



- IN BRIEF -
**BIENNIAL
BUDGET**

FISCAL YEARS
2024 - 2025
2025 - 2026



BUDGET MESSAGE



The City's Mission

The City of Riverside is committed to providing high quality municipal services to ensure a safe, inclusive, and livable community.

At the June 25, 2024, City Council Meeting, the City of Riverside adopted its Biennial Operating Budget and Capital Improvement Program (CIP) for Fiscal Years (FY) 2024-2026. This budget reflects the City's steadfast commitment to strategic financial management, financial stability, economic growth, and enhancing the quality of life for all Riverside residents. The budget is balanced year over year, with significant investments in public safety, housing, homelessness response, park and library improvements, funding for the arts, and community events – everything that makes Riverside a great place to live, work, play, and raise a family.

Guided by the City Council's strategic priorities and shaped by robust community engagement, this budget aligns resources to meet the needs of Riverside residents. Through initiatives like the "Your Money, Your Voice" workshops, a Quality of Life survey, input gathered from various City boards, commissions, City Council committee meetings, and a City Council budget workshop, we ensured that our decisions reflect the community's voice.

In developing the FY 2024-2026 biennial budget, Priority Based Budgeting principles were applied to ensure alignment with the City's strategic priority of maintaining a high-performing government. This approach focuses on achieving and sustaining financial health while supporting the City's strategic goals of building community trust, promoting equity, ensuring fiscal responsibility, fostering innovation, and enhancing sustainability and resiliency.

Riverside has a strong economy underpinning a robust City budget that meets today's needs while laying the foundation for continued success to meet future challenges and enhance the quality of life for all residents.

I extend my gratitude to the City Council, City staff, and Riverside residents for their contributions and support throughout the budget development process. Together, we will continue to build a resilient and prosperous Riverside.

Mike Futrell
City Manager
City of Riverside

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CITY OVERVIEW

DEMOGRAPHICS



12th
Largest City
in **California**

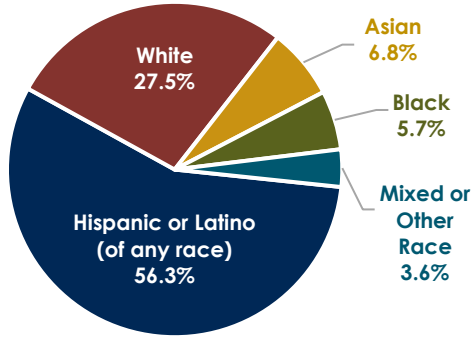
320,785
Population
(Estimated 2022)



32.6
Median Age
(2022)



\$630,000
Median Home Sales
Price (June 2024)



4.9%
Unemployment Rate
(June 2024)



\$101,513
Average Household
Income (2022)

City Demographic Sources: ESRI; Inland Valleys Association of Realtors; Riverside County Recorder; Employment Development Department Data (EDD); U.S. Census Bureau, California Dept of Finance; US Census Bureau, 2020 American Community Survey 5-Year Estimates (most recent data available at time of publication)

KEY STATISTICS



Public Utilities

112,751
of Electric Meters
at Year End 2023

66,441
of Water Meters
at Year End 2023



Police



4 Police Stations
1 Police Substation



628 Police Personnel
(Sworn & Non-Sworn)



Fire



14 Fire Stations
1 Training Facility



262 Fire Personnel



Culture & Recreation



8 Library Branches



14 Community Centers



3,011 Acres of Parks



43 Playgrounds
44 Softball/Baseball Diamonds



Public Works



30,745 Streetlights



893.28 Miles of Streets



422 Miles of Sewer Laterals



20 Wastewater Lift Stations



853
Miles of Gravity Sewers

KEY OPERATING INDICATORS (2023)

311

149,059
Calls Answered



1,675
Public Records
Requests



13,122
Code Enforcement
Cases Worked



14.6 Miles of Street
Resurfacing



267
Provided
Emergency
Rental
Assistance



2,240
Million
Kilowatt-Hours
Produced



60,185
Million Gallons of
Potable Water
Produced

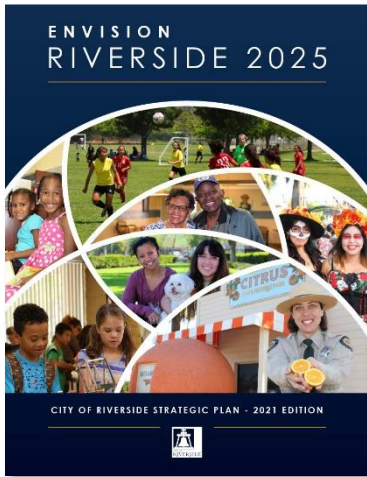


130,483
Annual Flight
Operations

STRATEGIC PLAN

CITY VISION: Riverside is a city where every person is respected and cherished, where equity is essential to community well-being, where residents support one another, and where opportunities exist for all to prosper. In Riverside, everyone comes together to help the community, economy and environment reach their fullest potential for the public good.

