



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JUNE 15, 2021**
FROM: FINANCE DEPARTMENT **WARDS: ALL**
SUBJECT: FISCAL YEAR 2020/21 THIRD QUARTER FINANCIAL UPDATE

ISSUE:

Receive and provide input on the Fiscal Year 2020/21 Third Quarter Financial Update.

RECOMMENDATION:

That the City Council receive and provide input on the Fiscal Year 2020/21 Third Quarter financial update.

BACKGROUND:

On June 16, 2020, the City Council adopted Resolution No. 23592 approving the Fiscal Year (FY) 2020-2021 (Emergency) Annual Budget. The adopted budget was the product of a truncated budget process prompted by the COVID-19 pandemic and Orders that limited the City's ability to receive the usual level of engagement in the budget process. Further, the impacts of the COVID-19 pandemic on City finances were largely unknown at the time of budget adoption due to the ongoing shut-down Order and uncertainty at all levels of the economy. As a part of the adoption of the emergency budget, staff committed to the City Council and the public that interim reports and recommendations to the adopted budget would be made as needed. Throughout the fiscal year, the City's Chief Financial Officer has provided updates to the City Council via a standing item on the weekly agenda.

On October 27, 2020, the City Council received an interim financial update that reported on the preliminary results of fiscal year ending June 30, 2020, as well as economic developments observed since the adoption of the FY 2020/21 emergency budget.

On April 13, 2021, the City Council received the FY 2020/21 Second Quarter Financial Update.

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. City departments also evaluated the potential effect of COVID-19 on departmental finances to the

extent possible. This update spans the period of July 2020 through March 2021. The results of the City's major funds as well as areas of concern in other funds (if any) are reported in the Fiscal Update (Attachment 1). This update spans the period of July 2020 through March 2021.

COVID-19 Fiscal Impact

On March 4, 2020, Governor Newsom declared a state of emergency in California as a result of COVID-19. On March 13, 2020, the City of Riverside declared a local emergency and closed non-essential facilities to the public. Temporary stay-at-home orders followed from the State and City in mid-March 2020 and were again reinstated in December 2020 for approximately seven weeks. Fortunately, the impact of the pandemic to the City's budget has not been as drastic as originally expected.

On March 11, 2021, President Biden signed the America Rescue Plan Act (ARPA) which provided additional relief to both individuals and businesses suffering from the impact of the pandemic. The City expects to receive one-time funding of approximately \$73 million from ARPA, subject to audit and validation that the funds are used for approved purposes as outlined in the ARPA and implementation guidelines issued by the United States Department of the Treasury (USDT). Funds may be used to offset revenue losses resulting from the pandemic as compared to FY 2018/19 actual revenues, as well as expenditures incurred as a result of the City's response to the pandemic.

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

General Fund

The third quarter analysis presents a positive FY 2020/21 outlook for the General Fund, with revenues performing better than anticipated and expenditures trending within budgeted appropriation limits.

Adopted Budget: The adopted FY 2020/21 Emergency Budget for the General Fund included a \$15.6 million balancing measure in the form of vacancy savings targets to offset a projected structural deficit. As a result of the pandemic, original revenue projections were reduced by 10% (\$28 million) to buffer against the potential impacts of the pandemic on City revenues. This presented a new gap in the proposed budget which was largely filled with the following balancing measures:

- Projected savings of \$7 million from the issuance of a Pension Obligation Bond (POB) (savings achieved in FY 2020/21).
- Maintain Measure Z support level to the General Fund commensurate with the FY 2019/20 support (reverted the \$6.5 million programmed FY 2020/21 reduction in Measure Z support).
- Allocate \$6 million of unspent funding from the Measure Z contingency spending line item to the General Fund.
- Planned withdrawal of \$6.2 million from the Section 115 Pension Trust to offset a portion of the required FY 2020/21 payment of the unfunded accrued liability (UAL).

Revenues: FY 2020/21 General Fund revenues recorded through March 2021 were reviewed in

context of FY 2019/20 actual results, performance to date, and potential COVID-19 impacts through the end of the fiscal year. Third quarter analysis reveals that total General Fund revenue projections may exceed emergency budget revenue estimates by \$10 million. Some revenue sources continue to be impacted by the shut-down or reduction in City services, but the adopted contingency revenue reduction and positive revenue performance in other areas appear sufficient to fully offset those revenue shortfalls. Additionally, CARES Act funding that was unexpended on planned items within the required timeframe was used to offset public safety personnel costs, adding approximately \$5.8 million of revenues to the General Fund. Rather than lose the funding due to spending time constraints, the unspent balance was used to offset public safety personnel costs which is a permitted expense under the CARES Act.

General Fund Revenue Analysis				
	Pre-COVID Projection	Contingency Reduction	Adopted Budget	Quarter 3 Projection
Property Taxes	\$72,300,744	\$(1,446,015)	\$70,854,729	\$72,585,000
Sales and Use Tax	69,463,869	(9,819,584)	59,644,285	71,591,000
Utility Users Tax	30,071,801	-	30,071,801	30,395,000
Charges for Services	16,489,733	(1,100,107)	15,389,626	11,850,000
Licenses & Permits	11,603,976	(2,924,978)	8,678,998	7,822,000
Transient Occupancy Tax	7,742,400	(5,032,560)	2,709,840	4,194,000
Other Revenues	12,688,641	-	12,688,641	12,162,000
Uncategorized Contingency Reduction	-	(7,754,870)	(7,754,870)	-
General Fund Transfer	48,685,700	-	48,685,700	46,871,000
Maintain Measure Z Support Level	11,734,277	-	18,266,026	18,266,000
Measure Z Contingency Funds ¹	-	-	6,000,000	-
Section 115 Trust Withdrawal ¹	-	-	6,165,501	-
CARES Act Funding	-	-	-	5,804,000
Total Revenues and Transfers In	\$280,781,141	\$(28,078,114)	\$271,400,277	\$281,540,000

¹Depending on fiscal year-end results, staff may recommend not enacting these balancing measures.

Expenditures: As of the third quarter, personnel savings of at least \$5 million is projected, largely due to the closures (and therefore vacancies in temporary and part-time personnel) in Library and Parks & Recreation; vacancies occurring in the normal course of business; and the City Manager’s managed hiring initiative. Some savings will be offset by increased subsidies to the Convention Center and Entertainment Fund (both venues have remained closed through the pandemic). Additionally, capital project activity is less than expected due to the pandemic, causing less staff time than budgeted to be charged out to capital projects; as a result, the staff costs will remain in the General Fund and partially offset personnel savings.

General Fund Expenditure Analysis		
	Adopted Budget	Quarter 3 Projection
Personnel	\$215,732,216	\$195,100,000
CalPERS UAL ²	29,883,988	11,067,000
Non-Personnel, Special Projects, Minor Capital	61,259,888	61,260,000
Debt Service ²	18,645,440	30,204,000
Charges To/From	(43,176,378)	(41,877,000)
Fund Subsidies & Other Transfers	11,709,621	14,410,000
Balancing Measure – Vacancy Savings ¹	(15,654,498)	-
Balancing Measure – POB Savings ¹	(7,000,000)	-
Total Expenditures and Transfers Out	\$271,400,277	\$270,164,000

¹Savings achieved through Balancing Measures are incorporated into projections for applicable line items (Personnel, CalPERS UAL, and Debt Service).

²Variance is a result of issuing the POB which was completed after budget adoption.

Summary: Due to better than expected revenue performance during the pandemic and support received from CARES Act funding, two balancing measures that were adopted in the emergency budget may not be required: the \$6 million use of Measure Z contingency funding and the \$6.2 million withdrawal of the Section 115 Pension Trust. Staff will return to City Council in the Fall with the fourth quarter results and a formal recommendation on these items. As currently projected, eliminating these two balancing measures from quarter three projections, the current third quarter analysis shows that the General Fund may realize an \$11.4 million net operating gain as compared to the adopted emergency budget in FY 2020/21.

The City’s executive team and staff have made a concerted effort to reduce spending to offset the impacts of the ongoing General Fund deficit and the effects of the pandemic. While these efforts have ensured that General Fund reserves remain intact to help address future fiscal challenges, the strain of reduced staffing levels and resources has a negative impact on departments’ ability to further the City Council’s strategic priorities and apply efforts toward continuous operational improvements. The implementation of Priority Based Budgeting (PBB) with the FY 2022-2024 two-year budget is expected to lay an evolving budget foundation to help staff and the City Council determine how best to align the City’s limited resources with the strategic plan and eliminate the ongoing structural deficit in the General Fund. Additionally, the following challenges and their potential impact on the General Fund are currently being addressed by City leadership:

- Expiring Memorandums of Understanding (MOU) with all of the City’s bargaining units; and
- Potential loss of the General Fund Transfer from the Electric fund and a monthly accrual of the ongoing liability of approximately \$2.6 million per month which occurs until the issue is resolved.

The potential impact of the American Rescue Plan Act on the General Fund is yet to be determined.

Measure Z

Measure Z is projected to end the fiscal year with approximately \$21.2 million in unallocated fund reserves. This is before the final determination of the \$6 million contingency balancing measure item in Measure Z incorporated into the general fund emergency budget. As previously noted, this item may not be necessary due to the better than anticipated general fund revenues results.

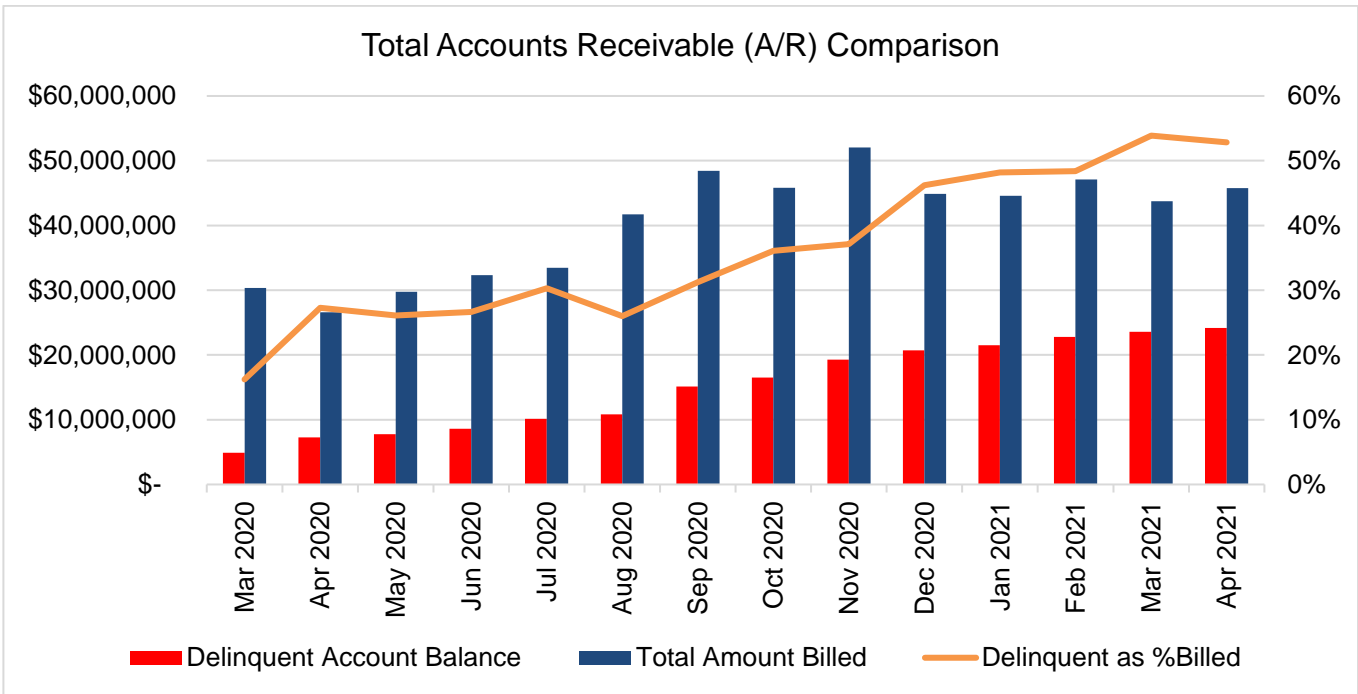
Should the \$6 million balancing measure item from Measure Z not be needed, the ending available fund balance in Measure Z will increase by this amount or projected at approximately \$27.2 million at year end. Separately, \$5 million is held in contingency reserves per the adopted Measure Z Reserve Policy to ensure sufficient funding for ongoing costs in the event of under-performing revenues.

Revenues: The FY 2020/21 emergency budget included a 10% contingency reduction for Measure Z revenues with the expectation of significant pandemic impacts on Transaction and Use Tax revenue. The pre-COVID revenue estimate was \$62.9 million; the revised revenue estimate based on performance to date and estimates from HdL, the City’s sales tax advisor, is approximately \$64.4 million, inclusive of interest earnings. The increase represents a 1.9% growth rate over FY 2019/20 revenues.

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. As of the third quarter, no additional spending measures had been approved during the fiscal year. The Measure Z Spending Contingency, adopted at \$6 million to provide support for General Fund revenue losses resulting from the pandemic, may not be required depending on final General Fund performance at fiscal year-end. Any unexpended amount would be returned to Measure Z unallocated fund reserves and could increase the projected ending unallocated fund reserves to a total of \$27.2 million.

Enterprise Funds Overview

The Sewer, Refuse, Electric, and Water funds have been similarly impacted by the suspension of utility shutoffs in response to the pandemic. The combined accounts receivable for the four utilities increased by 51% or \$15.4 million from \$30.3 million in March 2020 to \$45.7 million on April 27, 2021. During the same period, delinquent accounts receivable increased 391% or \$19.2 million from \$4.9 million in March 2020 to \$24.1 million on April 27, 2021. It is likely that a portion of these accounts will ultimately remain uncollectable and will have to be written off, reducing fund resources.



In March 2021, the City received a direct allocation of Emergency Rental Assistance (ERA) funding from the US Department of Treasury to assist eligible households with rental assistance and utilities to ensure housing stability. Some delinquent revenue is expected to be collected when the suspension of the utility shutoffs is lifted and assistance from the ERAP program is provided.

In March 2020, Riverside Public Utilities developed the Emergency Recovery Assistance Program (ERAP). This program was established in response to the COVID pandemic, providing a one-time \$400 bill credit (assistance) for residential utility customers whose incomes have been negatively impacted due to the pandemic. Consistent with its approval, this program will remain in operation until three months after the local emergency has been terminated. As of the preparation of this report, 4,699 customer accounts have benefitted from the ERAP program since May 20, 2020, with assistance totaling \$1,879,600.

Sewer Fund

The overall financial position of the Sewer Enterprise fund is in line with the Sewer Fund Reserve Policy objectives. The FY 2020/21 adopted budget projects a net operating gain of \$7.6 million, which will help fund \$14 million of planned capital projects. Based on an analysis of Quarter 3 performance to date, the Sewer Fund is on track to meet projections.

Revenues: At the end of the third fiscal quarter, 71.8% of projected revenues have been recorded, although the number of delinquent accounts has risen during the pandemic. As of April 27, 2021, delinquent accounts in the Sewer Fund totaled approximately \$3.3 million, as compared to approximately \$713,500 in delinquent accounts in March 2020. Approximately \$3.0 million of delinquent accounts are in the residential category with 48% (\$1.46 million) more than four months past due. As per City Council direction, accounts for which payment is not being received are not being shut off, and services are continuing uninterrupted.

Expenditures: Operating expenditures are 72.8% of total budget at the end of the third quarter and are expected to remain within adopted appropriation limits through the fiscal year.

Refuse Fund

The Refuse Enterprise fund was originally projected to end FY 2020/21 in a deficit of approximately \$1.4 million. However, the approval of the Solid Waste Rate Plan, which took effect on January 1, 2021, resulted in a \$2.3 million increase to revenue forecasts resulting in a projected surplus rather than the originally projected deficit. Unfortunately, revenues resulting from the rate increase are expected to be offset by increased recycling and disposal costs that are higher than anticipated, resulting in the fund likely ending the fiscal year near the original budgeted operating deficit of \$1.4 million. These challenges are expected to continue into FY 2021/22; however, with the adopted rate increases, staff projects that the fund will achieve financial stability in FY 2022/23.

Revenues: At the end of the third quarter, 75.6% of projected revenues have been recorded, although the number of delinquent accounts has risen during the pandemic. As of April 27, 2021, delinquent accounts in the Refuse Fund total approximately \$1.2 million as compared to approximately \$246,000 in delinquent accounts in March 2020, with 51% more than four months past due. As per City Council direction, accounts for which payment is not being received are not being shut off, and services are continuing uninterrupted.

Expenditures: Operating expenditures are 71.5% of total budget at the third quarter end. Changes in the recycling market have resulted in revenues no longer offsetting the cost of

processing, transportation, and residual disposal and have resulted in the implementation of new organics processing and recycling rates. Additionally, an increase in residential tonnage was an unanticipated effect of the pandemic and is likely attributed to more residents being quarantined in their homes. The combination of these issues is projected to cost an additional \$2.5 million at fiscal year-end, offsetting revenue gains from the rate increase.

Electric Fund

The FY 2020/21 adopted budget for the Electric Fund includes a programmed \$16.3 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 levels as of the third quarter are within established policy levels. In March 2021, the Board of Public Utilities and City Council approved an increase to the Sharing Households Assist Riverside Program (SHARE) from \$150 to \$250 per year for low-income residential electric customers for the duration of the COVID-19 pandemic.

Revenues: As of the end of the third quarter, operating revenues are at 74.4% of budgeted projections. Mild temperatures in the third quarter and the impacts of the pandemic (higher residential and lower commercial consumption) are contributing to lagging retail sales. Electric retail sales revenues as of the third quarter end are \$4.8 million (1.9%) lower than anticipated, with approximately \$2.1 million of this amount attributable to the delay of the rate increase that was scheduled for January 2021. As of April 27, 2021, delinquent accounts in the Electric Fund total approximately \$17.3 million as compared to approximately \$3.4 million in delinquent accounts in March 2020; 68% are more than four months past due. Approximately 45% (\$7.7 million) of the current delinquent balance is in commercial accounts versus 55% (\$9.6 million) in residential accounts.

On January 5, 2021, the City Council voted to delay the scheduled electric rate increase to March 31, 2021. On March 23, 2021, the City Council directed staff to delay the implementation of the third year of the electric rate plan and referred it back to the Board of Public Utilities to develop an implementation plan. On April 19, 2021, the Board of Public Utilities unanimously voted to approve delaying the implementation of the third year of the Electric Rate Plan to no later than July 1, 2021, with an estimated electric fund revenue reduction of \$4.4 million to meet fiscal year 2021/2022 budget assumptions. The Board recommendation will be forwarded to the City Council for consideration.

