

## **Nonmajor Enterprise Funds**

**Enterprise Funds** are used to account for the operations that are financed and operated in a manner similar to private business enterprises. The City's intent is to demonstrate that the cost of services provided to the general public on a continuing basis is financed or recovered primarily through user charges; or the City has decided that the periodic determination of net income is appropriate for accountability purposes.

**Airport Fund** – To account for the operations of the City's airport.

**Refuse Fund** – To account for the operations of the City's solid waste and sanitation program which provides for the collection and disposal of solid waste on a user charge basis to residents and businesses.

**Transportation** – To account for the operations of the City's Senior Citizens' and Handicapped Transportation System in accordance with Article 4 of the Transportation Development Act of 1971 (SB325) of the State of California. Federal Transit Administration Funds are also accounted for in this fund.

**Public Parking** – To account for the operations and construction of the City's public parking facilities.

City of Riverside  
Combining Statement of Net Assets  
Nonmajor Enterprise Funds  
June 30, 2004  
(amounts expressed in thousands)

| Assets   | Airport  | Refuse   | Trans-<br>portation | Public<br>Parking | Totals   |
|--|----------|----------|---------------------|-------------------|----------|
| Current assets:  |          |          |                     |                   |          |
| Cash and investments                                       | \$ 1,225 | \$ 4,257 | \$ 156              | \$ 0              | \$ 5,638 |
| Receivables (net of allowances for uncollectibles)         |          |          |                     |                   |          |
| Interest   | 0        | 80       | 0                   | 1                 | 81       |
| Utility billed   | 0        | 451      | 0                   | 0                 | 451      |
| Utility unbilled   | 0        | 572      | 0                   | 0                 | 572      |
| Accounts   | 62       | 114      | 0                   | 124               | 300      |
| Intergovernmental  | 3        | 0        | 87                  | 0                 | 90       |
| Due from other funds                                       | 2,913    | 0        | 0                   | 5,836             | 8,749    |
| Restricted assets:   |          |          |                     |                   |          |
| Cash and cash equivalents                                  | 0        | 3,333    | 0                   | 0                 | 3,333    |
| Total current assets                                       | 4,203    | 8,807    | 243                 | 5,961             | 19,214   |
| Non-current assets:  |          |          |                     |                   |          |
| Deferred charges   | 0        | 5,154    | 0                   | 0                 | 5,154    |
| Capital assets:  |          |          |                     |                   |          |
| Land   | 7,061    | 0        | 0                   | 2,102             | 9,163    |
| Buildings  | 2,114    | 0        | 22                  | 2,373             | 4,509    |
| Accumulated depreciation-buildings                         | (721)    | 0        | (6)                 | (1,654)           | (2,381)  |
| Improvements other than buildings                          | 6,853    | 0        | 0                   | 324               | 7,177    |
| Accumulated depreciation-improvements other than buildings | (2,536)  | 0        | 0                   | (324)             | (2,860)  |
| Machinery and equipment                                    | 747      | 7,612    | 1,878               | 422               | 10,659   |
| Accumulated depreciation-machinery and equipment           | (328)    | (5,422)  | (904)               | (386)             | (7,040)  |
| Construction in progress                                   | 2,917    | 0        | 0                   | 5,284             | 8,201    |
| Total non-current assets                                   | 16,107   | 7,344    | 990                 | 8,141             | 32,582   |
| Total assets   | 20,310   | 16,151   | 1,233               | 14,102            | 51,796   |

continued

City of Riverside  
Combining Statement of Net Assets  
Nonmajor Enterprise Funds  
June 30, 2004  
(amounts expressed in thousands)