CITY MISSION: The City of Riverside is committed to providing high quality municipal services to ensure a safe, inclusive, and livable community.



CROSS-CUTTING THREADS: Major themes that exist within the Envision Riverside 2025 Strategic Plan and should be reflected in all our outcomes include:

Community Trust – Riverside is transparent and makes decisions based on sound policy, inclusive community engagement, involvement of City Boards & Commissions, and timely and reliable information. Activities and actions by the City serve the public interest, benefit the City’s diverse populations, and result in greater public good.

Equity – Riverside is supportive of the City’s racial, ethnic, religious, sexual orientation, identity, geographic, and other attributes of diversity and is committed to advancing the fairness of treatment, recognition of rights, and equitable distribution of services to ensure every member of the community has equal access to share in the benefits of community progress.

Fiscal Responsibility – Riverside is a prudent steward of public funds and ensures responsible management of the City’s financial resources while providing quality public services to all.

Innovation – Riverside is inventive and timely in meeting the community’s changing needs and prepares for the future through collaborative partnerships and adaptive processes.

Sustainability and Resiliency – Riverside is committed to meeting the needs of the present without compromising the needs of the future and ensuring the City’s capacity to persevere, adapt and grow during good and difficult times alike.

FUNDING PRIORITIES

The City's strong local economy provides a robust financial foundation, enabling the funding of critical needs and new initiatives. Through prudent financial planning, the FY 2024-2026 Budget aligns with the City's strategic priorities by funding Economic Development, Quality of Life, and High Performing Government.

ECONOMIC DEVELOPMENT

The biennial budget allocates an additional \$5.3 million over two years to support high-paying job and business development initiatives. These investments build on existing funding, focusing on strengthening Riverside businesses, attracting new enterprises, streamlining permit processing, and fostering a vibrant community.



\$1.2M
One-Stop Shop
Software Upgrade



\$1.4M
Workforce
Development



\$450K
Economic
Development
Studies



**\$1.3M &
2 FTE**
Branding &
Economic
Development



\$975K
Ohmio Autonomous
Vehicles Partnership

QUALITY OF LIFE

The biennial budget increases investments by \$29.4 million and 29.09 FTEs over the two years to enhance arts, cultural, and recreational enrichment, promote community engagement, and support the expansion, maintenance, and renewal of public areas.



**\$2.1M &
6.5 FTE**
Library Materials
& Programs



**\$2.3M &
5.75 FTE**
Parks Maintenance
& Improvements



**\$13.7M &
11.25 FTE**
Public Safety



\$1.4 M
Community
Events



\$7.7M
Streets,
Medians, and
Landscaping



**\$2.2M &
5.59FTE**
Parks Arts, Cultural
& Recreation
Programs

HIGH PERFORMANCE GOVERNMENT

Over the two-year biennial budget, an additional investment of \$4.3 million and 15.00 FTEs is empowering our highly motivated, trained, and responsive team to energize the community, transforming the City into a vibrant hub of opportunity and excellence for residents, businesses, and visitors alike.



4.50 FTE
Internal
Support
Staff



1.0 FTE
Public
Records Act
Requests



\$1.6M
Technology
Upgrades



4.0 FTE
Contract
Management
Program



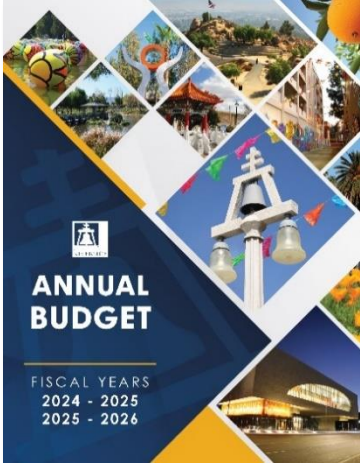
\$2.7M
Citywide
Support

Investing in the City's Future

The City is well-positioned to drive transformative growth within the Riverside community and economy. This budget ensures prudent financial planning while leveraging innovative strategies to address fiscal challenges and promote local economic growth. New revenue sources, revenue enhancement initiatives, and strong property tax performance from increased assessed values are helping the City to safeguard long-term fiscal health and meet critical needs, including:

- \$48.9 million over two years for street repair and repaving.
- \$7.1 million over two years for traffic improvements and bicycle/pedestrian access and safety.
- \$14.7 million over two years for street medians and landscaping.
- \$10.6 million over two years for park repairs, renovations, and improvements.
- Funding to improve library services, including additional staff to expand patron services and programs, as well as enhanced funding for library materials.
- Investments in crime prevention and response capabilities, including replacing outdated equipment, expanding fire arson programs, and modernizing alert systems in fire stations.
- Funding to combat homelessness through investments in affordable housing, supportive services, homeless prevention programs, shelters, supportive housing, and pathways to stable housing for vulnerable populations.
- Support for arts, festivals, and cultural events, including a Latin Festival, 4th of July fireworks, the Festival of Lights, seven community swimming pools, and additional community events throughout Riverside.

