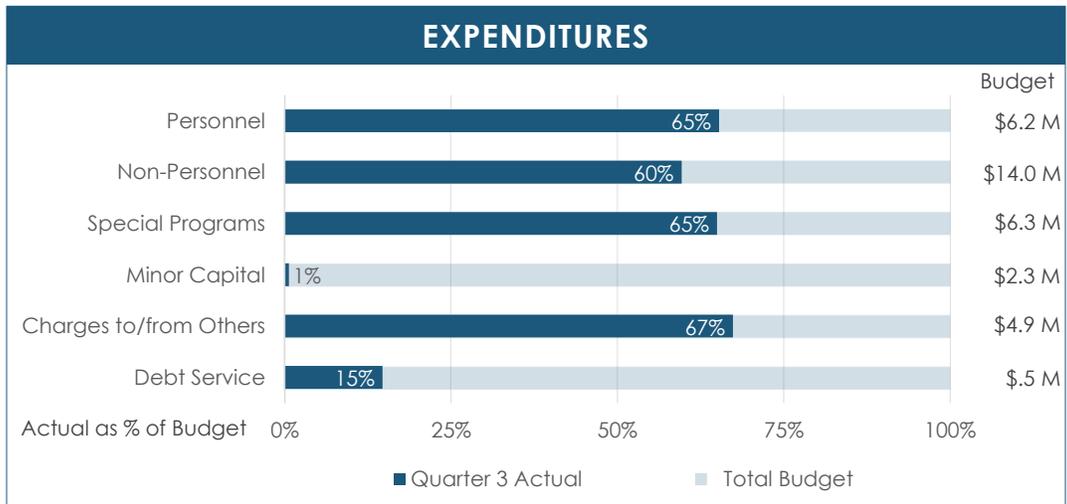


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REFUSE FUND OPERATING EXPENDITURES



Total Budget includes prior fiscal year encumbrances and carryovers posted in the first quarter

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PUBLIC PARKING FUND OVERVIEW

FY 2021/22 Operating Budget	Adopted Budget	Total Budget	Actuals as of Mar 31, 2022
Revenue & Transfers In	\$ 6,196,851	\$ 7,496,851	\$ 3,849,601
Expenditures & Transfers Out	(7,119,830)	(8,429,571)	4,366,556
Surplus/(Deficit)	\$ (922,979)	\$ (932,720)	\$ (516,955)

Fund Reserves (in millions)

Beginning Balance	\$ 1.57 M
Projected Revenues*	6.78 M
Projected Expenditures*	(6.95) M
Projected Ending Reserves	\$ 1.40 M

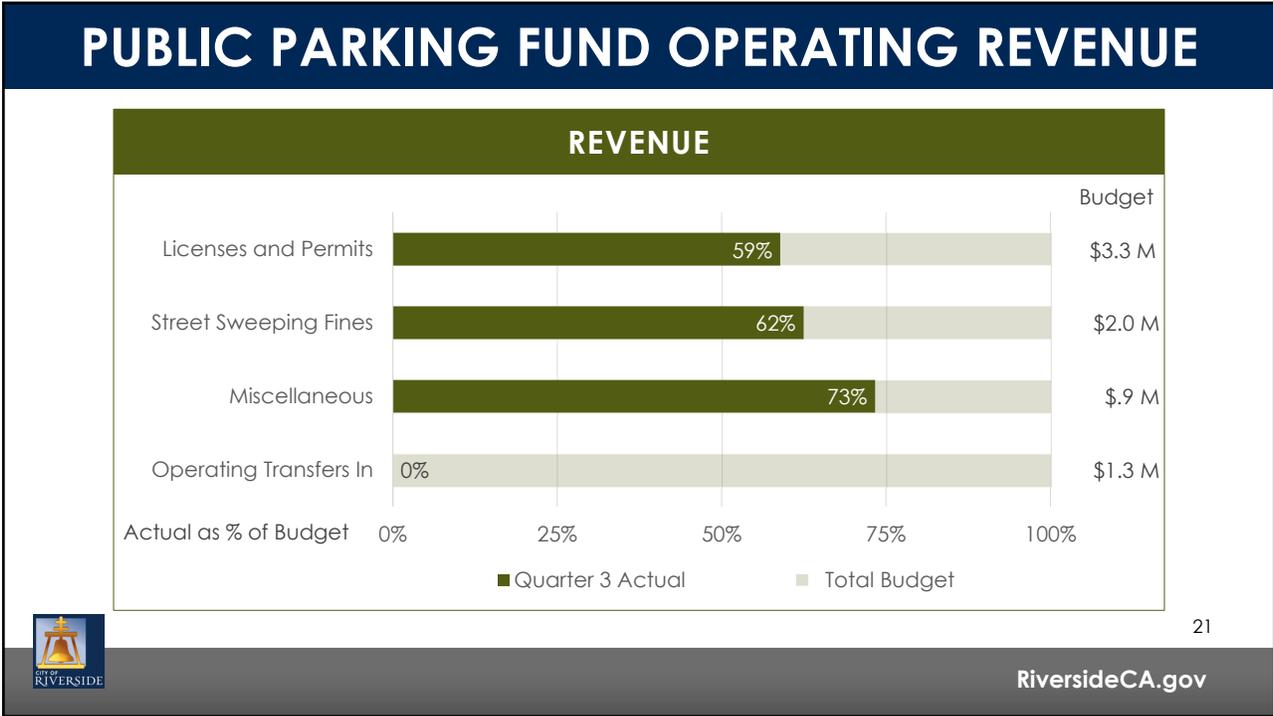
* Includes \$1.3M ARPA allocation for revenue loss and projected capital expenditure of \$925,000.



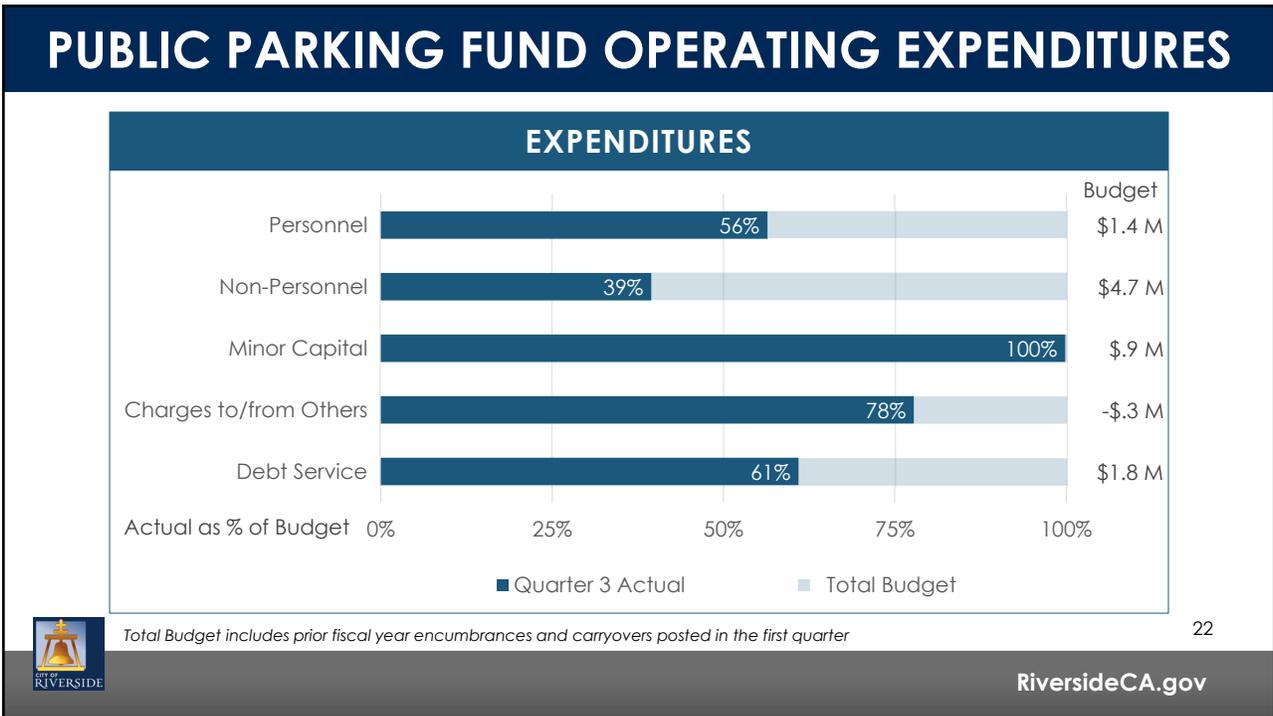
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STRATEGIC PLAN ALIGNMENT

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.

