

City of Riverside
Statement of Net Assets
June 30, 2010
(amounts expressed in thousands)

	Governmental	Business-type	
Assets	Activities	Activities	Total
Cash and investments	\$ 136,095	\$ 212,598	\$ 348,693
Receivables, net	98,530	48,077	146,607
Inventory	6,015	1,151	7,166
Nuclear material inventory	-	1,825	1,825
Prepaid items	4,849	10,774	15,623
Deferred charges - other	125,523	43,142	168,665
Deferred charges - derivative instruments	12,937	24,859	37,796
Derivative instruments	-	19,009	19,009
Internal balances	11,774	(11,774)	-
Land and improvements held for resale	97,978	-	97,978
Restricted assets:			
Cash and cash equivalents	-	39,361	39,361
Cash and investments at fiscal agent	127,316	477,868	605,184
Other	-	725	725
Capital leases receivable	24,220	-	24,220
Land and other capital assets not being depreciated	325,652	210,600	536,252
Capital assets (net of accumulated depreciation)	<u>843,180</u>	<u>1,009,588</u>	<u>1,852,768</u>
Total assets	<u>1,814,069</u>	<u>2,087,803</u>	<u>3,901,872</u>
Liabilities			
Accounts payable and other current liabilities	43,881	22,966	66,847
Accrued interest payable	9,110	12,985	22,095
Deferred revenue	185	1,733	1,918
Deposits	26,953	3,503	30,456
Current liabilities payable from restricted assets	-	4,438	4,438
Deferred charges - derivative instruments	-	19,009	19,009
Derivative instruments	18,653	29,203	47,856
Decommissioning liability	-	63,552	63,552
Noncurrent liabilities:			
Due within one year	69,290	28,925	98,215
Due in more than one year	641,398	961,287	1,602,685
Total liabilities	<u>809,470</u>	<u>1,147,601</u>	<u>1,957,071</u>
Net Assets			
Invested in capital assets, net of related debt	976,614	660,619	1,637,233
Restricted for:			
Expendable:			
Capital projects	52,387	-	52,387
Debt service	-	47,842	47,842
Economic development	12,778	-	12,778
Landfill capping	-	2,466	2,466
Public works	11,848	-	11,848
Housing	30,298	-	30,298
Programs	-	9,555	9,555
Nonexpendable	1,621	-	1,621
Unrestricted	<u>(80,947)</u>	<u>219,720</u>	<u>138,773</u>
Total net assets	<u>\$ 1,004,599</u>	<u>\$ 940,202</u>	<u>\$ 1,944,801</u>

The notes to the financial statements are an integral part of this statement.

City of Riverside
Statement of Activities
For the fiscal year ended June 30, 2010
(amounts expressed in thousands)

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business type Activities	Total
Governmental activities:								
General government	\$ 119,676	\$ (44,732)	\$ 12,933	\$ 7,944	\$ 1,195	\$ (52,872)		\$ (52,872)
Public safety	118,868	23,902	8,177	4,953	2	(129,638)		(129,638)
Highways and streets	22,036	12,237	17,847	11,941	22,198	17,713		17,713
Culture and recreation	37,679	8,593	2,367	8,015	-	(35,890)		(35,890)
Interest on long-term debt	32,049	-	-	-	-	(32,049)		(32,049)
Total governmental activities	330,308	-	41,324	32,853	23,395	(232,736)		(232,736)
Business type activities:								
Electric	256,860		309,910	-	3,477	\$ 56,527		56,527
Water	55,402		57,534	-	2,052	4,184		4,184
Sewer	41,248		27,342	-	-	(13,906)		(13,906)
Refuse	20,527		18,712	-	-	(1,815)		(1,815)
Airport	2,206		1,315	-	108	(783)		(783)
Transportation	3,368		328	2,487	1,193	640		640
Public parking	4,024		4,876	-	8	860		860
Total business type activities	383,635		420,017	2,487	6,838	45,707		45,707
Total	\$ 713,943		\$ 461,341	\$ 35,340	\$ 30,233	(232,736)	45,707	(187,029)
General revenues:								
Taxes:								
Sales								
Property						39,645	-	39,645
Utility users						104,087	-	104,087
Franchise						25,975	-	25,975
Other						4,477	-	4,477
						2,488	-	2,488
Intergovernmental, unrestricted								
Investment income						1,339	-	1,339
Miscellaneous						11,405	21,271	32,676
Subtotal						228	7,447	7,675
Transfers, net								
Total general revenues and transfers						189,644	28,718	218,362
Change in net assets						40,153	(40,153)	-
Net assets - beginning						229,797	(11,435)	218,362
Net assets - ending						(2,939)	34,272	31,333
						1,007,538	905,930	1,913,468
						\$ 1,004,599	\$ 940,202	\$ 1,944,801

