



City of Arts & Innovation

# News Release

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## **City of Riverside Sees Bond Ratings Upgraded, Financial Report Praised**

*Recognitions from outside agencies confirm strong fiscal management policies*

RIVERSIDE, Calif. – The City of Riverside’s strong fiscal management policies that are increasing budgeted reserves have generated positive review from the financial community.

Standard and Poor’s (S&P) has upgraded the rating of Riverside’s Pension Obligation Bonds (POBs) and General Obligation (GO) Bonds to “AA” from “AA-”. The upgraded rating shows that S&P believes the City’s financial condition is continuing to improve, making these bonds an even safer investment.

“Upgrades such as these show that the bond rating community recognizes and appreciates what we are doing in Riverside,” City Manager John Russo said. “Rating agencies who are accountable to investors do not make these decisions lightly.”

Specifically, the bonds are backed by the city’s General Fund, which has been bolstered by strict budgeting practices that have preserved and enhanced the City’s reserves during the past two years.

That action to increase reserves was one of several designed to improve the City of Riverside’s financial condition during the past few years. Others include switching to a two-year budget and five-year plan; reducing ongoing costs to align with ongoing revenues; programming additional funds from the successful passage of the Measure Z sales tax; creating a Budget Engagement Commission to provide input on City budgeting priorities; and focusing on paying off debt faster.

“The actions proposed by our city management and approved by our elected officials continue to increase the confidence that the financial world has in the City of Riverside,” Mayor Rusty Bailey said. “Years of financial discipline and growth have contributed to this rating.”

The City of Riverside also has been notified that its Comprehensive Annual Financial Report (CAFR) for the fiscal year that ended in 2017 has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA).

“The City of Riverside takes very seriously its commitment to provide residents with accurate information about how the city’s finances are being handled,” Chief Financial Officer Adam Raymond said. “This recognition from the GFOA shows we are meeting that commitment.”

The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, according to the GFOA, which describes attainment of the certificate as a significant accomplishment by a government and its management. The program’s high standards calls on agencies to clearly communicate a financial story and motivate people to read and use the CAFR.

“The CAFR is a virtual encyclopedia of financial information,” Mayor Pro Tem Chris MacArthur said. “Our City works very hard to provide this voluminous amount of information so we can be as transparent as possible, and the GFOA award is a stamp of approval from a respected outside agency.”