| Liabilities                                     | Airport          | Refuse          | Trans-<br>portation | Public<br>Parking | Totals           |
|---|------------------|-----------------|---------------------|-------------------|------------------|
| <b>Current liabilities:</b>                     |                  |                 |                     |                   |                  |
| Accounts payable                                | 21               | 914             | 22                  | 736               | 1,693            |
| Accrued payroll                                 | 46               | 686             | 194                 | 35                | 961              |
| Deferred revenue                                | 77               | 34              | 34                  | 1                 | 146              |
| Due to other funds                              | 3,273            | 0               | 0                   | 2,046             | 5,319            |
| Capital leases-current                          | 17               | 0               | 0                   | 0                 | 17               |
| <b>Total current liabilities</b>                | <b>3,434</b>     | <b>1,634</b>    | <b>250</b>          | <b>2,818</b>      | <b>8,136</b>     |
| <b>Noncurrent liabilities:</b>                  |                  |                 |                     |                   |                  |
| Capital leases                                  | 221              | 0               | 0                   | 0                 | 221              |
| Interfund payable                               | 338              | 2,260           | 0                   | 0                 | 2,598            |
| Landfill capping                                | 0                | 4,123           | 0                   | 0                 | 4,123            |
| <b>Total noncurrent liabilities</b>             | <b>559</b>       | <b>6,383</b>    | <b>0</b>            | <b>0</b>          | <b>6,942</b>     |
| <b>Total liabilities</b>                        | <b>3,993</b>     | <b>8,017</b>    | <b>250</b>          | <b>2,818</b>      | <b>15,078</b>    |
| <b>Net Assets</b>                               |                  |                 |                     |                   |                  |
| Invested in capital assets, net of related debt | 12,619           | 0               | 990                 | 2,306             | 15,915           |
| Restricted for other purposes                   | 0                | 3,333           | 0                   | 0                 | 3,333            |
| Unrestricted                                    | 3,698            | 4,801           | (7)                 | 8,978             | 17,470           |
| <b>Total net assets</b>                         | <b>\$ 16,317</b> | <b>\$ 8,134</b> | <b>\$ 983</b>       | <b>\$ 11,284</b>  | <b>\$ 36,718</b> |

City of Riverside  
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets  
Nonmajor Enterprise Funds  
For the fiscal year ended June 30, 2004  
(amounts expressed in thousands)

|  | Airport   | Refuse    | Trans-<br>portation | Public<br>Parking | Totals    |
|--|-----------|-----------|---------------------|-------------------|-----------|
| Operating revenues:                                      |           |           |                     |                   |           |
| Charges for services                                     | \$ 1,051  | \$ 13,759 | \$ 185              | \$ 2,760          | \$ 17,755 |
| Operating expenses:                                      |           |           |                     |                   |           |
| Personal services  | 372       | 2,316     | 1,334               | 227               | 4,249     |
| Contractual services                                     | 44        | 2,855     | 12                  | 708               | 3,619     |
| Maintenance and operation                                | 141       | 3,840     | 210                 | 127               | 4,318     |
| General  | 203       | 1,427     | 165                 | 164               | 1,959     |
| Materials and supplies                                   | 7         | 381       | 158                 | 4                 | 550       |
| Insurance  | 30        | 120       | 77                  | 77                | 304       |
| Depreciation and amortization                            | 248       | 503       | 330                 | 82                | 1,163     |
| Total operating expenses                                 | 1,045     | 11,442    | 2,286               | 1,389             | 16,162    |
| Operating income (loss)                                  | 6         | 2,317     | (2,101)             | 1,371             | 1,593     |
| Nonoperating revenues (expenses):                        |           |           |                     |                   |           |
| Operating grants   | 0         | 0         | 1,723               | 0                 | 1,723     |
| Interest revenue   | 0         | 118       | 0                   | 8                 | 126       |
| Other  | 401       | 277       | 0                   | 0                 | 678       |
| Gain on retirement of capital assets                     | 3         | 0         | 12                  | 0                 | 15        |
| Interest expense and fiscal charges                      | (43)      | (68)      | 0                   | 0                 | (111)     |
| Total nonoperating revenues (expenses)                   | 361       | 327       | 1,735               | 8                 | 2,431     |
| Income (loss) before transfers and capital contributions | 367       | 2,644     | (366)               | 1,379             | 4,024     |
| Contributed capital                                      | 0         | 0         | 21                  | 0                 | 21        |
| Transfers in   | 3,004     | 150       | 0                   | 5,836             | 8,990     |
| Change in net assets                                     | 3,371     | 2,794     | (345)               | 7,215             | 13,035    |
| Total net assets - beginning                             | 12,946    | 5,340     | 1,328               | 4,069             | 23,683    |
| Total net assets - ending                                | \$ 16,317 | \$ 8,134  | \$ 983              | \$ 11,284         | \$ 36,718 |

City of Riverside  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
For the fiscal year ended June 30, 2004  
(amounts expressed in thousands)

