



CITY OF RIVERSIDE – NOVEMBER 2, 2021 ELECTION

————— **FOR INFORMATIONAL PURPOSES ONLY** —————

Measure C was placed on the November 2, 2021, ballot by the Riverside City Council



MEASURE C

City of Riverside Services Protection Measure.

To maintain such general city services as 911 response, fire, paramedic, police, street repairs, parks, senior services; address homelessness; shall the measure amending City of Riverside's Charter to continue collecting in electric rates and maintain the voter-approved fund transfer (established 1968), limited to 11.5% of gross revenue, providing approximately \$40,000,000 annually to City of Riverside's General Fund not increasing tax or utility rates, until ended by voters, requiring audits/all funds controlled locally, be adopted?



INTRODUCTION

1. Thank you for the Invitation & Ground Rule
2. Factual Background/History
3. General Fund
4. Closing
5. Questions & Answers



THANK YOU & GROUND RULE

- Thank you for the invitation
- City is **allowed** to inform/educate about Measure C;
City is **not allowed** to advocate for Measure C

Government Code sections 8314 and 54964

- Public information can be provided on a ballot measure's possible effects on activities, operations or policies if two conditions are met:
 - The informational activity is not prohibited by the U.S. Constitution or state law.
 - The information provided is an accurate, fair and impartial presentation of relevant facts to aid voters in reaching informed judgements regarding ballot measures or candidates.



FACTUAL BACKGROUND/HISTORY



City Charter has called for **transfers from electric utility to the General Fund** since voters first approved Charter in 1907.



1968 – City voters adopted a version of the Charter that called for a general fund transfer (GFT) from utilities in “**an amount equal to 11.5% of the utilities gross operating revenues.**” This language approved again in 1977.



Proposition 218 adopted in 1996 and Proposition 26 adopted in 2010:

- Amended California constitution to provide that certain fees and charges imposed by public agencies must be approved by voters

FACTUAL BACKGROUND/HISTORY

Parada v City of Riverside: ---

- City served with lawsuit in **September 2018** challenging the Electric General Fund Transfer seeking:
 - A refund of the transferred monies, and
 - A court order preventing the City from continuing the electric transfer going forward
- **May 19, 2021** – settlement announced by City and Parada Plaintiffs
 - Requires City to place a measure on an upcoming ballot that allows voters to consider authorization of the electric utility fund transfer



GENERAL FUND

The General Fund is the main operating fund for the City and accounts for resources to provide programs and services deemed necessary and desirable by the community.

Top revenue sources:

- Property Tax
- Sales Tax
(Including Transaction & Use Tax)
- Utility User Tax
- General Fund Transfer (GFT)

Funds a range of essential City services:

- Public Safety
- Parks & Community Services
- Public Works
- Community Development
- Homeless Outreach
- Business Support Services



GENERAL FUND



PROPOSED FY 2021/22 ANNUAL
BUDGET

Finance Department

City Council
June 22, 2021

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General Fund Overview

GENERAL FUND BUDGET SUMMARY

Revenue & Transfers In	\$287.0 M
Expenditures & Transfers Out	\$297.0 M
Balancing Measure – Expenditure Reductions	(10.0) M
Net Surplus/(Deficit)	\$-



Approximately \$2M of balancing measure achieved by moving 14 firefighter positions to Measure Z and reducing the Fire Vehicle Replacement Plan funding by the same amount for a net zero effect to the Measure Z spending plan.



5

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GENERAL FUND



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Vacancy Savings Target

	<u>FY 20/21 Target</u>		<u>FY 21/22 Target</u>		<u>May 17, 2021 Vacancies</u>	
	Amount	FTE	Amount	FTE*	Amount	FTE
Safety	\$6,189,151	49.0	\$6,019,026	45.3	\$9,041,295	68.0
Public Service	5,750,465	57.0	\$2,295,403	25.2	\$8,121,856	89.0
Internal Service	3,714,882	33.5	\$1,685,571	17.7	\$3,668,713	38.5
Total	\$15,654,498	139.5	\$10,000,000	88.2	\$20,831,864	195.5

*Based on average value of May 17, 2021 vacancies



6

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GENERAL FUND



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Electric GFT

1. The GFT provides an unrestricted revenue source to the General Fund.
 - a. Funds services that include, but are not limited to: 911 response, fire, paramedic, police, street repairs, parks, senior services, homelessness and other general services.
2. The Electric Transfer currently provides approximately \$40 million annually, or about 14% of the total General Fund operating budget.
3. Loss of the GFT would present significant impacts to city services and compromise departments' ability to advance Council's strategic priorities.

