

# COUNTY OF RIVERSIDE

\$250,000,000

2015-16 Tax and Revenue Anticipation Notes

May 21, 2015

# INTRODUCTION

## County Executive Office

- Ivan Chand, Deputy County Executive Officer
- Stephanie Persi, Senior Management Analyst
- Lani Sioson, Principal Management Analyst
- Sam Wong, Senior Management Analyst
- Tanya Harris, General Accounting Division Chief
- Susana Garcia Bocanegra, Principal Accountant

## Financial Advisor

- Fieldman, Rolapp & Associates

## Underwriters

- J.P. Morgan Securities LLC
- Stifel, Nicolaus & Company, Inc.

# EXECUTIVE SUMMARY – TRANs

- ❖ County's General Fund has stabilized and Borrowable Resources are readily available
  - Projected FY 14-15 cash balance is \$159.577 million or 5.46% of revenues
  - Projected FY 15-16 cash balance is \$161.792 million or 5.27% of revenues – final application to balance budget
  - Additional Borrowable Resources have consistently been large
  - Additional Cash Resources: June 30, 2016: \$1.618 billion
- ❖ TRANs are a standard cash management tool of the County
  - Over 25 consecutive years of TRAN issuance and timely repayment
  - Covers General Fund Expenditures
  - Cash Flow management program may combine internal and external borrowing
  - Set-aside funds held by third party paying agent (BNY Mellon) and invested in County Investment Pool
  - Covenant to provide Quarterly Cash Flow update to investors through EMMA

# EXECUTIVE SUMMARY – TRANs

- ❖ Size of the Issue: \$250 million is 8.17% of the estimated FY 15-16 receipts
- ❖ Set-aside timing provides significant interval prior to maturity
  - January 60%, May 40%
- ❖ County cash flow projections have been accurate
  - Revenues for FY 13-14 were 103% of projection
  - Expenses for FY 13-14 were 103% of projection
  - Revenues and cash balances cover set asides and maturity by substantial margin
  - Set-aside coverage: January - 289%; May - 390%
  - Maturity coverage: June 30 - 188% (and 817% with Borrowable Resources)

The County's TRANs are consistent with the highest short-term ratings



**MANAGEMENT, BUDGET AND OPERATIONS**

# ASSUMPTIONS IN FY 15-16 BUDGET

County budgeted revenues rely on input from independent professional economic assessments

- Cal State Fullerton
- Beacon Economics

Overall FY 15-16 discretionary general fund expenditures expected to increase to \$738.3million from \$657.2 million in FY 14-15

Assessed Values are projected to increase by 7.8% and 5% to 6% in FY 14-15 and FY 15-16, respectively – third and fourth consecutive increase in AV

Property tax revenue budgeted for FY 15-16 at \$218.9 million

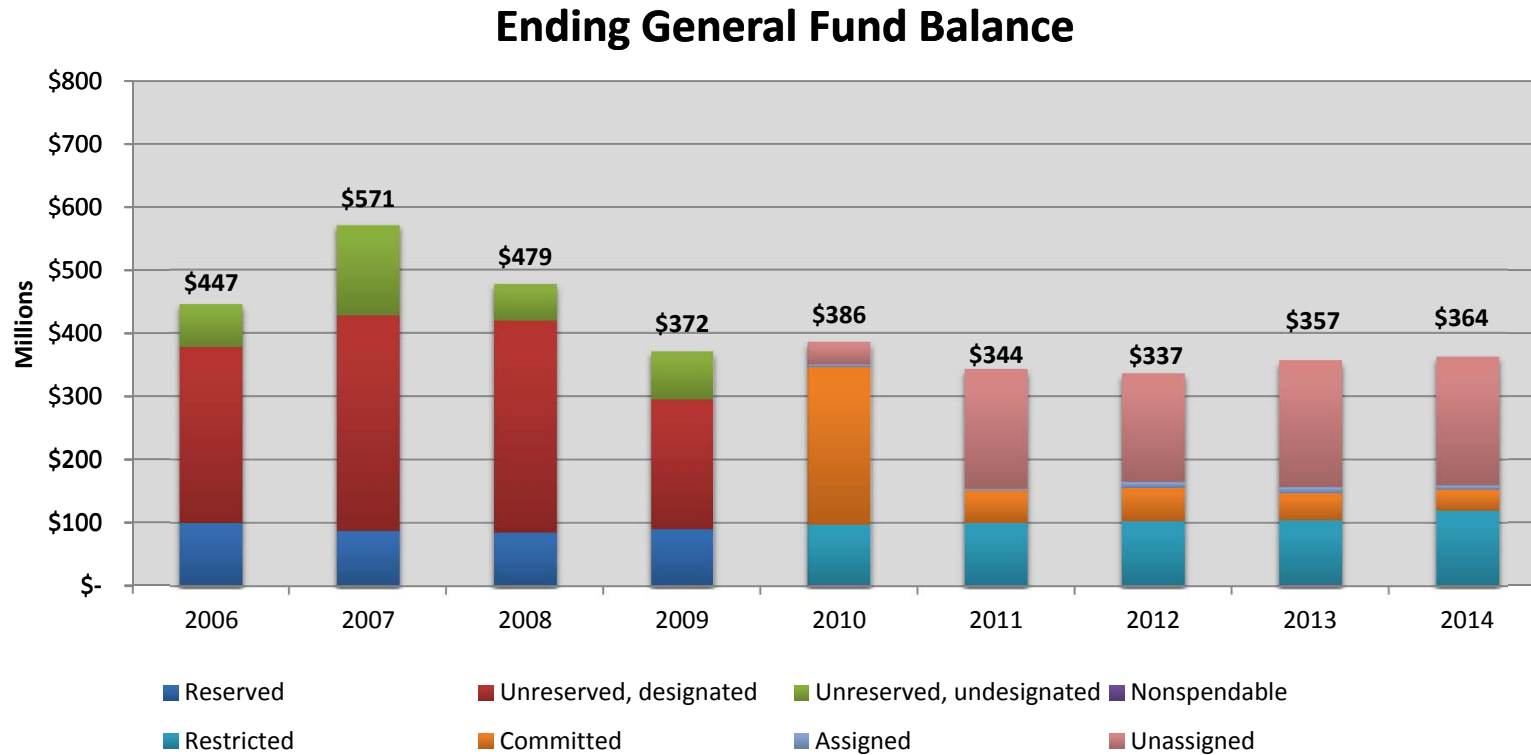
Sales tax revenue for the County estimated at \$31.5 million for FY 15-16

