



CITY OF RIVERSIDE, CALIFORNIA

COMMUNITY REPORT - BUDGET 101

RIVERSIDE AT A GLANCE



12th
largest city in
California



59th largest city
in the US



Fastest
growing region in
California




\$74,132
average income



110,000
annual airport
operations

81.5
square miles

2.7 million
20-mile radius population

317,307 Riverside
(2015)



30.5
median age



accessible from several
major
interstates,
freeways &
rail service

CITY LEADERSHIP



Rusty Bailey
Mayor



Mike Gardner
Ward 1



Andy Melendrez
Ward 2



Mike Soubirous
Ward 3



Paul Davis
Ward 4



Chris Mac Arthur
Ward 5



Jim Perry
Ward 6



John Burnard
Ward 7



Gary Geuss
City Attorney



John Russo
City Manager



Colleen Nicol
City Clerk



COMMUNITY
AND ECONOMIC
DEVELOPMENT



FINANCE



FIRE



GENERAL
SERVICES



HUMAN
RESOURCES



INNOVATION &
TECHNOLOGY



LIBRARY



MUSEUM &
CULTURAL AFFAIRS



PARKS, RECREATION
AND COMMUNITY
SERVICES



PUBLIC WORKS



POLICE



PUBLIC UTILITIES

KEY FINANCIAL CHALLENGES



Lack of funding for the City's basic infrastructure needs



Lack of funding for new essential programs, such as the Community Prosecutor



Lack of reserves for legal claims and settlements

KEY OPPORTUNITIES



Sale of City Properties



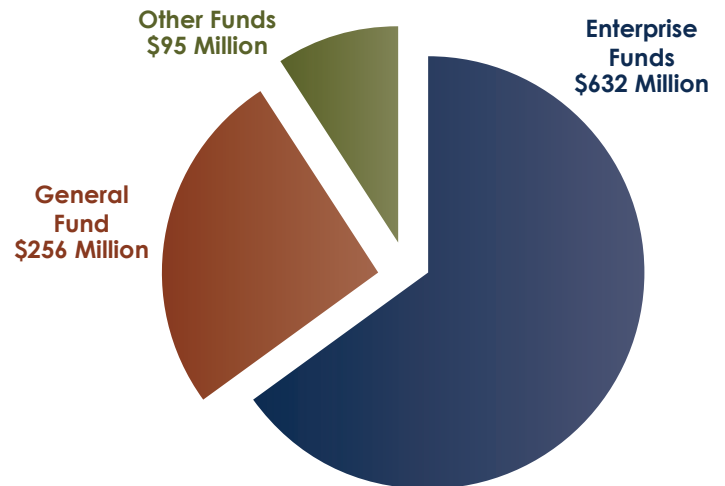
Additional Effectiveness and Efficiency Measures



New Revenues

OVERALL CITY FINANCES

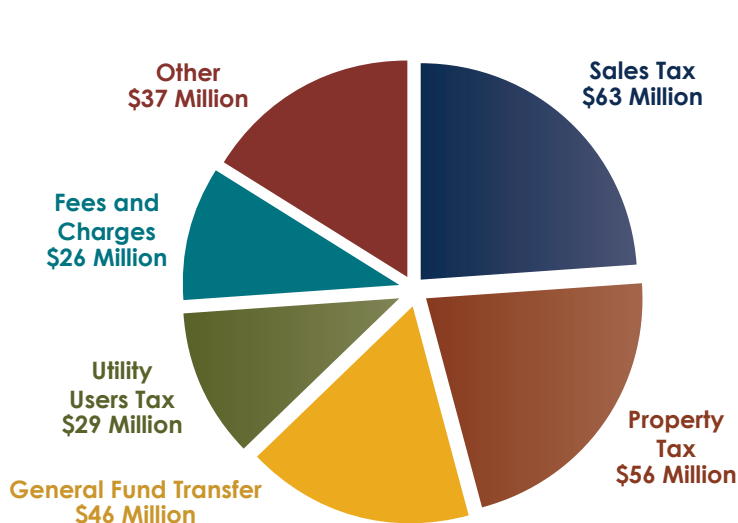
The City's overall annual budget is approximately \$1 billion. The City has 100 individual funds, most of which exist to account for specific, often restricted, revenues or expenditures. The fund over which the City Council has the most discretion is the General Fund.



