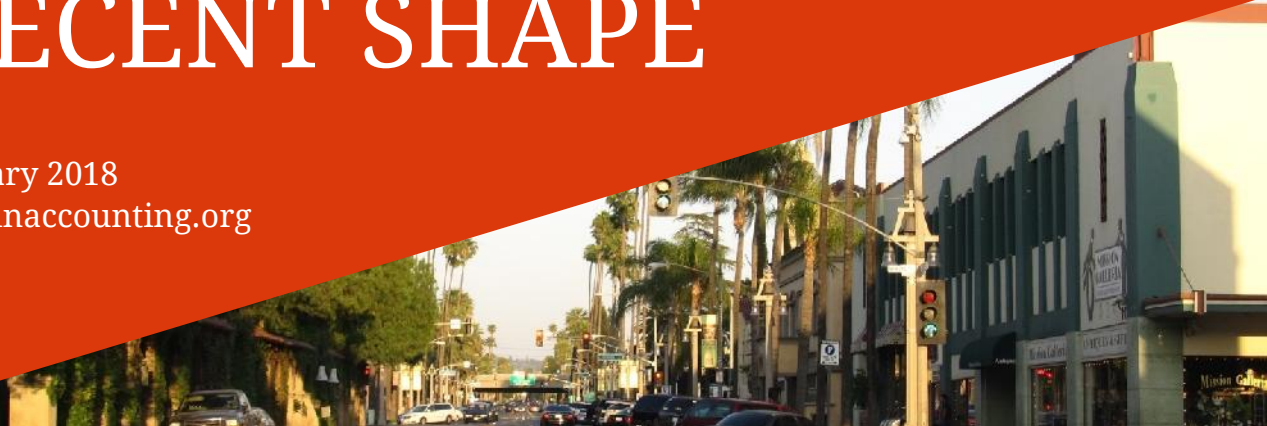




RIVERSIDE FINANCES IN DECENT SHAPE

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THE FINANCIAL STATE OF RIVERSIDE, CALIF.

Truth in Accounting's (TIA) new city report ranks and grades the 75 most populous cities in the United States by their financial health. Riverside ranks No. 25, earning it a "C" on TIA's grading scale.

Decisions by city officials have left the city with a debt burden of \$257.1 million, according to TIA's analysis of its 2016 financial filings. That burden equates to \$2,600 for every Riverside taxpayer.

Riverside's financial problems are largely driven by entitlement obligations in the form of pension benefits. The city has \$435.2 million in unfunded pension promises and \$40.2 million in unfunded retiree healthcare benefits. While Riverside has promised these benefits, little money has been set aside to fund them.

In 2015, government officials increased financial transparency by including the city's pension debt on its balance sheet. Unfortunately, 20 percent of Riverside's unfunded retiree healthcare debt is still not reported. With additional changes to accounting standards being implemented in fiscal year 2018, hopefully all retirement debt will be reported.

25

Rank

\$257.1
million

Money needed
to pay bills

-\$2,600

Taxpayer
Burden™

C

Financial grade

RIVERSIDE FINANCIAL BREAKDOWN

FAST FACTS

- + Riverside has \$818.9 million available in assets to pay \$1.1 billion worth of bills.
- + The outcome is a \$257.1 million shortfall and a \$2,600 Taxpayer Burden™.
- + The city reports all of its pension debt on its balance sheet. However, \$8.1 million of their retiree healthcare obligations have been excluded.

THE CITY'S BILLS EXCEED ITS ASSETS

Assets	\$4,166,511,000
<i>Minus:</i> Capital assets	-\$3,155,636,000
Restricted assets	-\$192,014,000
Assets available to pay bills	\$818,861,000
<i>Minus:</i> Bills	-\$1,075,996,000
Money needed to pay bills	-\$257,135,000
Each taxpayer's share of this debt	-\$2,600

BILLS THE CITY HAS ACCUMULATED

Bonds	\$1,361,816,000
Other liabilities	\$615,572,000
<i>Minus:</i> Debt related to capital assets	-\$1,376,856,000
Unfunded pension benefits	\$435,229,000
Unfunded retiree healthcare	\$40,235,000
Bills	\$1,075,996,000

GRADE: C

Bottom line: Riverside's Taxpayer Burden™ is less than \$5,000, so it has received a "C" for its finances from Truth in Accounting. While better off than many other cities, Riverside still owes more than it owns.

Truth in Accounting is committed to educating and empowering citizens with understandable, reliable, and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.