## ANTICIPATED IMPACT OF STATE BUDGET

- ❖ State FY 15-16 Budget focuses on fiscal discipline and projects a modest surplus
  - Budget includes payments to local governments, including the County
  - County expected to receive \$33.1 million in FY 14-15
  - County expects to receive \$7.7 million of interest to be paid in August of FY 15-16
  - County estimates state payment of \$2.6 million in payment-in-lieu-of-taxes and one-time and ongoing funding for county fairs
- ❖ Redevelopment dissolution activities are ongoing
  - For FY 14-15 Auditor-Controller anticipates \$7.5 million to County General Fund in one time revenues

# GENERAL FUND BALANCE

❖ FYE 13-14 General Fund balance at \$364 million





An aerial night photograph of a city, likely Riverside, California. The foreground shows residential neighborhoods with houses and streetlights. In the middle ground, there are commercial areas and a highway with light trails from traffic. The background features a range of mountains under a dark blue twilight sky. The city lights create a bright, glowing effect across the valley.

CASH FLOW MANAGEMENT  
TRANS FY 2015-2016

# CASH FLOW OVERVIEW

- ❖ County senior management has increased vigilance of cash resources
  - Daily cash flow reports provided to senior managers
  - Internal monthly cash flow reports and meetings – senior staff participate
  - Formal external quarterly cash flow reports provided to the municipal marketplace
- ❖ Cash flow results for FY 14-15 are consistent with last year's projections
- ❖ FY 15-16 cash flow projection includes
  - Increase in revenues – \$147 million
  - Increase in expenses – \$175 million
  - \$161 million FY ending cash balance
- ❖ TRAN borrowing size is moderate – 8.17% of projected revenues
- ❖ Coverage is strong at both set-aside points and maturity on a revenue basis
- ❖ When Borrowable Resources are included, coverage multiplies significantly
- ❖ Borrowable Resources remain sizable - Total cash resources:
  - June 30, 2016 - \$1.618 billion

# CASH FLOW PROJECTION ACCURACY FY 14-15

(in thousands)	FY 14/15 Original Projections	FY 14/15 Actual/ Revised Projections	\$ Over (Under)	% Over (Under)
<b>Receipts</b>				
Property Taxes	\$196,770	\$206,915	\$10,145	5.2% A
Sales and Uses Taxes	33,500	32,913	(587)	-1.8%
Other Taxes	16,714	23,034	6,320	37.8% P
Licenses & Permits	16,692	16,737	45	0.3%
Fines, Forfeitures & Penalties	59,752	59,499	(253)	-0.4%
Rev from Use of Money and Property	8,546	8,595	49	0.6%
State Aid	1,138,910	1,242,984	104,074	9.1% Q
Federal Aid	510,815	520,795	9,980	2.0%
Other Governmental Aid	85,199	89,483	4,284	5.0%
Charges for Current Services	480,865	471,307	(9,558)	-2.0%
Miscellaneous Revenue	22,667	30,804	8,137	35.9% R
Other Financing Sources	7,116	12,835	5,719	80.4% S
Repayment of Advances to Other Funds	48,000	55,074	7,074	14.7% T
Reimbursement from Depts. (CalPERS)	86,892	97,026	10,134	11.7% K
Interfund Transfers	53,000	53,000	0	0.0%
<b>Total Receipts</b>	<b>\$2,765,438</b>	<b>\$2,921,001</b>	<b>\$155,563</b>	<b>5.6%</b>
<b>Disbursements</b>				
Salaries and Benefits	\$1,382,472	\$1,407,681	\$25,209	1.8%
Services and Supplies	545,351	579,085	\$33,734	6.2% U
Other Charges	611,770	627,379	\$15,609	2.6%
Fixed Assets and Capital Outlay	7,196	37,377	\$30,181	419.4% O
Other Financing Uses	44,145	44,621	\$476	1.1%
Advances to Other Funds	48,000	54,948	\$6,948	14.5% T
CalPERS Prepayment	86,638	86,638	\$0	0.0%
Interfund Transfers	53,000	53,000	\$0	0.0%
<b>Total Disbursements</b>	<b>\$2,778,572</b>	<b>\$2,890,729</b>	<b>\$112,157</b>	<b>4.0%</b>

A. Projections were based on 5% assessment roll value. However in July 2014, the County Assessor reported that the property assessment roll value increased by 7.75%.