The notes to the financial statements are an integral part of this statement.

City of Riverside
Balance Sheet
Governmental Funds
June 30, 2010
 (amounts expressed in thousands)

Assets	General Fund	Redevelopment Debt Service	Certificates of Participation Debt Service	Capital Outlay	Redevelopment Capital Projects	Other Governmental Funds	Total Governmental Funds
Cash and investments	\$ 47,835	\$ 13,221	\$ 229	\$ 292	\$ 32,167	\$ 36,962	\$ 130,706
Cash and investments at fiscal agent	8,630	7,458	31,749	2,451	73,013	4,015	127,316
Receivables (net of allowance for uncollectibles)							
Interest	260	127	-	108	143	219	857
Property taxes	5,685	-	-	-	-	716	6,401
Sales tax	8,496	-	-	-	-	-	8,496
Utility billed	767	-	-	-	-	-	767
Accounts	3,981	114	-	700	8	3,962	8,765
Intergovernmental	2,610	-	-	38,597	1,646	6,846	49,699
Notes	180	-	-	-	4,474	18,753	23,407
Capital lease receivable	-	24,220	-	-	-	-	24,220
Prepaid items	373	-	8	-	1	-	382
Deposits	76	-	-	176	4,215	-	4,467
Due from other funds	23,846	-	-	-	3	-	23,849
Advances to other funds	26,884	-	931	-	-	17,062	44,877
Land & improvements held for resale	-	-	-	-	83,742	14,236	97,978
Total assets:	<u>\$ 129,623</u>	<u>\$ 45,140</u>	<u>\$ 32,917</u>	<u>\$ 42,324</u>	<u>\$ 199,412</u>	<u>\$ 102,771</u>	<u>\$ 552,187</u>
Liabilities and fund balances							
Liabilities:							
Accounts payable	\$ 5,666	\$ 2	\$ 37	\$ 4,770	\$ 14,179	\$ 1,678	\$ 26,332
Accrued payroll	13,484	-	-	-	64	49	13,597
Retainage payable	12	-	-	-	318	2,626	2,956
Intergovernmental	136	-	-	-	-	-	136
Deferred revenue	4,093	24,220	-	186	3,335	23,816	55,650
Deposits	26,927	-	-	-	-	26	26,953
Due to other funds	-	3	-	16,477	-	4,599	21,079
Advances from other funds	115	-	-	-	44,022	589	44,726
Total liabilities:	<u>50,433</u>	<u>24,225</u>	<u>37</u>	<u>21,433</u>	<u>61,918</u>	<u>33,383</u>	<u>191,429</u>
Fund balances:							
Reserved	40,734	20,915	32,880	37,056	97,398	33,866	262,849
Unreserved, designated for economic contingencies	30,000	-	-	-	-	-	30,000
Unreserved, designated for future operations							
General fund	6,433	-	-	-	-	-	6,433
Special revenue	-	-	-	-	-	22,879	22,879
Capital project funds	-	-	-	-	30,433	4,396	34,829
Unreserved, undesignated							
General fund	2,023	-	-	-	-	-	2,023
Special revenue	-	-	-	-	-	1,441	1,441
Capital project funds	-	-	-	(16,165)	9,663	6,806	304
Total fund balances	<u>79,190</u>	<u>20,915</u>	<u>32,880</u>	<u>20,891</u>	<u>137,494</u>	<u>69,388</u>	<u>360,758</u>
Total liabilities and fund balances	<u>\$ 129,623</u>	<u>\$ 45,140</u>	<u>\$ 32,917</u>	<u>\$ 42,324</u>	<u>\$ 199,412</u>	<u>\$ 102,771</u>	<u>\$ 552,187</u>

The notes to the financial statements are an integral part of this statement.