Expenditures: Electric operating expenditures are 65.8% of total budget at the end of the third quarter. Personnel expenditures are trending very low due to vacancies and attrition; the fund has carried an average vacancy rate of 18.3% and 85.3 full-time equivalent positions during the fiscal year. Power supply costs are approximately 7% lower than projected, and other costs vary in their timing throughout the fiscal year. Overall, electric 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 reserve levels (including the available line of credit) within the required policy reserve range. Budgeted operating gains of \$7.1 million are anticipated to be used to fund capital projects in FY 2020/21, supplemented by a \$1.1 million draw on reserves and \$22.4 million of bond proceeds.

Revenues: As of the end of the third quarter, operating revenues are at 77.9% of budgeted projections. The pandemic has led to higher residential water usage and slightly lower than

anticipated commercial and industrial water usage. Retail sales are \$1.7 million (3.4%) higher than expected due to warmer than anticipated summer months and lower than expected precipitation. As of April 27, 2021, delinquent accounts in the Water Fund total approximately \$5.4 million as compared to approximately \$546,200 in delinquent accounts in March 2020; 54.5% are more than four months past due. Approximately 12% (\$278,000) of the current delinquent balance is in commercial accounts versus 88% (\$2.1 million) in residential accounts.

Expenditures: Water Fund expenditures are 67.4% of budget at the end of the third quarter. Personnel is trending slightly lower than anticipated due to vacancies and attrition; the fund has carried an average vacancy rate of 10% and 16.4 full-time equivalent positions during the fiscal year. Other expenditures vary in their timing throughout the fiscal year. Overall, water expenditures are projected to remain within the budgeted appropriation limit at fiscal year-end.

FISCAL IMPACT:

As of the third quarter, the General Fund is anticipated to end the fiscal year with savings. Despite the positive outlook for the current fiscal year, the long-term financial health of the General Fund continues to be at risk due to an ongoing structural deficit and the potential loss of the Electric GFT. This will challenge the ability of City departments to maintain service levels as well as alignment with the City’s strategic priorities. Measure Z revenues continue at a level sufficient to fund approved spending items as well as help manage General Fund fiscal challenges, should that become necessary. However, the success of the City of Riverside Services Protection Measure on an upcoming ballot will be critical to maintaining essential City services and alignment with the City’s strategic plan.

The City’s major enterprise funds are experiencing similar impacts resulting from the pandemic, with much higher delinquent account balances and lower commercial/industrial revenues. To date, these impacts have not affected the overall health of the funds, but the potential write-off of delinquent accounts will reduce fund resources and could impact credit ratings for certain utilities where applicable. The Refuse Fund is expected to post an operating loss in FY 2020/21 due to higher than anticipated recycling and disposal costs, but the adopted rate increase is expected to bring financial stability to the fund by FY 2022/23.

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Approved by: Moises Lopez, Deputy City Manager
Approved as to form: Kristi J. Smith, Interim City Attorney

Attachments:

1. Fiscal Update
2. Measure Z Spending Status
3. General Fund Transfer/Parada Litigation Press Release
4. Presentation

CITY OF RIVERSIDE FISCAL UPDATE

Monitoring City of Riverside Finances and the Potential Fiscal Impacts of COVID-19



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Chief Financial Officer/City Treasurer
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EXECUTIVE SUMMARY

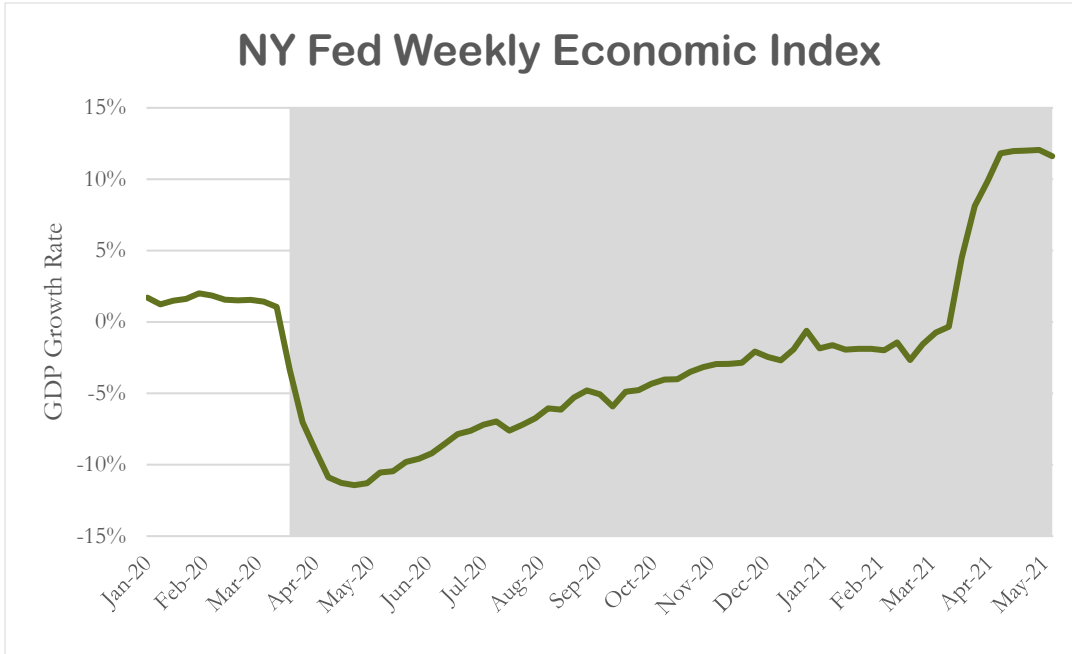
One year after the declaration of a pandemic, staff at the City of Riverside continue to measure the effect of the pandemic on City resources and services. The City's commitment to innovation and customer service are demonstrated through its shift to virtual public meetings and expansion of online services to customers of the One Stop Shop. Online options ensured the safety and health of City staff and customers while introducing new efficiencies, saving time for both staff and customers.

The impact on City finances has varied within City funds, with utility funds impacted by high delinquencies and other funds experiencing ongoing effects of the pandemic through reduced revenues. In the City's General Fund, ongoing revenue impacts in some categories have been largely offset by CARES Act funding and strong performance in sales tax revenue. Conversely, the City's Parking Fund, already operating on a narrow margin, continues to be significantly impacted by revenue losses due to the pandemic which will likely result in the need for a general fund subsidy should revenues not rebound soon.

As the City concludes development of the FY 2021/22 budget, ongoing challenges linger in the General Fund. The transition to Priority Based Budgeting will enable the City to strengthen its alignment of resources to the City Council's Envision Riverside 2025 strategic plan. However, the potential loss of the General Fund Transfer from the electric fund combined with the challenge of the ongoing structural deficit threatens the ability of the City to achieve this goal. The successful passage of a measure on an upcoming ballot will be critical to maintaining essential City services and alignment with the City's strategic plan.

ECONOMIC INDICATORS

The New York Federal Reserve bank monitors ten economic indicators on a weekly basis in order to evaluate and track the overall health of the U.S. economy. These indicators provide a broad view of the economy, from employment to gasoline sales and federal tax withholding from employees' paychecks. The indicators are converted to the equivalent annual GDP growth rate. Typically, a fall in one of these indicators precedes a fall in another and together they paint a picture of the overall business environment of the United States. As the chart below shows, there was a large pickup in the economy when the large-scale vaccine rollout began over the course of March 2021.



Weekly Economic Index Components (Indicators)

- Initial unemployment claims
- Continuing unemployment claims
- Federal Taxes Withheld
- Redbook Same-store sales
- Rasmussen Consumer Sentiment
- American Staffing Index
- Raw Steel Production
- U.S. railroad traffic
- U.S. fuel sales to end users
- U.S. electricity output

INFLATION WATCH

What? Inflation is a measure of the purchasing power of the consumer as compared to the prior year.

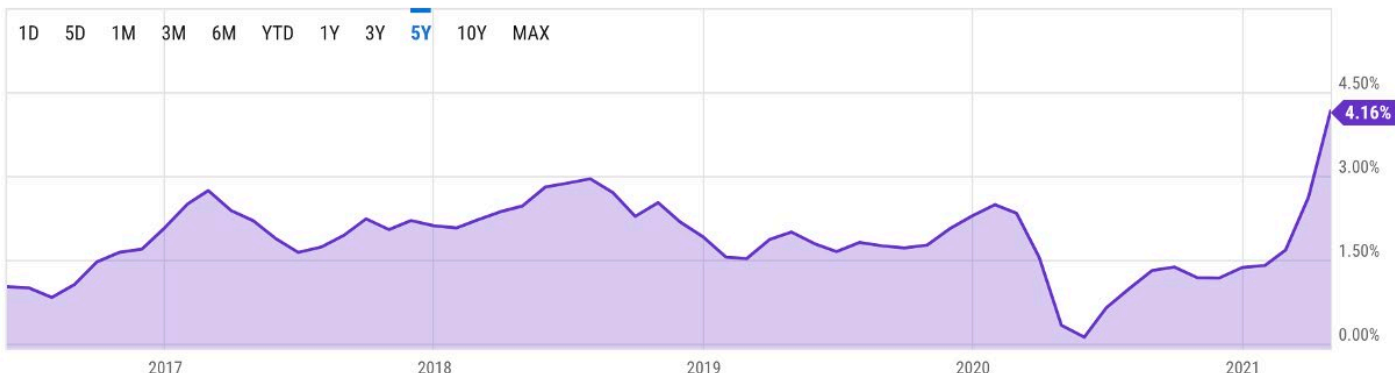
Why? It is important to monitor the costs of fuel, food, clothing, housing and other areas to see how policy decisions affect the prices within the economy.

Outlook: Currently, by the broadest measures, there are upward price pressures (inflation) on many commodities within the general economy. Continued borrow and spending by the U.S. Government and Federal Reserve increases the likelihood of a continued upward march of pressures.

The April 2021 reading of the broadest consumer measure of inflation, the Consumer Price Index, was an annual increase of 4.6%, the highest in more than five years.

US Inflation Rate

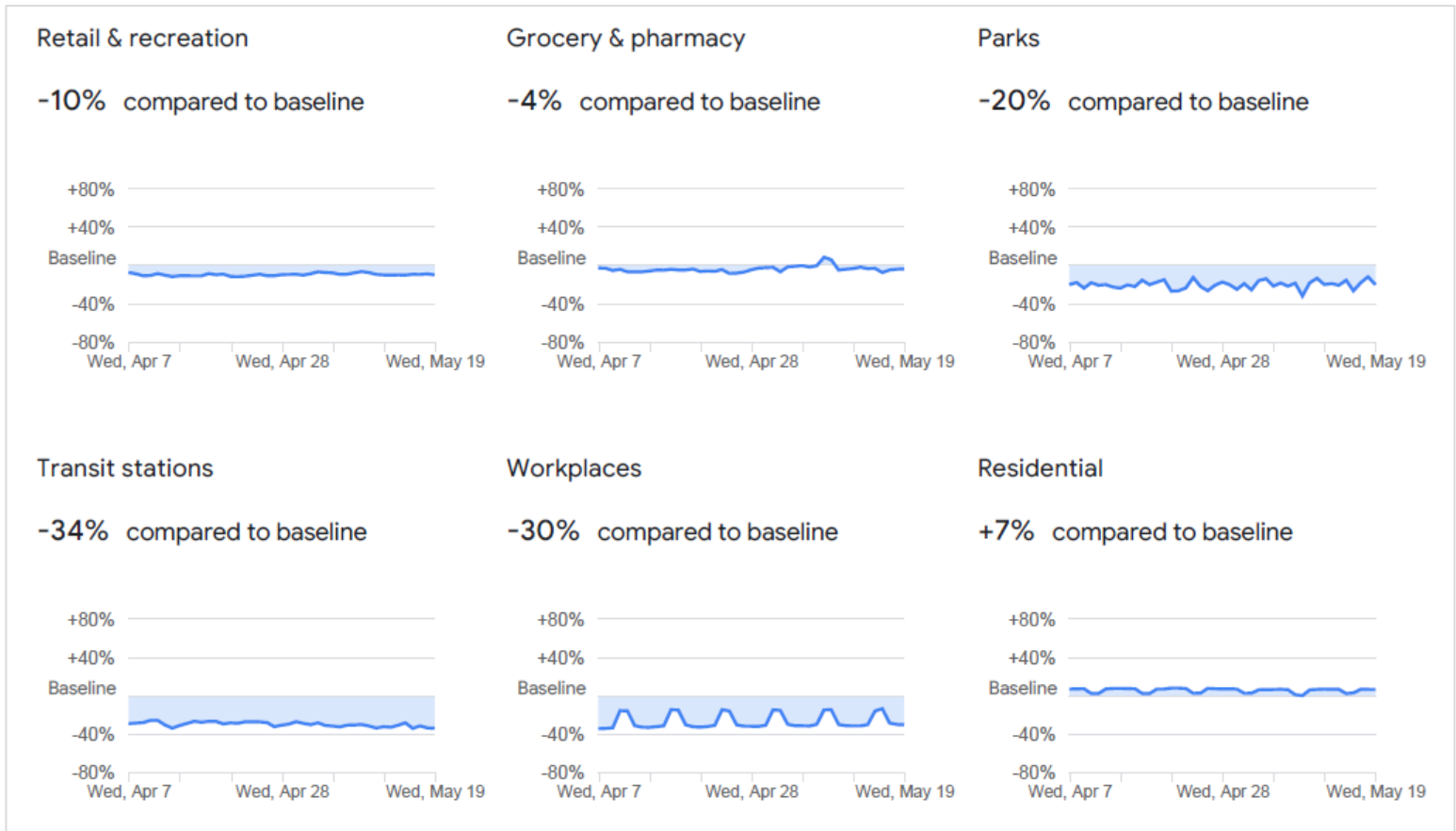
4.16% for Apr 2021



ECONOMIC INDICATORS

Then and Now in Riverside County – Community Mobility Reports by Google

Google compiled the following data using aggregated, anonymized insights in such products as Google Maps to gauge how communities are moving differently due to COVID-19. The baseline is the median value for the corresponding day of the week during the 5-week period of January 3 through February 6, 2020. Visit <https://www.google.com/covid19/mobility/> for more information. This data helps us to further understand the impact of the pandemic on different sectors of our economy through relationships to other data, such as sales tax revenue by economic sector or unemployment data. The following mobility report is dated May 19, 2021.



Percent Change in All Consumer Spending

Source: *TrackTheRecovery.org*

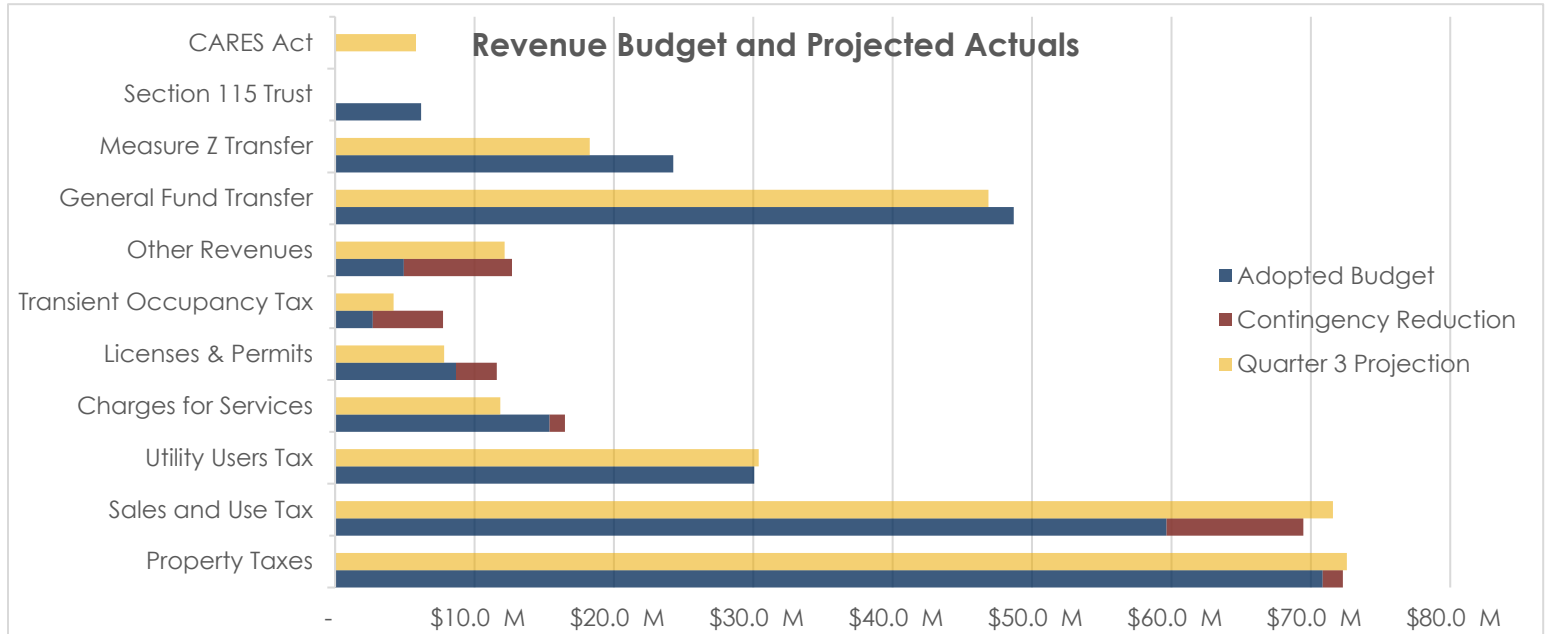
In **California**, as of May 09 2021, total spending by all consumers increased by **11%** compared to January 2020.



GENERAL FUND REVENUE

As of the third quarter ending March 31, 2021, total General Fund revenues are expected to exceed the budgeted revenue estimates by approximately \$10 million. The City Council's decision to maintain annual General Fund support from Measure Z at the FY 2019/20 level has played a critical role in maintaining General Fund revenue levels. While some revenues are still significantly impacted by the pandemic, strong performance in other categories are helping to offset those shortfalls, in addition to unanticipated CARES Act funding of \$5.8 million for public safety costs. As a result, two adopted balancing measures, the \$6 million use of Measure Z contingency funding and the \$6.2 million withdrawal of the Section 115 Pension Trust may not be required. Staff will return to City Council in the Fall with the fourth quarter results and a formal recommendation on these items.

The chart below shows the adopted budget and contingency revenue reductions, the total of which represents the pre-pandemic revenue estimate. The yellow bar represents third quarter projections of fiscal year revenues based on performance to date and other sources.