P. Revenue projected has been increased to reflect the increase in the County's share of anticipated residual assets to be distributed by the end of the fiscal year.

Q. Variance in State revenue includes \$33.2M the Governor has agreed to pay counties for pre-2004 SB90 Mandated Claims. It also includes a \$36M transfer from MHSA to fund a building for Mental Health. In addition, there was a \$26M increase in projected revenue from AB118 and a \$2.5M one-time receipt of Public Safety Augmentation Fund revenue.

R. Insurance proceeds of \$2M were received by the Sheriff Department for a helicopter accident. \$1M was received from Unclaimed Property Tax overpayments and we are expecting additional revenue from El Sobrante Landfill and CalPERS Reimbursement from Departments.

S. Variance is due to \$7.6M Assessor Revenue budgeted in FY 2014, but received in FY 2015.

T. The Board approved a \$3.7M advance to San Geronio Memorial HealthCare District and a \$1.6M loan to Housing Authority during the fiscal year.

K. Excess CalPERS amounts collected from Departments will be applied to next year prepayment.

U. The variance is due to the CAL Fire payment of \$33.3M which was projected in FY 2014, however was paid in July 2015.

O. In June 2014, the Board of Supervisors approved the purchase of a building for \$36M for Mental Health to combine various mental health services in one location. In March 2015, the acquisition was completed and the General Fund was subsequently reimbursed by MHSA revenue.

# CASH FLOW PROJECTION COMPARISON FY 14-15 & FY 15-16

(in thousands)	FY 14/15 Actual/ Revised Projections	FY 15/16 Projections	\$ Over (Under)	% Over (Under)	
<b>Receipts</b>					
Property Taxes	\$206,915	\$218,844	\$11,929	5.8%	V
Sales and Uses Taxes	\$32,913	31,471	(1,442)	-4.4%	W
Other Taxes	\$23,034	24,200	1,166	5.1%	V
Licenses & Permits	\$16,737	17,000	263	1.6%	
Fines, Forfeitures & Penalties	\$59,499	56,848	(2,651)	-4.5%	
Rev from Use of Money and Property	\$8,595	8,934	339	3.9%	
State Aid	\$1,242,984	1,302,414	59,430	4.8%	X
Federal Aid	\$520,795	603,404	82,609	15.9%	E
Other Governmental Aid	\$89,483	94,007	4,524	5.1%	V
Charges for Current Services	\$471,307	512,370	41,063	8.7%	Y
Miscellaneous Revenue	\$30,804	30,690	(114)	-0.4%	
Other Financing Sources	\$12,835	15,722	2,887	22.5%	Z
Repayment of Advances to Other Funds	\$55,074	53,401	(1,673)	-3.0%	
Reimbursement from Depts. (CalPERS)	\$97,026	89,273	(7,753)	-8.0%	K
Interfund Transfers	\$53,000	10,000	(43,000)	-81.1%	L
<b>Total Receipts</b>	<b>\$2,921,001</b>	<b>\$3,068,578</b>	<b>\$147,577</b>	<b>5.1%</b>	
<b>Disbursements</b>					
Salaries and Benefits	\$1,407,681	\$1,548,040	\$140,359	10.0%	M
Services and Supplies	\$579,085	651,212	\$72,127	12.5%	AA
Other Charges	\$627,379	646,721	\$19,342	3.1%	
Fixed Assets and Capital Outlay	\$37,377	23,847	(\$13,530)	-36.2%	AB
Other Financing Uses	\$44,621	46,503	\$1,882	4.2%	
Advances to Other Funds	\$54,948	53,402	(\$1,546)	-2.8%	
CalPERS Prepayment	\$86,638	86,638	\$0	0.0%	
Interfund Transfers	53,000	10,000	(\$43,000)	-81.1%	L
<b>Total Disbursements</b>	<b>\$2,890,729</b>	<b>\$3,066,363</b>	<b>\$175,634</b>	<b>6.1%</b>	

V. An increase is projected as a result of increases in property assessment values.

W. Ongoing sales tax has been increasing however there is a decrease due to the completion of several one-time solar projects which has caused a drop in revenue received.

X. Variance in State Revenue increased by \$31M in Mental Health for Medi-Cal Match and MHSA funding, by \$26M in Mandate Reimbursement, by \$25M in DPSS public assistance programs and realignment, \$22M in Public Safety Sales Tax and by \$10M in Motor Vehicle In-Lieu Tax.

E. Due to the health care reform act, the Department of Public Social Services has experienced an increase in caseload growth requiring additional Medi-Cal and CalFresh services. Medi-Cal services increased by 46% in the last fiscal year which in return generated additional administration revenue.