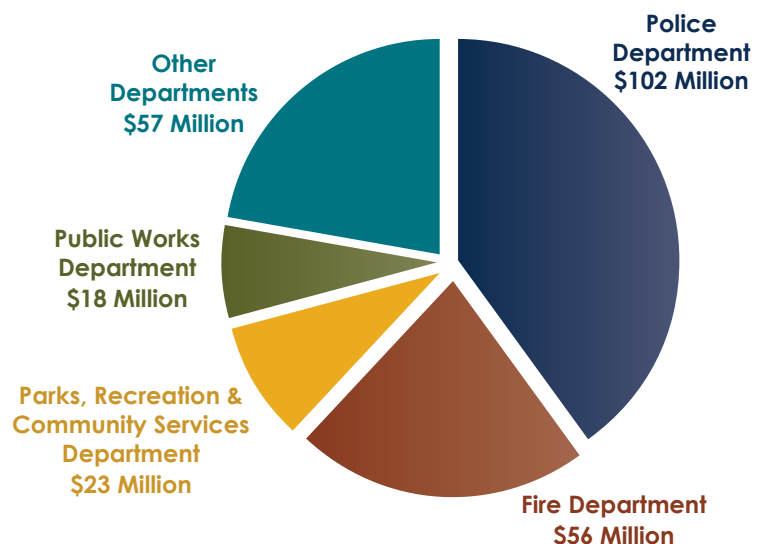
All Funds
Fiscal Year 2015 - 2016
\$983 Million

GENERAL FUND

The most complex City fund is the General Fund. It receives most of the City's taxes (such as Property and Sales taxes), and pays for services provided by 16 different departments.