CITY OF RIVERSIDE
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
June 30, 2010
(amounts expressed in thousands)

Total fund balances - governmental funds \$360,758

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets net of accumulated depreciation used in governmental activities that are not current financial resources and, therefore, are not reported in the funds 1,166,001

Issuance costs from issuing debt are expenditures at the fund level but are deferred and subject to capitalization and amortization in the Statement of Net Assets. 14,307

Pension contributions were expenditures at the fund level but are deferred as a net pension asset and subject to capitalization and amortization in the Statement of Net Assets. 114,717

Revenues that do not meet the "availability" criteria for revenue recognition and therefore, are deferred in the funds. 55,465

Accrued interest payable for the current portion of interest due on various debt issues has not been reported in the governmental funds. (9,110)

Long-term liabilities, as listed below, are not due and payable in the current period and therefore are not reported in the funds.

Bonds payable	\$ (426,025)	
Certificates of participation payable	(215,520)	
Notes payable	(8,191)	
Capital leases payable	(6,303)	
Commercial loan	(1,100)	
Bond premiums	(7,194)	
Net OPEB obligation	(5,529)	
Compensated absences	(19,653)	
	(689,515)	(689,515)

The City uses derivative instruments to hedge its exposure to changing interest rate through the use of interest rate swaps. The following related items have been reflected in the Statement of Net Assets.

Fair value of interest rate swap	\$ (18,653)	
Deferred amount related to the hedgeable portion of the derivative instrumen	12,937	
	(5,716)	(5,716)

Internal service funds are used by management to charge the costs of insurance, centralized purchasing and fleet management to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Assets. (2,308)

Net assets of governmental activities \$1,004,599

City of Riverside
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the fiscal year ended June 30, 2010
(amounts expressed in thousands)

	General Fund	Redevelopment Debt Service	Certificates of Participation Debt Service	Capital Outlay	Redevelopment Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 119,299	\$ 46,364	\$ -	\$ -	\$ -	\$ 11,592	\$ 177,255
Licenses and permits	6,166	-	-	-	-	733	6,899
Intergovernmental	8,391	200	-	28,507	1,513	21,939	60,550
Charges for services	9,521	-	-	-	-	49	9,570
Fines and forfeitures	4,503	-	-	-	-	3,009	7,512
Special assessments	4,039	-	690	77	-	658	5,464
Rental and investment income	3,162	2,398	753	966	2,475	1,419	11,173
Miscellaneous	1,451	211	-	7	4,501	912	7,082
Total revenues	<u>156,532</u>	<u>49,173</u>	<u>1,443</u>	<u>29,557</u>	<u>8,489</u>	<u>40,311</u>	<u>285,505</u>
Expenditures							
Current:							
General government	8,174	699	10	-	8,885	6,067	23,835
Public safety	137,331	-	-	-	-	1,263	138,594
Highways and streets	14,987	-	-	-	-	-	14,987
Culture and recreation	23,182	-	-	-	17,062	129	40,373
Capital outlay	1,609	-	-	57,200	47,158	25,941	131,908
Debt service:							
Principal	38,849	7,184	2,045	-	-	-	48,078
Interest	7,536	15,452	8,279	-	-	-	31,267
Bond issuance costs	231	-	-	-	-	-	231
Total expenditures	<u>231,899</u>	<u>23,335</u>	<u>10,334</u>	<u>57,200</u>	<u>73,105</u>	<u>33,400</u>	<u>429,273</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(75,367)</u>	<u>25,838</u>	<u>(8,891)</u>	<u>(27,643)</u>	<u>(64,616)</u>	<u>6,911</u>	<u>(143,768)</u>
Other financing sources (uses):							
Transfers in	45,256	3,177	6,143	349	31,108	2,270	88,303
Transfers out	(2,679)	(31,353)	(349)	(31)	(3,982)	(9,756)	(48,150)
Issuance of long term debt	30,600	-	20,660	-	-	1,100	52,360
Other financing use - bond discount	-	-	(539)	-	-	-	(539)
Capital lease proceeds	3,116	-	-	-	-	-	3,116
Sales of capital assets	885	-	-	3	246	(605)	529
Total other financing sources and uses	<u>77,178</u>	<u>(28,176)</u>	<u>25,915</u>	<u>321</u>	<u>27,372</u>	<u>(6,991)</u>	<u>95,619</u>
Net change in fund balances	1,811	(2,338)	17,024	(27,322)	(37,244)	(80)	(48,149)
Fund balances - beginning	77,379	23,253	15,856	48,213	174,738	69,468	408,907
Fund balances - ending	<u>\$ 79,190</u>	<u>\$ 20,915</u>	<u>\$ 32,880</u>	<u>\$ 20,891</u>	<u>\$ 137,494</u>	<u>\$ 69,388</u>	<u>\$ 360,758</u>