BUDGET OVERVIEW



Operating Budget: The City's Operating Budget is a flexible spending plan which serves as the legal authority for departments to commit financial resources. The budget sets forth a strategic resource allocation plan that addresses the City Council's Strategic Goals. The Budget is a policy document, financial plan, operations guide, and communication device all in one. Through this document, the City demonstrates accountability to its residents, customers, and community-at-large.

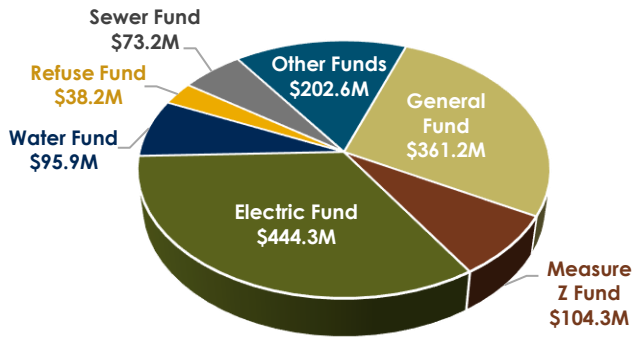
The operating budget details the funding for the day-to-day operations and obligations of the City for a specific fiscal year such as personnel costs, vendors and contractors, utilities, building maintenance, and debt payments. Every effort has been made to present the budget document in a "user-friendly" format with increased emphasis on trends and written explanations.

CITYWIDE ADOPTED BUDGET

ADOPTED JUNE 25, 2024

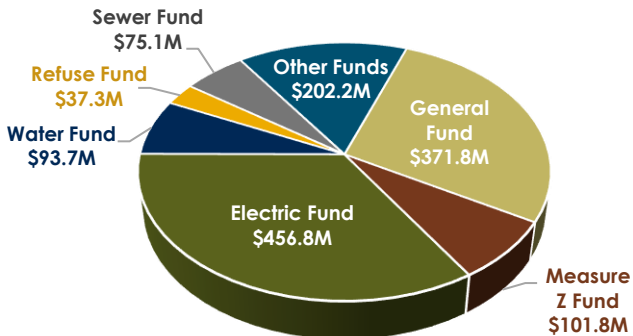
FY 2024/25 Operating Budget

\$1.32 Billion



FY 2025/26 Operating Budget

\$1.34 Billion



(in thousands)	FY 2024/25	FY 2025/26
Operating Revenue	\$ 1,205,620,034	\$ 1,253,363,290
Debt Transfers In	39,711,510	41,804,977
Operating Transfers In	115,171,560	114,946,265
Use of Section 115 Trust Set-Aside	4,764,089	4,351,712
Use of Reserves	-	194,312
Total Incoming Resources	\$ 1,365,267,193	\$ 1,414,660,556
Operating Expenditures	\$ 1,156,035,706	\$ 1,172,739,050
Debt Transfers Out	39,711,510	41,804,977
Operating Transfers Out	115,171,560	114,946,265
Water General Fund Transfer (GFT) Escrow	8,522,700	9,183,200
Designated for Operations	194,312	
Subtotal	\$ 1,319,635,788	\$ 1,338,673,492
Capital Improvement Plan	\$137,473,508	\$140,796,255
Total Outgoing Resources	\$ 1,457,109,296	\$ 1,479,469,747
Total City Personnel Full-Time Equivalents (FTE)	2,735.24	2,737.24

BUDGET GOALS

- **Financial Stability:** Ensuring the City's fiscal health and resilience by responsibly managing short and long-term finances.
- **Public Safety:** Prioritize community safety by funding law enforcement, fire protection, and crime prevention to enhance public safety outcomes.
- **Housing & Homelessness:** Invest in affordable housing, supportive services, and homeless prevention programs to address housing needs and provide stable housing pathways for vulnerable populations.
- **City Infrastructure:** Commit to maintaining and improving essential infrastructure like transportation, parks, and public facilities to support growth and quality of life.
- **Economic Growth:** Drive economic prosperity through job creation, business development, and investment attraction, enhancing the City's financial vitality and resilience.

CITY PROGRAMS



Community and Economic Development

Encourages growth and innovation in the City by providing residential and commercial development services and support, administering grants supportive of the City's residents, businesses, and overall economic growth. Includes affordable housing and homeless solutions.

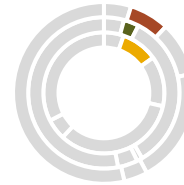


Expenditures: **\$62.1M**
 Revenue: **\$56.9M**
 Personnel: **144.50 FTE**



Culture and Recreation

Programs and services catering to the City's residents and visitors, including Parks and Recreation, Library, and Museum, as well as the Convention Center and other city-owned entertainment venues such as the Fox and Box Theaters.