Y. Charges for Services increased for the following departments: Sheriff, Fire and Public Health. Contractual Law Enforcement revenue increased due to additional patrolling services in the unincorporated areas of Riverside County. There was also an increase in the approved rates for contract city law enforcement services. The Fire Department will be increasing its fire protection services along with its California Forestry services. Public Health experienced an increase in Capitated Medi-Cal and Medi-Cal patients in its Health Clinics as a result of the new health care reform act where uninsured patients are now eligible for Medi-Cal.

K. Excess CalPERS amounts collected from Departments will be applied to next year prepayment.

L. The County used interfund borrowing to balance out the timing of cash receipts and expenditures.

M. Labor costs increased in FY 2014 and will continue to increase in FY 2015. Various labor union contracts were amended and public protection, public assistance, and health and sanitation departments expanded its staffing to follow Board direction to increase public safety patrolling and to accommodate with the increasing demand for services in health related functions.

Z. The variance in Services and Supplies are due to increases in various county departments. DPSS increased its expenditures by \$25.9M for the maintenance of buildings, computers, communication equipment & software as well as increases in services of data processing, engineering, and personnel. The Fire Department increased its professional services by \$6M. The Department of Mental Health increased its expenditures by \$4.3M for the maintenance of their newly acquired building and administrative support. The Department of Public Health increased its expenditures by \$3.3M for the maintenance of computer equipment and software. Overall County expenditures for rent and leases increased by \$7M, liability and property insurance increased by \$7M, car pool expenses increased by \$4M, telephone and janitorial services increased by \$3M and systems human resource processing charges increased by \$2M.

AA. The net variance in Fixed Assets and Capital Outlay is due to the purchase of the Mental Health Building in FY 2015 for \$36M which is offset by an increase in building improvements in FY 2016.

# FY 13-14 ACTUAL CASH FLOW (000's)

	PERIOD 1 Jul-13 Actuals	PERIOD 2 Aug-13 Actuals	PERIOD 3 Sep-13 Actuals	PERIOD 4 Oct-13 Actuals	PERIOD 5 Nov-13 Actuals	PERIOD 6 Dec-13 Actuals	PERIOD 7 Jan-14 Actuals	PERIOD 8 Feb-14 Actuals	PERIOD 9 Mar-14 Actuals	PERIOD 10 Apr-14 Actuals	PERIOD 11 May-14 Actuals	PERIOD 12 Jun-14 Actuals	Total
<b>Beginning General Fund Cash Balance</b>	<b>\$128,656</b>	<b>(\$51,332)</b>	<b>(\$99,465)</b>	<b>(\$128,510)</b>	<b>(\$177,971)</b>	<b>(\$172,885)</b>	<b>(\$107,693)</b>	<b>\$13,164</b>	<b>(\$10,495)</b>	<b>(\$68,418)</b>	<b>(\$41,440)</b>	<b>\$55,670</b>	<b>\$128,656</b>
<b>Receipts</b>													
Property Taxes	129	(129)	7,777	5,290	582	51,628	42,561	(73)	1,146	42,208	35,000	5,911	192,030
Sales and Use Taxes	1,362	1,817	3,536	1,657	2,210	2,486	8,311	2,804	444	1,471	6,337	2,112	34,547
Other Taxes	1,097	1,720	1,815	1,160	6,690	3,371	1,507	1,001	889	1,610	1,451	7,287	29,598
Licenses & Permits	889	1,729	838	630	1,401	729	768	1,096	1,175	4,900	1,562	443	16,160