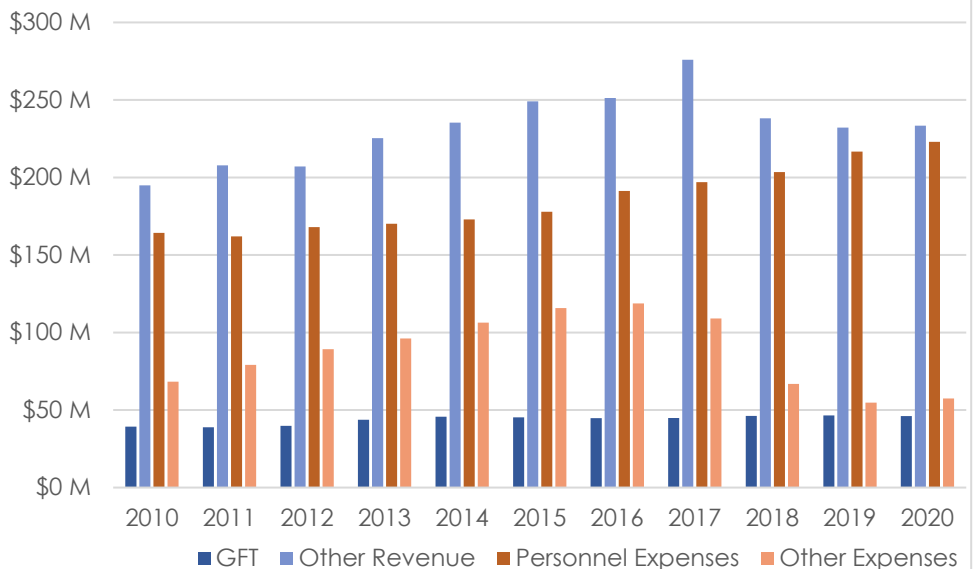


General Fund Transfer

On May 18, 2021, the City announced a settlement agreement in Parada v. City of Riverside. As planned, the City will proceed with placing the City of Riverside Services Protection Measure on an upcoming ballot. This Measure allows voters to consider whether to affirm the long standing utility fund budget transfer that maintains reliable local funding for essential City services such as firefighting, paramedics, police, street repair, homelessness services, parks, and senior and youth services, and to continue to fund this transfer through electric rate revenue.

Should voters reaffirm the General Fund transfer from the electric utility by passing the Measure, the City will then, consistent with this mutually-agreed-upon settlement, also issue utility credits over a five-year period to local utility ratepayers.

GFT vs. All Other Revenue Personnel Expense vs. All Other Expense

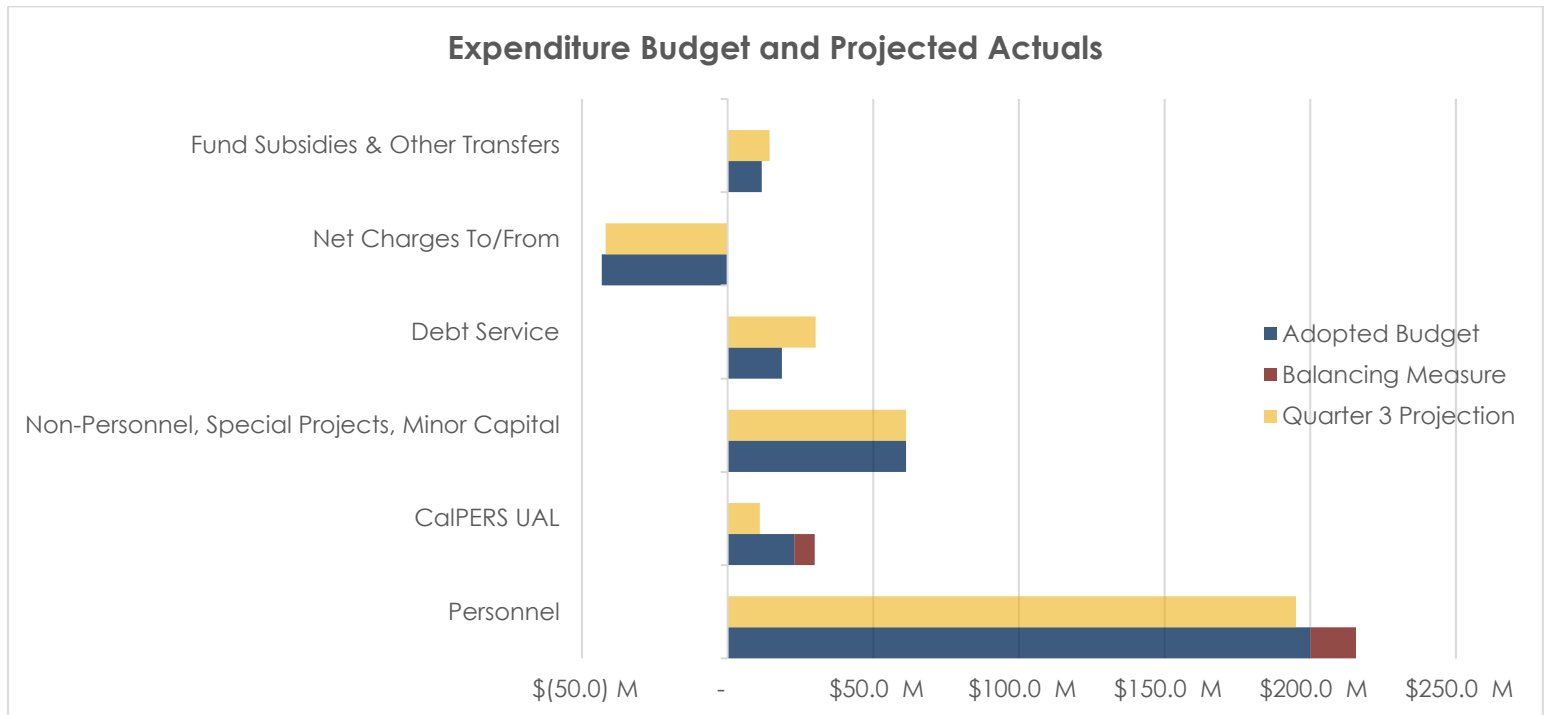


As of 2020, personnel expenses are 80% of General Fund costs, forcing a reduction in non-personnel costs such as materials, supplies, deferred maintenance, and vehicle replacement. Non-GFT revenues exceed personnel costs by only 4.7%.

GENERAL FUND EXPENDITURES

The adopted General Fund expenditure budget included two balancing measures: vacancy savings targets of approximately \$15.6 million and projected savings from the issuance of a Pension Obligation Bond. With the closure of Parks and Recreation and the Library during the pandemic as well as the City Manager's managed hiring initiative, additional personnel savings of approximately \$5 million is anticipated by fiscal year end. Fund subsidies are projected to require an additional \$2.7 million over the amount budgeted due to the continuing closure of the convention center and entertainment venues.

The chart below shows the adopted budget and balancing measure reductions. The yellow bar represents third quarter projections of fiscal year expenditures. CalPERS and Debt Service variances are due to the issuance of a Pension Obligation Bond; the issuance shifted costs between the two categories while achieving net savings of \$7 million, as budgeted.



Vacancy Factor Balancing Measure

The pandemic preempted public discussions on strategies to address a structural deficit and shifted the focus to addressing potential revenue shortfalls resulting from the pandemic. As a result, and due in part to a temporary recruitment suspension prompted by the pandemic, staff recommended the adoption of vacancy savings targets for all General Fund departments equal to existing vacancies. Vacancy rates ranged from 0% to 22% with disproportionate effects on departments. Savings in some larger departments such as public safety were able to be achieved through naturally occurring vacancies and attrition, allowing hiring to continue.

General Fund Vacancy Savings Targets

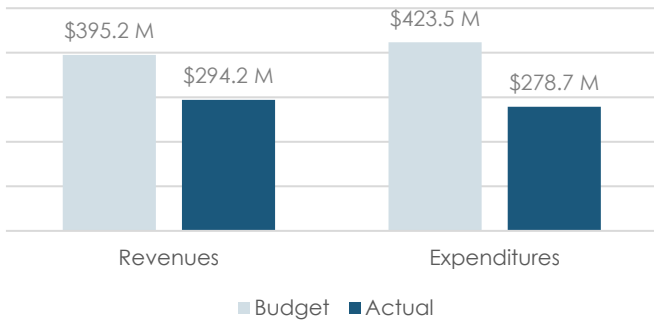
City Department	Workforce FTE	Vacant on March 13, 2020	% Unfunded	Adopted FY 2020/21
01 - Mayor	7.25	1.00	13.8%	\$ 105,864
02 - City Council	14.00	-	-	-
11 - City Manager	30.55	5.00	16.4%	646,414
12 - City Clerk	10.00	-	-	-
13 - City Attorney's Office	34.00	2.50	7.4%	302,349
21 - Human Resources	30.00	2.00	6.7%	158,331
22 - General Services	30.00	3.00	10.0%	222,649
23 - Finance	55.00	12.00	21.8%	1,184,789
24 - Innovation & Technology	59.25	8.00	13.5%	1,094,486
28 - Community & Economic Development	106.25	21.00	19.8%	2,272,556
31 - Police	506.00	35.00	6.9%	4,260,438
35 - Fire	234.00	14.00	6.0%	1,928,713
41 - Public Works	134.00	16.00	11.9%	1,559,811
51 - Library	60.00	8.00	13.3%	757,995
52 - Parks, Recreation & Community Services	152.85	9.00	5.9%	857,662
53 - Museum	13.50	3.00	22.2%	302,441
Total Budgeted FTE	1,476.65	139.50	9.4%	\$ 15,654,498

ENTERPRISE FUNDS

Electric Fund

At the end of the third quarter, retail sales are 1.9% lower than budget due to lower than anticipated consumption and a delay in the rate increase originally scheduled for January 2021. On March 23, 2021, the City Council voted to delay the rate increase and refer it back to the RPU Board for an implementation plan. On April 19, 2021, the RPU Board recommended delaying the rate increase no later than July 1, 2021. The estimated impact of the action is a \$4.4 million reduction in electric revenues through fiscal year end. Expenditures are trending under budget due to personnel vacancies, lower than expected power supply costs, and the timing of operating expenses.

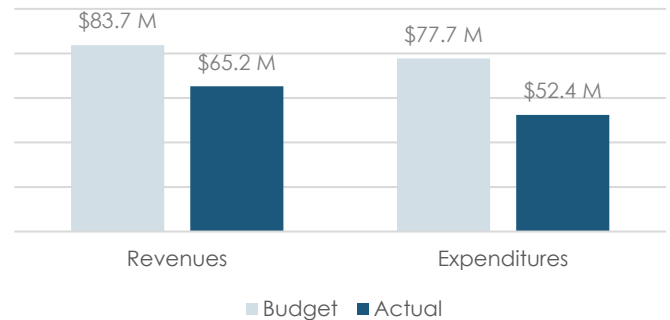
Budget to Actual



Water Fund

The pandemic has led to an increase in residential water usage and a decrease in commercial/industrial water usage. Overall, water fund revenues are 3.4% higher than expected due to higher than anticipated consumption. Current year retail sales are \$5.9 million (12.3%) higher than the prior year, in part due to a rate increase. Expenditures are trending under budget due to personnel vacancies and the timing of operating expenses. Budgeted operating gains of \$7.1 million are anticipated to be used to fund capital projects in FY 2020/21, supplemented by a \$1.1 million draw on reserves and \$22.4 million of bond proceeds.

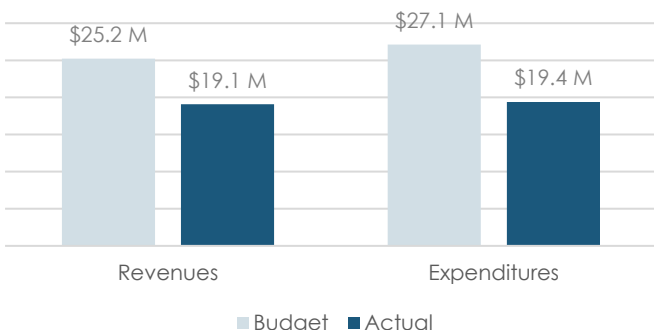
Budget to Actual



Refuse Fund

The Refuse Fund adopted budget does not include the rate increases approved by the City Council in September 2020 and effective January 2021. The rate increases are expected to improve the overall health of the fund, which had been operating at a deficit for some time. However, unanticipated increases in recycling and disposal costs are higher than anticipated and will likely result in the funds ending the fiscal year at or near the budgeted operating deficit of \$1.4 million. With adopted rate increases, staff projects the fund will achieve an operating gain by FY 2022/23.

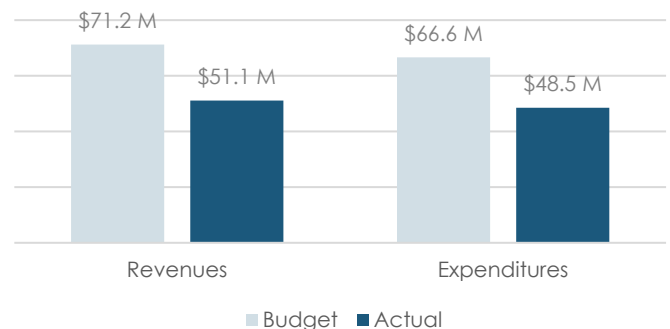
Budget to Actual



Sewer Fund

The Sewer Fund is operating in line with the Sewer Fund Reserve Policy objectives. The FY 2020/21 adopted budget projects a net operating gain of \$7.6 million; the Sewer Fund is on track to meet projections, with projected expenditure savings offsetting projected revenue shortfalls. As per City Council direction, accounts for which payment is not being received are not being shut off, and services are continuing uninterrupted.

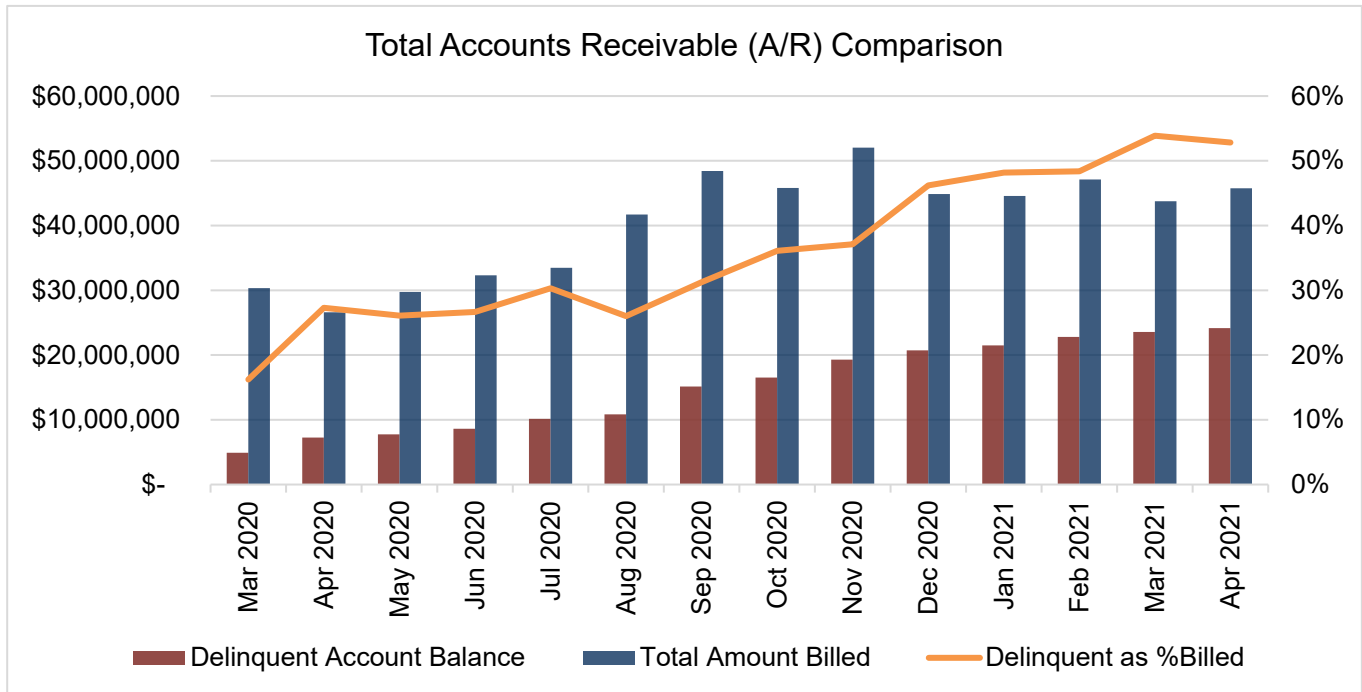
Budget to Actual



Account delinquencies are placing pressure on all utility funds...refer to page 7 for more information.

OTHER FUNDS

The Sewer, Refuse, Electric, and Water funds have been similarly impacted by the suspension of utility shutoffs in response to the pandemic. The combined accounts receivable for the four utilities increased by 51% or \$15.4 million from \$30.3 million in March 2020 to \$45.7 million on April 27, 2021. During the same period, delinquent accounts receivable increased 391% or \$19.2 million from \$4.9 million in March 2020 to \$24.1 million on April 27, 2021. It is likely that a portion of these accounts will ultimately remain uncollectable and will have to be written off, reducing fund resources.



Measure Z

As of the end of the third quarter, the Measure Z fund is projected to end the fiscal year with approximately \$21.2 million in unallocated fund reserves. An additional \$5 million in policy reserves is held separately.

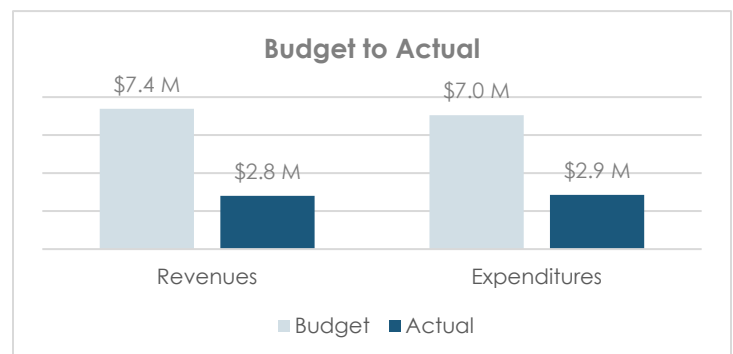
The revenue budget includes a 10% contingency revenue reduction; however, total sales and use tax revenue appear unaffected by the pandemic. The pre-pandemic revenue estimate was \$62.9 million; the revenue estimate as of the third quarter is \$64.4 million, inclusive of interest earnings.

Programmed spending in the table below includes a \$28.2 million carryover of prior year unexpended funds. These are funds committed for multi-year projects where the spending occurs unevenly over a period of time. As of March 31, 2021, \$41.1 million has been expended as compared to \$39.9 million revenue received.

	Budget	Actual	Balance
Revenue	\$56.2 M	\$39.9 M	\$16.3 M
Programmed Spending	95.8 M	41.1 M	54.7 M
Change in Reserves	\$(39.6) M	\$(1.2) M	

Public Parking Fund

Parking revenues have declined during the initial stay-at-home order, have remained lower than projected during the slow reopening process, and will likely continue to underperform in the near future. The Public Parking Fund is currently operating at a deficit and capital projects have been put on hold in order to keep the fund from requiring a General Fund subsidy until operations return to sustainable levels. Current operations remain a challenge, as forecasts for revenue remain low and additional overcapacity and maintenance require additional capital for which the Public Parking Fund cannot provide.