Expenditures: **\$91.0M**
 Revenue: **\$43.2M**
 Personnel: **268.44 FTE**



General Government

City leadership, personnel and financial services, technology, and the maintenance of City properties are imperative to the success of outward-facing programs and services, while ensuring good governance, community involvement, and transparency in the administration of the City.



Expenditures: **\$123.3M**
 Revenue: **\$451.0M**
 Personnel: **367.80 FTE**



Public Safety

Emergency services provided by the Police and Fire Departments, as well as safety and prevention programs such as code compliance, crossing guard services, and animal control.



Expenditures: **\$263.3M**
 Revenue: **\$15.5M**
 Personnel: **913.25 FTE**



Public Works and Neighborhoods

Maintenance of the City's streets, sidewalks, landscaping, and other public infrastructure; neighborhood aesthetics; management of numerous capital improvement projects funded by state and federal funds. Includes assessment districts.



Expenditures: **\$53.8M**
 Revenue: **\$56.2M**
 Personnel: **151.25 FTE**



Utility and Transportation Services

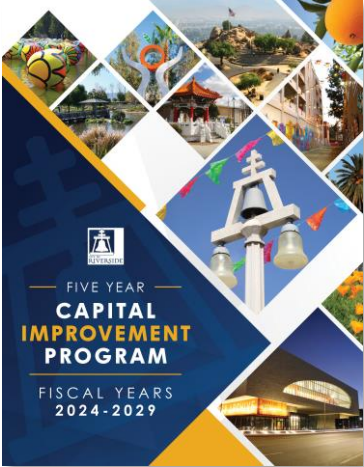
Electric, water, sewer, and refuse services are provided to City residents and businesses; capital projects are a large component of utility services as the City works to ensure a healthy utilities infrastructure and prevent service interruptions. Transportation services include Airport, Special Transit, and Parking.



Expenditures: **\$686.4M**
 Revenue: **\$702.6M**
 Personnel: **890.00 FTE**

Amounts reflect the FY 2024/25 amended budget excluding debt transfers in/out and capital projects.

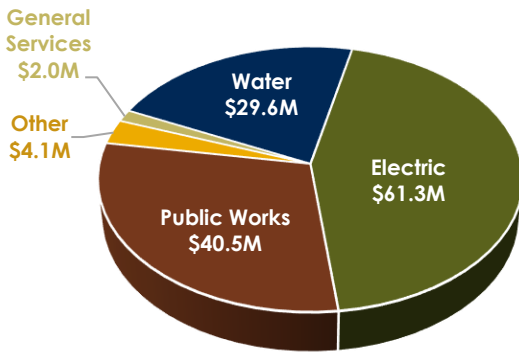
CAPITAL PROJECTS



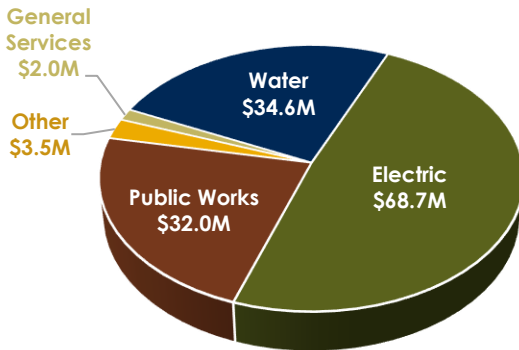
Capital Improvement Program: The City's operating and capital budgets are closely linked. The Capital Improvement Program (CIP) document is used as a planning tool to align capital project requirements to the financial sources that will support their realization and the timeframe in which both financing and work will take place. The CIP document, along with the City's Budget Transparency Portal, outlines a substantial investment of \$137.5 million in FY 2024/25 and \$140.8 million in FY 2025/26 for essential infrastructure projects. These funds will support 237 active and planned capital projects, with a total budget in the five-year plan of approximately \$721 million. Funding sources include ratepayer funds, bond funds, grants, tax pass-through (e.g., State Gas Tax), and more.

The City's commitment to capital investment is embodied in the Infrastructure, Mobility & Connectivity strategic priority of the Envision Riverside 2025 Strategic Plan to ensure safe, reliable infrastructure that benefits the community and facilitates connection between people, place and information.

