

City of Riverside  
Statement of Net Position  
June 30, 2016  
(amounts expressed in thousands)

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash and investments	\$ 91,419	\$ 373,933	\$ 465,352
Receivables, net	98,545	53,677	152,222
Inventory	5,914	2,626	8,540
Prepaid items	1,479	28,471	29,950
Deposits	300	1,356	1,656
Internal balances	13,281	(13,281)	-
Restricted assets:			
Cash and cash equivalents	-	65,251	65,251
Cash and investments at fiscal agent	21,147	206,272	227,419
Other	-	999	999
Advances to Successor Agency Trust Fund	37,292	5,113	42,405
Land and improvements held for resale	4,548	-	4,548
Regulatory assets	-	12,533	12,533
Land and other capital assets not being depreciated	384,327	435,308	819,635
Capital assets (net of accumulated depreciation)	<u>993,282</u>	<u>1,342,719</u>	<u>2,336,001</u>
Total assets	<u>1,651,534</u>	<u>2,514,977</u>	<u>4,166,511</u>
<b>Deferred Outflows of Resources</b>			
Changes in derivative values	26,102	35,059	61,161
Charge on refunding	4,493	17,952	22,445
Pension contributions, changes in assumptions and differences in experience	<u>100,723</u>	<u>45,824</u>	<u>146,547</u>
Total deferred outflows of resources	<u>131,318</u>	<u>98,835</u>	<u>230,153</u>
<b>Liabilities</b>			
Accounts payable and other current liabilities	28,235	24,934	53,169
Accrued interest payable	3,168	15,341	18,509
Unearned revenue	4,375	1,621	5,996
Deposits	8,946	5,579	14,525
Derivative instruments	31,464	46,599	78,063
Decommissioning liability	-	68,893	68,893
Noncurrent liabilities:			
Due within one year	78,040	37,225	115,265
Due in more than one year	395,432	1,243,152	1,638,584
Net pension liability	<u>299,137</u>	<u>136,092</u>	<u>435,229</u>
Total liabilities	<u>848,797</u>	<u>1,579,436</u>	<u>2,428,233</u>
<b>Deferred Inflows of Resources</b>			
Regulatory charges	-	16,556	16,556
Pension contributions, changes in assumptions and differences in experience	<u>92,935</u>	<u>42,280</u>	<u>135,215</u>
Total deferred inflows of resources	<u>92,935</u>	<u>58,836</u>	<u>151,771</u>
<b>Net Position</b>			
Net investment in capital assets	1,123,910	654,870	1,778,780
Restricted for:			
Expendable:			
Capital projects	24,397	-	24,397
Debt service	-	56,880	56,880
Economic development	16,734	-	16,734
Landfill capping	-	413	413
Public works	18,191	-	18,191
Housing	45,547	-	45,547
Programs and regulatory requirements	-	28,233	28,233
Nonexpendable	1,619	-	1,619
Unrestricted	<u>(389,278)</u>	<u>235,144</u>	<u>(154,134)</u>
Total net position	<u>\$ 841,120</u>	<u>\$ 975,540</u>	<u>\$ 1,816,660</u>

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

City of Riverside  
Statement of Activities  
For the fiscal year ended June 30, 2016  
(amounts expressed in thousands)