OTHER FINANCIAL NEWS

FY 2021/22 Budget Development

The City is currently developing the FY 2021/22 annual budget. Public engagement is encouraged at the 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.

Date	Time	Meeting Body	Subject Matter
June 10	5:00 PM	Budget Engagement Commission	FY 2021-2022 Final Budget
June 22	6:15 PM	City Council – Evening Session	Public Hearing and Adoption of the FY 2021-2022 Annual Budget

What's Next?

Following adoption of the FY 2021/22 budget, the budget will be uploaded to the City's online budget portal at <https://riverside.openbook.questica.com>. Compilation of the formal budget publications will follow; the publications will be loaded to the City website in September at <https://riversideca.gov/finance/budget.asp>. The publications will also be printed and made available to the public at the City Clerk's Office in City Hall and at each of the City's libraries throughout the City.

American Rescue Plan Act (ARPA)

On March 11, 2021, President Biden signed the third stimulus bill which provided additional relief to both individuals and businesses suffering from the impact of the pandemic. The City of Riverside is expected to receive approximately \$73 million in one-time restricted funds, subject to audit and validation that the funds are used for approved purposes under the American Rescue Plan Act. In conjunction with the City Council, staff will identify opportunities to alleviate some of the fiscal impacts of the pandemic that have occurred to date.

On May 10, 2021, the U.S. Department of the Treasury (USDOT) released guidance on the use of ARPA's local fiscal recovery funds. The City will receive funding in two disbursements, with 50% in May 2021 and the balance approximately one year later.

Eligible Uses:

- Support the public health response
 - Services and programs to contain and mitigate the spread of COVID-19
 - Services to address behavioral healthcare needs exacerbated by the pandemic
 - Payroll and covered benefits expenses
- Addressing the negative economic impacts caused by the public health emergency
 - Delivering assistance to workers and families
 - Supporting small businesses
 - Speeding the recovery of the tourism, travel, and hospitality sectors
 - Rebuilding public sector capacity
- Serving the hardest-hit communities and families
 - Addressing health disparities and the social determinants of health
 - Investments in housing and neighborhoods
 - Addressing educational disparities
 - Promoting healthy childhood environments
- Providing premium pay for essential workers
- Replacing lost public sector revenue, computed one of two ways:
 - The recipient's average annual revenue growth over the three full fiscal years prior to the public health emergency
 - 4.1%, the national average state and local revenue growth rate from 2015-18
- Investing in water and sewer infrastructure
- Investing in broadband infrastructure

Ineligible Uses:

- Offsetting any revenue losses resulting from a reduction in the tax rate
- Infrastructure outside of water, sewer and broadband investments
- Deposits to pension funds
- Funding debt service
- Funding legal settlements or judgments
- Deposits to financial reserves or rainy date funds

For more detailed information, visit USDOT for guidance documents: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>

Measure Z
FY 2020/21 Quarter 3 Financial Update

Spending Item	Total Budget	FY 2020/21 Expenditure
Financial Discipline/ Responsibility		
2 Payoff of the Balloon \$32 million Pension Obligation Bond	\$ 1,674,500	\$ 1,255,875
4 Measure Z Spending Contingency	6,000,000	4,500,000
Total Financial Discipline/ Responsibility	\$ 7,674,500	\$ 5,755,875

Public Safety		
5 Additional Sworn Police Positions	\$ 10,598,698	\$ 7,181,473
6 Public Safety Non-Sworn Positions and Recruitment Costs	1,087,572	643,470
7 Police Officer Lateral Hire Incentives and Recruitment Costs	200,000	300
8 Additional Dispatchers	862,212	451,670
9 Reinstatement of Fire Squad	1,392,682	959,300
10 Reinstatement of Captains (Training and Arson)	590,104	368,787
11 Reinstatement of Battalion Chief	387,293	504,306
12 Revised PD Vehicle Replacement and Maintenance Plan	3,433,722	418,347
14 Revised Fire Vehicle Replacement and Maintenance Plan	4,380,828	2,079,510
16 Additional Fleet Mechanics for Police Department (2)	219,427	158,634
17 Additional Fleet Mechanics for Fire Department (2)	240,750	171,212
34 4-Person Staffing on Fire Trucks	1,382,796	976,312
35 Fire Equipment and One-Time Operating Needs	125,508	64,200
36 Contingency - Fire Radios	19,679	-
38 Bourns Youth Innovation Center Furniture, Fixtures & Equip.	416,039	27,633
40 Library Security Guards	419,971	105,248
Total Public Safety	\$ 25,757,281	\$ 14,110,402

Critical Operating Needs		
18 Funding Gap - Existing Services	\$ 18,266,026	\$ 13,699,518
19 General Plan Update	4,957,056	69,799
20 Homeless Services	1,235,402	(86,219) (1)
21 Principal Analyst - City Manager's Office	170,346	120,806
22 Budget Engagement Commission Support	32,730	17,078
Total Critical Operating Needs	\$ 24,661,560	\$ 13,820,982

Facility Capital Needs		
23 New Downtown Main Library and Archives	\$ 2,755,580	\$ (1,131,894) (2)
24 Eastside Library Site Selection	100,000	-
25 New Police Headquarters	69,559	43,556
26 Museum Expansion and Rehab	10,167	175
28 Annual Deferred Maintenance	1,404,407	184,130
42 Fire Station Dormitory Improvements	99,573	80,911
Total Facility Capital Needs	\$ 4,439,286	\$ (823,122)

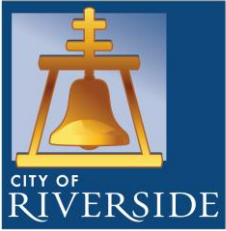
Quality of Life		
29 Maximize Roads/Streets (Pavement Condition Index)	\$ 20,204,180	\$ 3,466,784
30 Tree Trimming	1,000,000	319,770
31 Ward Action Team - City Attorney's Office	305,403	220,365
39 Public Safety and Engagement Team (PSET)	5,002,614	793,447
41 Homeless Shelters	58,763	5,470
Total Quality of Life	\$ 26,570,960	\$ 4,805,836

Measure Z
FY 2020/21 Quarter 2 Financial Update

Spending Item	Total Budget	FY 2020/21 Expenditure
Technology		-
33 Technology Improvements	\$ 6,774,834	\$ 3,438,219
Total Technology	\$ 6,774,834	\$ 3,438,219
Totals	\$ 95,878,421	\$ 41,108,192

(1) The negative amount is a result of expenditures being recorded as an expense in the prior fiscal year for accounting purposes (accruals).

(2) Some expenditures recorded in the spending plan as a use of cash in prior fiscal years were reimbursed by debt proceeds and are therefore credited back to the spending plan.



City of Arts & Innovation

News Release

FOR IMMEDIATE RELEASE:

May 19, 2021

Contact:

Phil Pitchford

Public Information Officer

951-826-5975

ppitchford@riversideca.gov

Joint Statement from the City of Riverside and Parada Plaintiffs

Settlement Reached on Behalf of Riverside Taxpayers

RIVERSIDE, Calif. – The City of Riverside is pleased to announce a settlement in the matter of Parada v. City of Riverside.

The terms of the settlement as summarized below protect the best interests of Riverside taxpayers and honor the shared commitment of the parties to public transparency and voter approval.

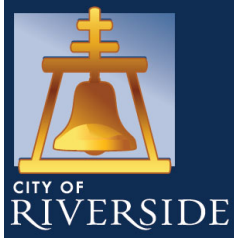
As planned, the City will proceed with placing the City of Riverside Services Protection Measure on an upcoming ballot. This Measure allows voters to consider whether to authorize a utility fund budget transfer that maintains reliable local funding for essential City services such as firefighting, paramedics, police, street repair, homelessness services, parks, and senior and youth services, and to continue to fund this transfer through electric rate revenue.

Should voters authorize these current city budget and electric rate-setting practices by passing the Measure, the City will then, consistent with this mutually-agreed-upon settlement, also issue utility credits over a five-year period to local utility ratepayers.

This settlement, reached with the assistance of a mediator, allows the parties to avoid unnecessary taxpayer litigation expenses and a lengthy appeal, while prioritizing the desire of both parties to honor voters' say and to support local residents and businesses through our local COVID recovery. The City has already delayed a scheduled rate increase through this COVID period.

“During these difficult times, our residents want to hear that all parts of our community are working together on the dynamic solutions that put Riverside’s businesses and residents first,” Mayor Patricia Lock Dawson said. “I couldn’t be more thrilled that all parties have come together to prioritize the best interests of our local utility ratepayers and provide much needed relief to local taxpayers during a time of recovery from the pandemic.”

There will be no further comments from either party on this matter.



FISCAL YEAR 2020/21 THIRD QUARTER FINANCIAL UPDATE

Finance Department

City Council
June 15, 2021

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GENERAL FUND OVERVIEW

	FY 2020/21 Adopted Budget	FY 2020/21 Year-to-Date Actuals
Revenue & Transfers In	\$271,400,277	\$190,239,414
Expenditures & Transfers Out	271,400,277	184,851,366
Surplus/(Deficit)	\$ -	\$5,388,048

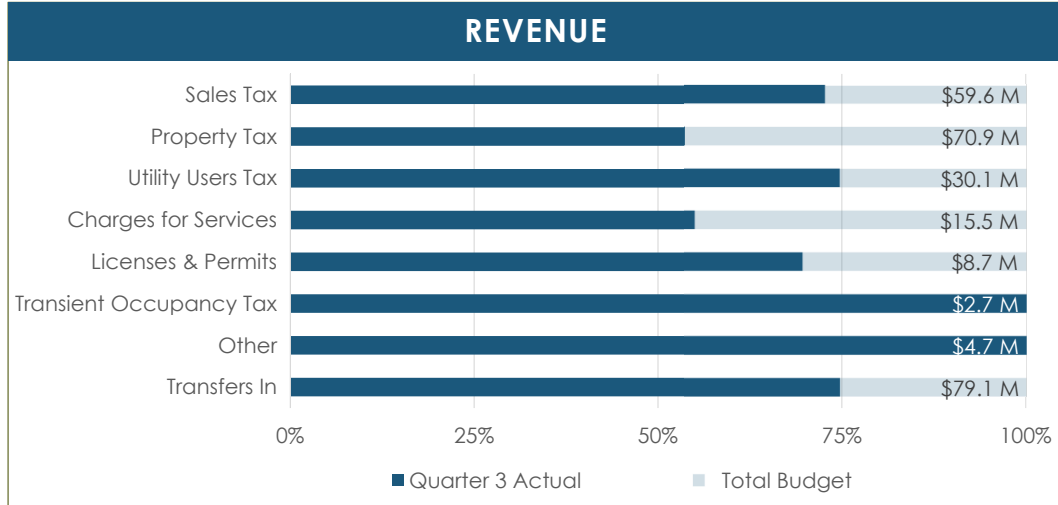
General Fund Reserves at June 30, 2020 (in millions)

Emergency Reserves (15%)	\$42.0 M
Economic Contingency Reserves (5%)	14.0 M
Surplus Reserves*	15.6M
Pension Stabilization Reserves	9.4 M



* Per Council direction on January 19, 2021, surplus reserves have been set aside to address future fiscal uncertainties.

GENERAL FUND REVENUE



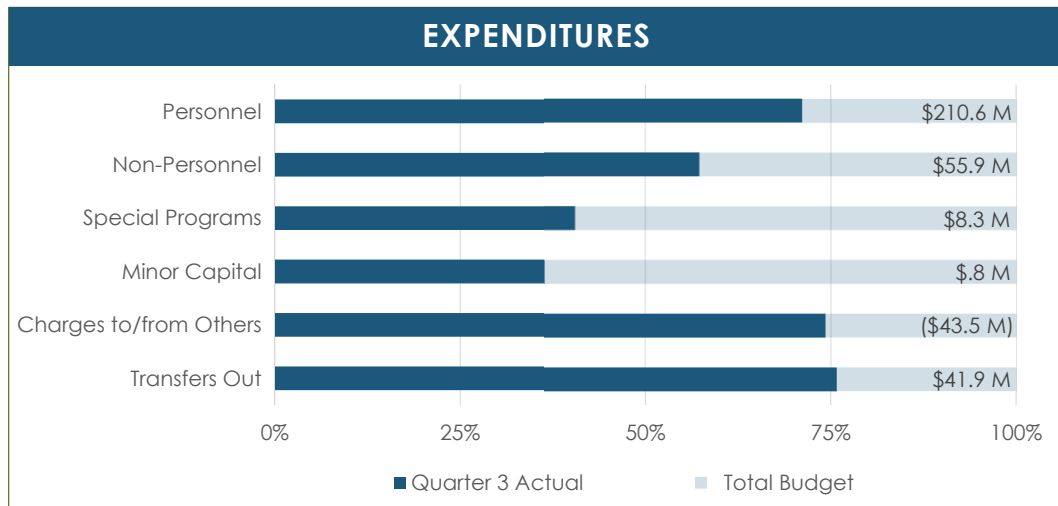
Includes budget adjustments recorded during the fiscal year.

3



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GENERAL FUND EXPENDITURES



Includes prior fiscal year carryovers and budget adjustments recorded during the fiscal year.

4



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MEASURE Z OVERVIEW

MEASURE Z SUMMARY

	FY 2016/17 Actuals	FY 2017/18 Actuals	FY 2018/19 Actuals	FY 2019/20 Actuals	FY 2020/21 Projected
Revenue	\$12,606,428	\$56,237,202	\$62,816,128	\$63,135,477	\$64,361,000
Expenditures / Allocations (Unexpended) / Carryovers	(9,973,447)	(36,134,811)	(40,988,149)	(50,063,853)	(67,641,582)
Net Change in Reserves	\$2,632,981	\$20,102,391	\$21,827,979	\$13,071,624	(\$31,388,702)
Policy Reserve Set Aside	-	-	(5,000,000)	-	-
Reserves	\$2,632,981	\$22,735,372	\$39,563,351	\$52,634,975	\$21,246,273

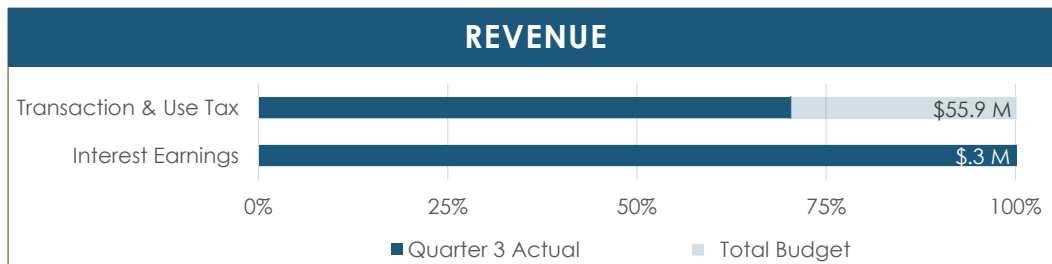


Excludes Transfers-In between Measure Z Capital and Operating Funds

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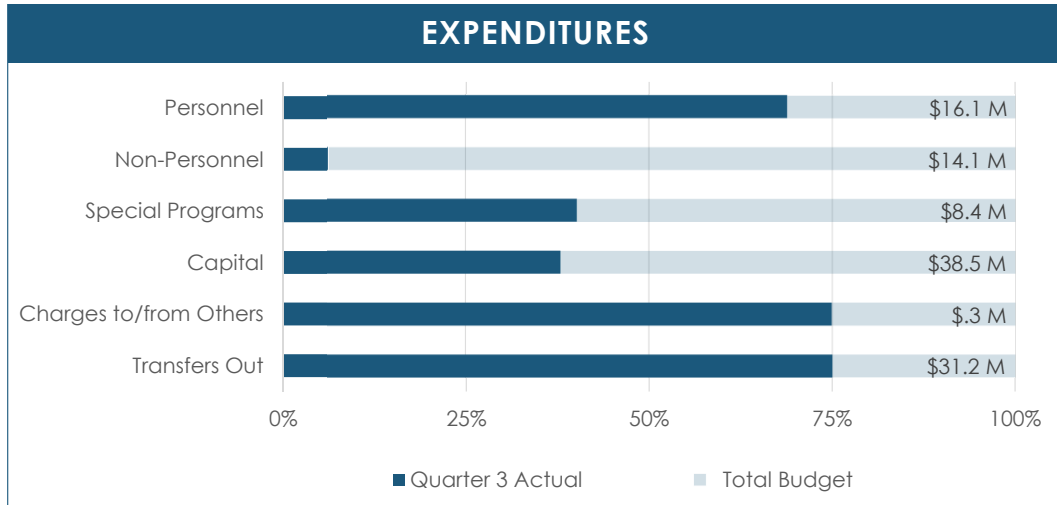
MEASURE Z REVENUE



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MEASURE Z EXPENDITURES



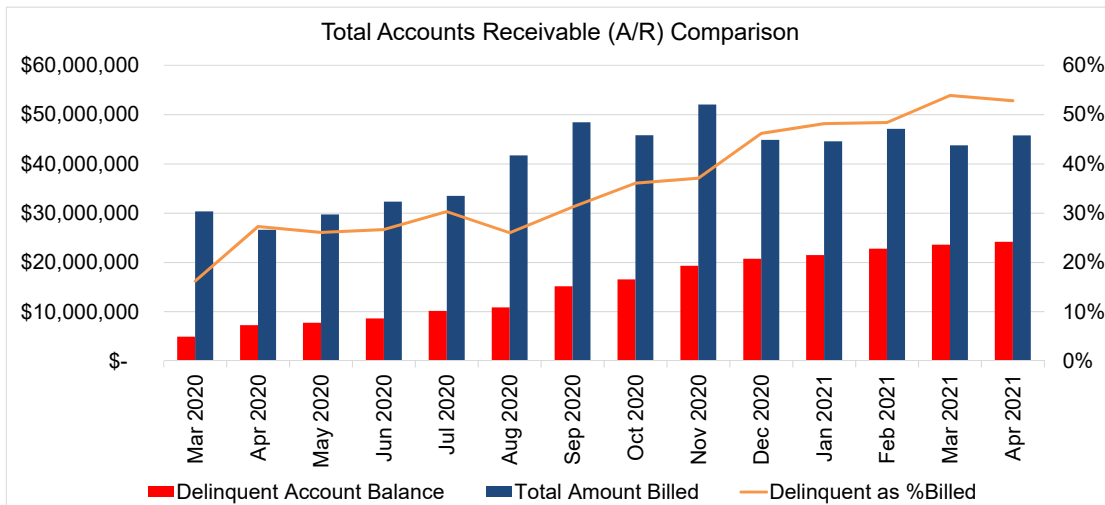
Includes prior fiscal year carryovers.