The notes to the financial statements are an integral part of this statement.

CITY OF RIVERSIDE
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the year ended June 30, 2010
(amounts expressed in thousands)

Net change in fund balances-total governmental funds (\$48,149)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period, as listed below:

Capital Asset additions	\$ 87,428	
Depreciation Expense	<u>(32,660)</u>	54,768

Revenues in the statement of activities that do not meet the "availability" criteria for revenue recognition and therefore are not reported as revenue in the funds. 5,661

The amortization of the net pension asset reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds. (2,092)

The issuance of long-term debt (e.g., bonds, leases, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds immediately report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items is listed below:

Principal repayments	48,078	
Other post-employment benefit liabilities	(1,971)	
Compensated absences	353	
Interest	(100)	
Premiums on the issuance of LTD	510	
Proceeds from LTD	(52,360)	
Capital lease proceeds	<u>(3,116)</u>	(8,606)

Internal service funds are used by management to charge the costs of insurance, centralized purchasing and fleet management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. (4,521)

Change in net assets of governmental activities \$ (2,939)

The notes to the financial statements are an integral part of this statement.

City of Riverside
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the year ended June 30, 2010
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget		Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final				Original	Final		
Revenues									
Taxes	\$ 123,979	\$ 123,979	\$ 119,299	\$ (4,680)	Public safety:				
Licenses and permits	6,959	6,959	6,166	(793)	Police	85,000	87,625	84,997	2,628
Intergovernmental	2,683	15,768	8,391	(7,377)	Fire	42,100	42,100	42,345	(245)
Charges for services	9,732	9,748	9,521	(227)	Animal regulation	2,441	3,300	3,244	56
Fines and forfeitures	3,837	4,820	4,503	(317)	Building and zoning inspection	2,565	2,574	2,243	331
Special assessments	4,127	4,127	4,039	(88)	Street lighting	4,378	4,378	4,502	(124)
Rental and investment income	2,123	3,116	3,162	46	Total public safety	136,484	139,977	137,331	2,646
Miscellaneous	3,685	3,685	1,451	(2,234)	Highways and streets	15,000	18,054	14,987	3,067
Total revenues	157,125	172,202	156,532	(15,670)	Culture and recreation	23,287	28,921	23,182	5,739
Expenditures					Capital Outlay	-	7,174	1,609	5,565
General government:					Debt service:				
Mayor	893	966	895	71	Principal	5,637	39,000	38,849	151
Council	1,030	1,030	1,012	18	Interest	8,265	8,493	7,536	957
Manager	8,964	12,396	10,894	1,502	Bond issuance costs	-	254	231	23
Attorney	3,838	4,009	3,916	93	Total debt service	13,902	47,747	46,616	1,131
Clerk	1,227	1,404	1,315	89	Total expenditures	195,092	255,988	231,899	24,089
Community Development	9,100	10,727	9,004	1,723	Deficiency of revenue under expenditures	(37,967)	(83,786)	(75,367)	8,419