FY 2024/25 Capital Budget by Department



FY 2025/26 Capital Budget by Department



CAPITAL IMPROVEMENT PROGRAM

APPROVED JUNE 25, 2024

	FY 2024/25	FY 2025/26
Electric Utility	\$ 61,322,116	\$ 68,722,302
Water Utility	29,569,277	34,573,077
Transportation Funds	17,484,615	15,725,876
Measure Z Tax Revenue	17,532,500	16,975,000
Sewer	9,920,000	3,800,000
Other	1,645,000	1,000,000
Total Funding Sources	\$ 137,473,508	\$ 140,796,255
Electric	\$ 61,322,116	\$ 68,722,302
Water	29,569,277	34,573,077
Municipal Buildings and Facilities	2,000,000	2,000,000
Parks, Recreation, & Community Services	4,057,500	3,500,000
Public Parking	1,545,000	900,000
Railroad	1,000,000	1,000,000
Sewer	9,920,000	3,800,000
Storm Drain	600,000	100,000
Transportation	27,459,615	26,200,876
Total Funding Uses	\$ 137,473,508	\$ 140,796,255

86 Projects Budgeted in FY 2024/25
75 Projects Budgeted in FY 2025/26

25 Water Projects

48 Transportation Projects

58 Electric Projects

10 Sewer & Storm Drain Projects

20 Other Projects

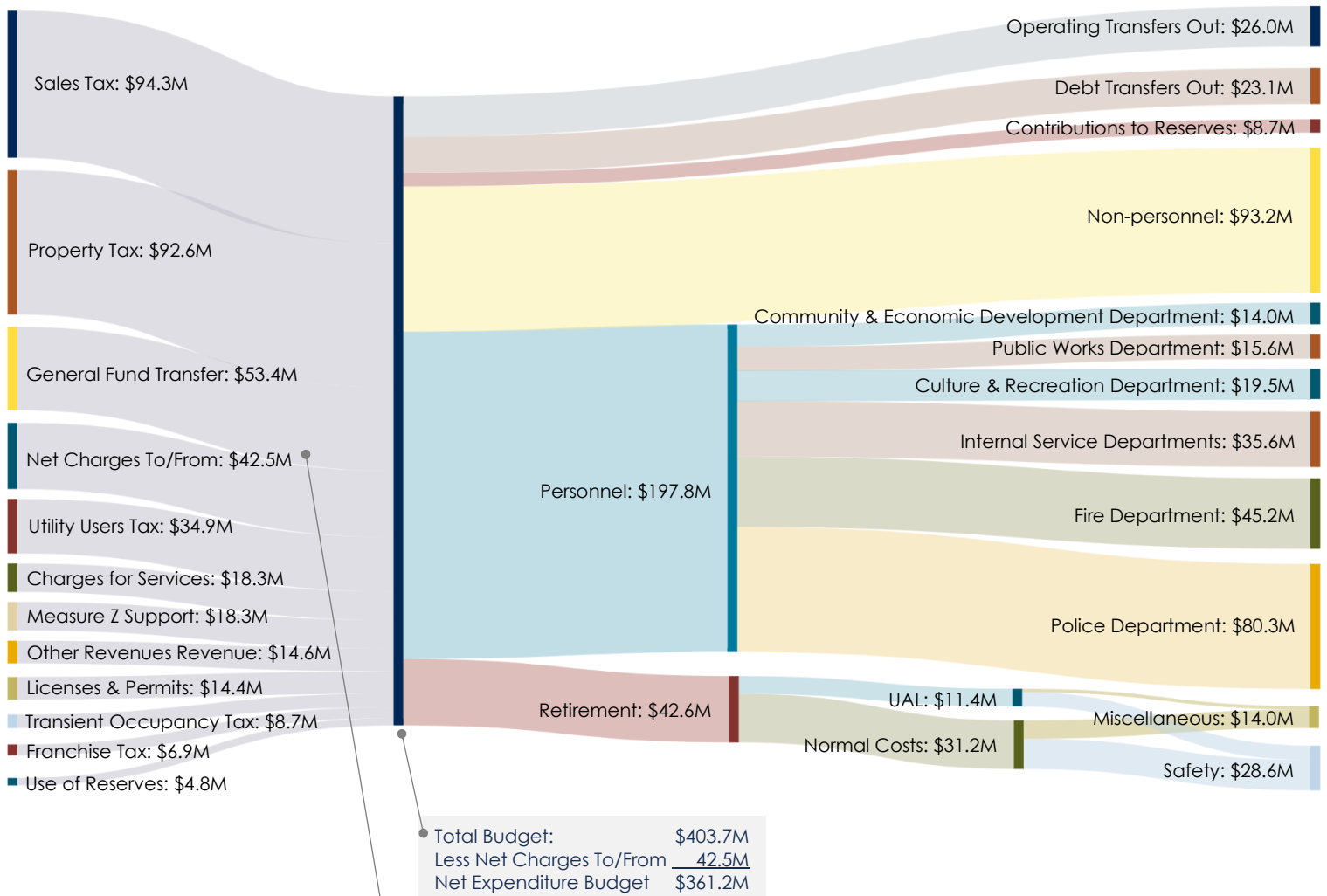
GENERAL FUND

Comprising approximately 27% of the citywide operating budget, the FY 2024-2026 General Fund budget is balanced for each fiscal year, with the FY 2024/25 budget totaling approximately \$361.2 million. Property and sales taxes, the City's largest revenue sources, comprise about 52% of total budgeted revenues. The biennial budget benefits from strong property tax growth, driven by recent increases in assessed values. Although sales taxes have flattened due to a slowdown in consumer and business spending, the overall sales tax base remains healthy. Additionally, the biennial budget includes revenue-enhancing initiatives, such as the March Joint Powers Authority revenue sharing agreement, a cannabis tax, the business tax compliance program, and increases in fees and charges resulting from the FY 2024/25 User Fees and Charges study.