7



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ENTERPRISE FUNDS (ELECTRIC, WATER, REFUSE, SEWER)



8



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SEWER FUND OVERVIEW

	FY 2020/21 Operating Adopted Budget	FY 2020/21 Year-to-Date Actuals
Revenue & Transfers In	\$71,210,352	\$51,121,864
Expenditures & Transfers Out	63,561,324	48,497,036
Surplus/(Deficit)	\$7,649,028	\$2,624,828

Fund Reserves	
Beginning Balance	\$96,713,636
Estimated Revenues	71,210,352
Budgeted Expenditures*	99,522,465
Estimated Ending Reserves	\$68,401,523

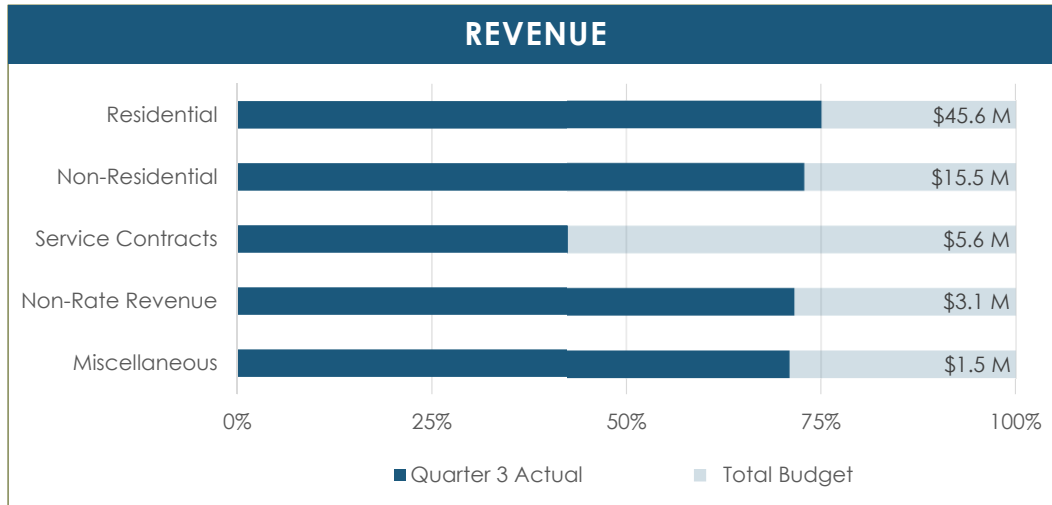


* Includes \$14 million of planned capital projects, and prior fiscal year carryovers.

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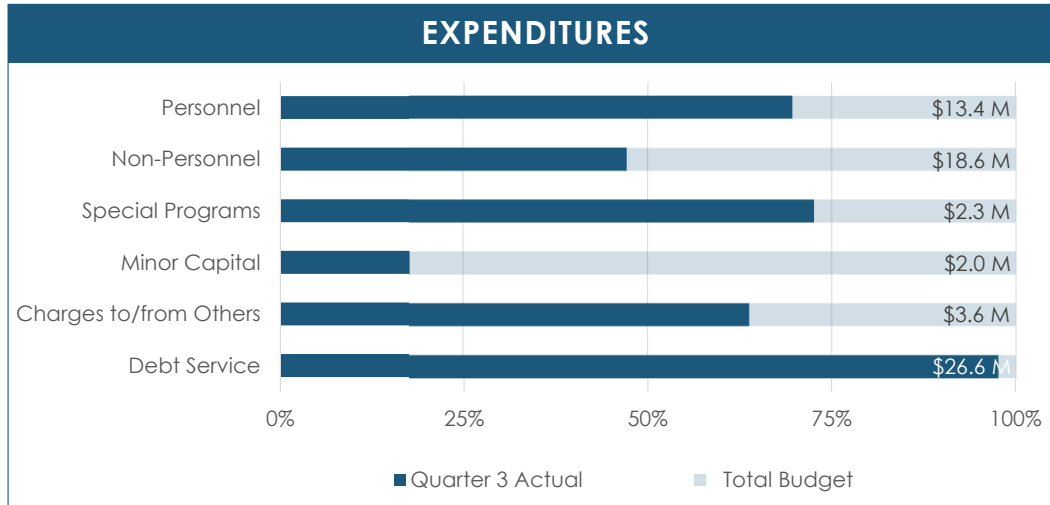
SEWER FUND REVENUE



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SEWER FUND EXPENDITURES



Includes prior fiscal year carryovers; excludes capital projects.

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REFUSE FUND OVERVIEW

	FY 2020/21 Operating Adopted Budget	FY 2020/21 Year-to-Date Actuals
Revenue & Transfers In	\$25,222,325	\$19,075,662
Expenditures & Transfers Out	26,649,412	19,382,447
Surplus/(Deficit)	\$(1,427,087)	\$(306,785)

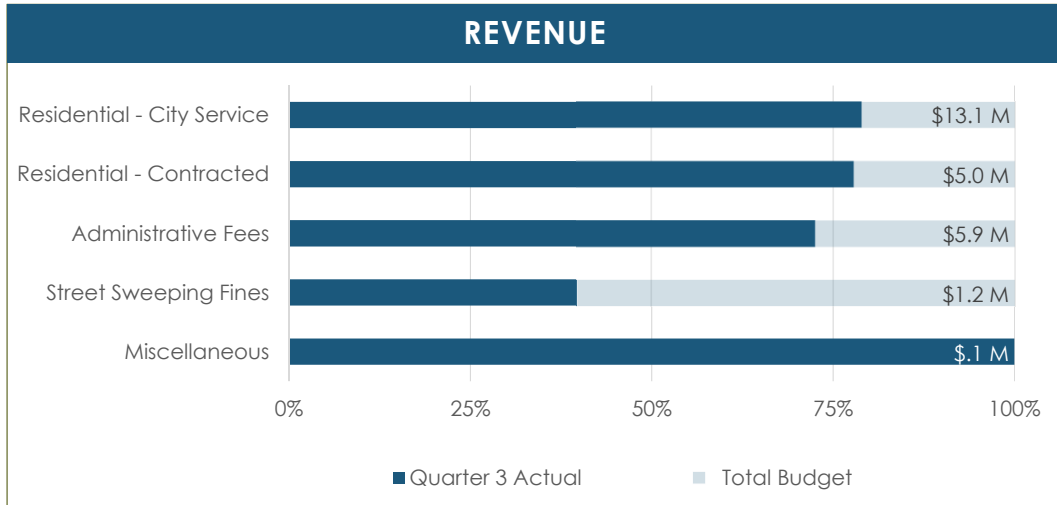
Fund Reserves	
Beginning Balance	\$7,607,955
Estimated Revenues*	25,222,325
Budgeted Expenditures*	27,197,949
Estimated Ending Reserves	\$5,632,331

** Includes revenue adjustments and prior fiscal year expenditure carryovers.*

12



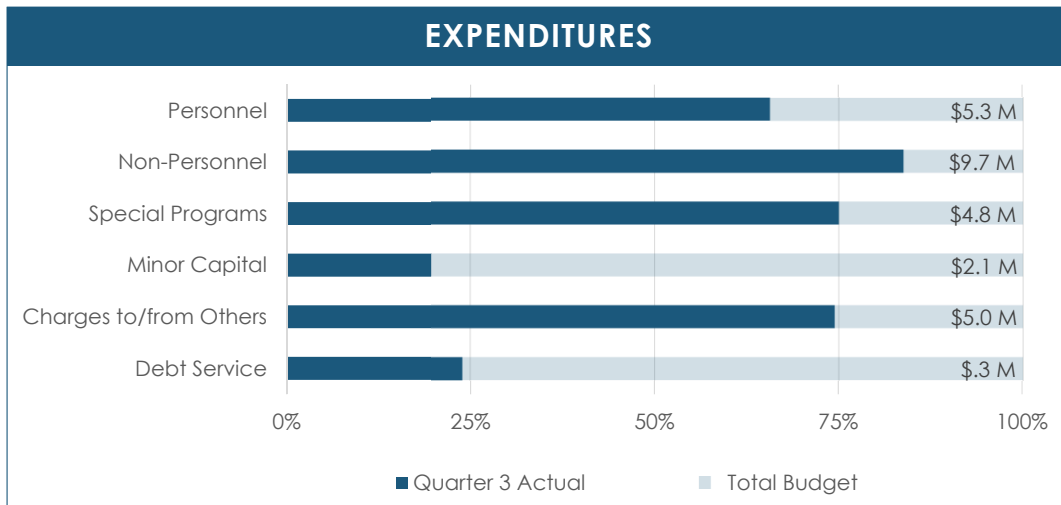
REFUSE FUND REVENUE



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REFUSE FUND EXPENDITURES



Includes prior fiscal year carryovers.

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ELECTRIC FUND OVERVIEW

	FY 2020/21 Operating Adopted Budget	FY 2020/21 Year-to-Date Actuals
Revenue & Transfers In	\$395,239,794	\$294,177,236
Expenditures & Transfers Out	411,572,710	278,748,850
Surplus/(Deficit)*	\$(16,332,916)	\$15,428,386

Unrestricted, Undesignated Cash Reserves (in millions)

Cash Reserves	\$192 M
Available Line of Credit	\$35 M
Minimum Reserve Level**	\$148 M
Maximum Reserve Level**	\$231 M

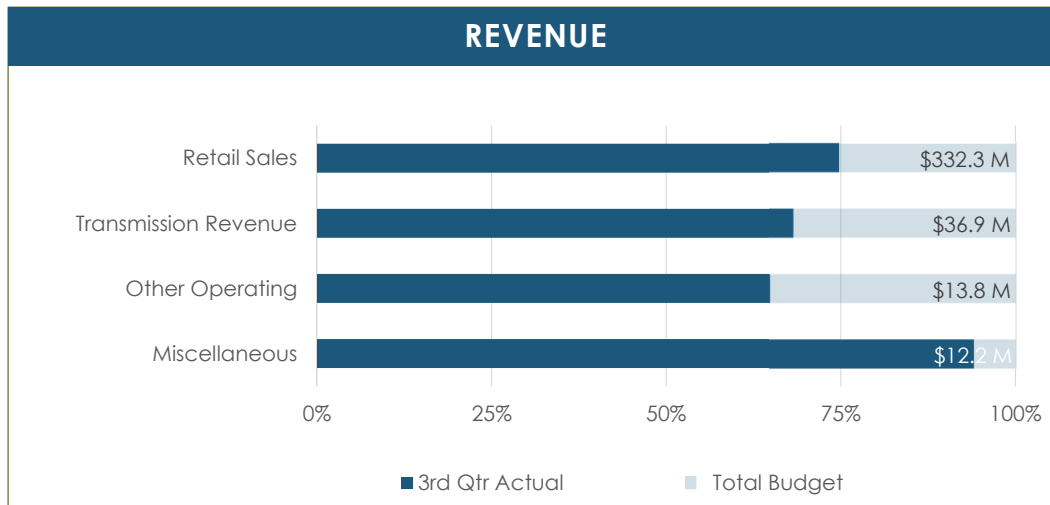


*Strategic drawdown of cash reserves.
** Projected for 6/30/2021

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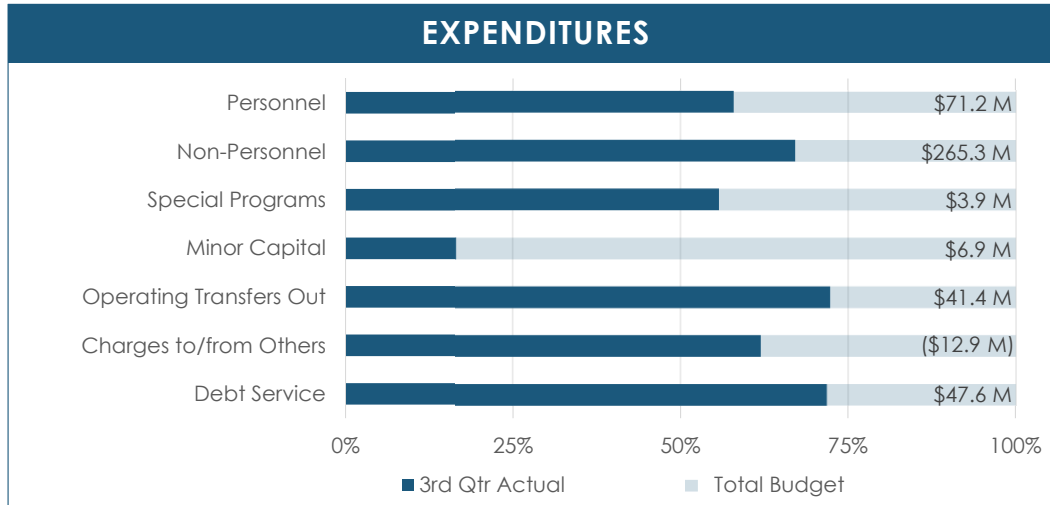
ELECTRIC FUND REVENUE



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ELECTRIC FUND EXPENDITURES



Includes prior fiscal year carryovers; excludes capital projects.

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WATER FUND OVERVIEW

	FY 2020/21 Operating Adopted Budget	FY 2020/21 Year-to-Date Actuals
Revenue & Transfers In	\$83,693,756	\$65,216,821
Expenditures & Transfers Out	76,571,747	52,402,166
Surplus/(Deficit)	\$7,122,009	\$12,814,655

Unrestricted, Undesignated Cash Reserves (in millions)

Cash Reserves	\$37 M
Available Line of Credit	\$25 M
Minimum Reserve Level*	\$43 M
Maximum Reserve Level*	\$66 M

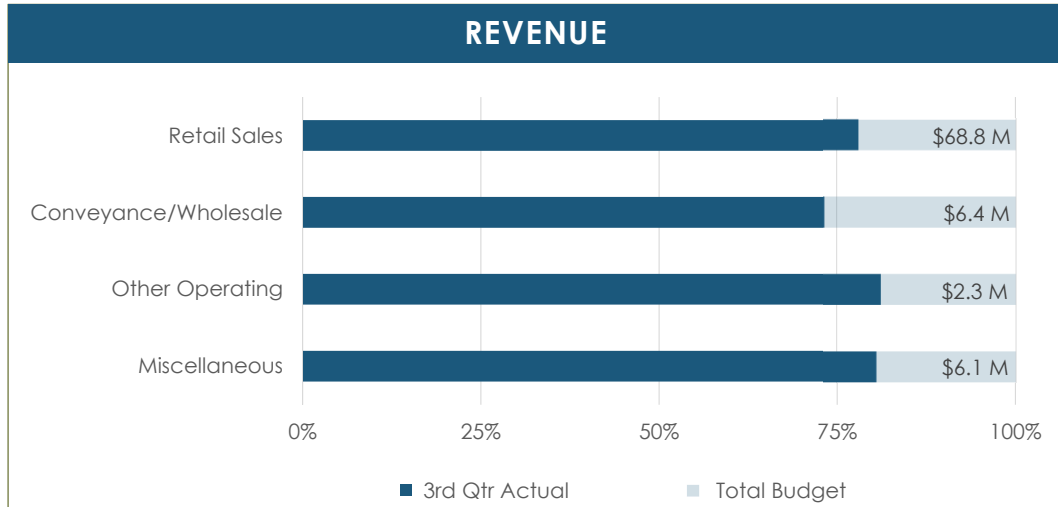
* Projected for 6/30/2021.

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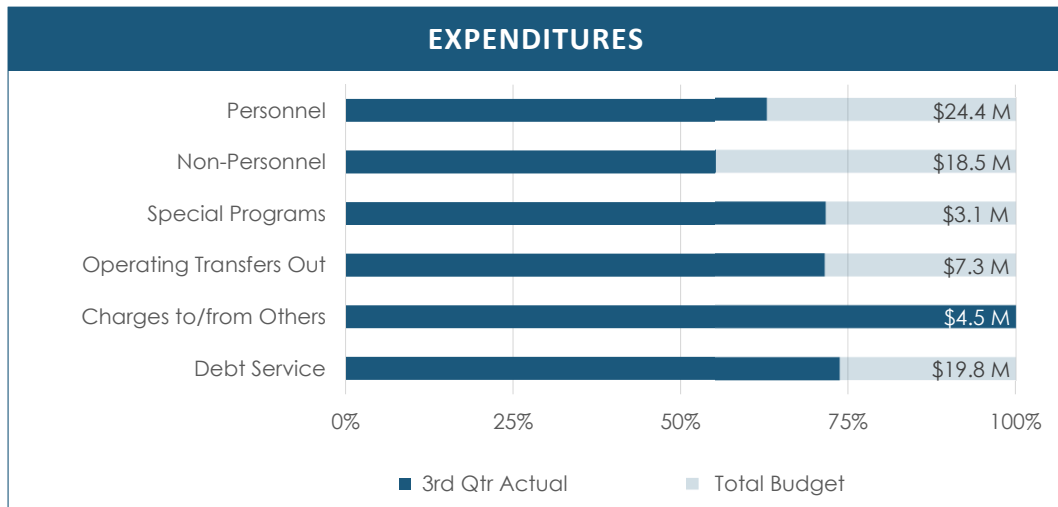
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WATER FUND REVENUE



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WATER FUND EXPENDITURES



* Includes prior fiscal year carryovers; excludes capital project budget.

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RECOMMENDATION

That the City Council receive and provide input on the Fiscal Year 2020/21 Third Quarter financial update.





City Council Memorandum

City of Arts & Innovation

.....

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JUNE 15, 2021

FROM: FINANCE DEPARTMENT WARDS: ALL

SUBJECT: FISCAL YEAR 2020/21 THIRD QUARTER CASH, INVESTMENTS, AND DEBT REPORT

ISSUE:

That the City Council receive and provide input on the attached Fiscal Year 2020/21 Third Quarter Cash, Investments, and Debt Report.

RECOMMENDATIONS:

That the City Council receive and provide input on the attached Fiscal Year 2020/21 Third Quarter Cash, Investments, and Debt Report.

BACKGROUND:

On April 13, 2021, the City Council received and provided input on the Fiscal Year 2020/21 First and 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, 2021, the City's pooled investment portfolio's market value was \$786 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 \$186 million. The weighted average yield of the pooled investment portfolio is 0.91% as of March 31, 2021.

The authority to manage the City's investment program is provided by California Government Code Sections 53600-53610 which allow 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, 2021:

1. Civic Entertainment - Convention Center, Visitors Bureau, Sports Commission (\$1,215,198), Civic Entertainment - Fox, Box, RMA, Showcase (\$371,777) from loss of revenues due to COVID 19. These accounts are being monitored and there are plans to redistribute funding to bring these accounts positive by fiscal year-end.
2. Urban Areas Security Initiative (\$549,491), Grants and Restricted Programs (\$3,982,976), Housing Opportunities for Persons with AIDS (\$969,073), NPDES Storm Drain (\$82,875), Special Districts (\$236,547), Capital Outlay Grants (\$2,674,294), Transportation Projects (\$56,986), and Transportation Uniform Mitigation Fees (\$2,254,082) have negative cash balances due to the timing of expenditures; however, the negative balances are fully offset by receivables.
3. Debt Service Fund – General (\$9,806,613) which is fully offset by outstanding cash transfers from all funds related to their share of the Pension Obligation Bond (POB) payments made by the Debt Service Fund and other debt service payments.
4. Unemployment Insurance Trust (\$80,823) due to an increase in unemployment claims related to the COVID-19 pandemic. This account is being monitored and there are plans to redistribute funding to bring this account positive by fiscal year-end.
5. Central Stores (\$219,403) which is fully offset by inventory assets that will be recouped when charged out for usage to various departments.