Cross-Cutting Threads



Community Trust



Equity



Innovation



Fiscal Responsibility



Sustainability and Resiliency



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RECOMMENDATION

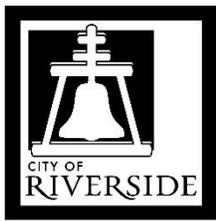
That the City Council receive and provide input on the Fiscal Year 2021/22 Third Quarter financial update.



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City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JUNE 14, 2022

FROM: FINANCE DEPARTMENT WARDS: ALL

SUBJECT: FISCAL YEAR 2021/22 THIRD QUARTER CASH, INVESTMENTS, AND DEBT REPORT

ISSUE:

That the City Council receive and provide input on the attached Fiscal Year 2021/22 Third Quarter Cash, Investments, and Debt Report.

RECOMMENDATIONS:

That the City Council receive and provide input on the attached Fiscal Year 2021/22 Third Quarter Cash, Investments, and Debt Report.

BACKGROUND:

On March 15, 2022, the City Council received and provided input on the Fiscal Year 2021/22 Second Quarter Cash, Investments, and Debt report.

DISCUSSION:

It is staff's intention to provide the Cash, Investments, and Debt Quarterly report at the same City Council meeting as the Quarterly Financial Report 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 March 31, 2022, the City's pooled investment portfolio's market value was \$894 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 \$145 million. The weighted average yield of the pooled investment portfolio is 0.80% as of March 31, 2022.

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 March 31, 2022:

1. Civic Entertainment – Convention Center, Visitors Bureau, Sports Commission (\$1,821,071) has a negative cash balance due to the loss of revenues from the COVID-19 impact. This account is being monitored and will return to positive by fiscal year-end.
2. Civic Entertainment – Cheech Marin Center (\$2,631,105) has a negative cash balance due to a pending submittal of a grant reimbursement to offset expenses and negative cash.
3. Home Investment Partnership Program (\$1,665,276), Housing Opportunities for Persons with AIDS (\$1,893,303), NPDES Storm Drains (\$108,330), Special Districts (\$60,695), Transportation Uniform Mitigation Fees (\$1,892,613), and Successor Agency (\$950,265) have negative cash balances due to the timing of expenditures; however, the negative balances are fully offset by receivables.
4. Special Deposits (\$4,837,867) has a negative cash balance from decreases in market value of investments primarily due to increased interest rates and related drop in market prices. The adjustments to market value throughout the year are booked to the Special Deposits fund; however, at year-end this adjustment will be proportionately booked through all related funds and the Special Deposits fund will return to positive by fiscal year-end.
5. Debt Service Fund – General (\$12,853,951) 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 (\$28 million) and other debt service payments.

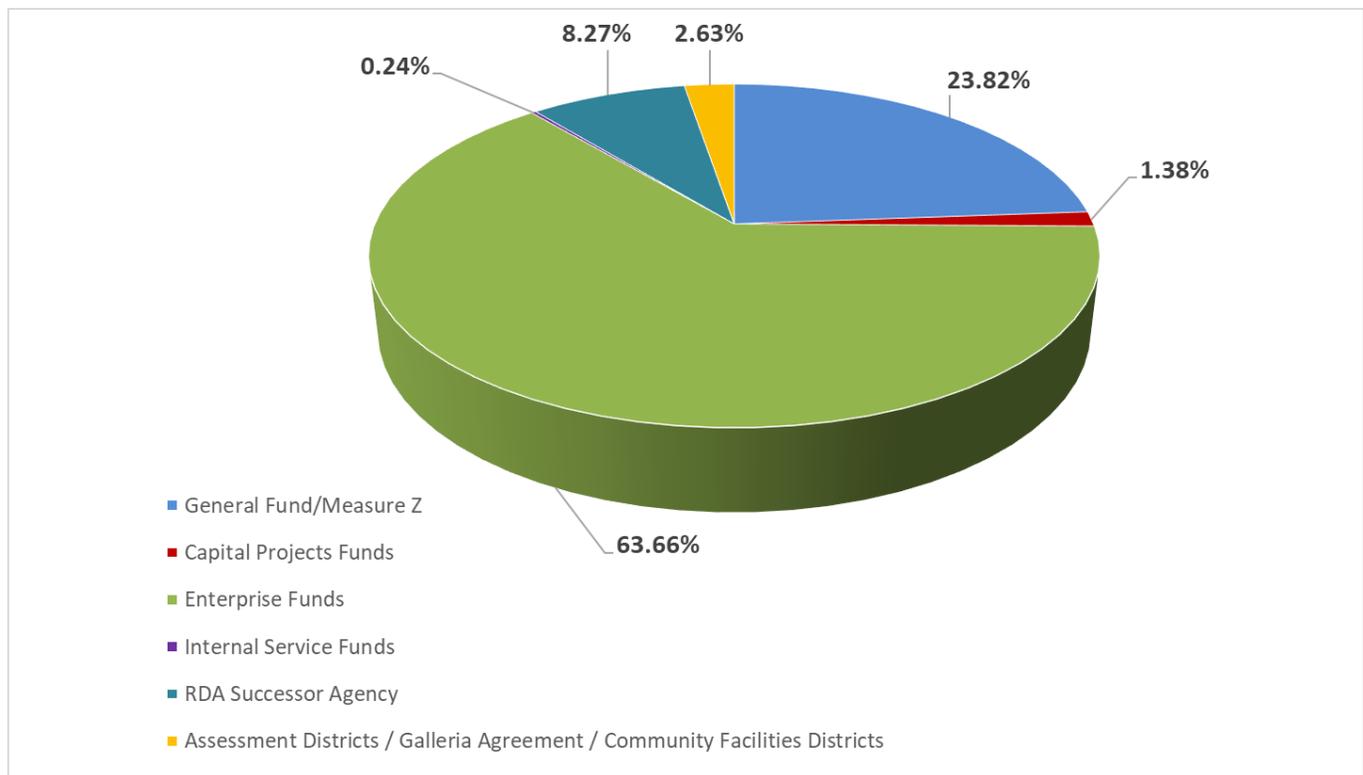
QUARTERLY DEBT REPORT

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 third quarter of Fiscal Year 2022 by debt classification and fund.

Debt Summary Analysis

The City’s outstanding principal varies quarterly as a result of debt service payments, bond calls, new debt issuances, and refunding and defeasance activity. At the end of the third quarter, the City’s outstanding principal balance decreased by \$6,737,111 from the end of the second quarter of fiscal year 2022. This principal decrease is due to debt service principal payments on 2008A Certificates of Participation (Renaissance), Capital Lease payments, and the Convention Center Expansion Loan.

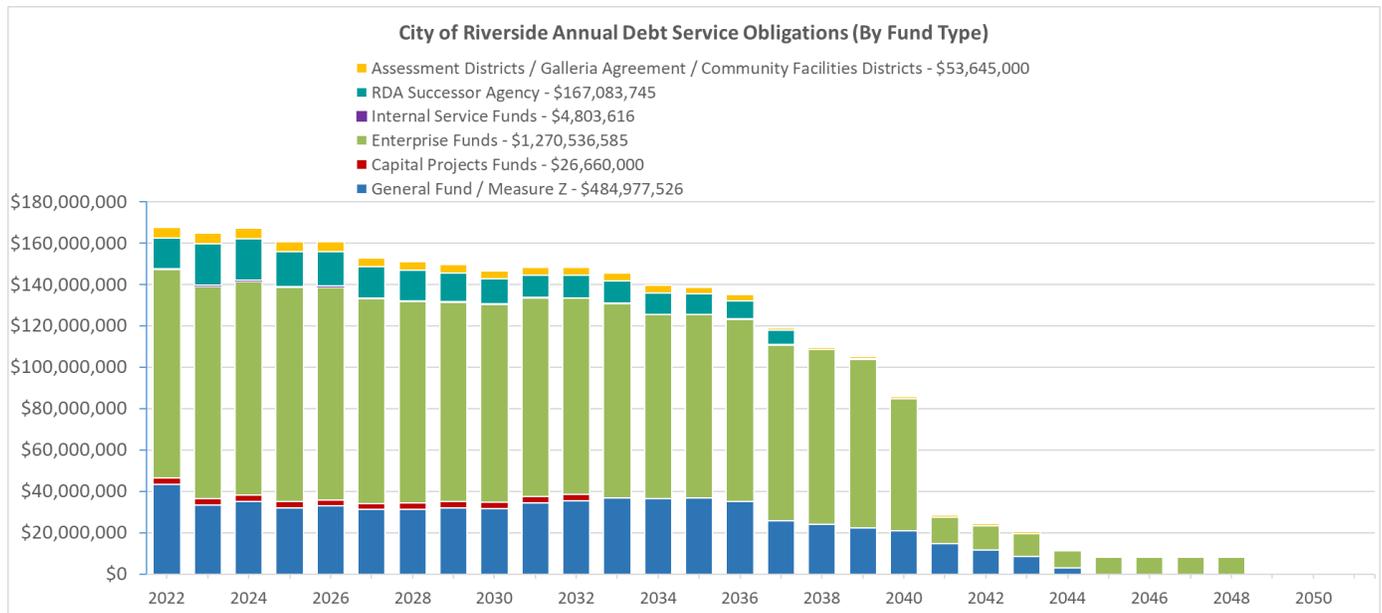
The chart below depicts the composition of the City’s debt portfolio at the end of the third quarter. The Enterprise funds are responsible for most of the City’s debt and are primarily for capital project financing offset by the revenues generated by the newly financed facilities. The General Fund and 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 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 and the City’s Parks Special Capital fund are classified under Capital Projects Funds. While the Assessment Districts, Galleria Agreement, and Community Facilities Districts are part of the City debt portfolio, they aren’t classified as City obligations. They are offset by individual Improvement Districts which are separate legal entities from the City, formed to issue debt and levy assessments or special tax to finance improvements related to development in those districts.