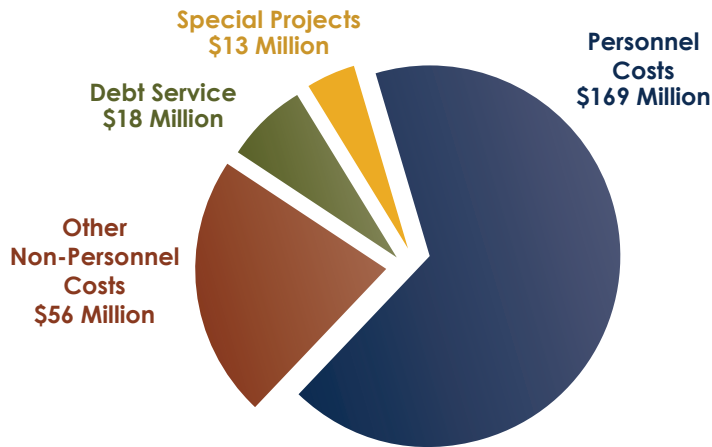


General Fund Revenues
Fiscal Year 2015 - 2016
\$257 Million



General Fund Expenditures
Fiscal Year 2015 - 2016
\$256 Million

PRIMARY COST CATEGORIES



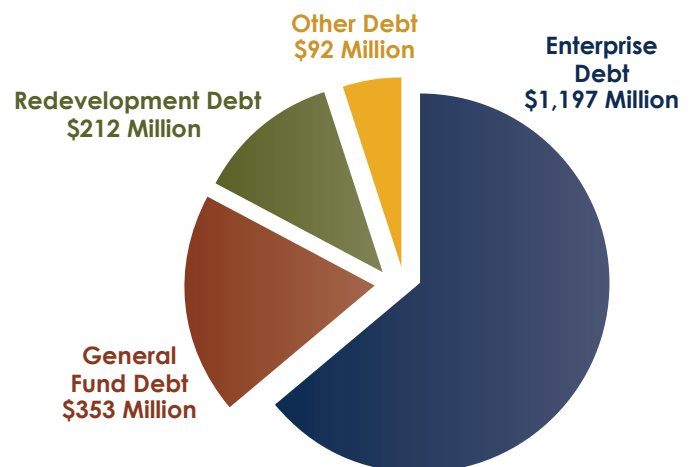
General Fund Expenditures
Fiscal Year 2015 -2016
\$256 Million

PERSONNEL COSTS

For the City's various operating funds, personnel costs are typically the greatest driver of expenditures. In the General Fund specifically, personnel expenses (comprised of salary and benefits) make up nearly 66% of total budgeted costs.

CITY DEBT PORTFOLIO

The City currently has an outstanding debt portfolio of approximately \$2 billion. This is considered by the bond rating agencies, which monitor and rate the City's credit worthiness, to be a moderate debt load for an organization of our size. Riverside has incurred a significant increase in its overall debt load in the last ten years, but this has been primarily to address the necessary enhancements to the aging infrastructure systems (Sewer and Water) throughout the City. Additional significant debt paid for a multitude of improvements and new construction associated with the City's Renaissance Initiative, as well as the former Redevelopment Agency.



Citywide Debt
Fiscal Year 2015 -2016
~\$2 Billion

INTERFUND LOANS

Interfund loans are internal borrowings approved by the City Council over the years to fund smaller, shorter term projects for which outside financing would have been significantly more costly. These loans consist of one fund making a loan to another fund using resources it does not immediately need. The interfund loans have always received City Council approval, bear interest at the same rate the loaning fund would have received if the funds were left in the City's invested cash pool, and have always been accounted for properly. The Sewer Fund has historically been most commonly tapped to fund these loans, and a special audit of that activity was accomplished about one year ago to confirm that the accounting and use of these funds was appropriate and properly handled.

IMPORTANT CHANGES IN THIS BUDGET



KEY THEME

The underlying theme for the upcoming two-year budget is **"Taking Care of Essential Services and Infrastructure"**. With the City's new executive team on board, the time is particularly appropriate to take a fresh look at where we are, assess where we are headed, and think strategically about any adjustments to that path we believe need to be made as we proceed with budget development.



FIVE-YEAR PLANNING

The development of a five-year plan as the budget is being constructed has the advantage of helping identify the fiscal challenges facing the City, and naturally draws attention to the development of short and long term solutions that are sustainable to secure the City's fiscal strength.



TRANSPARENT AND PARTICIPATORY PROCESS

This year, for the first time, the budget process is genuinely designed to both inform and solicit feedback from the public. The City's commitment to openness and transparency means many public meetings will be held to discuss Riverside's budget and future. Come to one of these meetings and let your opinions be known!

COMMUNITY MEETINGS

March 10, 2016

6:30 to 8:30 PM

Taft Elementary School
959 Mission Grove Parkway

March 16, 2016

6:00 to 7:30 PM

City Hall, Mayor's Ceremonial Room, 7th Floor
3900 Main Street

March 23, 2016

6:00 to 7:30 PM

César Chávez Community Center
2060 University Avenue, Auditorium

March 24, 2016

6:00 to 7:30 PM

Janet Goeske Senior Center
5257 Sierra Street

March 28, 2016

6:00 to 7:30 PM

Renck Center at Hunt Park
4015 Jackson Street
Grand Ballroom Part A

March 29, 2016

6:00 to 7:30 PM

La Sierra Community Center
5215 La Sierra Avenue

Additional meetings will be held with City employees and labor unions.

WE INVITE YOUR INPUT

We encourage you to attend the above meetings and also provide input online at **EngageRiverside.com**.