QUARTERLY DEBT REPORT

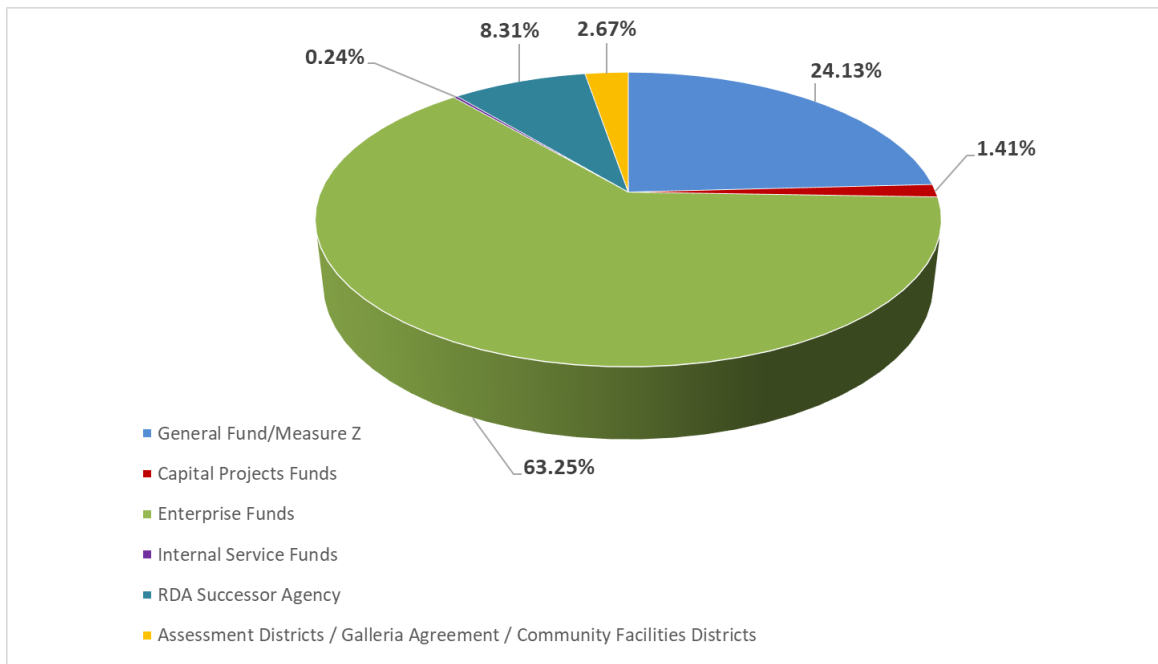
The Finance Department is responsible for managing the City's debt portfolio, which includes issuing new debt and monitoring opportunities to refinance existing debt as opportunities to reduce financing costs arise. The Quarterly Debt Report (Attachment 2) summarizes the composition of the City's debt 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 2021 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 \$7,190,417 from the end of the second quarter of

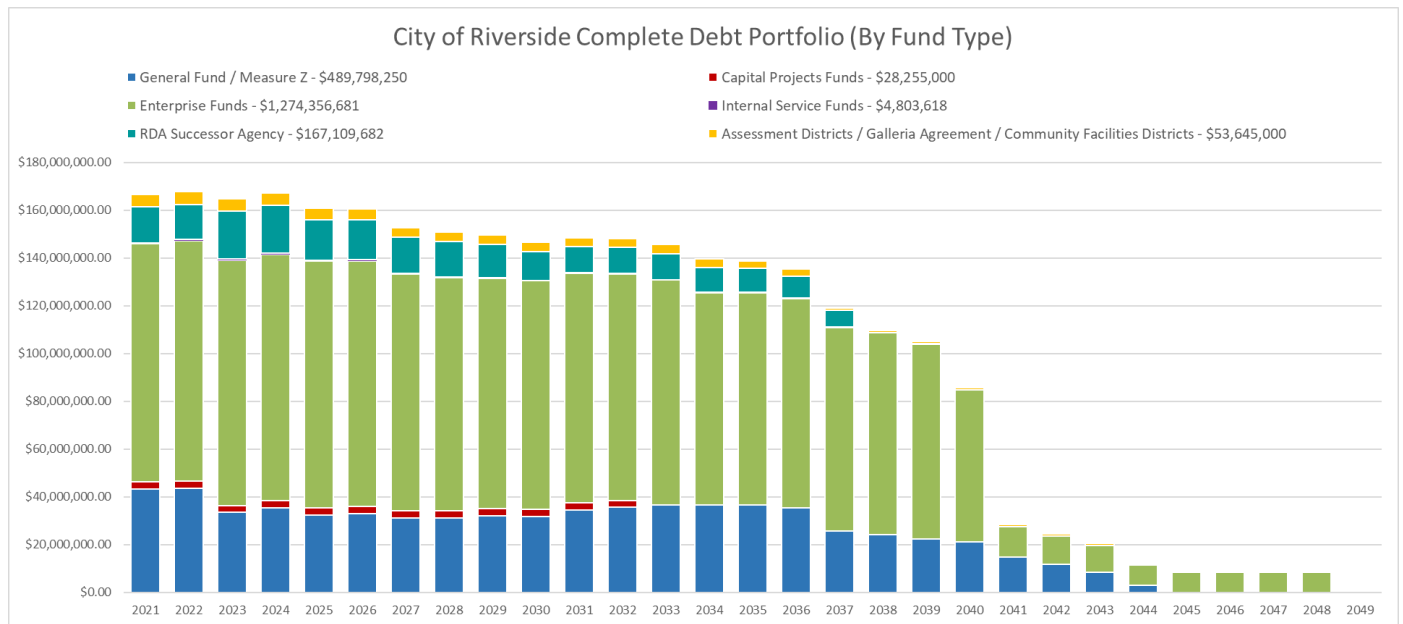
fiscal year 20/21. This principal decrease is primarily due to debt service principal payments on the 2008 Certificates of Participation (Renaissance), Convention Center Expansion Loan, various Capital Leases, and the final payment on the State of California Revolving Fund Loan for the Sewer Cogeneration Project.

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 the majority of the City’s debt, with 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. The 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 City obligations. They are paid by individual Improvement Districts that are separate legal entities from the City, formed to issue debt and levy assessments or special tax to pay debt service within those districts.

The following bar chart provides the City’s debt service portfolio using the same classification methodology, outlining the 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 financing team also completed the renewal of Letters of Credit liquidity facilities for the 2008 Certificates of Participation and 2008A and 2008C Electric Revenue 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
- TEFRA Hearing renewing approval of tax-exempt financing for St. Michael’s Housing Project
- Completion of the CSA 152 Tax Levy Process
- Release of Request for Proposal to purchase Debt Collaboration Software

FISCAL IMPACT:

There is no fiscal impact associated with this report.

Prepared by: Heidi Schrader, Debt Manager
 Certified as to availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer
 Approved by: Moises Lopez, Deputy City Manager
 Approved as to form: Kristi J. Smith, Interim City Attorney

- Attachments:
1. Cash and Investment Report
 2. Quarterly Debt Report
 3. Presentation

ATTACHMENT 1

CASH AND INVESTMENT REPORT

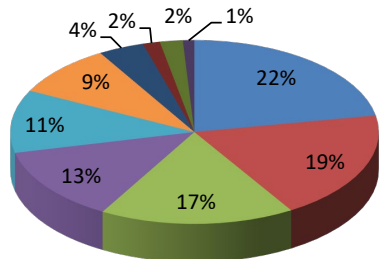




CITY OF RIVERSIDE Quarterly Investment Report March 31, 2021

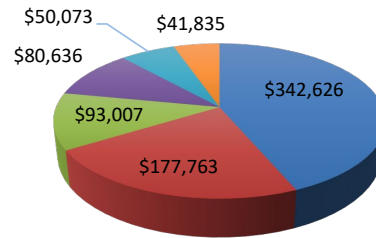
	AMORTIZED COST	MARKET VALUE
POOLED INVESTMENT PORTFOLIO		
Deposit Accounts	\$ 105,539,923.77	\$ 105,539,923.77
Joint Powers Authority Pool	71,387,821.71	71,387,821.71
Local Agency Investment Fund (LAIF)	150,000,000.00	150,151,737.99
Certificates of Deposit	1,959,020.00	1,984,954.44
Medium Term Notes	82,056,119.57	83,960,708.18
U.S. Govt Agency Mortgage Backed Securities	31,443,815.50	32,328,978.02
Asset Backed Securities	16,977,585.41	17,039,716.70
Supranational Securities	19,344,718.70	19,129,992.32
U.S. Govt Agency Securities	134,374,367.55	134,751,242.50
U.S. Treasury Notes/Bonds	165,061,405.28	169,665,097.86
TOTAL POOLED INVESTMENT PORTFOLIO	778,144,777.49	785,940,173.49
INVESTMENTS HELD BY FISCAL AGENT -		
SECTION 115 PENSION TRUST FUND	9,798,594.32	10,375,586.53
OTHER INVESTMENTS HELD BY FISCAL AGENT	172,577,834.34	173,418,134.96
OTHER MISCELLANEOUS CASH	2,489,549.19	2,489,549.19
TOTAL CASH & INVESTMENTS	\$ 963,010,755.34	\$ 972,223,444.17

COMPOSITION OF POOLED PORTFOLIO



- U.S. Treasury Notes/Bonds (21.59%)
- Local Agency Investment Fund (19.10%)
- U.S. Govt Agency Securities (17.15%)
- Deposit Accounts (13.44%)
- Medium Term Notes (10.68%)
- Joint Powers Authority Pool (9.08%)
- U.S. Govt Agency Mortgage Backed (4.11%)
- Supranational Securities (2.43%)
- Asset Backed Securities (2.17%)
- Certificates of Deposit (0.25%)

COMPOSITION OF POOLED PORTFOLIO BY FUND



- Electric Fund (43.59%)
- All Other Funds (22.62%)
- Sewer Fund (11.83%)
- General Fund (10.26%)
- Water Fund (6.37%)
- Measure Z Fund (5.33%)

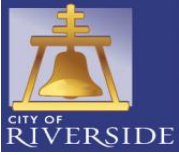
It has been verified that this investment portfolio is in conformity, exclusive of items identified, with the City of Riverside's investment policy which was approved by City Council on 3/11/2020. The Treasurer's cash management program and cash flow analysis indicates that sufficient liquidity is on hand to meet estimated future expenditures for a period of six months. The weighted average maturity of the City's investment portfolio is 1.34 years. Market prices of securities are obtained from Interactive Data Corporation. Weighted average yield on cost for the City's investment portfolio is 0.91%. 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

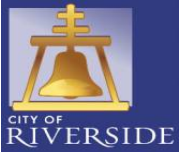
Approved by:

Edward P. Enriquez, Chief Financial Officer/Treasurer



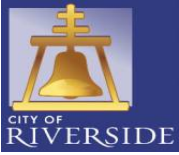
CITY OF RIVERSIDE
Pooled Investment Portfolio Holdings
March 31, 2021

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	99,738,475.27	99,738,475.27
Federated Investors Federated Treasury	N/A	Varies	AAA	Varies	635,667.48	635,667.48
Citizens Business Bank	N/A	Varies	NR	Varies	5,165,781.02	5,165,781.02
SUBTOTAL DEPOSIT ACCOUNTS					105,539,923.77	105,539,923.77
<u>JOINT POWERS AUTHORITY POOL</u>						
California Asset Management Program (CAMP)	N/A	Varies	AAA	Varies	71,387,821.71	71,387,821.71
SUBTOTAL JOINT POWERS AUTHORITY POOL					71,387,821.71	71,387,821.71
LOCAL AGENCY INVESTMENT FUND (LAIF)	N/A	Varies	NR	Varies	150,000,000.00	150,151,737.99
<u>CERTIFICATES OF DEPOSIT</u>						
BMW Corp	3.000	07/13/21	NR	07/10/18	244,877.50	248,657.59
Wells Fargo Bank NA	3.000	07/13/21	NR	07/10/18	244,877.50	247,449.91
Citibank NA	3.000	07/13/21	NR	07/10/18	244,877.50	248,657.59
Ally Bank	3.000	07/19/21	NR	07/10/18	244,877.50	248,657.07
Discover Bank	3.000	07/19/21	NR	07/10/18	244,877.50	248,677.21
Medallion Bank Utah	3.000	07/20/21	NR	07/10/18	244,877.50	247,449.09
Merrick Bank	2.950	07/20/21	NR	07/10/18	244,877.50	247,407.59
Hanmi Bank	2.950	08/17/21	NR	07/10/18	244,877.50	247,998.39
SUBTOTAL CERTIFICATES OF DEPOSIT					1,959,020.00	1,984,954.44
<u>MEDIUM TERM NOTES</u>						
American Honda Finance	3.375	12/10/21	A-	10/03/18	5,447,384.00	5,622,875.36
Apple Inc	2.300	05/11/22	AA+	02/20/18	7,301,625.00	7,734,325.83
Oracle Corp	2.500	05/15/22	A	02/19/19	2,542,655.20	2,644,394.93
Berkshire Hathaway	3.000	05/15/22	AA	03/12/19	5,136,191.29	5,304,353.95
Exxon Mobil Corp	1.902	08/16/22	AA-	08/13/19	2,375,000.00	2,433,537.81
Oracle Corp	2.500	10/15/22	A	03/12/19	5,943,780.00	6,265,192.67
Berkshire Hathaway	2.750	03/15/23	AA	05/09/19	4,451,187.75	4,639,144.04
Chevron Corp	3.191	06/24/23	AA-	02/19/19	5,057,700.00	5,313,069.86
Toyota Motor Credit Corp	3.450	09/20/23	A+	02/19/19	2,470,070.70	2,605,956.71
Charles Schwab Corp	0.750	03/18/24	A	03/16/21	1,954,022.50	1,965,527.35
Royal Bank of Canada	2.250	11/01/24	A	02/06/20	3,037,950.00	3,174,807.00
John Deere Capital Corp	2.050	01/09/25	A	02/06/20	3,024,810.00	3,133,774.33
JP Morgan Chase & Co	3.220	03/01/25	A-	08/18/20	3,238,920.00	3,208,024.00
Bank of America Corp	3.458	03/15/25	A-	04/23/20	5,263,900.00	5,376,129.44
Chubb INA Holdings Inc	3.150	03/15/25	A	Various	6,518,943.13	6,408,328.24
Honeywell Intl	1.350	06/01/25	A	06/23/20	5,119,000.00	5,090,250.00
Royal Bank of Canada	1.150	06/10/25	A	Various	3,032,880.00	3,002,693.50
Toronto Dominion Bank	0.750	09/11/25	A	09/15/20	4,986,850.00	4,898,258.33
Bank of America Corp	2.015	02/13/26	A-	03/04/21	2,066,760.00	2,053,135.33
JP Morgan Chase & Co	2.005	03/13/26	A-	03/12/21	3,086,490.00	3,086,929.50
SUBTOTAL MEDIUM TERM NOTES					82,056,119.57	83,960,708.18



CITY OF RIVERSIDE
Pooled Investment Portfolio Holdings
March 31, 2021

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	**MARKET VALUE
<u>U.S. GOVERNMENT AGENCY MORTGAGE BACKED SECURITIES</u>						
FHLMC	2.272	03/25/22	NR	07/10/19	11,399,674.87	11,556,381.35
FHLMC	2.510	11/25/22	NR	04/16/19	9,948,046.88	10,338,586.67
FHLMC	2.454	08/25/23	NR	07/16/19	10,096,093.75	10,434,010.00
SUBTOTAL U.S. GOVERNMENT AGENCY MORTGAGE BACKED SECURITIES					31,443,815.50	32,328,978.02
<u>U.S. GOVERNMENT AGENCY ASSET BACKED SECURITIES</u>						
Honda Auto Receivables	1.610	04/22/24	NR	02/19/20	2,924,426.70	2,973,707.76
John Deere Owner Trust	1.100	08/15/24	NR	03/04/20	2,114,870.77	2,134,411.24
Toyota Auto Receivables Trust	0.440	10/15/24	AAA	07/21/20	1,944,850.24	1,949,622.54
Honda Auto Receivables Trust	0.370	10/18/24	AAA	09/22/20	2,124,687.84	2,125,995.80
John Deere Owner Trust	0.510	11/15/24	NR	07/14/20	969,852.17	972,371.33
Honda Auto Receivables Trust	0.270	04/21/25	NR	02/17/21	1,129,979.32	1,128,366.02
Toyota Auto Receivables Owners	0.260	05/15/25	NR	02/02/21	4,144,230.69	4,136,285.37
John Deere Owner Trust	0.360	09/15/25	NR	03/02/21	1,624,687.68	1,618,956.64
SUBTOTAL U.S. GOVERNMENT AGENCY ASSET BACKED SECURITIES					16,977,585.41	17,039,716.70
<u>SUPRANATIONAL SECURITIES</u>						
Intl. Bank Recon & Development	0.625	04/22/25	AAA	04/15/20	4,278,378.35	4,288,756.86
Inter-American Dev Bank	0.625	07/15/25	AAA	01/13/21	5,071,967.50	5,006,895.44
Intl. Bank Recon & Development	0.500	10/28/25	AAA	Various	9,994,372.85	9,834,340.02
SUBTOTAL SUPRANATIONAL SECURITIES					19,344,718.70	19,129,992.32
<u>U.S. GOVERNMENT AGENCY SECURITIES</u>						
FNMA	2.625	01/11/22	AA+	Various	9,222,537.20	9,348,729.88
FFCB	0.250	05/06/22	AA+	04/30/20	6,082,265.70	6,103,629.08
FHLMC	0.375	05/05/23	AA+	05/05/20	4,758,000.80	4,787,507.25
FNMA	0.250	05/22/23	AA+	05/20/20	7,651,898.25	7,691,208.32
FHLMC	0.250	06/26/23	AA+	06/24/20	5,588,633.40	5,613,120.09
FNMA	0.250	07/10/23	AA+	07/08/20	4,445,421.75	4,460,709.09
FHLMC	0.250	08/24/23	AA+	08/19/20	7,507,334.70	7,519,155.38
FHLMC	0.125	10/16/23	AA+	Various	9,961,598.25	9,967,509.17
FHLMC	0.250	11/06/23	AA+	11/03/20	9,331,594.00	9,341,979.04
FHLB	2.750	12/13/24	AA+	02/06/20	5,281,300.00	5,442,345.00
FNMA	1.625	01/07/25	AA+	03/04/20	8,281,440.00	8,337,189.33
FHLMC	1.500	02/12/25	AA+	02/13/20	6,599,914.15	6,838,973.32
FHLB	2.375	03/14/25	AA+	03/19/20	6,346,620.00	6,404,385.17
FNMA	0.625	04/22/25	AA+	04/22/20	5,199,267.40	5,209,277.98
FHLB	0.500	06/13/25	AA+	06/29/20	5,007,400.00	4,956,180.00
FNMA	0.500	06/17/25	AA+	06/17/20	6,506,503.60	6,464,361.22
FHLMC	0.375	07/21/25	AA+	07/21/20	4,606,942.60	4,558,305.22
FNMA	0.375	08/25/25	AA+	Various	7,962,282.50	7,855,664.02
FHLMC	0.375	09/23/25	AA+	Various	7,970,197.55	7,849,490.67
FNMA	0.500	11/07/25	AA+	11/09/20	6,063,215.70	6,001,523.27
SUBTOTAL U.S. GOVERNMENT AGENCY SECURITIES					134,374,367.55	134,751,242.50