The following bar chart provides the City’s debt service obligations using the same classification methodology, depicting the aggregate principal and interest payments on all City debt instruments by fund. As illustrated below, the City has a stable debt service curve that results in steadily diminishing annual debt service payments and that minimizes any upward spikes in payments

that could negatively impact the City’s ability to pay debt service.



Debt Related Activities in Third 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 third quarter, Debt Division staff prepared and filed Annual Continuing Disclosure reports for all City publicly issued bonds. The City began the process of preparing the Annual Engineer’s reports for the Street Light Assessment District and Riverwalk and Sycamore Canyon Landscape Maintenance Districts.

Other debt related activities conducted within the third quarter includes:

- Analysis, preparation, and posting of the SB1029 CDIAC Annual Debt Transparency Report
- Renewal of Electric and Water Revolving Fund Loan
- Began process for annual Lighting Maintenance District and Street Light Assessment District levy renewal
- Negotiation and Council approval of Riverside Unified School District CFD 39 Joint Community Facilities District Agreement
- AB1666 legislative requirements compliance
- Conducted analysis and initial formation proceedings for new CFD 2021-3 (Bridle Ridge)
- Commenced analysis and disclosure for public issuance of new money bonds for CFD 2015-2 (Pomelo)

STRATEGIC PLAN ALIGNMENT:

This item contributes to **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.**

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 to show 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 fiscal impact associated with this report.

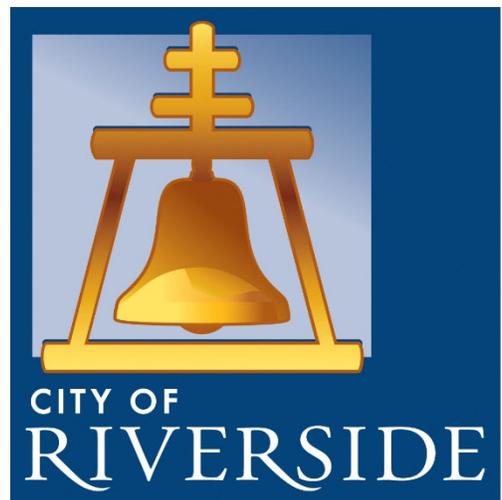
Prepared by: Heidi Schrader, Debt and Treasury Manager
Certified as to
availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer
Approved by: Edward Enriquez, Interim Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Cash and Investment Report
2. Quarterly Debt Report

ATTACHMENT 1

CASH AND INVESTMENT REPORT

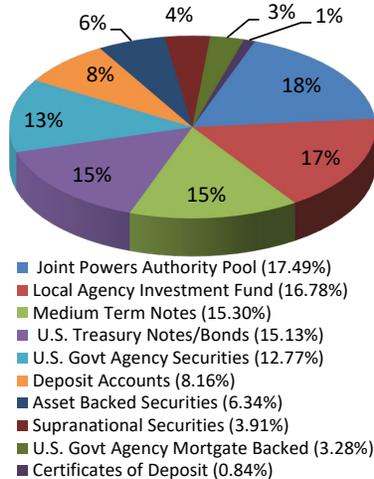




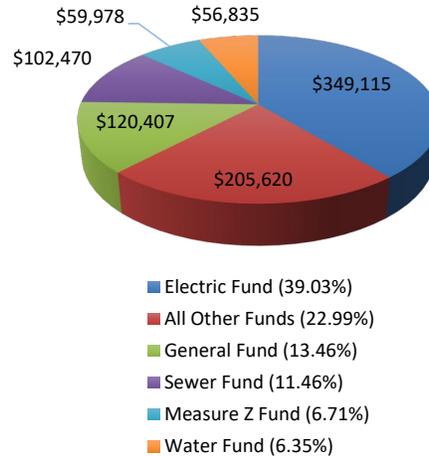
CITY OF RIVERSIDE Quarterly Investment Report March 31, 2022

	AMORTIZED COST	MARKET VALUE
POOLED INVESTMENT PORTFOLIO		
Deposit Accounts	\$ 72,994,152.20	\$ 72,994,152.20
Joint Powers Authority Pool	156,468,693.62	156,468,693.62
Local Agency Investment Fund (LAIF)	150,000,000.00	150,118,217.50
Certificates of Deposit	7,499,999.42	7,498,482.50
Medium Term Notes	143,109,788.07	136,819,418.05
U.S. Govt Agency Mortgage Backed Securities	29,752,426.67	29,314,467.16
Asset Backed Securities	57,905,349.53	56,690,889.77
Supranational Securities	37,090,512.00	34,947,953.43
U.S. Govt Agency Securities	119,069,564.65	114,242,381.76
U.S. Treasury Notes/Bonds	139,372,913.49	135,330,754.41
TOTAL POOLED INVESTMENT PORTFOLIO	913,263,399.65	894,425,410.40
INVESTMENTS HELD BY FISCAL AGENT -		
SECTION 115 PENSION TRUST FUND	10,066,087.40	10,404,024.04
OTHER INVESTMENTS HELD BY FISCAL AGENT	132,792,507.15	131,455,842.24
OTHER MISCELLANEOUS CASH	3,334,492.59	3,334,492.59
TOTAL CASH & INVESTMENTS	\$ 1,059,456,486.79	\$ 1,039,619,769.27

COMPOSITION OF POOLED PORTFOLIO



COMPOSITION OF POOLED PORTFOLIO BY FUND



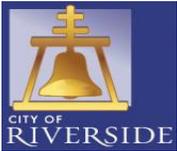
It has been verified that this investment portfolio is in conformity, exclusive of items identified, with the City of Riverside's investment policy which was approved by City Council on 3/11/2020. The Treasurer's cash management program and cash flow analysis indicates that sufficient liquidity is on hand to meet estimated future expenditures for a period of six months. The weighted average maturity of the City's investment portfolio is 1.47 years. Market prices of securities are obtained from Interactive Data Corporation. Weighted average yield on cost for the City's investment portfolio is 0.80%. 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

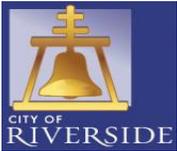
Approved by:

Edward P. Enriquez, Chief Financial Officer/Treasurer



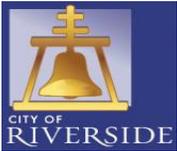
CITY OF RIVERSIDE
Pooled Investment Portfolio Holdings
March 31, 2022