The biennial budget allocates \$21 million over two years to the Section 115 Trust Fund to help manage anticipated increases in retirement costs. To mitigate the impact of these allocations on the General Fund, \$9.1 million from the \$35 million in Section 115 Trust Set-Aside reserves will be used. These measures are intended to minimize the fiscal impact of significant future retirement cost increases, helping the City maintain service levels and fund ongoing operations.

Resource Inflows: \$403.7 M

Resource Outflows: \$403.7 M

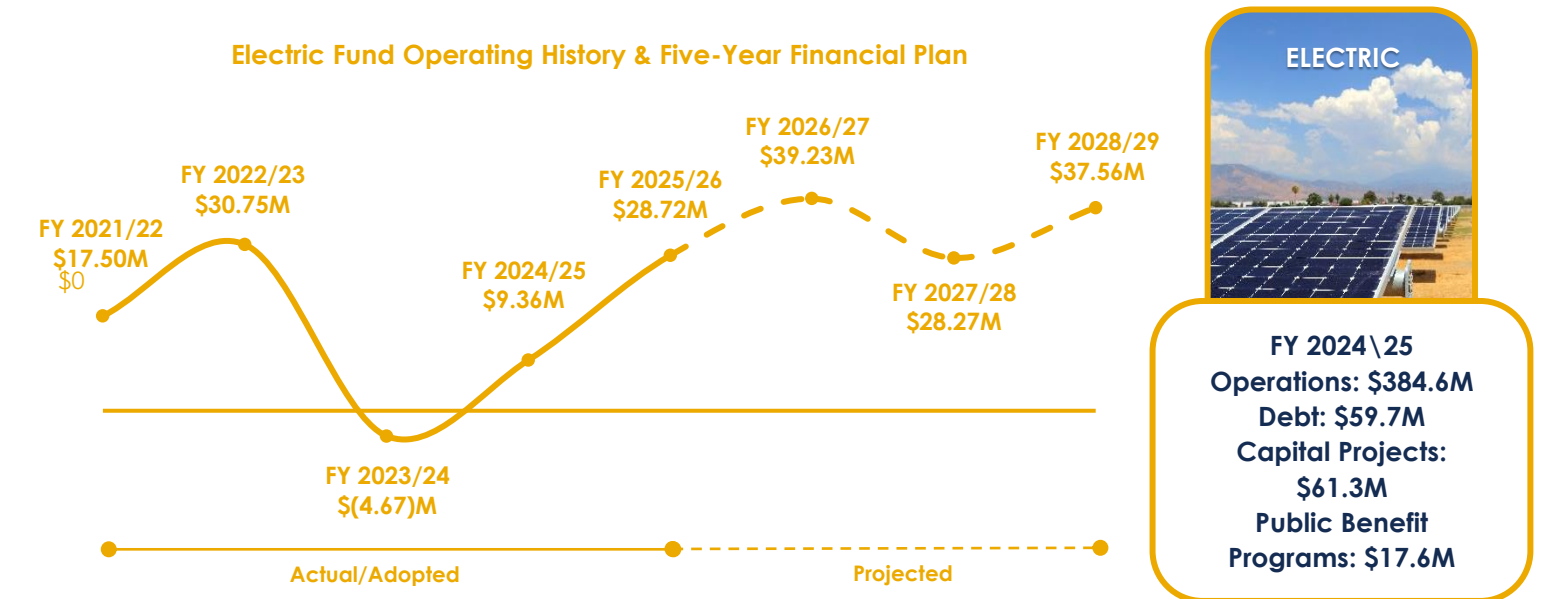
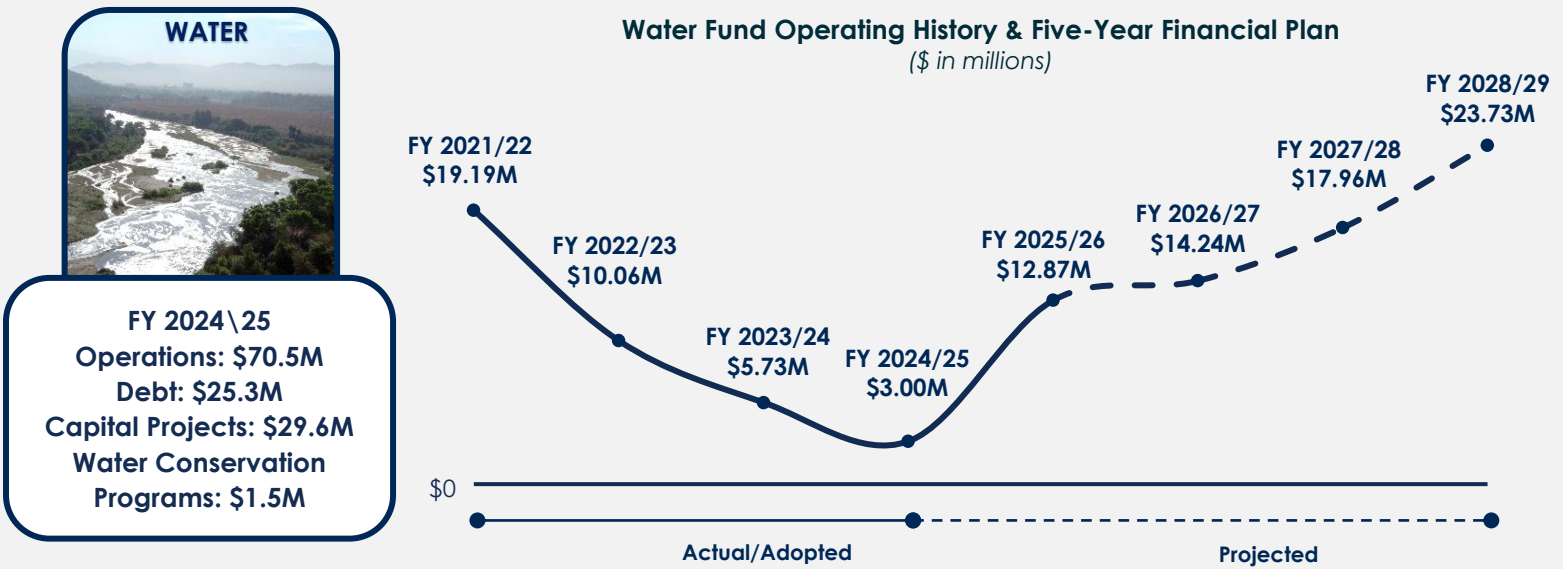