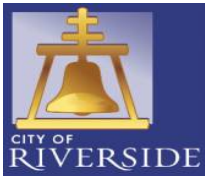


CITY OF RIVERSIDE
Pooled Investment Portfolio Holdings
March 31, 2021

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	**MARKET VALUE
<u>U.S. GOVERNMENT TREASURY SECURITIES</u>						
US Treasury	2.125	09/30/21	AA+	11/15/16	5,095,700.00	5,052,050.30
US Treasury	2.875	10/15/21	AA+	01/09/19	12,354,794.92	12,598,209.08
US Treasury	2.000	11/15/21	AA+	01/09/19	8,015,199.41	8,295,081.03
US Treasury	1.875	11/30/21	AA+	08/08/17	5,428,687.50	5,499,324.04
US Treasury	2.125	12/31/21	AA+	04/05/18	1,231,494.14	1,275,916.06
US Treasury	1.875	02/28/22	AA+	08/08/17	11,045,117.19	11,195,397.78
US Treasury	1.875	05/31/22	AA+	08/08/17	1,755,058.59	1,797,023.10
US Treasury	2.000	07/31/22	AA+	09/26/18	2,414,843.75	2,571,079.79
US Treasury	1.875	08/31/22	AA+	10/13/17	2,595,835.94	2,668,222.53
US Treasury	1.875	09/30/22	AA+	Various	4,916,943.36	5,130,531.15
US Treasury	2.125	12/31/22	AA+	12/20/18	5,977,761.72	6,341,796.99
US Treasury	2.375	01/31/23	AA+	04/05/18	1,235,498.05	1,305,555.58
US Treasury	1.625	05/31/23	AA+	10/31/19	12,436,812.50	12,848,252.91
US Treasury	2.625	06/30/23	AA+	Various	14,404,335.94	15,384,684.97
US Treasury	1.625	10/31/23	AA+	10/31/19	12,441,656.25	12,920,058.53
US Treasury	2.875	11/30/23	AA+	01/09/19	3,044,882.81	3,235,274.97
US Treasury	2.250	01/31/24	AA+	06/05/19	10,671,445.31	11,110,504.46
US Treasury	2.000	04/30/24	AA+	10/31/19	12,637,828.13	13,116,382.60
US Treasury	1.750	06/30/24	AA+	09/09/19	9,358,759.77	9,683,095.83
US Treasury	1.125	02/28/25	AA+	03/24/20	6,177,656.25	6,116,257.57
US Treasury	0.250	09/30/25	AA+	10/16/20	6,975,937.50	6,824,501.81
US Treasury	0.375	12/31/25	AA+	12/29/20	2,249,824.22	2,198,420.28
US Treasury	0.375	01/31/26	AA+	Various	8,625,488.28	8,533,958.53
US Treasury	0.750	03/31/26	AA+	03/30/21	3,969,843.75	3,963,517.97
SUBTOTAL U.S. GOVERNMENT TREASURY SECURITIES					165,061,405.28	169,665,097.86
TOTAL POOLED CASH & INVESTMENTS					778,144,777.49	785,940,173.49

*The City uses S&P ratings

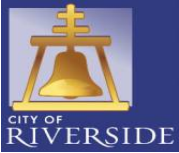
**Includes accrued interest



CITY OF RIVERSIDE
Investments held by Fiscal Agent
Section 115 Pension Trust Fund
March 31, 2021

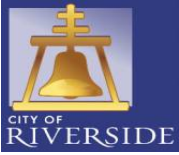
DESCRIPTION OF SECURITY	COST VALUE	MARKET VALUE
<u>CASH AND EQUIVALENTS</u>		
Cash*	279,848.96	279,848.96
First American Government Obligation Fund CL "Z"	104,000.47	104,000.47
SUBTOTAL CASH AND EQUIVALENTS	383,849.43	383,849.43
<u>MUTUAL FUNDS - EQUITY</u>		
Ishares Core - S P500 Etf	756,276.84	965,509.14
Ishares S P - 500 Growth Etf	270,958.24	360,123.41
Ishares S P - 500 Value Etf	305,325.29	354,512.40
Ishares - Russell Mid Cap Etf	189,981.05	233,766.66
Ishares - Russell 2000 Value Etf	179,093.31	227,244.75
Ishares - Russell 2000 Growth Etf	177,793.12	228,261.66
Ishares Core - Msci Eafe Etf	330,438.24	396,563.20
Vanguard Ftse - Emerging Markets Etf	232,908.71	280,289.25
Vanguard Real - Estate Etf	101,708.89	109,956.42
SUBTOTAL MUTUAL FUNDS - EQUITY	2,544,483.69	3,156,226.89
<u>MUTUAL FUNDS - FIXED INCOME</u>		
Ishares Core - U.S. Aggregate Bond Etf	5,458,139.34	5,412,616.50
Vanguard High - Yield Corporate Adm	269,068.99	269,068.99
Vanguard - Short Term Invt Grade #539	1,143,052.87	1,153,824.72
SUBTOTAL MUTUAL FUNDS - FIXED INCOME	6,870,261.20	6,835,510.21
TOTAL ASSETS	9,798,594.32	10,375,586.53

*Includes cash accrual



CITY OF RIVERSIDE
Investments Held by Fiscal Agent
March 31, 2021

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	48,971.71	48,971.71
Cash - Bank of America Equipment Lease	N/A	Varies	NR	Varies	717,700.62	717,700.62
US Bank Commercial Paper Sweep	N/A	Varies	NR	Varies	665,374.60	665,374.60
US Bank Gcts0170	N/A	Varies	NR	Varies	42,867,464.13	42,867,464.13
US Bank Gcts0185	N/A	Varies	NR	Varies	53,016,241.74	53,016,241.74
First American Government Obligation CL "Y"	N/A	Varies	AAA	Varies	377,019.45	377,019.45
First American Prime Obligations Fund CL " Z "	N/A	Varies	AAA	Varies	27,479,338.52	27,479,338.52
SUBTOTAL CASH & MONEY MARKET ACCOUNTS					125,172,110.77	125,172,110.77
LOCAL AGENCY INVESTMENT FUND (LAIF)	N/A	Varies	NR	Varies	6,938,222.56	6,947,252.22
<u>MEDIUM TERM NOTES</u>						
Charles Schwab Corp	0.750	03/18/24	A	Various	601,166.80	603,230.90
Chubb INA Holdings Inc	3.150	03/15/25	A	01/26/21	659,406.00	646,326.60
Royal Bank of Canada	1.150	06/10/25	A	02/22/21	607,344.00	600,538.70
Toronto Dominion Bank	0.750	09/11/25	A	02/10/21	650,292.50	636,773.58
Bank of America Corp	2.015	02/13/26	A-	03/04/21	620,028.00	615,940.60
JP Morgan Chase & Co	2.005	03/13/26	A-	03/12/21	617,298.00	617,385.90
SUBTOTAL MEDIUM TERM NOTES					3,755,535.30	3,720,196.28
<u>U.S. GOVERNMENT AGENCY ASSET BACKED SECURITIES</u>						
Honda Auto Receivables Trust	0.270	04/21/25	NR	02/17/21	124,997.71	124,819.26
Toyota Auto Receivables Owners	0.260	05/15/25	NR	02/02/21	464,913.70	464,022.36
John Deere Owner Trust	0.360	09/15/25	NR	03/02/21	179,965.40	179,330.59
SUBTOTAL U.S. GOVERNMENT AGENCY ASSET BACKED SECURITIES					769,876.81	768,172.21
<u>SUPRANATIONAL SECURITIES</u>						
Intl. Bank Recon & Development	0.500	10/28/25	AAA	01/26/21	1,000,640.00	983,434.00
SUBTOTAL SUPRANATIONAL SECURITIES					1,000,640.00	983,434.00
<u>U.S. GOVERNMENT AGENCY SECURITIES</u>						
FFCB	0.125	02/03/23	AA+	01/26/21	779,142.00	779,100.77
FHLB	0.125	03/17/23	AA+	03/17/21	854,521.20	854,717.33
SUBTOTAL U.S. GOVERNMENT AGENCY SECURITIES					1,633,663.20	1,633,818.10
<u>U.S. GOVERNMENT TREASURY SECURITIES</u>						
US Treasury	2.125	06/30/21	AA+	02/16/18	2,966,953.12	3,031,346.55
US Treasury	2.125	09/30/21	AA+	02/16/18	2,959,804.68	3,031,230.18
US Treasury	2.000	12/31/21	AA+	02/16/18	2,939,882.82	3,058,207.87
US Treasury	1.875	03/31/22	AA+	02/16/18	2,918,437.50	3,053,238.69
US Treasury	2.125	06/30/22	AA+	02/16/18	2,942,695.32	3,091,259.55
US Treasury	1.875	09/30/22	AA+	02/16/18	2,902,617.18	3,078,318.69



CITY OF RIVERSIDE
Investments Held by Fiscal Agent
March 31, 2021

DESCRIPTION OF SECURITY	COUPON RATE	MATURITY DATE	*INVEST RATING	PURCH DATE	COST VALUE	**MARKET VALUE
US Treasury	2.125	12/31/22	AA+	02/16/18	2,929,335.94	3,118,916.55
US Treasury	0.125	02/15/24	AA+	02/23/21	997,187.50	994,608.38
US Treasury	0.375	01/31/26	AA+	02/23/21	990,156.26	975,309.54
SUBTOTAL U.S. GOVERNMENT TREASURY SECURITIES					22,547,070.32	23,432,436.00
<u>INVESTMENT CONTRACTS</u>						
Trinity Plus	0.047	03/31/21	NR	03/31/20	10,760,715.38	10,760,715.38
SUBTOTAL INVESTMENT CONTRACTS					10,760,715.38	10,760,715.38
TOTAL INVESTMENTS HELD WITH FISCAL AGENT					172,577,834.34	173,418,134.96

**The City uses S&P ratings*

***Includes accrued interest*

**City of Riverside
Cash Balances by Fund
As of March 31, 2021**

Fund	Cash Balance ¹	Interfund Loan Receivables ²	Cash Balance + Loan Receivables	
General Fund	101	80,635,731	-	80,635,731
Measure Z	110	41,835,456	-	41,835,456
Pension Trust	115	182,274	-	182,274
Enterprise Funds				
Electric	510	321,643,230	3,383,403	325,026,633
Electric - Public Benefits Program	511	20,982,987	-	20,982,987
Water	520	47,155,866	-	47,155,866
Water - Conservation & Reclamation Program	521	2,916,820	-	2,916,820
Airport	530	1,341,241	-	1,341,241
Refuse Collection	540	4,623,249	-	4,623,249
Sewer Service	550	93,007,314	2,079,142	95,086,456
Special Transit	560	1,176,242	-	1,176,242
Public Parking	570	1,936,353	-	1,936,353
Civic Entertainment (Convention Center, Visitors Bureau, Sports Commission)	580	(1,215,198)	-	(1,215,198)
Civic Entertainment (Fox, Box, RMA, Showcase)	581	(371,777)	-	(371,777)
SubTotal - Enterprise Funds		493,196,327	5,462,545	498,658,872
Special Revenue Funds				
Urban Areas Security Initiative	205	(549,491)	-	(549,491)
Grants and Restricted Programs	215	(3,982,976)	-	(3,982,976)
Community Development Block Grant	220	465,147	-	465,147
Home Investment Partnership Program	221	631,154	-	631,154
Housing Opportunities for Persons with AIDS	222	(969,073)	-	(969,073)
Community Development Grants	223	15,919,451	-	15,919,451
Neighborhood Stabilization Program	225	128,966	-	128,966
Special Gas Tax	230	24,162,987	-	24,162,987
Air Quality Improvement	240	1,172,497	-	1,172,497
NPDES Storm Drain	260	(82,875)	-	(82,875)
Housing Authority	280	5,494,902	-	5,494,902
Housing Assets	281	7,523,514	-	7,523,514
Special Districts	291	(236,547)	-	(236,547)
SubTotal - Special Revenue Funds		49,677,656	-	49,677,656
Capital Projects Funds				
Capital Outlay	401	2,403,622	-	2,403,622
Storm Drain	410	196,410	-	196,410
Local Park Special Capital Improvements	411	537,374	-	537,374
Regional Park Special Capital Improvements	413	3,058,629	-	3,058,629
Measure Z Capital Outlay	420	16,990,812	-	16,990,812
Capital Outlay Grants	430	(2,674,294)	-	(2,674,294)
Transportation Projects	431	(56,986)	-	(56,986)
Measure A Capital Outlay	432	21,653,541	-	21,653,541
Transportation Development Impact Fees	433	6,140,549	-	6,140,549
Transportation Uniform Mitigation Fees	434	(2,254,082)	-	(2,254,082)
Community Facilities Districts and Assessment Districts	Various	2,130,847	-	2,130,847
SubTotal - Capital Project Funds		48,126,422	-	48,126,422
Debt Service Funds				
Debt Service Fund - General	390	(9,806,613)	-	(9,806,613)
Debt Service Fund - Public Works	391	1,623,353	-	1,623,353
SubTotal Debt Service Funds		(8,183,260)	-	(8,183,260)
Agency Funds				
Successor Agency	Various	23,417,132	-	23,417,132
Community Facilities Districts and Assessment Districts	Various	492,412	-	492,412
Special Deposits	Various	21,388,429	-	21,388,429
SubTotal Agency Funds		45,297,973	-	45,297,973
Internal Service Funds				
Workers' Compensation Insurance Trust	610	18,208,843	-	18,208,843
Unemployment Insurance Trust	620	(80,823)	-	(80,823)
Liability Insurance Trust	630	5,220,315	-	5,220,315
Central Stores	640	(219,403)	-	(219,403)
Central Garage	650	12,042,662	670,166	12,712,828
SubTotal - Internal Service Funds		35,171,594	670,166	35,841,760
Total - All Funds \$ 785,940,173 \$ 6,132,711 \$ 792,072,884				

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 2020/21 Third Quarter
Summary of Outstanding Debt¹

Debt Type By Funding Source	Principal Balance as of 1/1/2021	Q3 New Debt Issued	Q3 Principal Payments	Q3 Interest Payments	Principal Balance as of 4/1/2021	Projected Principal Balance 6/30/2021
General Fund/Measure Z						
General Obligation Bonds	\$ 6,415,000	\$ -	\$ -	\$ 170,513	\$ 6,415,000	\$ 6,415,000.00
Pension Obligation Bonds	348,249,376	-	-	-	348,249,376	348,249,376
Certificates of Participation	65,717,500	-	2,930,080	534,242	62,787,420	62,787,420
Lease Revenue Bonds	50,381,790	-	-	-	50,381,790	50,381,790
Ryan Bonaminio Park Loan	679,833	-	-	-	679,833	456,643
Capital Leases	16,574,026	-	1,651,515	183,932	14,922,511	14,922,511
Interfund Loans	1,780,725	-	-	-	1,780,725	1,780,725
Total General Fund	\$ 489,798,250	\$ -	\$ 4,581,595	\$ 888,686	\$ 485,216,655	\$ 484,993,465
Capital Projects Funds						
Local Park Impact Fee Fund Interfund Loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Measure A Certificates of Participation	28,255,000	-	-	-	28,255,000	26,660,000
Total Capital Projects Funds	\$ 28,255,000	\$ -	\$ -	\$ -	\$ 28,255,000	\$ 26,660,000
Enterprise Funds						
Pension Obligation Bonds	\$ 116,227,008	\$ -	\$ -	\$ -	\$ 116,227,008	\$ 116,227,008
Electric Fund Revenue Bonds	540,165,000	-	-	770,845	540,165,000	540,165,000
Electric Fund Capital Leases	1,178,197	-	134,070	5,668	1,044,127	909,385
Water Fund Revenue Bonds	198,830,000	-	-	191,695	198,830,000	198,830,000
Water Fund Capital Lease	1,556,795	-	111,489	18,411	1,445,306	1,445,306
Sewer Fund Revenue Bonds	332,150,000	-	-	8,189,150	332,150,000	332,150,000
Sewer Fund Loans	332,575	-	332,575	6,899	-	-
Lease Revenue Bonds	7,059,600	-	-	-	7,059,600	7,059,600
Certificates of Participation	28,482,500	-	1,269,920	231,545	27,212,580	27,212,580
Civic Entertainment Fund Capital Lease	262,137	-	262,137	2,294	-	-
Civic Entertainment Fund Loan	7,338,218	-	-	-	7,338,218	7,067,169
Convention Center Expansion Loan	32,569,091	-	498,631	254,604	32,070,459	31,568,063
Parking Fund Loans	8,205,561	-	-	-	8,205,561	7,902,475
Total Enterprise Funds	\$ 1,274,356,681	\$ -	\$ 2,608,823	\$ 9,671,110	\$ 1,271,747,858	\$ 1,270,536,585
Internal Service Funds						
Pension Obligation Bonds	\$ 4,803,618	\$ -	\$ -	\$ -	\$ 4,803,618	\$ 4,803,618
Total Internal Service Funds	\$ 4,803,618	\$ -	\$ -	\$ -	\$ 4,803,618	\$ 4,803,618
RDA Successor Agency						
Lease Revenue Bonds	11,443,610	-	-	-	11,443,610	11,443,610
Tax Allocation Bonds	152,715,000	-	-	3,591,164	152,715,000	152,715,000
Interfund Loans	2,951,072	-	-	-	2,951,072	2,951,072
Total RDA Successor Agency	\$ 167,109,682	\$ -	\$ -	\$ 3,591,164	\$ 167,109,682	\$ 167,109,682
Assessment Districts / Galleria Agreement / Community Facilities Districts						
Assessment Districts	\$ 17,820,000	\$ -	\$ -	\$ 461,797	\$ 17,820,000	\$ 17,820,000
Galleria Mall Improvements District Certificates of Participation	5,000	-	-	125	5,000	5,000
Lease Revenue Refunding Bonds (Galleria) Series 2019A	14,675,000	-	-	-	14,675,000	14,675,000
Community Facilities Districts	21,145,000	-	-	462,075	21,145,000	21,145,000
Total AD / Galleria / CFDs	\$ 53,645,000	\$ -	\$ -	\$ 923,997	\$ 53,645,000	\$ 53,645,000
Total	\$2,017,968,230	\$ -	\$ 7,190,417	\$ 15,074,957	\$ 2,010,777,813	\$ 2,007,748,350