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	66,424,631.09	66,424,631.09
Federated Investors Federated Treasury	N/A	Varies	AAA	Varies	1,398,281.54	1,398,281.54
Citizens Business Bank	N/A	Varies	NR	Varies	5,171,239.57	5,171,239.57
SUBTOTAL DEPOSIT ACCOUNTS					72,994,152.20	72,994,152.20
<u>JOINT POWERS AUTHORITY POOL</u>						
California Asset Management Program (CAMP)	N/A	Varies	AAA	Varies	156,468,693.62	156,468,693.62
SUBTOTAL JOINT POWERS AUTHORITY POOL					156,468,693.62	156,468,693.62
LOCAL AGENCY INVESTMENT FUND (LAIF)	N/A	Varies	NR	Varies	150,000,000.00	150,118,217.50
<u>CERTIFICATES OF DEPOSIT</u>						
Bank of Nova Scotia Houston	0.200	06/23/22	A-1	06/29/21	7,499,999.42	7,498,482.50
SUBTOTAL CERTIFICATES OF DEPOSIT					7,499,999.42	7,498,482.50
<u>MEDIUM TERM NOTES</u>						
Berkshire Hathaway	3.000	05/15/22	AA	03/12/19	5,136,191.29	5,156,627.47
Exxon Mobil Corp	1.902	08/16/22	AA-	08/13/19	2,375,000.00	2,386,477.19
Berkshire Hathaway	2.750	03/15/23	AA	05/09/19	4,451,187.75	4,471,514.35
Chevron Corp	3.191	06/24/23	AA-	02/19/19	5,057,700.00	5,099,044.86
Toyota Motor Credit Corp	3.450	09/20/23	A+	02/19/19	2,470,070.70	2,466,190.40
Charles Schwab Corp	0.750	03/18/24	A	03/16/21	1,954,022.50	1,891,907.92
Amazon.com Inc	0.450	05/12/24	AA	05/10/21	3,649,663.70	3,530,797.62
John Deere Capital Corp	0.450	06/07/24	A	06/07/21	2,077,400.00	1,986,601.76
Salesforce.com Inc	0.625	07/15/24	A+	06/29/21	1,064,456.85	1,021,956.37
Royal Bank of Canada	2.250	11/01/24	A	02/06/20	3,037,950.00	2,988,372.00
John Deere Capital Corp	2.050	01/09/25	A	02/06/20	3,024,810.00	2,959,822.33
American Honda Finance	1.500	01/13/25	A-	Various	4,483,050.30	4,354,357.50
Toyota Motor Credit Corp	1.800	02/13/25	A+	05/05/21	2,072,840.00	1,948,422.00
JP Morgan Chase & Co	3.220	03/01/25	A-	08/18/20	3,238,920.00	3,019,339.00
Bank of America Corp	3.458	03/15/25	A-	04/23/20	5,263,900.00	5,041,434.44
Chubb INA Holdings Inc	3.150	03/15/25	A	Various	6,518,943.13	6,027,038.98
Bank of Montreal	1.850	05/01/25	A-	08/12/21	5,162,100.00	4,849,131.67
Qualcomm Inc	3.450	05/20/25	A	Various	4,238,843.20	4,129,724.66
Morgan Stanley	0.790	05/30/25	BBB+	Various	7,461,656.65	7,117,521.27
Honeywell Intl	1.350	06/01/25	A	06/23/20	5,119,000.00	4,842,530.00
Royal Bank of Canada	1.150	06/10/25	A	Various	5,044,880.00	4,742,134.17
American Honda Finance	1.200	07/08/25	A-	06/22/21	2,017,540.00	1,892,227.33
Toronto Dominion Bank	0.750	09/11/25	A	09/15/20	4,986,850.00	4,617,228.33
Simon Property Group	3.300	01/15/26	A-	08/11/21	4,750,593.75	4,438,532.30
Goldman Sachs Group Inc	0.855	02/12/26	BBB+	06/18/21	4,334,706.25	4,085,373.91
Bank of America Corp	2.015	02/13/26	A-	03/04/21	2,066,760.00	1,932,557.33
JP Morgan Chase & Co	2.005	03/13/26	A-	03/12/21	3,086,490.00	2,898,406.50
Citigroup Inc	3.106	04/08/26	BBB+	Various	6,788,825.00	6,423,016.85
JP Morgan Chase & Co	2.083	04/22/26	A-	06/23/21	3,105,570.00	2,925,926.75
Guardian Life Glob Fun	1.250	05/13/26	AA+	02/09/22	2,307,168.00	2,234,521.60



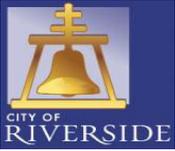
CITY OF RIVERSIDE
Pooled Investment Portfolio Holdings
March 31, 2022

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	**MARKET VALUE
United Health Group Inc	1.150	05/15/26	A+	Various	1,188,834.05	1,107,732.61
Toyota Motor Credit Corp	1.125	06/18/26	A+	Various	4,989,707.50	4,661,273.75
Bank of America Corp	1.319	06/19/26	A-	06/18/21	2,004,120.00	1,884,088.33
Met Tower Global Funding	1.250	09/14/26	AA-	09/07/21	2,927,304.40	2,709,740.99
Bank of Montreal	1.250	09/15/26	A-	Various	2,495,539.50	2,299,646.39
Wal-Mart Stores	1.050	09/17/26	AA	09/08/21	1,332,476.85	1,243,407.44
Metlife	1.875	01/11/27	AA-	01/03/22	4,240,160.70	4,011,476.89
Toronto-Dominion Bank	1.950	01/12/27	A	01/25/22	992,295.35	951,272.17
Charles Schwab Corp	2.450	03/03/27	A	03/01/22	1,668,196.40	1,626,639.38
Berkshire Hathaway	2.300	03/15/27	AA	03/07/22	4,924,064.25	4,845,403.24
SUBTOTAL MEDIUM TERM NOTES					143,109,788.07	136,819,418.05
<u>U.S. GOVERNMENT AGENCY MORTGAGE BACKED SECURITIES</u>						
FHLMC - K026 A2	2.510	11/25/22	NR	04/16/19	9,936,274.66	10,045,584.93
FHLMC - K723 A2	2.454	08/25/23	NR	07/16/19	9,520,182.67	9,474,059.11
FHLMC - K041 A2	3.171	10/25/24	AAA	07/01/21	5,378,515.63	5,070,322.50
FHLMC - K049 A2	3.010	07/25/25	NR	06/23/21	1,789,016.21	1,672,138.62
FHLMC - K059 A2	3.120	09/25/26	AAA	02/18/22	3,128,437.50	3,052,362.00
SUBTOTAL U.S. GOVERNMENT AGENCY MORTGAGE BACKED SECURITIES					29,752,426.67	29,314,467.16
<u>U.S. GOVERNMENT AGENCY ASSET BACKED SECURITIES</u>						
John Deere Owner Trust	2.910	07/17/23	NR	06/21/21	218,933.34	216,918.05
Honda Auto Receivables	1.610	04/22/24	NR	02/19/20	2,000,745.94	2,000,648.32
Hyundai Auto Lease Trust	0.330	06/17/24	AAA	06/08/21	2,789,581.50	2,730,692.04
John Deere Owner Trust	1.100	08/15/24	NR	03/04/20	1,430,480.61	1,426,733.95
Toyota Auto Receivables Trust	0.440	10/15/24	AAA	07/21/20	1,671,860.45	1,656,883.75
Honda Auto Receivables Trust	0.370	10/18/24	AAA	09/22/20	2,124,687.84	2,098,570.55
Toyota Lease Owner Trust	0.420	10/21/24	NR	07/27/21	2,484,966.45	2,412,105.84
John Deere Owner Trust	0.510	11/15/24	NR	07/14/20	804,680.11	796,027.73
Mercedes-Benz Auto Lease Trust	0.400	11/15/24	AAA	06/22/21	2,589,804.46	2,524,516.45
BMW Vehicle Lease Trust	0.330	12/26/24	NR	09/08/21	1,624,832.30	1,584,259.63
Hyundai Auto Lease Trust	1.160	01/15/25	AAA	01/11/22	2,074,954.14	2,027,093.56
Toyota Lease Owner Trust	1.960	02/20/25	AAA	02/23/22	4,384,309.80	4,313,664.34
GM Financial Auto Lease Trust	1.900	03/20/25	NR	02/15/22	3,599,969.04	3,558,782.00
BMW Vehicle Lease Trust	1.100	03/25/25	AAA	01/11/22	1,719,742.86	1,677,537.21
Honda Auto Receivables Trust	0.270	04/21/25	NR	02/17/21	1,129,979.32	1,106,541.20
Toyota Auto Receivables Owners	0.260	05/15/25	NR	02/02/21	4,144,230.69	4,066,844.19
John Deere Owner Trust	0.360	09/15/25	NR	03/02/21	1,624,687.68	1,574,057.89
Hyundai Auto Receivables Trust	0.380	09/15/25	AAA	04/20/21	1,474,844.83	1,438,372.65
Hyundai Auto Receivables Trust	0.380	01/15/26	AAA	07/20/21	4,713,959.40	4,560,932.14
Honda Auto Receivables Trust	0.880	01/21/26	NR	11/16/21	1,749,631.10	1,694,830.28
John Deere Owner Trust	0.520	03/16/26	NR	07/13/21	2,204,803.31	2,113,336.19
Hyundai Auto Receivables Trust	0.740	05/15/26	AAA	11/09/21	1,249,721.00	1,201,658.61
Honda Auto Receivables Trust	1.880	05/15/26	AAA	02/15/22	2,814,576.62	2,766,949.54
GM Financial Securitized Term	0.680	09/16/26	AAA	10/13/21	1,334,965.96	1,289,949.53
John Deere Owner Trust	2.320	09/16/26	NR	03/10/22	1,724,618.43	1,704,297.70
Hyundai Auto Receivables Trust	2.220	10/15/26	AAA	03/09/22	3,079,881.42	3,044,441.40
GM Financial Auto Receivables	1.260	11/16/26	AAA	01/11/22	1,139,900.93	1,104,245.03
SUBTOTAL U.S. GOVERNMENT AGENCY ASSET BACKED SECURITIES					57,905,349.53	56,690,889.77