Fines, Forfeitures & Penalties	1,999	2,116	1,976	2,056	2,276	1,732	2,934	1,949	2,228	10,942	2,565	29,818	62,591
Use of Money and Property	347	931	303	576	548	8,854	500	758	328	427	962	806	15,340
State Aid	45,103	43,885	52,736	83,112	116,852	61,735	150,756	87,335	96,326	79,154	175,022	97,694	1,089,710
Federal Aid	27,750	29,896	37,651	55,783	22,259	29,289	43,131	36,478	26,449	41,837	28,139	54,334	432,996
Other Governmental Aid	-	-	-	-	-	41,469	-	-	-	-	-	-	42,131
Changes for Current Services	30,417	35,035	27,180	26,322	25,906	41,059	39,299	37,534	38,928	40,485	25,702	62,650	430,517
Miscellaneous Revenue	1,762	54	401	2,274	1,145	2,055	651	1,680	118	10,585	1,794	15,466	37,985
Other Financing Sources	-	7,265	2,728	15	1,036	741	6	8,002	-	6	1,007	958	21,764
Repayment of Advances to Other Funds	-	-	-	13,000	2,000	2,000	3,000	-	5,600	28,000	4,554	2,971	61,125
Reimbursement from Departments for CalPERS	6,560	6,880	6,812	10,647	6,385	6,806	7,053	6,883	7,020	10,143	7,061	8,696	90,946
Interfund Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Receipts</b>	<b>117,415</b>	<b>131,199</b>	<b>143,753</b>	<b>202,522</b>	<b>189,290</b>	<b>253,954</b>	<b>300,477</b>	<b>185,447</b>	<b>180,651</b>	<b>271,768</b>	<b>291,156</b>	<b>331,277</b>	<b>2,598,909</b>
<b>Disbursements</b>													
Salaries & Benefits	97,606	100,661	100,306	144,499	100,597	103,405	103,992	102,013	104,231	146,832	103,602	103,519	1,311,263
Services & Supplies	22,627	27,374	27,242	28,559	28,828	30,056	31,339	64,404	67,183	26,329	38,811	83,239	475,991
Other Charges	40,626	49,001	45,104	51,098	51,756	52,870	44,049	41,771	67,138	60,184	46,540	58,207	608,344
Fixed Assets & Capital Outlay	326	893	146	587	161	936	213	324	20	507	675	1,619	6,407
Other Financing Uses	1,049	3	-	15,919	362	1,495	27	594	2	10,938	4,418	10,271	45,078
Advances to Other Funds	48,531	1,400	-	11,321	2,500	-	-	-	-	-	-	-	63,752
CalPERS Prepayment	86,638	-	-	-	-	-	-	-	-	-	-	-	86,638
Interfund Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Disbursements</b>	<b>297,403</b>	<b>179,332</b>	<b>172,798</b>	<b>251,983</b>	<b>184,204</b>	<b>188,762</b>	<b>179,620</b>	<b>209,106</b>	<b>238,574</b>	<b>244,790</b>	<b>194,046</b>	<b>256,855</b>	<b>2,597,473</b>
<b>Ending General Fund Cash Balance</b>	<b>(51,332)</b>	<b>(99,465)</b>	<b>(128,510)</b>	<b>(177,971)</b>	<b>(172,885)</b>	<b>(107,693)</b>	<b>13,164</b>	<b>(10,495)</b>	<b>(68,418)</b>	<b>(41,440)</b>	<b>55,670</b>	<b>130,092</b>	<b>130,092</b>
<b>TRANS Borrowing</b>													
Proceeds of Notes	249,400	253,581	253,581	253,581	253,581	253,581	253,581	126,397	126,397	126,397	62,805	(787)	-
Principal Payment of Note	-	-	-	-	-	-	(125,000)	-	-	(62,500)	(62,500)	-	(250,000)
Premium	3,881	-	-	-	-	-	-	-	-	-	-	-	3,881
Interest Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Expense / Cost of Issuance	300	-	-	-	-	-	(2,184)	-	(1,092)	(1,092)	-	-	(4,068)
<b>Total TRANS Borrowing</b>	<b>253,581</b>	<b>253,581</b>	<b>253,581</b>	<b>253,581</b>	<b>253,581</b>	<b>253,581</b>	<b>126,397</b>	<b>126,397</b>	<b>126,397</b>	<b>62,805</b>	<b>(787)</b>	<b>(787)</b>	<b>(787)</b>
<b>Ending Balance with TRANS Borrowing</b>	<b>\$202,249</b>	<b>\$154,116</b>	<b>\$125,071</b>	<b>\$75,610</b>	<b>\$80,696</b>	<b>\$145,888</b>	<b>\$139,561</b>	<b>\$115,902</b>	<b>\$57,979</b>	<b>\$21,365</b>	<b>\$54,883</b>	<b>\$129,305</b>	<b>\$129,305</b>