Note: Net Charges To/From is placed on the resource inflows side: this amount reflects other City funds' share of internal support services budgeted as an expense reimbursement in the General Fund. While providing an intuitive view of incoming and outgoing resources of the General Fund, the result is that each side of the diagram will vary from the General Fund schedules in the budget book by \$42.5 million, where Net Charges To/From is reported with expenditures.

MAJOR ENTERPRISE FUNDS

The major Enterprise Funds accounting for electric, wastewater/sewer, refuse, water, and public parking services to Riverside residents, businesses and some surrounding communities are presented here. Fees collected for these services support ongoing operations, maintenance, and expansion of related infrastructure, with some infrastructure projects funded by debt. The City has several other enterprise funds not shown here. Listed below are the individual FY 2024/25 operational, capital, and debt budgets for the City's major enterprise funds, as well as special program budgets, if any.

Working capital represents the available resources of an Enterprise Fund, calculated as the difference between current assets and current liabilities. The charts below illustrate the annual changes in working capital for each major enterprise fund. On September 19, 2023, the City Council adopted new five-year rate plans for the Electric, Water, and Refuse funds, which are reflected in the five-year financial plans. Additionally, a new Parking Rate and Hours Schedule was adopted on April 18, 2023. These new rates will significantly enhance the stability of these enterprise funds. The five-year plan for the Sewer Fund projects an annual operating deficit across all fiscal years, drawing on available reserves to achieve a balanced budget.