CITY OF RIVERSIDE
Pooled Investment Portfolio Holdings
March 31, 2022

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	**MARKET VALUE
<u>SUPRANATIONAL SECURITIES</u>						
Inter-American Dev Bank	0.500	09/23/24	AAA	09/15/21	8,403,776.60	8,016,253.14
Intl. Bank Recon & Development	0.625	04/22/25	AAA	04/15/20	4,278,378.35	4,067,817.77
Inter-American Dev Bank	0.625	07/15/25	AAA	01/13/21	5,071,967.50	4,749,052.54
Intl. Bank Recon & Development	0.500	10/28/25	AAA	Various	9,994,372.85	9,312,280.02
Inter-American Dev Bank	0.875	04/20/26	AAA	04/13/21	9,342,016.70	8,802,549.96
SUBTOTAL SUPRANATIONAL SECURITIES					37,090,512.00	34,947,953.43
<u>U.S. GOVERNMENT AGENCY SECURITIES</u>						
FHLMC	0.375	05/05/23	AA+	05/05/20	4,758,000.80	4,691,578.97
FNMA	0.250	05/22/23	AA+	05/20/20	7,651,898.25	7,540,110.60
FHLMC	0.250	06/26/23	AA+	06/24/20	5,588,633.40	5,492,730.29
FNMA	0.250	07/10/23	AA+	07/08/20	4,445,421.75	4,361,563.06
FHLMC	0.250	08/24/23	AA+	08/19/20	7,507,334.70	7,328,357.05
FHLMC	0.125	10/16/23	AA+	Various	9,961,598.25	9,704,789.17
FHLMC	0.250	11/06/23	AA+	11/03/20	9,331,594.00	9,073,024.92
FHLB	2.750	12/13/24	AA+	02/06/20	5,281,300.00	5,084,305.00
FNMA	1.625	01/07/25	AA+	03/04/20	8,281,440.00	7,848,813.33
FHLMC	1.500	02/12/25	AA+	02/13/20	6,599,914.15	6,439,463.29
FHLB	2.375	03/14/25	AA+	03/19/20	6,346,620.00	5,997,285.17
FNMA	0.625	04/22/25	AA+	04/22/20	5,199,267.40	4,940,264.84
FHLB	0.500	06/13/25	AA+	06/29/20	5,007,400.00	4,708,380.00
FNMA	0.500	06/17/25	AA+	06/17/20	6,506,503.60	6,127,551.06
FHLMC	0.375	07/21/25	AA+	07/21/20	4,606,942.60	4,325,837.55
FNMA	0.375	08/25/25	AA+	Various	7,962,282.50	7,457,752.01
FHLMC	0.375	09/23/25	AA+	Various	7,970,197.55	7,435,554.67
FNMA	0.500	11/07/25	AA+	11/09/20	6,063,215.70	5,685,020.78
SUBTOTAL U.S. GOVERNMENT AGENCY SECURITIES					119,069,564.65	114,242,381.76
<u>U.S. GOVERNMENT TREASURY SECURITIES</u>						
US Treasury	1.625	05/31/23	AA+	10/31/19	8,023,750.00	8,020,443.43
US Treasury	0.125	05/31/23	AA+	06/18/21	7,480,078.13	7,352,849.67
US Treasury	2.625	06/30/23	AA+	Various	9,934,024.79	10,152,707.57
US Treasury	1.625	10/31/23	AA+	10/31/19	12,441,656.25	12,386,759.33
US Treasury	2.875	11/30/23	AA+	01/09/19	3,044,882.81	3,061,955.97
US Treasury	2.250	01/31/24	AA+	06/05/19	10,671,445.31	10,534,642.46
US Treasury	2.000	04/30/24	AA+	10/31/19	12,637,828.13	12,418,399.00
US Treasury	0.250	06/15/24	AA+	06/18/21	4,965,429.69	4,775,744.45
US Treasury	1.750	06/30/24	AA+	09/09/19	9,358,759.77	9,163,504.83
US Treasury	1.125	02/28/25	AA+	03/24/20	6,177,656.25	5,778,997.57
US Treasury	0.250	09/30/25	AA+	10/16/20	6,975,937.50	6,473,682.81
US Treasury	0.375	12/31/25	AA+	12/29/20	2,249,824.22	2,082,315.78
US Treasury	0.375	01/31/26	AA+	Various	8,625,488.28	8,078,337.28
US Treasury	0.750	03/31/26	AA+	03/30/21	3,969,843.75	3,734,613.97
US Treasury	0.750	05/31/26	AA+	Various	9,942,773.44	9,336,857.36
US Treasury	0.750	08/31/26	AA+	Various	5,170,878.90	4,876,080.16
US Treasury	1.125	10/31/26	AA+	Various	12,919,453.14	12,305,276.83
US Treasury	1.500	01/31/27	AA+	03/30/22	4,783,203.13	4,797,585.94

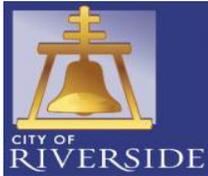


CITY OF RIVERSIDE
Pooled Investment Portfolio Holdings
March 31, 2022

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	**MARKET VALUE
SUBTOTAL U.S. GOVERNMENT TREASURY SECURITIES					139,372,913.49	135,330,754.41
TOTAL POOLED CASH & INVESTMENTS					913,263,399.65	894,425,410.40

*The City uses S&P ratings

** Includes Accrued Interest



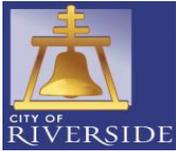
CITY OF RIVERSIDE
Investments held by Fiscal Agent
Section 115 Pension Trust Fund
March 31, 2022

DESCRIPTION OF SECURITY	COST VALUE	MARKET VALUE
<u>CASH AND EQUIVALENTS</u>		
Cash	1,872.37	1,872.37
First American Government Obligation Fund CL "Z"	501,538.12	501,538.12
SUBTOTAL CASH AND EQUIVALENTS	503,410.49	503,410.49
<u>MUTUAL FUNDS - EQUITY</u>		
Ishares Core - S P500 Etf	1,212,245.65	1,529,388.99
Ishares S P - 500 Growth Etf	477,429.55	607,221.00
Ishares S P - 500 Value Etf	581,139.38	671,464.64
Ishares - Russell Mid Cap Etf	468,929.15	520,214.64
Ishares - Russell 2000 Value Etf	346,307.82	384,616.20
Ishares - Russell 2000 Growth Etf	406,800.65	388,484.25
Ishares Core - Msci Eafe Etf	484,872.69	499,151.31
Vanguard Ftse - Emerging Markets Etf	340,462.09	345,744.35
Vanguard Real - Estate Etf	160,561.19	186,613.14
SUBTOTAL MUTUAL FUNDS - EQUITY	4,478,748.17	5,132,898.52
<u>MUTUAL FUNDS - FIXED INCOME</u>		
Ishares Core - U.S. Aggregate Bond Etf	3,943,074.06	3,677,385.60
Vanguard High - Yield Corporate Adm	109,877.63	104,494.79
Vanguard - Short Term Invt Grade #539	1,030,977.05	985,834.64
SUBTOTAL MUTUAL FUNDS - FIXED INCOME	5,083,928.74	4,767,715.03
TOTAL ASSETS	10,066,087.40	10,404,024.04