# FY 14-15 ACTUAL-ESTIMATED CASH FLOW (000's)

	PERIOD 1 Jul-14 Actuals	PERIOD 2 Aug-14 Actuals	PERIOD 3 Sep-14 Actuals	PERIOD 4 Oct-14 Actuals	PERIOD 5 Nov-14 Actuals	PERIOD 6 Dec-14 Actuals	PERIOD 7 Jan-15 Actuals	PERIOD 8 Feb-15 Actuals	PERIOD 9 Mar-15 Actuals	PERIOD 10 Apr-15 Projected	PERIOD 11 May-15 Projected	PERIOD 12 Jun-15 Projected	Total
<b>Beginning General Fund Cash Balance</b>	<b>\$129,305</b>	<b>(81,507)</b>	<b>(145,082)</b>	<b>(174,669)</b>	<b>(254,014)</b>	<b>(210,518)</b>	<b>(223,150)</b>	<b>(70,598)</b>	<b>(57,903)</b>	<b>(58,116)</b>	<b>(103,650)</b>	<b>(938)</b>	<b>\$129,305</b>
<b>Receipts</b>													
Property Taxes	147	(147)	7,982	4,699	45,342	11,369	51,146	-	543	18,804	35,920	31,110	206,915
Sales and Use Taxes	1,749	1,680	2,060	1,671	1,771	2,556	1,627	2,274	7,664	1,467	6,334	2,060	32,913
Other Taxes	1,099	1,400	816	1,438	1,314	1,059	4,501	1,138	905	1,400	1,434	6,530	23,034
Licenses & Permits	1,269	1,375	753	837	1,576	808	713	1,603	820	5,143	1,320	520	16,737
Fines, Forfeitures & Penalties	2,129	2,073	2,030	2,087	2,174	1,740	1,524	8,288	2,406	2,331	7,909	24,808	59,499
Use of Money and Property	313	316	834	416	280	821	(93)	2,215	899	535	885	1,174	8,595
State Aid	45,011	49,571	56,880	81,798	89,826	74,045	179,565	92,186	103,798	85,584	186,452	198,268	1,242,984
Federal Aid	38,392	36,818	37,476	51,370	43,964	40,359	44,863	40,782	26,115	57,236	46,143	57,277	520,795
Other Governmental Aid	-	-	-	-	-	51	47,607	-	-	-	-	41,825	89,483
Changes for Current Services	38,638	29,396	36,720	17,925	31,514	45,465	41,868	34,968	72,357	25,509	40,359	56,588	471,307
Miscellaneous Revenue	504	557	1,680	1,725	1,138	2,514	2,443	2,065	1,225	11,315	1,224	4,414	30,804
Other Financing Sources	-	4	7,682	6	994	6	3	6	809	4	14	3,307	12,835
Repayment of Advances to Other Funds	-	71	-	15,000	1,500	10,628	2,500	9,600	1,300	2,435	10,040	2,000	55,074
Reimbursement from Departments for CalPERS	2,701	7,204	7,292	11,063	7,284	7,737	7,626	7,453	7,633	11,382	7,204	13,125	97,704
Interfund Transfers	-	-	-	-	-	-	-	-	53,000	-	-	-	53,000
<b>Total Receipts</b>	<b>131,952</b>	<b>130,318</b>	<b>162,205</b>	<b>190,035</b>	<b>228,677</b>	<b>199,158</b>	<b>385,893</b>	<b>202,578</b>	<b>279,474</b>	<b>223,145</b>	<b>345,238</b>	<b>443,006</b>	<b>2,921,679</b>
<b>Disbursements</b>													
Salaries & Benefits	102,293	106,933	108,264	155,847	108,824	111,024	113,746	109,891	113,057	161,114	108,344	108,344	1,407,681
Services & Supplies	61,228	31,912	30,581	36,394	29,357	34,126	70,127	40,841	79,640	32,731	68,574	63,574	579,085
Other Charges	42,854	53,276	52,140	57,320	45,169	58,735	48,205	38,424	53,283	71,635	54,719	51,619	627,379
Fixed Assets & Capital Outlay	156	561	807	103	335	187	266	512	33,309	364	511	266	37,377
Other Financing Uses	247	911	-	16,016	1,496	6,118	997	215	398	2,835	10,378	5,010	44,621
Advances to Other Funds	49,348	300	-	3,700	-	1,600	-	-	-	-	-	-	54,948
CalPERS Prepayment	86,638	-	-	-	-	-	-	-	-	-	-	-	86,638
Interfund Transfers	-	-	-	-	-	-	-	-	-	-	-	53,000	53,000
<b>Total Disbursements</b>	<b>342,764</b>	<b>193,893</b>	<b>191,792</b>	<b>269,380</b>	<b>185,181</b>	<b>211,790</b>	<b>233,341</b>	<b>189,883</b>	<b>279,687</b>	<b>268,679</b>	<b>242,526</b>	<b>281,813</b>	<b>2,890,729</b>
<b>Ending General Fund Cash Balance</b>	<b>(81,507)</b>	<b>(145,082)</b>	<b>(174,669)</b>	<b>(254,014)</b>	<b>(210,518)</b>	<b>(223,150)</b>	<b>(70,598)</b>	<b>(57,903)</b>	<b>(58,116)</b>	<b>(103,650)</b>	<b>(938)</b>	<b>160,255</b>	<b>160,255</b>
<b>TRANS Borrowing</b>													
Proceeds of Notes	253,062	-	-	-	-	-	-	-	-	-	-	-	253,062
Principal Payment of Note	-	-	-	-	-	-	(150,000)	-	-	-	(100,000)	-	(250,000)
Premium	-	-	-	-	-	-	-	-	-	-	-	(3,362)	(3,362)
Interest Earnings	-	-	-	-	-	-	-	-	-	-	-	(677)	(677)
Interest Expense / Cost of Issuance	-	-	-	-	-	-	(2,244)	-	-	-	(1,496)	4,039	299
<b>Total TRANS Borrowing</b>	<b>253,062</b>	<b>253,062</b>	<b>253,062</b>	<b>253,062</b>	<b>253,062</b>	<b>253,062</b>	<b>100,818</b>	<b>100,818</b>	<b>100,818</b>	<b>100,818</b>	<b>(678)</b>	<b>(678)</b>	<b>(678)</b>
<b>Ending Balance with TRANS Borrowing</b>	<b>\$171,555</b>	<b>\$107,980</b>	<b>\$78,393</b>	<b>(\$952)</b>	<b>\$42,544</b>	<b>\$29,912</b>	<b>\$30,220</b>	<b>\$42,915</b>	<b>\$42,702</b>	<b>(\$2,832)</b>	<b>(\$1,616)</b>	<b>\$159,577</b>	<b>159,577</b>