Human Resources	2,600	3,051	2,581	470	Other financing sources (uses)				
General Services	6,000	7,183	5,985	1,198	Transfers in	38,411	45,200	45,256	56
Information System	10,600	10,846	10,589	257	Transfers out	(2,679)	(2,679)	(2,679)	-
Development	6,899	7,235	6,715	520	Issuance of long term debt	-	30,600	30,600	-
Subtotal	51,151	58,847	52,906	5,941	Capital Lease Proceeds	-	3,116	3,116	-
Allocated expenditures	(44,732)	(44,732)	(44,732)	-	Sale of capital assets	65	65	885	820
Total general government	6,419	14,115	8,174	5,941	Total other financing sources	35,797	76,302	77,178	876
				continued	Net change in fund balances	(2,170)	(7,484)	1,811	9,295
					Fund balance, beginning	77,379	77,379	77,379	-
					Fund balance, ending	\$ 75,209	\$ 69,895	\$ 79,190	\$ 9,295

The notes to the financial statements are an integral part of this statement.

City of Riverside
Statement of Net Assets
Proprietary Funds
June 30, 3010
(amounts expressed in thousands)

Business-type Activities - Enterprise Funds							
Assets	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities-Internal Service Funds	
Current assets:							
Cash and investments	\$ 170,292	\$ 29,370	\$ 7,711	\$ 5,225	\$ 212,598	\$ 5,389	
Receivables (net allowances for uncollectibles)							
Interest	913	185	45	47	1,190	54	
Utility billed	14,333	2,934	907	591	18,765	-	
Utility unbilled	12,920	3,074	968	647	17,609	-	
Accounts	4,231	3,419	1,679	515	9,844	45	
Intergovernmental	25	193	301	150	669	39	
Nuclear materials inventory	1,825	-	-	-	1,825	-	
Inventory	-	-	1,151	-	1,151	6,015	
Prepaid items	10,748	5	1	20	10,774	-	
Due from other funds	-	-	-	-	-	1,152	
Restricted assets:							
Cash and cash equivalents	28,383	8,512	-	2,466	39,361	-	
Cash and investments at fiscal agent	179,777	86,907	211,184	-	477,868	-	
Public benefit programs receivable	619	106	-	-	725	-	
Conservation & reclamation programs receivable	-	-	-	-	-	-	
Total current assets	424,066	134,705	223,947	9,661	792,379	12,694	
Non-current assets:							
Advances to other funds	650	-	20,554	-	21,204	13,602	
Deferred charges - other	19,874	7,681	4,760	10,827	43,142	1,576	
Deferred charges - derivative instruments	18,279	6,580	-	-	24,859	-	
Derivative instruments	19,009	-	-	-	19,009	-	
Capital assets:							
Land	7,612	17,116	2,698	13,701	41,127	-	
Buildings	19,747	15,442	185,076	16,015	236,280	1,488	
Accumulated depreciation - buildings	(4,670)	(3,697)	(79,218)	(3,921)	(91,506)	(181)	
Improvements other than buildings	753,122	453,223	64,597	22,593	1,293,535	-	
Accumulated depreciation - improvements other than buildings	(312,248)	(129,204)	(12,106)	(4,738)	(458,296)	-	
Machinery and equipment	26,160	13,056	9,140	18,049	66,405	9,277	
Accumulated depreciation - machinery and equipment	(14,297)	(8,266)	(5,163)	(9,104)	(36,830)	(7,754)	
Construction in progress	131,351	15,122	14,560	8,440	169,473	1	
Total non-current assets	664,589	387,053	204,898	71,862	1,328,402	18,009	
Total assets	1,088,655	521,758	428,845	81,523	2,120,781	30,703	