CITY OF RIVERSIDE
Investments Held by Fiscal Agent
March 31, 2022

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	**MARKET VALUE
<u>CASH & MONEY MARKET ACCOUNTS</u>						
Cash - Custodial Cash Account US Bank	N/A	Varies	NR	Varies	46,173.33	46,173.33
Cash - Bank of America Equipment Lease	N/A	Varies	NR	Varies	693,717.98	693,717.98
US Bank Commercial Paper Sweep	N/A	Varies	NR	Varies	665,408.34	665,408.34
US Bank Gcts0170	N/A	Varies	NR	Varies	47,829,358.29	47,829,358.29
US Bank Gcts0185	N/A	Varies	NR	Varies	18,633,843.99	18,633,843.99
First American Government Obligation CL "Y"	N/A	Varies	AAA	Varies	406,359.60	406,359.60
First American Prime Obligations Fund CL " Z "	N/A	Varies	AAA	Varies	7,797,362.16	7,797,362.16
SUBTOTAL CASH & MONEY MARKET ACCOUNTS					76,072,223.69	76,072,223.69
LOCAL AGENCY INVESTMENT FUND (LAIF)	N/A	Varies	NR	Varies	2,318,209.42	2,319,870.61
<u>MEDIUM TERM NOTES</u>						
Charles Schwb Corp	0.750	03/18/24	A	Various	601,166.80	580,636.72
Amazon Medium Term Note	0.450	05/12/24	AA	05/10/21	394,423.30	381,577.32
John Deere Owner Trust	0.450	06/07/24	A	06/07/21	369,537.50	353,385.90
Salesforce.com Inc.	0.625	07/15/24	A+	06/29/21	94,951.55	91,160.43
American Honda Finance	1.500	01/13/25	A-	Various	695,744.40	677,344.50
Toyota Motor Medium Term Note	1.800	02/13/25	A+	05/05/21	777,315.00	730,658.25
Chubb Ina Holdings, Inc.	3.150	03/15/25	A	01/26/21	659,406.00	607,870.80
Morgan Stanley	0.790	05/30/25	BBB+	05/26/21	640,340.50	610,209.45
PNC Bank	3.250	06/01/25	A	06/10/21	710,365.50	663,450.66
Eli Lilly & Co.	2.750	06/01/25	A+	06/10/21	699,166.00	653,845.84
Honeywell Intl	1.350	06/01/25	A	06/10/21	717,066.00	677,954.20
Royal Bank of Canada	1.150	06/10/25	A	02/22/21	607,344.00	569,056.10
Toronto Dominion Bank	0.750	09/11/25	A	02/10/21	650,292.50	600,239.68
Simon Property Group	3.300	01/15/26	A-	08/11/21	678,656.25	634,076.05
Goldman Sachs Group Inc	0.855	02/12/26	BBB+	06/18/21	619,243.75	583,624.85
Bank of America Corp.	2.015	02/13/26	A-	03/04/21	620,028.00	579,767.20
JP Morgan Chase & Co.	2.005	03/13/26	A-	03/12/21	617,298.00	579,681.30
Citigroup, Inc	3.106	04/08/26	BBB+	06/18/21	669,075.00	629,707.54
United Health Group Inc.	1.150	05/15/26	A+	Various	130,420.30	121,523.42
Wal-Mart Stores	1.050	09/17/26	AA	09/08/21	119,773.20	111,766.97
Target Corp	1.950	01/15/27	A	01/19/22	264,549.50	257,260.19
SUBTOTAL MEDIUM TERM NOTES					11,336,163.05	10,694,797.37
<u>U.S. GOVERNMENT AGENCY ASSET BACKED SECURITIES</u>						
Mercedes-Benz Auto Lease Trust	0.400	11/15/24	AAA	06/22/21	239,981.88	233,932.03
BMW Vehicle Lease Trust	0.330	12/26/24	NR	09/08/21	149,984.52	146,239.35
GM Financial Auto Lease Trust	1.900	03/20/25	NR	02/15/22	309,997.33	306,450.67
BMW Vehicle Lease Trust	1.100	03/25/25	AAA	01/11/22	149,977.58	146,296.85
Honda Auto Receivables Trust	0.270	04/21/25	NR	02/17/21	124,997.71	122,405.01
Toyota Auto Receivables Owners	0.260	05/15/25	NR	02/02/21	464,913.70	456,232.22
Hyundai Auto Receivables Trust	0.380	09/15/25	AAA	04/20/21	164,982.64	160,902.71
John Deere Owner Trust	0.360	09/15/25	NR	03/02/21	179,965.40	174,357.19
Hyundai Auto Receivables Trust	0.380	01/15/26	AAA	07/20/21	434,904.00	420,785.89
Honda Auto Receivables Trust	0.880	01/21/26	NR	11/16/21	154,967.33	150,113.54
John Deere Owner Trust	0.520	03/16/26	NR	07/13/21	204,981.72	196,477.97
Honda Auto Receivables Trust	1.880	05/15/26	AAA	02/15/22	244,963.15	240,817.99



CITY OF RIVERSIDE
Investments Held by Fiscal Agent
March 31, 2022

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	109,975.45	105,745.95
GM Financial Securitized Term	0.680	09/16/26	AAA	10/13/21	114,997.07	111,119.25
John Deere Owner Trust	2.320	09/16/26	NR	03/10/22	179,960.19	177,839.76
GM Financial Auto Receivables	1.260	11/16/26	AAA	01/11/22	99,991.31	96,863.60
SUBTOTAL U.S. GOVERNMENT AGENCY ASSET BACKED SECURITIES					3,329,540.98	3,246,579.98
<u>SUPRANATIONAL SECURITIES</u>						
Inter-American Dev Bank	0.500	09/23/24	AAA	09/15/21	764,433.90	729,183.55
International Finance Corp.	1.375	10/16/24	AAA	07/12/21	1,026,900.00	980,942.08
Intl. Bank Recon & Development	0.500	10/28/25	AAA	01/26/21	1,000,640.00	931,228.00
Inter-American Dev Bank	0.875	04/20/26	AAA	04/13/21	1,040,213.90	980,145.42
SUBTOTAL SUPRANATIONAL SECURITIES					3,832,187.80	3,621,499.05
<u>U.S. GOVERNMENT AGENCY SECURITIES</u>						
FFCB	0.125	02/03/23	AA+	01/26/21	854,521.20	844,925.02
FHLB	0.125	03/17/23	AA+	03/17/21	779,142.00	768,504.84
FFCB	0.125	04/13/23	AA+	04/06/21	1,033,633.80	1,018,916.45
FFCB	1.750	02/14/25	AA+	02/10/22	603,384.65	594,804.61
SUBTOTAL U.S. GOVERNMENT AGENCY SECURITIES					3,270,681.65	3,227,150.92
<u>U.S. GOVERNMENT TREASURY SECURITIES</u>						
US Treasury Note	2.125	06/30/22	AA+	02/16/18	2,942,695.32	3,027,509.55
US Treasury Note	1.875	09/30/22	AA+	02/16/18	2,902,617.18	3,012,576.69
US Treasury Note	2.125	12/31/22	AA+	02/16/18	2,929,335.94	3,031,493.55
US Treasury Note	0.125	02/15/24	AA+	02/23/21	997,187.50	961,053.38
US Treasury Note	0.250	05/15/24	AA+	05/18/21	2,194,671.88	2,106,432.09
US Treasury Note	0.375	09/15/24	AA+	09/29/21	1,990,312.50	1,902,142.46
US Treasury Note	0.375	01/31/26	AA+	Various	1,724,482.43	1,615,667.45
US Treasury Note	0.750	03/31/26	AA+	05/18/21	2,194,070.32	2,054,037.68
US Treasury Note	0.750	05/31/26	AA+	06/23/21	3,232,099.61	3,034,478.64
US Treasury Note	1.500	01/31/27	AA+	03/30/22	765,312.50	767,613.75
SUBTOTAL U.S. GOVERNMENT TREASURY SECURITIES					21,872,785.18	21,513,005.24
<u>INVESTMENT CONTRACTS</u>						
Invt Agmt-Trinity Plus Fdg Co Gic	0.047	10/01/29	NR	03/31/20	6,411,744.65	6,411,744.65
Invt Agmt-Trinity Plus Fdg Co Gic	0.047	10/01/35	NR	03/31/20	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					132,792,507.15	131,455,842.24