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 2020/21 Third Quarter
 Outstanding Debt¹

Debt Type / Issuance	Year Issued (FY)	Final Maturity (FY)	Total Issue Size	Outstanding Principal Balance 7/1/2020	Outstanding Principal Balance 1/1/2021	Q3 New Debt Issued	Q3 Principal Payments	Q3 Interest Payments	Outstanding Principal Balance 4/1/2021	Projected Principal Balance 6/30/2021
General Obligation										
Measure G Fire Facility Projects General Obligation Bonds 2004	2004	2025	\$ 20,000,000	\$ 7,795,000	\$ 6,415,000	\$ -	\$ -	\$ 170,513	\$ 6,415,000	\$ 6,415,000
Total General Obligation Bonds			\$ 20,000,000	\$ 7,795,000	\$ 6,415,000	\$ -	\$ -	\$ 170,513	\$ 6,415,000	\$ 6,415,000
Pension Obligation²										
Pension Obligation Bonds Series 2004A	2004	2023	\$ 89,540,000	\$ 29,260,000	\$ 20,445,000	\$ -	\$ -	\$ -	\$ 20,445,000	\$ 20,445,000
Pension Obligation Bonds Series 2017A	2017	2027	31,960,000	23,100,000	20,040,000	-	-	-	20,040,000	20,040,000
Pension Obligation Bonds Series 2020A (Safety)	2020	2045	231,085,000	231,085,000	231,085,000	-	-	-	231,085,000	231,085,000
Pension Obligation Bonds Series 2020A (Misc)	2020	2043	201,080,000	201,080,000	197,710,000	-	-	-	197,710,000	197,710,000
Total Pension Obligation Bonds			\$ 553,665,000	\$ 484,525,000	\$ 469,280,000	\$ -	\$ -	\$ -	\$ 469,280,000	\$ 469,280,000
Certificates of Participation										
Galleria Mall Improvements COPs Series 2006A	2006	2037	\$ 19,945,000	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ 125	\$ 5,000	\$ 5,000
Riverside Renaissance Projects Refunding COPs Series 2008A	2008	2037	128,300,000	94,200,000	94,200,000	-	4,200,000	765,786	90,000,000	90,000,000
Local Measure A Sales Tax Revenue COPs Series 2013A	2013	2033	35,235,000	28,255,000	28,255,000	-	-	-	28,255,000	26,660,000
Total Certificates of Participation			\$ 183,480,000	\$ 122,460,000	\$ 122,460,000	\$ -	\$ 4,200,000	\$ 765,911	\$ 118,260,000	\$ 116,665,000
Lease Revenue Bonds										
California Tower Lease Revenue Bonds Series 2003A	2003	2024	\$ 26,255,000	\$ 9,785,000	\$ 8,085,000	\$ -	\$ -	\$ -	\$ 8,085,000	\$ 8,085,000
California Tower Lease Revenue Bonds Series 2003B	2003	2024	4,810,000	1,570,000	1,290,000	-	-	-	1,290,000	1,290,000
Lease Revenue Refunding Bonds Series 2012A	2013	2034	41,240,000	31,140,000	29,415,000	-	-	-	29,415,000	29,415,000
Lease Revenue Refunding Bonds (Galleria) Series 2019A	2019	2037	15,980,000	15,375,000	14,675,000	-	-	-	14,675,000	14,675,000
Lease Revenue Bonds (Main Library Project) Series 2019B	2019	2037	33,505,000	31,340,000	30,095,000	-	-	-	30,095,000	30,095,000
Total Lease Revenue Bonds			\$ 121,790,000	\$ 89,210,000	\$ 83,560,000	\$ -	\$ -	\$ -	\$ 83,560,000	\$ 83,560,000
Capital Leases										
Pinnacle #2 - VOIP Phone System	2013	2023	\$ 1,650,000	\$ 449,787	\$ 361,945	\$ -	\$ 88,887	\$ 4,307	\$ 273,058	\$ 273,058
BofA #1 - Convention Center, Fox, Muni, RPD Dispatch	2015	2021	3,668,000	552,103	277,254	-	277,254	2,426	-	-
US Bank - Various Vehicles, Software, and Hardware	2016	2022	4,450,000	1,443,973	1,088,086	-	359,270	10,342	728,816	728,816
BofA #2 - Various Hardware and Software	2018	2028	7,955,000	5,138,010	4,650,963	-	492,807	55,002	4,158,155	4,158,155
BofA #3 - Fire Vehicles and Equipment	2017	2027	14,500,000	11,145,841	10,457,916	-	695,434	114,148	9,762,481	9,762,481
BofA #2 - Water Fund Vehicles Capital Lease	2018	2028	2,305,000	1,666,981	1,556,795	-	111,489	18,411	1,445,306	1,445,306
Electric Fund Vehicles Capital Leases - Various	Various	Various	Various	1,444,336	1,178,197	-	134,070	5,668	1,044,127	909,385
Total Capital Leases			\$ 34,528,000	\$ 21,841,030	\$ 19,571,155	\$ -	\$ 2,159,211	\$ 210,304	\$ 17,411,943	\$ 17,277,202
Interfund Loans³										
Riverside Renaissance Debt Service Interfund Loan #73	2011	2021	\$ 3,460,000	\$ 670,166	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reid Park Acquisition Interfund Loan	2011	2028	720,000	437,183	380,927	-	-	-	380,927	380,927
Riverside Golf Course Acquisition Interfund Loan	2011	2028	4,837,500	2,946,221	2,570,145	-	-	-	2,570,145	2,570,145
Utilities Plaza Purchase Interfund Loan	2012	2027	4,469,221	2,079,142	1,780,725	-	-	-	1,780,725	1,780,725
Total Interfund Loans			\$ 13,486,721	\$ 6,132,712	\$ 4,731,797	\$ -	\$ -	\$ -	\$ 4,731,797	\$ 4,731,797
Private Placement Loans										
Pinnacle - Ryan Bonaminio Park Loan	2013	2022	\$ 4,000,000	\$ 899,671	\$ 679,833	\$ -	\$ -	\$ -	\$ 679,833	\$ 456,643
Fox Entertainment Plaza Loan	2011	2032	25,000,000	16,107,069	15,543,778	-	-	-	15,543,778	14,969,644
Convention Center Expansion Loan ⁴	2013	2034	44,650,000	33,555,298	32,569,091	-	498,631	254,604	32,070,459	31,568,063
Total Private Placement Loans			\$ 73,650,000	\$ 50,562,038	\$ 48,792,702	\$ -	\$ 498,631	\$ 254,604	\$ 48,294,071	\$ 46,994,349
State of California Revolving Fund Loans										
Sewer Cogeneration Project Loan	2003	2021	\$ 5,374,978	\$ 332,575	\$ 332,575	\$ -	\$ 332,575	\$ 6,899	\$ -	\$ -
Total State of California Revolving Fund Loans			\$ 5,374,978	\$ 332,575	\$ 332,575	\$ -	\$ 332,575	\$ 6,899	\$ -	\$ -

CITY OF RIVERSIDE
 Fiscal Year 2020/21 Third Quarter
 Outstanding Debt¹

Debt Type / Issuance	Year Issued (FY)	Final Maturity (FY)	Total Issue Size	Outstanding Principal Balance 7/1/2020	Outstanding Principal Balance 1/1/2021	Q3 New Debt Issued	Q3 Principal Payments	Q3 Interest Payments	Outstanding Principal Balance 4/1/2021	Projected Principal Balance 6/30/2021
Enterprise Revenue Bonds										
Electric Revenue Refunding Bonds (2008) Series A	2008	2029	\$ 84,515,000	\$ 34,465,000	\$ 34,465,000	\$ -	\$ -	\$ 239,382	\$ 34,465,000	\$ 34,465,000
Electric Revenue Refunding Bonds (2008) Series C	2008	2036	57,325,000	32,150,000	32,150,000	-	-	245,784	32,150,000	32,150,000
Electric Revenue Bonds (2010) Series A	2010	2041	133,290,000	133,290,000	130,990,000	-	-	-	130,990,000	130,990,000
Electric Revenue Bonds (2011) Series A	2011	2036	56,450,000	39,275,000	37,450,000	-	-	285,679	37,450,000	37,450,000
Electric Revenue Refunding Bonds (2013) Series A	2014	2044	79,080,000	38,155,000	37,275,000	-	-	-	37,275,000	37,275,000
Electric Revenue Refunding Bonds (2019) Series A	2019	2049	283,325,000	278,185,000	267,835,000	-	-	-	267,835,000	267,835,000
Water Revenue Bonds (2009) Series A	2009	2020	31,895,000	2,360,000	-	-	-	-	-	-
Water Revenue Bonds (2009) Series B	2010	2040	67,790,000	67,790,000	67,790,000	-	-	-	67,790,000	67,790,000
Water Revenue Bonds (2011) Series A	2011	2036	59,000,000	24,050,000	24,050,000	-	-	191,695	24,050,000	24,050,000
Water Revenue Refunding Bonds (2019) Series A	2019	2049	114,215,000	110,965,000	106,990,000	-	-	-	106,990,000	106,990,000
Sewer Revenue Bonds (2015) Series A	2015	2041	200,030,000	190,230,000	184,965,000	-	-	4,565,825	184,965,000	184,965,000
Sewer Revenue Bonds (2018) Series A ⁵	2019	2040	153,670,000	150,765,000	147,185,000	-	-	3,623,325	147,185,000	147,185,000
Total Enterprise Revenue Bonds			\$ 1,320,585,000	\$ 1,101,680,000	\$ 1,071,145,000	\$ -	\$ -	\$ 9,151,690	\$ 1,071,145,000	\$ 1,071,145,000
Tax Allocation Bonds										
2014 Subordinate Tax Allocation Refunding Bonds Series 2014A	2014	2034	\$ 61,250,000	\$ 41,675,000	\$ 37,160,000	\$ -	\$ -	\$ 921,500	\$ 37,160,000	\$ 37,160,000
2014 Subordinate Tax Allocation Refunding Bonds Series 2014B	2014	2024	1,730,000	910,000	740,000	-	-	13,636	740,000	740,000
2018 Tax Allocation Refunding Bonds Series 2018A	2018	2034	74,435,000	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	40,380,000	-	-	797,638	40,380,000	40,380,000
Total Tax Allocation Bonds			\$ 177,795,000	\$ 157,400,000	\$ 152,715,000	\$ -	\$ -	\$ 3,591,164	\$ 152,715,000	\$ 152,715,000
Mello Roos and Assessment District Bonds										
Riverwalk Business Center Assessment District Bonds	2004	2029	\$ 3,755,000	\$ 2,130,000	\$ 1,970,000	\$ -	\$ -	\$ 60,829	\$ 1,970,000	\$ 1,970,000
Sycamore Canyon Business Park CFD 92-1 Bonds	2005	2034	9,700,000	6,615,000	6,310,000	-	-	165,679	6,310,000	6,310,000
Hunter Park Assessment District Bonds	2006	2036	15,269,906	11,155,000	10,730,000	-	-	277,453	10,730,000	10,730,000
Riverwalk Assessment District Refunding Bonds	2011	2026	7,805,000	4,200,000	3,680,000	-	-	90,097	3,680,000	3,680,000
Auto Center Assessment District Refunding Bonds	2012	2024	4,050,000	1,765,000	1,440,000	-	-	33,419	1,440,000	1,440,000
Riverwalk Vista CFD 2006-1 Bonds	2013	2043	4,415,000	3,945,000	3,855,000	-	-	96,447	3,855,000	3,855,000
Riverwalk Vista CFD 2006-1 Improv Area No.2 2016 Series A	2016	2046	5,505,000	5,295,000	5,220,000	-	-	91,097	5,220,000	5,220,000
Riverwalk Vista CFD 2006-1 Improv Area No.2 2016 Series B	2016	2031	1,275,000	1,000,000	930,000	-	-	19,534	930,000	930,000
Highlands CFD 2014-2 2016 Series A	2016	2046	1,800,000	1,770,000	1,760,000	-	-	28,638	1,760,000	1,760,000
Highlands CFD 2014-2 2016 Series B	2016	2031	810,000	675,000	630,000	-	-	12,975	630,000	630,000
Orangecrest CFD 2015-1 Bonds Series 2020 Series A	2020	2050	2,075,000	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	365,000	365,000	-	-	6,205	365,000	365,000
Total Mello Roos and Assessment District Bonds			\$ 56,824,906	\$ 40,990,000	\$ 38,965,000	\$ -	\$ -	\$ 923,872	\$ 38,965,000	\$ 38,965,000
Total				\$ 2,082,928,355	\$ 2,017,968,228	\$ -	\$ 7,190,417	\$ 15,074,957	\$ 2,010,777,811	\$ 2,007,748,348

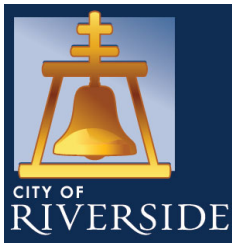
¹ Excludes water stock acquisition rights, copier leases, development agreements, and amortization of premiums and discounts on outstanding debt, none of which are material.

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

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

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

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



Cash and Investments Debt Administration Report FY 2020/21 Third Quarter Update

Finance Department

City Council

June 15, 2021

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Background

1. Improve reporting of treasury and debt administrative activities.
 - A. Separate process for management of investment and debt.
 - B. Different metrics of performance for debt and investments.
2. Keep Council updated on debt and investment portfolio management activities.
3. April 13, 2021, City Council received and provided input on First and Second Quarter Report.



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Treasury Financial Goals

1. Safety of Principal
2. Liquidity for Cash Flow
3. Yield return on investment
 - A. Ensure sufficient cash on hand to meet obligations.
 - B. Adhere to City Investment Policy and bond covenants related to Permitted Investments for Bond Proceeds.
 - C. Annual requirement to delegate investment authority to Chief Financial Officer/Treasurer.



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Cash and Treasury Performance – End of Q3

1. Pooled Investment Portfolio - \$786 million
2. Investments held by fiscal agent - \$186 million
3. Weighted average yield of pooled investment portfolio – 0.91%
4. No fund's cash balance is currently a concern



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Debt Summary Analysis – End of Q3

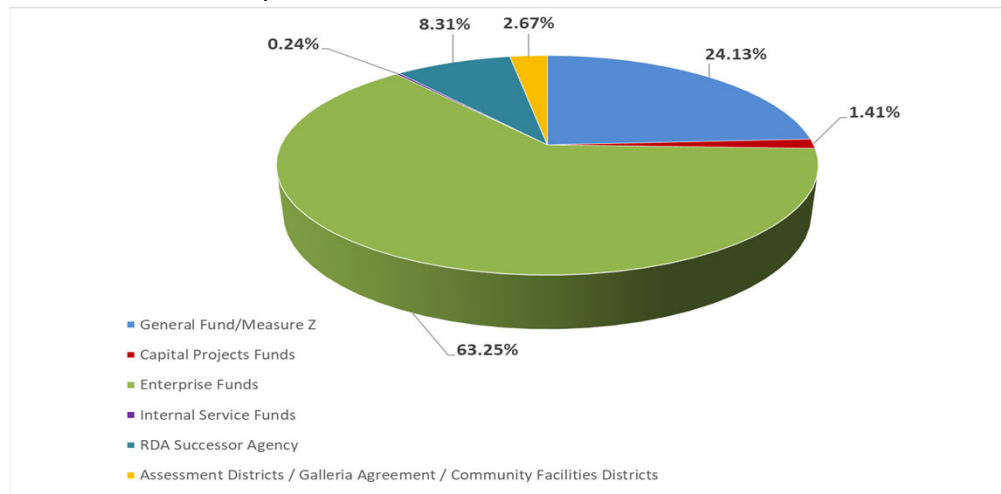
Principal Balance decreased \$7,190,417 due to:

- Debt Service Principal Payments – July 1 through December 31, 2020.
 - 1) Certificates of Participation (\$4,200,000)
 - 2) Capital Leases (\$2,159,211)
 - 3) Private Placement Loans (\$498,631)
 - 4) State Revolving Fund Loan (\$332,575)

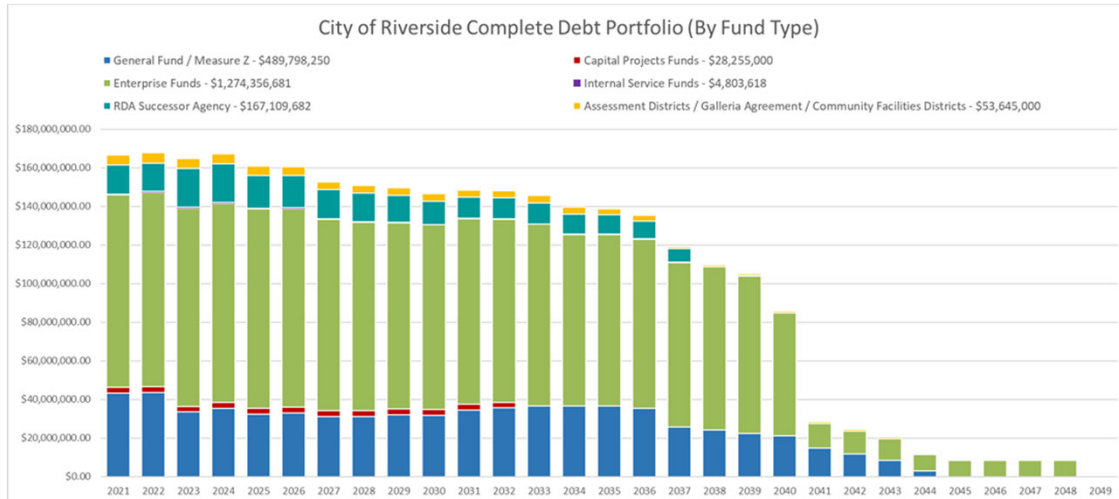


Debt Summary Analysis – End of Q3

Debt Portfolio composition



Debt Summary Analysis – End of Q3



Debt Activities – Q3

1. Completed renewal of Liquidity Letters of Credit for 2008A and 2008C Electric Revenue Bonds and 2008 Certificates of Participation.
2. Prepared and filed Annual Continuing Disclosure reports.
3. Began process of preparing Annual Engineer's reports for Street Lighting Assessment District and Riverwalk and Sycamore Canyon Landscape Maintenance Districts.
4. Prepared and posted SB1029 CDIAC Annual Debt Transparency Report.
5. Conducted TEFRA Hearing renewing local approval of tax-exempt financing for St Michael's Housing Project.
6. Regular Bi-monthly review of refunding opportunities.



Recommendation

That the City Council receive and provide input on the Fiscal Year 2020/21 Third Quarter Cash and Investments and Debt Report.