Continued

City of Riverside
Statement of Net Assets
Proprietary Funds
June 30, 2010
(amounts expressed in thousands)

Business-type Activities - Enterprise Funds

Liabilities	Business-type Activities - Enterprise Funds						Governmental Activities-Internal Service Funds
	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds		
Current liabilities:							
Accounts payable	13,050	1,673	3,006	684	18,413	803	
Accrued payroll	4,771	1,723	1,076	805	8,375	505	
Retainage payable	82	154	25	-	261	-	
Intergovernmental	7	-	-	-	7	-	
Claims and judgements	-	-	-	-	-	-	
Unearned revenue	-	-	-	1,733	1,733	-	
Deposits	2,888	614	-	1	3,503	-	
Due to other funds	-	-	-	222	222	3,700	
Capital leases - current	374	-	-	57	431	-	
Water stock acquisitions - current	-	150	-	-	150	-	
Landfill capping - current	-	-	-	300	300	-	
Notes payable - current	-	-	679	-	679	-	
Claims and judgements - current	-	-	-	-	-	11,000	
Current liabilities payable from restricted assets:							
Revenue bonds	22,705	4,660	-	-	27,365	-	
Accrued interest	4,085	1,899	7,001	-	12,985	-	
Other payables	2,431	880	587	540	4,438	261	
Total current liabilities	50,393	11,753	12,374	4,342	78,862	16,269	
Non-current liabilities:							
Revenue bonds	479,173	218,616	243,239	-	941,028	-	
Notes payable	-	-	6,570	-	6,570	-	
Capital leases	1,699	-	-	21	1,720	-	
Advances from other funds	12,705	5,466	3,497	11,088	32,756	2,201	
Decommissioning liability	63,552	-	-	-	63,552	-	
Deferred charges - derivative instruments	19,009	-	-	-	19,009	-	
Derivative instruments	22,073	7,130	-	-	29,203	-	
Claims and judgements	-	-	-	-	-	14,541	
Water stock acquisitions	-	799	-	-	799	-	
Landfill capping	-	-	-	7,080	7,080	-	
Total non-current liabilities	598,211	232,011	253,306	18,189	1,101,717	16,742	
Total liabilities	648,604	243,764	265,680	22,531	1,180,579	33,011	
Net Assets							
Invested in capital assets, net of related debt	222,016	237,366	140,280	60,957	660,619	2,831	
Restricted for debt service	21,215	6,433	20,194	-	47,842	-	
Restricted for landfill capping	-	-	-	2,466	2,466	-	
Restricted for programs	7,389	2,166	-	-	9,555	-	
Unrestricted	189,431	32,029	2,691	(4,431)	219,720	(5,139)	
Total net assets	\$ 440,051	\$ 277,994	\$ 163,165	\$ 58,992	\$ 940,202	\$ (2,308)	

The notes to the financial statements are an integral part of this statement.

City of Riverside
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the fiscal year ended June 30, 2010
(amounts expressed in thousands)