*The City uses S&P ratings

** Includes Accrued Interest

**City of Riverside
Cash Balances by Fund
As of March 31, 2022**

Fund	Cash Balance ¹	Interfund Loan Receivables ²	Cash Balance + Loan Receivables	
General Fund	101	120,407,192	-	120,407,192
Measure Z	110	59,978,320	-	59,978,320
Pension Trust	115	1,157	-	1,157
Enterprise Funds				
Electric	510	323,642,971	2,925,134	326,568,105
Electric - Public Benefits Program	511	25,471,852	-	25,471,852
Water	520	53,495,983	-	53,495,983
Water - Conservation & Reclamation Program	521	3,338,750	-	3,338,750
Airport	530	1,648,286	-	1,648,286
Refuse Collection	540	5,230,589	-	5,230,589
Sewer Service	550	102,469,817	1,764,786	104,234,603
Special Transit	560	3,354,734	-	3,354,734
Public Parking	570	1,086,230	-	1,086,230
Civic Entertainment (Convention Center, Visitors Bureau, Sports Commission)	580	(1,821,071)	-	(1,821,071)
Civic Entertainment (Fox, Box, RMA, Showcase)	581	3,002,858	-	3,002,858
Civic Entertainment (Cheech Marin Center)	582	(2,631,105)	-	(2,631,105)
SubTotal - Enterprise Funds		518,289,894	4,689,920	522,979,814
Special Revenue Funds				
Urban Areas Security Initiative	205	29,040	-	29,040
Grants and Restricted Programs	215	41,491,179	-	41,491,179
Community Development Block Grant	220	497,008	-	497,008
Home Investment Partnership Program	221	(1,665,276)	-	(1,665,276)
Housing Opportunities for Persons with AIDS	222	(1,893,303)	-	(1,893,303)
Community Development Grants	223	7,214,855	-	7,214,855
Neighborhood Stabilization Program	225	158,144	-	158,144
Special Gas Tax	230	29,280,452	-	29,280,452
Air Quality Improvement	240	1,636,443	-	1,636,443
NPDES Storm Drain	260	(108,330)	-	(108,330)
Housing Authority	280	2,887,751	-	2,887,751
Housing Assets	281	8,162,917	-	8,162,917
Special Districts	Various	(60,695)	-	(60,695)
SubTotal - Special Revenue Funds		87,630,185	-	87,630,185
Capital Projects Funds				
Capital Outlay	401	1,678,757	-	1,678,757
Storm Drain	410	6,158,902	-	6,158,902
Local Park Special Capital Improvements	411	755,832	-	755,832
Regional Park Special Capital Improvements	413	3,382,189	-	3,382,189
Measure Z Capital Outlay	420	21,820,662	-	21,820,662
Capital Outlay Grants	430	1,561,607	-	1,561,607
Transportation Projects	431	210	-	210
Measure A Capital Outlay	432	23,199,718	-	23,199,718
Transportation Development Impact Fees	433	6,626,993	-	6,626,993
Transportation Uniform Mitigation Fees	434	(1,892,613)	-	(1,892,613)
Community Facilities Districts and Assessment Districts	Various	2,087,179	-	2,087,179
SubTotal - Capital Project Funds		65,379,436	-	65,379,436
Debt Service Funds				
Debt Service Fund - General	390	(12,853,951)	-	(12,853,951)
Debt Service Fund - Public Works	391	1,675,682	-	1,675,682
SubTotal Debt Service Funds		(11,178,269)	-	(11,178,269)
Agency Funds				
Successor Agency	Various	(950,265)	-	(950,265)
Community Facilities Districts and Assessment Districts	Various	472,067	-	472,067
Special Deposits	Various	(4,837,867)	-	(4,837,867)
SubTotal Agency Funds		(5,316,065)	-	(5,316,065)
Internal Service Funds				
Workers' Compensation Insurance Trust	610	19,271,780	-	19,271,780
Unemployment Insurance Trust	620	253,807	-	253,807
Liability Insurance Trust	630	27,123,023	-	27,123,023
Central Stores	640	149,245	-	149,245
Central Garage	650	12,435,705	-	12,435,705
SubTotal - Internal Service Funds		59,233,560	-	59,233,560
Total - All Funds \$ 894,425,410 \$ 4,689,920 \$ 899,115,330				

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 2021/2022 Third Quarter
Summary of Outstanding Debt¹

Debt Type By Funding Source	Principal Balance as of 1/1/2022	Q3 New Debt Issued	Q3 Principal Payments	Q3 Interest Payments	Principal Balance as of 4/1/2022	Projected Principal Balance 6/30/2022
General Fund/Measure Z						
General Obligation Bonds	\$ 4,940,000	\$ -	\$ -	\$ 135,850	\$ 4,940,000	\$ 4,940,000.00
Pension Obligation Bonds	333,879,538	-	-	-	333,879,538	333,879,538
Certificates of Participation	62,787,420	-	2,999,843	521,523	59,787,577	59,787,577
Lease Revenue Bonds	47,848,478	-	-	-	47,848,478	47,848,478
Ryan Bonaminio Park Loan	230,049	-	-	-	230,049	-
Capital Leases	13,268,220	-	1,672,377	147,823	11,595,843	11,595,843
Interfund Loans	1,477,730	-	-	-	1,477,730	1,477,730
Total General Fund	\$ 464,431,435	\$ -	\$ 4,672,220	\$ 805,196	\$ 459,759,215	\$ 459,529,166
Capital Projects Funds						
Measure A Certificates of Participation	26,660,000	-	-	-	26,660,000	24,985,000
Total Capital Projects Funds	\$ 26,660,000	\$ -	\$ -	\$ -	\$ 26,660,000	\$ 24,985,000
Enterprise Funds						
Pension Obligation Bonds	\$ 110,718,958	\$ -	\$ -	\$ -	\$ 110,718,958	\$ 110,718,958
Electric Fund Revenue Bonds	524,130,000	-	-	769,832	524,130,000	524,130,000
Electric Fund Capital Leases	637,874	-	136,776	2,964	501,098	363,637
Water Fund Revenue Bonds	192,190,000	-	-	194,328	192,190,000	192,190,000
Water Fund Capital Lease	1,332,498	-	114,142	15,759	1,218,356	1,218,356
Sewer Fund Revenue Bonds	322,855,000	-	-	7,956,775	322,855,000	322,855,000
Lease Revenue Bonds	6,625,200	-	-	-	6,625,200	6,625,200
Certificates of Participation	27,212,580	-	1,300,157	226,033	25,912,423	25,912,423
Civic Entertainment Fund Loan	6,790,902	-	-	-	6,790,902	6,509,317
Convention Center Expansion Loan	30,551,849	-	513,816	238,708	30,038,033	29,520,327
Parking Fund Loans	7,593,555	-	-	-	7,593,555	7,278,688
Total Enterprise Funds	\$ 1,230,638,416	\$ -	\$ 2,064,891	\$ 9,404,398	\$ 1,228,573,525	\$ 1,227,321,906
Internal Service Funds						
Pension Obligation Bonds	\$ 4,576,504	\$ -	\$ -	\$ -	\$ 4,576,504	\$ 4,576,504
Total Internal Service Funds	\$ 4,576,504	\$ -	\$ -	\$ -	\$ 4,576,504	\$ 4,576,504
RDA Successor Agency						
Lease Revenue Bonds	9,201,322	-	-	-	9,201,322	9,201,322
Tax Allocation Bonds	147,795,000	-	-	3,469,608	147,795,000	147,795,000
Interfund Loans	2,512,889	-	-	-	2,512,889	2,512,889
Total RDA Successor Agency	\$ 159,509,211	\$ -	\$ -	\$ 3,469,608	\$ 159,509,211	\$ 159,509,211
Assessment Districts / Galleria Agreement / Community Facilities Districts						
Assessment Districts	\$ 16,315,000	\$ -	\$ -	\$ 399,542	\$ 16,315,000	\$ 16,315,000
Galleria Mall Improvements District Certificates of Participation	5,000	-	-	125	5,000	5,000
Lease Revenue Refunding Bonds (Galleria) Series 2019A	13,960,000	-	-	-	13,960,000	13,960,000
Community Facilities Districts	20,475,000	-	-	448,112	20,475,000	20,475,000
Total AD / Galleria / CFDs	\$ 50,755,000	\$ -	\$ -	\$ 847,779	\$ 50,755,000	\$ 50,755,000
Total	\$1,936,570,565	\$ -	\$ 6,737,111	\$ 14,526,982	\$ 1,929,833,454	\$ 1,926,676,786

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 2021/2022 Third Quarter
Outstanding Debt¹