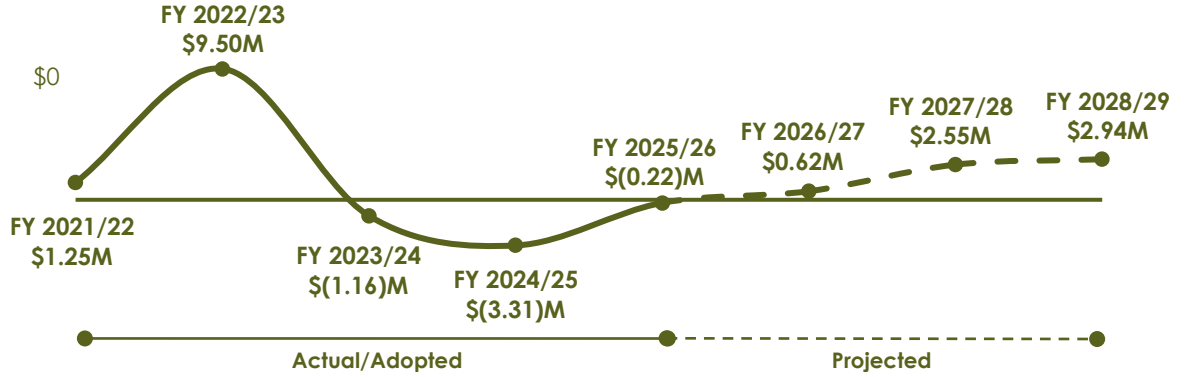


MAJOR ENTERPRISE FUNDS



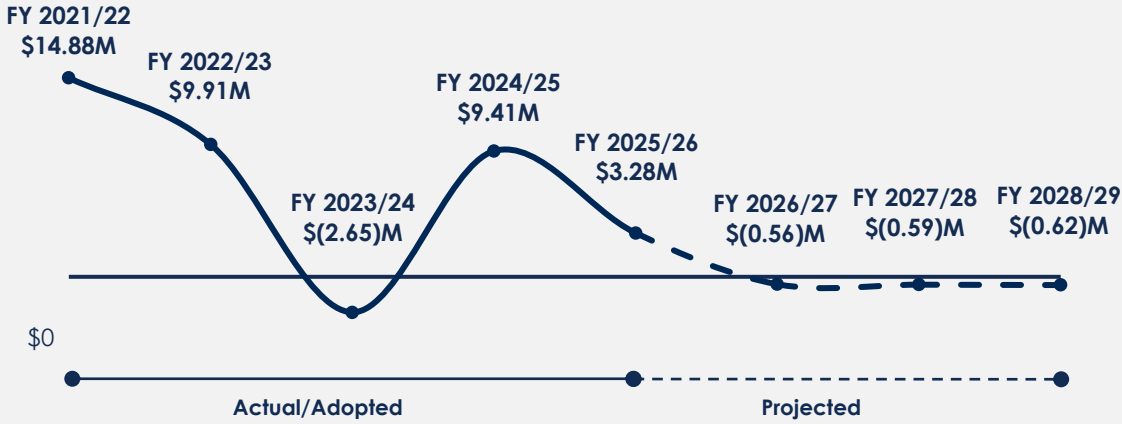
REFUSE

Refuse (Solid waste) Fund Operating History & Five-Year Financial Plan
(\$ in millions)



FY 2024/25
Operations: \$37.6M
Debt: \$0.6M

Sewer Fund Operating History & Five-Year Financial Plan
(\$ in millions)



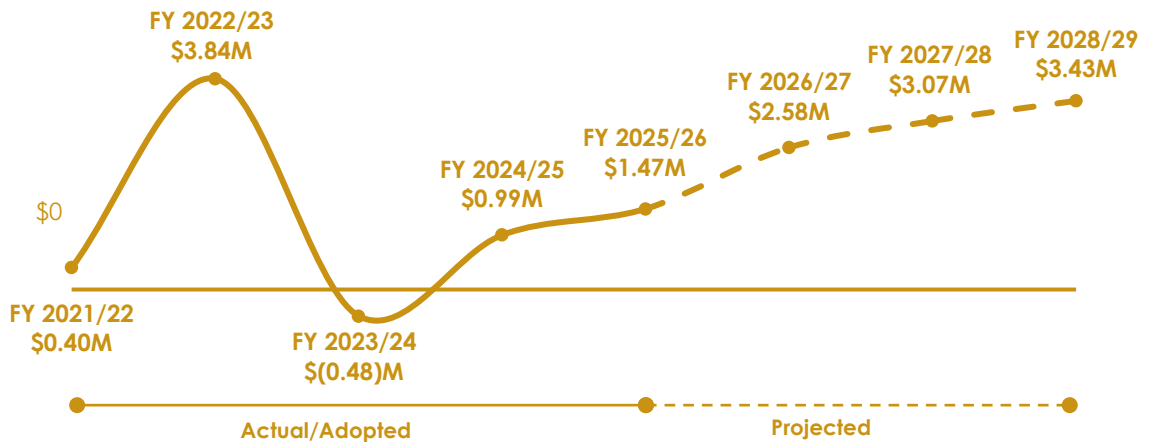
SEWER

FY 2024/25
Operations: \$45.1M
Debt: \$28.1M
Capital Projects: \$9.9M



PARKING

Public Parking Fund Operating History & Five-Year Financial Plan
(\$ in millions)



FY 2024/25
Operations: \$7.7M
Debt: \$1.8M
Capital Projects: \$1.5M

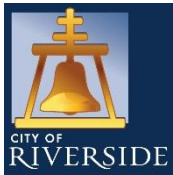


Mayor
Patricia Lock Dawson

RiversideCA.gov/Mayor



Elected by Ward



EXPLORE

the City's budget online at
RiversideCA.gov/finance/budget.asp

Connect with us: @CityofRiverside



City of Riverside, California

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