Business-type Activities - Enterprise Funds						
	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities-Internal Service Funds
Operating revenues:						
Charges for services	\$ 309,910	\$ 57,534	\$ 27,342	\$ 25,231	\$ 420,017	\$ 15,226
Operating expenses:						
Personnel services	32,847	10,686	9,321	7,748	60,602	3,824
Contractual services	6,642	2,211	772	5,110	14,735	99
Maintenance and operation	158,198	8,652	8,876	6,578	182,304	1,713
General	12,311	13,889	4,726	4,628	35,554	1,458
Materials and supplies	750	882	2,577	1,030	5,239	166
Insurance	1,148	536	593	437	2,714	11,808
Depreciation and amortization	25,375	10,660	6,284	3,643	45,962	807
Total operating expenses	<u>237,271</u>	<u>47,516</u>	<u>33,149</u>	<u>29,174</u>	<u>347,110</u>	<u>19,875</u>
Operating income (loss)	<u>72,639</u>	<u>10,018</u>	<u>(5,807)</u>	<u>(3,943)</u>	<u>72,907</u>	<u>(4,649)</u>
Non-operating revenues (expenses):						
Operating grants	-	-	-	2,487	2,487	-
Interest income	16,009	1,815	3,237	210	21,271	232
Other	2,362	667	359	903	4,291	24
Gain (loss) on retirement of capital assets	543	1,842	3	(396)	1,992	3
Capital improvement fees	-	-	758	-	758	-
Interest expense and fiscal charges	(19,589)	(7,886)	(8,099)	(545)	(36,119)	(131)
Total non-operating revenues (expenses)	<u>(675)</u>	<u>(3,562)</u>	<u>(3,742)</u>	<u>2,659</u>	<u>(5,320)</u>	<u>128</u>
Income before capital contributions and transfers	71,964	6,456	(9,549)	(1,284)	67,587	(4,521)
Cash capital contributions	1,610	1,308	-	1,309	4,227	-
Noncash capital contributions	1,867	744	-	-	2,611	-
Transfers out	(33,656)	(5,657)	-	(840)	(40,153)	-
Change in net assets	41,785	2,851	(9,549)	(815)	34,272	(4,521)
Total net assets - beginning	398,266	275,143	172,714	59,807	905,930	2,213
Total net assets - ending	<u>\$ 440,051</u>	<u>\$ 277,994</u>	<u>\$ 163,165</u>	<u>\$ 58,992</u>	<u>\$ 940,202</u>	<u>\$ (2,308)</u>

City of Riverside
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2010
(amounts expressed in thousands)

	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities- Internal Service Funds
Cash flows from operating activities:						
Cash received from customers and users	\$ 315,305	\$ 58,459	\$ 26,925	\$ 25,388	\$ 426,077	\$ 14,027
Cash paid to employees for services	(31,433)	(9,970)	(9,019)	(7,411)	(57,833)	(3,727)
Cash paid to other suppliers of goods or services	(176,411)	(30,132)	(16,471)	(18,231)	(241,245)	(13,995)
Other receipts	2,362	667	359	903	4,291	24
Net cash provided (used) by operating activities	109,823	19,024	1,794	649	131,290	(3,671)
Cash flows from noncapital financing activities:						
Transfers in	-	-	-	-	-	-
Transfers out	(33,656)	(5,657)	-	(840)	(40,153)	-
Operating grants	-	-	-	2,570	2,570	-
Advances from interfund receivables	5,269	-	171	6,544	11,984	-
Payments on interfund receivables	(274)	(118)	(75)	(4,738)	(5,205)	(34)
Advances to other funds	-	-	(10,707)	-	(10,707)	(986)
Net cash provided (used) by noncapital financing activities	(28,661)	(5,775)	(10,611)	3,536	(41,511)	(1,020)
Cash flows from capital and related financing activities:						
Proceeds from the sale of revenue bonds, including premium	37,124	102,659	243,239	-	383,022	-
Deposit to escrow account for advance refunding	(36,800)	(21,765)	-	-	(58,565)	-
Issuance costs	(348)	(695)	(1,174)	-	(2,217)	-
Purchase of capital assets	(59,990)	(26,021)	(18,732)	(6,005)	(110,748)	(57)
Purchase of nuclear fuel	(1,854)	-	-	-	(1,854)	-
Proceeds from the sale of capital assets	559	1,901	19	11	2,490	3
Proceeds from the long-term obligations	-	-	-	29	29	-
Principal paid on long-term obligations	(21,674)	(4,415)	(708)	(48)	(26,845)	-
Interest paid on long-term obligations	(23,404)	(7,348)	(1,098)	(545)	(32,395)	(131)
Capital improvement fees	-	-	758	-	758	-
Capital contributions	1,610	1,127	-	1,411	4,148	-
Net cash provided (used) for capital and related financing activities	(104,777)	45,443	222,304	(5,147)	157,823	(185)
Cash flows from investing activities:						
Sale (purchase) of investments	(5,822)	82	-	-	(5,740)	-
Income from investments	15,841	1,776	3,370	246	21,233	309
Net cash provided by investing activities	10,019	1,858	3,370	246	15,493	309
Net change in cash and cash equivalents	(13,596)	60,550	216,857	(716)	263,095	(4,567)
Cash and cash equivalents, ending (including \$159,100 for Electric and \$26,877 for Water and \$2,975 for Other Enterprise Funds in restricted accounts)						
	293,983	56,556	2,038	8,407	360,984	9,956
Cash and cash equivalents, ending (including \$110,095 for Electric, \$87,736 for Water, \$211,184 for Sewer and \$2,466 for Other Enterprise Funds in restricted accounts)						
	\$ 280,387	\$ 117,106	\$ 218,895	\$ 7,691	\$ 624,079	\$ 5,389