Debt Type / Issuance	Year Issued (FY)	Final Maturity (FY)	Total Issue Size	Outstanding Principal Balance 1/1/2022	Q3 New Debt Issued	Q3 Principal Payments	Q3 Interest Payments	Outstanding Principal Balance 4/1/2022	Projected Principal Balance 6/30/2022
General Obligation									
Measure G Fire Facility Projects General Obligation Bonds 2004	2004	2025	\$ 20,000,000	\$ 4,940,000	\$ -	\$ -	\$ 135,850	\$ 4,940,000	\$ 4,940,000
Total General Obligation Bonds			\$ 20,000,000	\$ 4,940,000	\$ -	\$ -	\$ 135,850	\$ 4,940,000	\$ 4,940,000
Pension Obligation²									
Pension Obligation Bonds Series 2004A	2004	2023	\$ 89,540,000	\$ 10,715,000	\$ -	\$ -	\$ -	\$ 10,715,000	\$ 10,715,000
Pension Obligation Bonds Series 2017A	2017	2027	31,960,000	16,915,000	-	-	-	16,915,000	16,915,000
Pension Obligation Bonds Series 2020A (Safety)	2020	2045	231,085,000	231,085,000	-	-	-	231,085,000	231,085,000
Pension Obligation Bonds Series 2020A (Misc)	2020	2043	201,080,000	190,460,000	-	-	-	190,460,000	190,460,000
Total Pension Obligation Bonds			\$ 553,665,000	\$ 449,175,000	\$ -	\$ -	\$ -	\$ 449,175,000	\$ 449,175,000
Certificates of Participation									
Galleria Mall Improvements COPs Series 2006A	2006	2037	\$ 19,945,000	\$ 5,000	\$ -	\$ -	\$ 125	\$ 5,000	\$ 5,000
Riverside Renaissance Projects Refunding COPs Series 2008A	2008	2037	128,300,000	90,000,000	-	4,300,000	747,556	85,700,000	85,700,000
Local Measure A Sales Tax Revenue COPs Series 2013A	2013	2033	35,235,000	26,660,000	-	-	-	26,660,000	24,985,000
Total Certificates of Participation			\$ 183,480,000	\$ 116,665,000	\$ -	\$ 4,300,000	\$ 747,681	\$ 112,365,000	\$ 110,690,000
Lease Revenue Bonds									
California Tower Lease Revenue Bonds Series 2003A	2003	2024	\$ 26,255,000	\$ 6,265,000	\$ -	\$ -	\$ -	\$ 6,265,000	\$ 6,265,000
California Tower Lease Revenue Bonds Series 2003B	2003	2024	4,810,000	995,000	-	-	-	995,000	995,000
Lease Revenue Refunding Bonds Series 2012A	2013	2034	41,240,000	27,605,000	-	-	-	27,605,000	27,605,000
Lease Revenue Refunding Bonds (Galleria) Series 2019A	2019	2037	15,980,000	13,960,000	-	-	-	13,960,000	13,960,000
Lease Revenue Bonds (Main Library Project) Series 2019B	2019	2037	33,505,000	28,810,000	-	-	-	28,810,000	28,810,000
Total Lease Revenue Bonds			\$ 121,790,000	\$ 77,635,000	\$ -	\$ -	\$ -	\$ 77,635,000	\$ 77,635,000
Capital Leases									
Pinnacle #2 - VOIP Phone System	2013	2023	\$ 1,650,000	\$ 183,113	\$ -	\$ 91,015	\$ 2,180	\$ 92,098	\$ 92,098
US Bank - Various Vehicles, Software, and Hardware	2016	2022	4,450,000	366,131	-	366,131	3,481	-	-
BofA #2 - Various Hardware and Software	2018	2028	7,955,000	3,659,520	-	504,532	43,278	3,154,988	3,154,988
BofA #3 - Fire Vehicles and Equipment	2017	2027	14,500,000	9,059,456	-	710,699	98,884	8,348,757	8,348,757
BofA #2 - Water Fund Vehicles Capital Lease	2018	2028	2,305,000	1,332,498	-	114,142	15,759	1,218,356	1,218,356
Electric Fund Vehicles Capital Leases - Various	Various	Various	Various	637,874	-	136,776	2,964	501,098	363,637
Total Capital Leases			\$ 30,860,000	\$ 15,238,592	\$ -	\$ 1,923,295	\$ 166,546	\$ 13,315,297	\$ 13,177,836
Interfund Loans³									
Reid Park Acquisition Interfund Loan	2011	2028	\$ 720,000	\$ 323,902	\$ -	\$ -	\$ -	\$ 323,902	\$ 323,902
Riverside Golf Course Acquisition Interfund Loan	2011	2028	4,837,500	2,188,987	-	-	-	2,188,987	2,188,987
Utilities Plaza Purchase Interfund Loan	2012	2027	4,469,221	1,477,730	-	-	-	1,477,730	1,477,730
Total Interfund Loans			\$ 10,026,721	\$ 3,990,619	\$ -	\$ -	\$ -	\$ 3,990,619	\$ 3,990,619
Private Placement Loans									
Pinnacle - Ryan Bonaminio Park Loan	2013	2022	\$ 4,000,000	\$ 230,049	\$ -	\$ -	\$ -	\$ 230,049	\$ -
Fox Entertainment Plaza Loan	2011	2032	25,000,000	14,384,457	-	-	-	14,384,457	13,788,005
Convention Center Expansion Loan ⁴	2013	2034	44,650,000	30,551,849	-	513,816	238,708	30,038,033	29,520,327
Total Private Placement Loans			\$ 73,650,000	\$ 45,166,355	\$ -	\$ 513,816	\$ 238,708	\$ 44,652,539	\$ 43,308,332
Enterprise Revenue Bonds									
Electric Revenue Refunding Bonds (2008) Series A	2008	2029	\$ 84,515,000	\$ 34,465,000	\$ -	\$ -	\$ 243,648	\$ 34,465,000	\$ 34,465,000
Electric Revenue Refunding Bonds (2008) Series C	2008	2036	57,325,000	32,150,000	-	-	250,290	32,150,000	32,150,000
Electric Revenue Bonds (2010) Series A	2010	2041	133,290,000	128,600,000	-	-	-	128,600,000	128,600,000

CITY OF RIVERSIDE
 Fiscal Year 2021/2022 Third Quarter
 Outstanding Debt¹

Debt Type / Issuance	Year Issued (FY)	Final Maturity (FY)	Total Issue Size	Outstanding Principal Balance 1/1/2022	Q3 New Debt Issued	Q3 Principal Payments	Q3 Interest Payments	Outstanding Principal Balance 4/1/2022	Projected Principal Balance 6/30/2022
Electric Revenue Bonds (2011) Series A	2011	2036	56,450,000	35,550,000	-	-	275,894	35,550,000	35,550,000
Electric Revenue Refunding Bonds (2013) Series A	2014	2044	79,080,000	36,355,000	-	-	-	36,355,000	36,355,000
Electric Revenue Refunding Bonds (2019) Series A	2019	2049	283,325,000	257,010,000	-	-	-	257,010,000	257,010,000
Water Revenue Bonds (2009) Series B	2010	2040	67,790,000	65,315,000	-	-	-	65,315,000	65,315,000
Water Revenue Bonds (2011) Series A	2011	2036	59,000,000	24,050,000	-	-	194,328	24,050,000	24,050,000
Water Revenue Refunding Bonds (2019) Series A	2019	2049	114,215,000	102,825,000	-	-	-	102,825,000	102,825,000
Sewer Revenue Bonds (2015) Series A	2015	2041	200,030,000	179,430,000	-	-	4,427,450	179,430,000	179,430,000
Sewer Revenue Bonds (2018) Series A ⁵	2019	2040	153,670,000	143,425,000	-	-	3,529,325	143,425,000	143,425,000
Total Enterprise Revenue Bonds			\$ 1,288,690,000	\$ 1,039,175,000	\$ -	\$ -	\$ 8,920,934	\$ 1,039,175,000	\$ 1,039,175,000
Tax Allocation Bonds									
2014 Subordinate Tax Allocation Refunding Bonds Series 2014A	2014	2034	\$ 61,250,000	\$ 32,415,000	\$ -	\$ -	\$ 802,875	\$ 32,415,000	\$ 32,415,000
2014 Subordinate Tax Allocation Refunding Bonds Series 2014B	2014	2024	1,730,000	565,000	-	-	10,705	565,000	565,000
2018 Tax Allocation Refunding Bonds Series 2018A	2018	2034	74,435,000	74,435,000	-	-	1,858,391	74,435,000	74,435,000
2018 Tax Allocation Refunding Bonds, Taxable Series 2018B	2018	2033	40,380,000	40,380,000	-	-	797,638	40,380,000	40,380,000
Total Tax Allocation Bonds			\$ 177,795,000	\$ 147,795,000	\$ -	\$ -	\$ 3,469,608	\$ 147,795,000	\$ 147,795,000
Mello Roos and Assessment District Bonds									
Riverwalk Business Center Assessment District Bonds	2004	2029	\$ 3,755,000	\$ 1,800,000	\$ -	\$ -	\$ 55,729	\$ 1,800,000	\$ 1,800,000
Sycamore Canyon Business Park CFD 92-1 Bonds	2005	2034	9,700,000	5,990,000	-	-	157,480	5,990,000	5,990,000
Hunter Park Assessment District Bonds	2006	2036	15,269,906	10,280,000	-	-	265,978	10,280,000	10,280,000
Riverwalk Assessment District Refunding Bonds	2011	2026	7,805,000	3,135,000	-	-	77,835	3,135,000	3,135,000
Auto Center Assessment District Refunding Bonds	2012	2024	4,050,000	1,100,000	-	-	-	1,100,000	1,100,000
Riverwalk Vista CFD 2006-1 Bonds	2013	2043	4,415,000	3,760,000	-	-	94,547	3,760,000	3,760,000
Riverwalk Vista CFD 2006-1 Improv Area No.2 2016 Series A	2016	2046	5,505,000	5,140,000	-	-	89,897	5,140,000	5,140,000
Riverwalk Vista CFD 2006-1 Improv Area No.2 2016 Series B	2016	2031	1,275,000	860,000	-	-	18,485	860,000	860,000
Highlands CFD 2014-2 2016 Series A	2016	2046	1,800,000	1,750,000	-	-	28,538	1,750,000	1,750,000
Highlands CFD 2014-2 2016 Series B	2016	2031	810,000	580,000	-	-	12,225	580,000	580,000
Orangecrest CFD 2015-1 Bonds Series 2020 Series A	2020	2050	2,075,000	2,075,000	-	-	41,500	2,075,000	2,075,000
Orangecrest CFD 2015-1 Bonds Series 2020 Series B	2020	2028	365,000	320,000	-	-	5,440	320,000	320,000
Total Mello Roos and Assessment District Bonds			\$ 56,824,906	\$ 36,790,000	\$ -	\$ -	\$ 847,654	\$ 36,790,000	\$ 36,790,000
Total				\$ 1,936,570,565	\$ -	\$ 6,737,111	\$ 14,526,982	\$ 1,929,833,454	\$ 1,926,676,786

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 8

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.