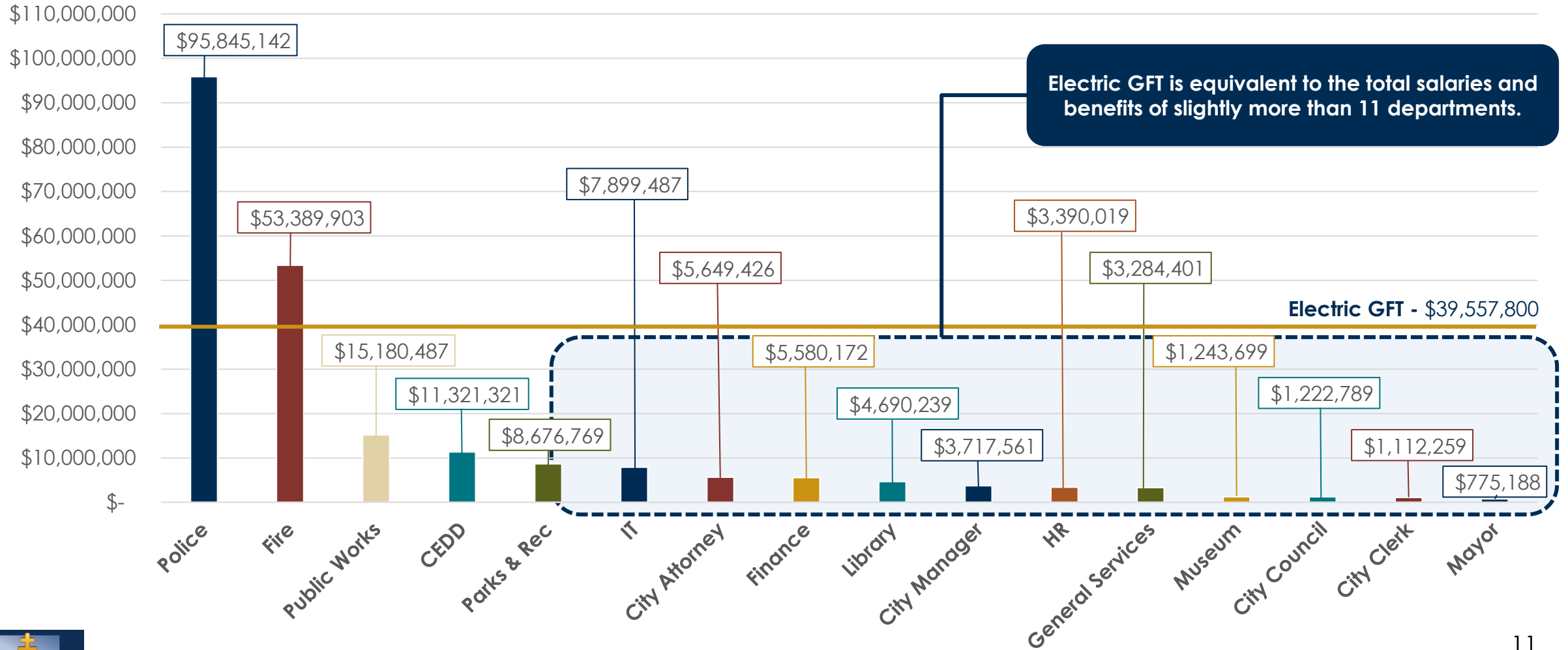


7

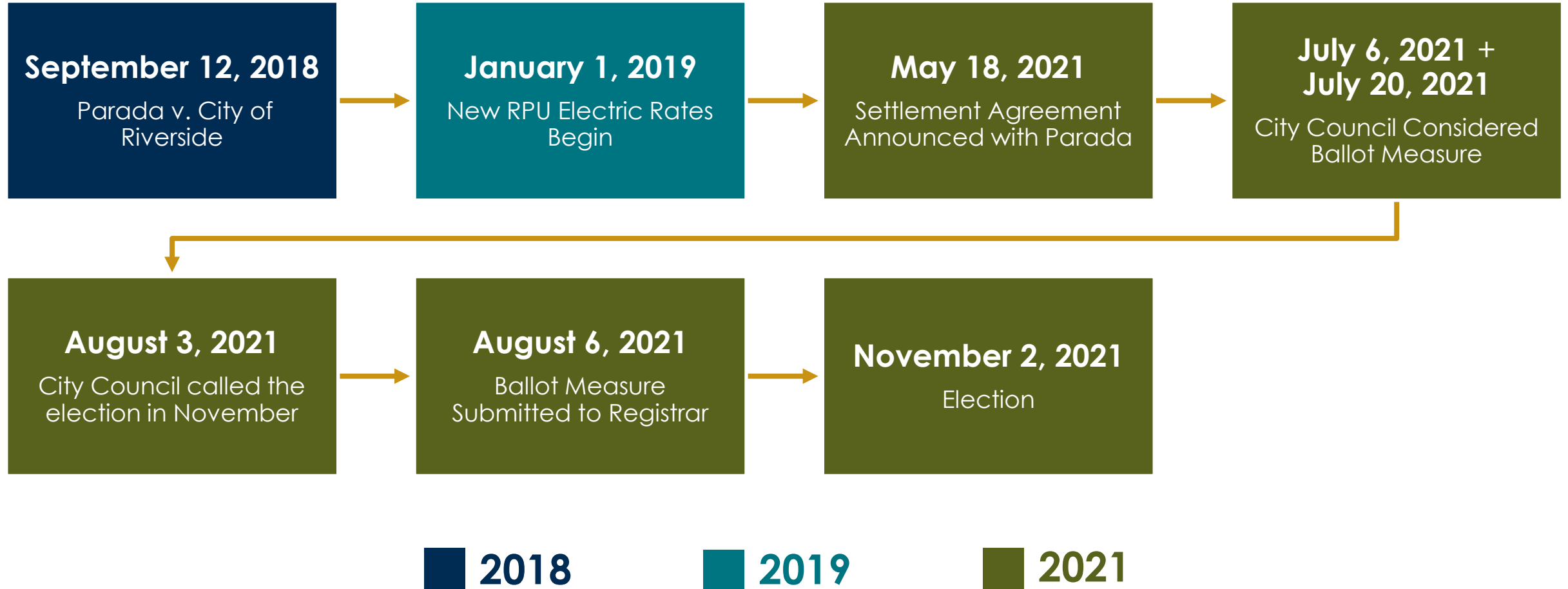
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GENERAL FUND



CLOSING



QUESTIONS & ANSWERS