continued

City of Riverside
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2010
(amounts expressed in thousands)

	continued					
	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities- Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating Income (loss)	\$ 72,639	\$ 10,018	\$ (5,807)	\$ (3,943)	\$ 72,907	\$ (4,649)
Other receipts	2,362	667	359	903	4,291	24
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation and amortization	25,375	10,660	6,284	3,643	45,962	807
Amortization of pension costs	232	100	64	43	439	28
Amortization (burn) of nuclear fuel	2,717	-	-	-	2,717	-
(Increase) decrease in utility billed receivables	199	(91)	(219)	6	(105)	-
(Increase) in utility unbilled receivables	(311)	(337)	(200)	(10)	(858)	-
(Increase) decrease in accounts receivable	6,593	1,212	253	(113)	7,945	(23)
(Increase) decrease in intergovernmental receivables	87	88	(251)	274	198	(24)
(Increase) in due from other funds	-	-	-	-	-	(1,152)
(Increase) decrease in prepaid items	(4,524)	2	4	(8)	(4,526)	8
(Increase) in nuclear materials inventory	(75)	-	-	-	(75)	-
(Increase) in inventory	-	-	(85)	-	(85)	(180)
Increase (decrease) in accounts payable	(763)	(2,915)	1,129	(484)	(3,033)	(62)
Increase (decrease) in accrued payroll	407	262	6	85	760	(28)
Increase (decrease) in retainage payable	7	(1,049)	25	(1)	(1,018)	-
Increase in other payable	283	354	232	209	1,078	97
Increase in intergovernmental receivables	7	-	-	-	7	-
(Decrease) in deferred revenue	-	-	-	(45)	(45)	-
Increase in deposits	108	53	-	-	161	-
Increase in due to other funds	-	-	-	222	222	901
Increase in claims and judgments	-	-	-	-	-	582
Increase in decommissioning liability	4,480	-	-	-	4,480	-
(Decrease) in landfill capping	-	-	-	(132)	(132)	-
Net cash provided by operating activities	<u>\$ 109,823</u>	<u>\$ 19,024</u>	<u>\$ 1,794</u>	<u>\$ 649</u>	<u>\$ 131,290</u>	<u>\$ (3,671)</u>
Schedule of noncash financing and investing activities:						
Contribution in aid	<u>\$ 1,867</u>	<u>\$ 744</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,611</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

City of Riverside
Statement of Fiduciary Net Assets
Fiduciary Fund
June 30, 2010
(amounts expressed in thousands)

	<u>Agency Funds</u>
Assets:	
Cash and investments	\$ 11,119
Cash and investments at fiscal agent	8,930
Interest receivable	52
Property tax receivables	<u>267</u>
Total assets	<u><u>\$ 20,368</u></u>
Liabilities:	
Accounts payable	\$ 5
Held for bond holders	<u>20,363</u>
Total liabilities	<u><u>\$ 20,368</u></u>

The notes to the financial statements are an integral part of this statement