# FY 15-16 PROJECTED CASH FLOW (000's)

	PERIOD 1 Jul-15 Projected	PERIOD 2 Aug-15 Projected	PERIOD 3 Sep-15 Projected	PERIOD 4 Oct-15 Projected	PERIOD 5 Nov-15 Projected	PERIOD 6 Dec-15 Projected	PERIOD 7 Jan-16 Projected	PERIOD 8 Feb-16 Projected	PERIOD 9 Mar-16 Projected	PERIOD 10 Apr-16 Projected	PERIOD 11 May-16 Projected	PERIOD 12 Jun-16 Projected	Total
<b>Beginning General Fund Cash Balance</b>	<b>\$159,577</b>	<b>(67,041)</b>	<b>(113,030)</b>	<b>(208,701)</b>	<b>(225,180)</b>	<b>(214,581)</b>	<b>(192,893)</b>	<b>27,222</b>	<b>9,694</b>	<b>(92,081)</b>	<b>(84,624)</b>	<b>65,605</b>	<b>159,577</b>
<b>Receipts</b>													
Property Taxes	152	(152)	8,257	4,861	354	58,308	52,906	-	562	19,451	37,156	36,989	218,844
Sales and Use Taxes	1,446	1,763	2,577	1,433	1,838	2,467	5,535	2,052	2,939	2,208	4,458	2,755	31,471
Other Taxes	1,120	1,710	1,333	1,493	3,325	1,631	2,855	1,236	1,359	2,220	1,869	4,049	24,200
Licenses & Permits	1,080	1,321	816	969	1,494	678	787	1,601	883	5,367	1,434	570	17,000
Fines, Forfeitures & Penalties	1,859	1,961	1,931	1,979	2,018	1,714	2,029	3,275	5,011	5,053	4,526	25,492	56,848
Use of Money and Property	281	989	379	592	338	1,440	904	902	593	670	702	1,144	8,934
State Aid	51,155	62,932	75,206	90,718	108,541	79,468	207,075	99,941	90,722	87,152	210,528	138,976	1,302,414
Federal Aid	34,575	48,071	40,566	54,715	58,375	39,210	55,338	51,926	45,912	53,625	54,196	66,895	603,404
Other Governmental Aid	-	-	-	-	-	-	47,858	-	-	-	-	46,149	94,007
Changes for Current Services	28,896	36,639	36,236	31,650	31,817	48,492	54,100	41,080	48,980	40,803	43,937	69,740	512,370
Miscellaneous Revenue	524	1,738	708	1,325	716	1,920	1,411	953	765	12,148	2,566	5,916	30,690
Other Financing Sources	3	1,449	1,897	22	1,129	97	101	2,193	472	895	2,706	4,758	15,722
Repayment of Advances to Other Funds	-	-	-	11,357	1,747	1,747	2,621	-	4,892	3,979	24,462	2,596	53,401
Reimbursement from Departments for CalPERS	6,910	6,910	10,365	6,910	6,910	6,910	6,910	6,910	10,365	6,910	6,910	6,910	89,830
Interfund Transfers	-	-	-	-	-	-	-	-	10,000	-	-	-	10,000
<b>Total Receipts</b>	<b>128,001</b>	<b>165,331</b>	<b>180,271</b>	<b>208,024</b>	<b>218,602</b>	<b>244,082</b>	<b>440,430</b>	<b>212,069</b>	<b>223,455</b>	<b>240,481</b>	<b>395,450</b>	<b>412,939</b>	<b>3,069,135</b>
<b>Disbursements</b>													
Salaries & Benefits	119,080	119,080	178,620	119,080	119,080	119,080	119,080	119,080	178,620	119,080	119,080	119,080	1,548,040
Services & Supplies	50,540	35,851	36,164	39,396	36,742	41,673	52,705	61,358	80,191	44,660	64,388	107,544	651,212
Other Charges	43,241	54,597	58,414	52,925	50,441	58,328	47,003	46,633	61,661	59,080	53,858	60,540	646,721
Fixed Assets & Capital Outlay	1,423	1,327	2,550	1,228	881	1,136	727	1,068	4,213	1,213	1,604	6,477	23,847
Other Financing Uses	295	465	194	11,874	859	2,177	800	1,458	545	8,991	6,291	12,554	46,503
Advances to Other Funds	53,402	-	-	-	-	-	-	-	-	-	-	-	53,402
CalPERS Prepayment	86,638	-	-	-	-	-	-	-	-	-	-	-	86,638
Interfund Transfers	-	-	-	-	-	-	-	-	-	-	-	10,000	10,000
<b>Total Disbursements</b>	<b>354,619</b>	<b>211,320</b>	<b>275,942</b>	<b>224,503</b>	<b>208,003</b>	<b>222,394</b>	<b>220,315</b>	<b>229,597</b>	<b>325,230</b>	<b>233,024</b>	<b>245,221</b>	<b>316,195</b>	<b>3,066,363</b>
<b>Ending General Fund Cash Balance</b>	<b>(67,041)</b>	<b>(113,030)</b>	<b>(208,701)</b>	<b>(225,180)</b>	<b>(214,581)</b>	<b>(192,893)</b>	<b>27,222</b>	<b>9,694</b>	<b>(92,081)</b>	<b>(84,624)</b>	<b>65,605</b>	<b>162,349</b>	<b>162,349</b>
<b>TRANS Borrowing</b>		253,183	253,183	253,183	253,183	253,183	253,183	100,939	100,939	100,939	100,939	(557)	
Proceeds of Notes	253,183												253,183
Principal Payment of Note							(150,000)				(100,000)		(250,000)
Premium												(3,086)	(3,086)
Interest Earnings												(953)	(953)
Interest Expense / Cost of Issuance							(2,244)				(1,496)	4,039	299
<b>Total TRANS Borrowing</b>	<b>253,183</b>	<b>253,183</b>	<b>253,183</b>	<b>253,183</b>	<b>253,183</b>	<b>253,183</b>	<b>100,939</b>	<b>100,939</b>	<b>100,939</b>	<b>100,939</b>	<b>(557)</b>	<b>(557)</b>	<b>(557)</b>
<b>Ending Balance with TRANS Borrowing</b>	<b>\$186,142</b>	<b>\$140,153</b>	<b>\$44,482</b>	<b>\$28,003</b>	<b>\$38,602</b>	<b>\$60,290</b>	<b>\$128,161</b>	<b>\$110,633</b>	<b>\$8,858</b>	<b>\$16,315</b>	<b>\$65,048</b>	<b>\$161,792</b>	<b>161,792</b>