|   | Airport         | Refuse          | Trans-<br>portation | Public<br>Parking | Totals          |
|---|-----------------|-----------------|---------------------|-------------------|-----------------|
| Cash flows from operating activities:                                 |                 |                 |                     |                   |                 |
| Cash received from customers and users                                | \$ 1,462        | \$ 13,548       | \$ 185              | \$ 2,734          | \$ 17,929       |
| Cash paid to employees for services                                   | (391)           | (2,230)         | (1,330)             | (223)             | (4,174)         |
| Cash paid to other suppliers of goods or services                     | (805)           | (8,497)         | (1,095)             | (337)             | (10,734)        |
| Other receipts  | 360             | 277             | 0                   | 1,389             | 2,026           |
| Net cash provided (used) by operating activities                      | <u>626</u>      | <u>3,098</u>    | <u>(2,240)</u>      | <u>3,563</u>      | <u>5,047</u>    |
| Cash flows from noncapital financing activities:                      |                 |                 |                     |                   |                 |
| Transfers in  | 91              | 150             | 0                   | 0                 | 241             |
| Operating grants  | 0               | 0               | 2,355               | 0                 | 2,355           |
| Advances to other funds   | (95)            | (1,008)         | 0                   | 0                 | (1,103)         |
| Net cash provided by noncapital financing activities                  | <u>(4)</u>      | <u>(858)</u>    | <u>2,355</u>        | <u>0</u>          | <u>1,493</u>    |
| Cash flows from capital and related financing activities:             |                 |                 |                     |                   |                 |
| Purchase of capital assets  | (288)           | (716)           | (14)                | (3,580)           | (4,598)         |
| Proceeds from the sale of capital assets                              | 3               | 0               | 34                  | 0                 | 37              |
| Principal paid on long-term obligations                               | (17)            | 0               | 0                   | 0                 | (17)            |
| Interest paid on long-term obligations                                | (43)            | (68)            | 0                   | 0                 | (111)           |
| Contributed capital   | 0               | 0               | 21                  | 0                 | 21              |
| Net cash provided (used) for capital and related financing activities | <u>(345)</u>    | <u>(784)</u>    | <u>41</u>           | <u>(3,580)</u>    | <u>(4,668)</u>  |
| Cash flows from investing activities:                                 |                 |                 |                     |                   |                 |
| Income from investments   | 0               | 98              | 0                   | 17                | 115             |
| Net cash provided by investing activities                             | <u>0</u>        | <u>98</u>       | <u>0</u>            | <u>17</u>         | <u>115</u>      |
| Net increase in cash and cash equivalents                             | 277             | 1,554           | 156                 | 0                 | 1,987           |
| Cash and cash equivalents, beginning                                  | 948             | 6,036           | 0                   | 0                 | 6,984           |
| Cash and cash equivalents, ending                                     | <u>\$ 1,225</u> | <u>\$ 7,590</u> | <u>\$ 156</u>       | <u>\$ 0</u>       | <u>\$ 8,971</u> |
| Schedule of noncash financing and investing activities:               |                 |                 |                     |                   |                 |
| Contribution in aid   | <u>\$ 0</u>     | <u>\$ 0</u>     | <u>\$ 0</u>         | <u>\$ 0</u>       | <u>\$ 0</u>     |

City of Riverside  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
For the fiscal year ended June 30, 2004  
(amounts expressed in thousands)

|   | Airport       | Refuse          | Trans-<br>portation | Public<br>Parking | Totals          |
|---|---------------|-----------------|---------------------|-------------------|-----------------|
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities:        |               |                 |                     |                   |                 |
| Operating Income (loss)   | \$ 6          | \$ 2,317        | \$ (2,101)          | \$ 1,371          | \$ 1,593        |
| Other receipts  | 401           | 277             | 0                   | 0                 | 678             |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: |               |                 |                     |                   |                 |
| Depreciation and amortization   | 248           | 503             | 330                 | 82                | 1,163           |
| (Increase) in utility billed receivable   | 0             | (94)            | 0                   | 0                 | (94)            |
| (Increase) in utility unbilled receivable   | 0             | (24)            | 0                   | 0                 | (24)            |
| (Increase) decrease in accounts receivable  | 34            | (93)            | 0                   | (54)              | (113)           |
| Decrease in intergovernmental receivable  | 360           | 0               | 0                   | 28                | 388             |
| Decrease in prepaid items   | 0             | 0               | 0                   | 7                 | 7               |
| Increase (decrease) in accounts payable   | (2)           | 274             | (109)               | 736               | 899             |
| Increase (decrease) in accrued payroll  | (19)          | 86              | 4                   | 4                 | 75              |
| (Decrease) in deferred revenue  | (361)         | (3)             | 0                   | 0                 | (364)           |
| Increase (decrease) in due to other funds   | (41)          | 0               | (364)               | 1,389             | 984             |
| (Decrease) in landfill capping  | 0             | (145)           | 0                   | 0                 | (145)           |
| Net cash provided (used) by operating activities  | <u>\$ 626</u> | <u>\$ 3,098</u> | <u>\$ (2,240)</u>   | <u>\$ 3,563</u>   | <u>\$ 5,047</u> |

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