# AVAILABLE LIQUIDITY – BORROWABLE RESOURCES

Fund Type	Fund Purpose	Audited Actual Balance 06/30/14	Actual/Projected Balance 06/30/15
Special Revenue	Transportation	\$123,831	\$128,355
Special Revenue	Flood Control	263,457	225,033
Special Revenue	Community Services	38,767	81,360
Special Revenue	County Service Areas	20,933	19,283
Special Revenue	Other Special Revenue	22,902	25,732
Capital Project	Public Facilities	165,409	153,475
Capital Project	Crest	17,716	18,733
Capital Project	PSEC	253	253
Enterprise	County Service Areas	58	115
Enterprise	Flood Control	2,558	5,232
Enterprise	Regional Medical Center	(40,884)	(29,533)
Enterprise	Waste Management	43,213	119,189
Internal Service	Records Management And Achieve	1,463	1,449
Internal Service	Fleet Services	11,871	8,327
Internal Service	Information Services	6,920	1,525
Internal Service	Printing Services	2,883	2,611
Internal Service	Supply Services	3,960	2,542
Internal Service	OASIS Project	-	-
Internal Service	Risk Management	163,814	170,662
Internal Service	Temporary Assistance Pool	593	240
Internal Service	Flood Control Equipment	5,532	4,467
Internal Service	EDA Facilities Management	6,731	2,686
<b>Total Alternative Cash Resources</b>		<b>\$861,980</b>	<b>\$941,735</b>

Fund Type	Fund Purpose	Audited Actual Balance 06/30/14	Actual/Projected Balance 06/30/15
Permanent Fund	Perris Valley Cemetery	\$535	\$556
Special Revenue	Regional Park and Open Space	12,424	11,909
Special Revenue	Air Quality Improvement	170	120
Special Revenue	In-Home Support Services	1,037	1,580
Special Revenue	Perris Valley Cemetery	612	616
Capital Project	Regional Park and Open Space	7,682	8,349
Capital Project	Flood Control	45	18
Enterprise	Housing	24,869	26,800
Trust and Agency	Agency Funds	294,179	313,429
Trust and Agency	Private Property Trust	120,662	61,319
Debt Service	Pension Obligation	6,395	6,158
Other	Children and Families Commission	42,039	42,697
<b>Other Cash Resources of Riverside County</b>		<b>\$510,649</b>	<b>\$473,551</b>

Fund Type	Audited Actual Balance 06/30/14	Actual/Projected Balance 06/30/15
Alternative Cash Resources	\$861,980	\$941,735
Other Restricted Cash	510,649	473,551
General Fund Unrestricted Cash	129,305	159,577
<b>All Riverside County Cash</b>	<b>\$1,501,934</b>	<b>\$1,574,863</b>

❖ Funds can be accessed by Auditor without the need for board approval

❖ Projected cash resources

- June 30, 2016 – \$1.618 billion



## FY 15-16 TRANS

- ❖ \$250 million Tax and Revenue Anticipation Note
  - Over 25 years of continuous issuance and timely repayment
  - Successful standalone issue done for FY 2011, FY 2012, FY 2013, FY 2014 and FY 2015
  - Covenant to provide quarterly cash flow updates through EMMA
- ❖ One Maturity
  - Due June 30, 2016
- ❖ Use of Proceeds
  - General fund expenditures during fiscal year
- ❖ Set-Asides – Deposited with Outside Paying Agent
  - January 2016 – 60%
  - May 2016 – 40%

# CREDIT METRICS

- ❖ Notes sized appropriately: 8.17% of estimated FY 15-16 receipts
- ❖ Strong coverage from General Fund cash balance and receipts for each set-aside and maturity

Set-Aside Date	General Fund Coverage
January 29, 2016	2.89X
May 31, 2016	3.90X

Series	Maturity Date	General Fund Coverage	General Fund + Borrowable Resources Coverage
Series A	June 30, 2016	1.88X	8.18X

- ❖ Healthy interval between set-aside and maturity

Maturity Date	Weighted Interval Between Set-Aside & Maturity
June 30, 2016	102 days



# CONCLUSION

## FY 15-16 TRANs CREDIT SUMMARY

- ❖ Strong seasoned Executive Management Team and strong Board commitment to maintain prudent reserves
- ❖ Solid credit fundamentals
- ❖ Set asides provide security of payment and margin for adjusting to changes
- ❖ Cash resources
  - Cash position is improving through active management
  - Clarification of cash in general fund enhances security
  - Liquidity remains strong and ensures payment
- ❖ Unblemished TRAN repayment and disclosure history

The County's TRANs are consistent with the highest short-term ratings