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business type Activities	Total
Governmental activities:								
General government	\$ 24,483	\$ (16,044)	\$ 24,944	\$ 7,649	\$ 145	\$ 24,299	\$ -	\$ 24,299
Public safety	161,284	8,664	3,243	7,053	-	(159,652)	-	(159,652)
Highways and streets	38,836	3,875	5,709	788	31,019	(5,195)	-	(5,195)
Culture and recreation	47,762	3,505	12,458	831	52	(37,926)	-	(37,926)
Interest on long-term debt	16,387	-	-	-	-	(16,387)	-	(16,387)
Total governmental activities	<u>288,752</u>	<u>-</u>	<u>46,354</u>	<u>16,321</u>	<u>31,216</u>	<u>(194,861)</u>	<u>-</u>	<u>(194,861)</u>
Business type activities:								
Electric	307,925	-	354,530	-	14,874	-	61,479	61,479
Water	57,769	-	57,250	-	3,133	-	2,614	2,614
Sewer	39,978	-	52,664	-	-	-	12,686	12,686
Airport	1,799	-	1,549	-	-	-	(250)	(250)
Refuse	21,652	-	21,806	-	-	-	154	154
Transportation	4,113	-	377	2,322	861	-	(553)	(553)
Public parking	5,141	-	4,918	-	-	-	(223)	(223)
Total business type activities	<u>438,377</u>	<u>-</u>	<u>493,094</u>	<u>2,322</u>	<u>18,868</u>	<u>-</u>	<u>75,907</u>	<u>75,907</u>
Total	<u>\$ 727,129</u>	<u>-</u>	<u>\$ 539,448</u>	<u>\$ 18,643</u>	<u>\$ 50,084</u>	<u>\$ (194,861)</u>	<u>\$ 75,907</u>	<u>\$ (118,954)</u>
General revenues:								
Taxes:								
Sales						60,976	-	60,976
Property						55,545	-	55,545
Utility users						27,828	-	27,828
Franchise						5,730	-	5,730
Transient occupancy tax						6,093	-	6,093
Intergovernmental, unrestricted						477	-	477
Investment income						729	6,888	7,617
Miscellaneous						11,708	22,666	34,374
Subtotal						<u>169,086</u>	<u>29,554</u>	<u>198,640</u>
Transfers, net						<u>41,216</u>	<u>(41,216)</u>	<u>-</u>
Total general revenues and transfers						<u>210,302</u>	<u>(11,662)</u>	<u>198,640</u>
Change in net position						<u>15,441</u>	<u>64,245</u>	<u>79,686</u>
Net position - beginning						<u>825,679</u>	<u>911,295</u>	<u>1,736,974</u>
Net position - ending						<u>\$ 841,120</u>	<u>\$ 975,540</u>	<u>\$ 1,816,660</u>

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

City of Riverside  
Balance Sheet  
Governmental Funds  
June 30, 2016  
(amounts expressed in thousands)

<u>Assets</u>	General Fund	Capital Outlay Fund	Other Governmental Funds	Total Governmental Funds
Cash and investments	\$ 33,511	\$ 13,590	\$ 32,344	\$ 79,445
Cash and investments at fiscal agent	2,758	3,498	14,891	21,147
Receivables (net of allowance for uncollectibles)				
Interest	19	50	79	148
Property taxes	4,524	-	-	4,524
Sales tax	19,117	-	-	19,117
Utility billed	1,123	-	-	1,123
Accounts	12,674	4	30	12,708
Intergovernmental	5,388	12,245	4,518	22,151
Notes	1,597	-	37,091	38,688
Prepaid items	1,455	-	24	1,479
Deposits	300	-	-	300
Due from other funds	1,564	-	-	1,564
Advances to other funds	20,757	-	-	20,757
Advances to Successor Agency Trust Fund	582	-	32,470	33,052
Land & improvements held for resale	1,341	-	3,207	4,548
Total assets	<u>\$ 106,710</u>	<u>\$ 29,387</u>	<u>\$ 124,654</u>	<u>\$ 260,751</u>
<b>Liabilities</b>				
Accounts payable	\$ 7,640	\$ 2,092	\$ 1,511	\$ 11,243
Accrued payroll	14,985	-	-	14,985
Retainage payable	31	29	235	295
Intergovernmental	144	-	-	144
Unearned revenue	1,296	3,011	68	4,375
Deposits	8,946	-	-	8,946
Due to other funds	-	-	982	982
Advances from other funds	-	-	9,906	9,906
Total liabilities	<u>33,042</u>	<u>5,132</u>	<u>12,702</u>	<u>50,876</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	8,090	5,582	37,535	51,207
Total deferred inflows of resources	<u>8,090</u>	<u>5,582</u>	<u>37,535</u>	<u>51,207</u>
<b>Fund Balances</b>				
Nonspendable:				
Inventories, prepaids and deposits	1,755	-	-	1,755
Advances	21,339	-	-	21,339
Permanent fund principal	-	-	1,619	1,619
Restricted for:				
Housing and redevelopment	675	-	24,746	25,421
Debt service	1,776	-	26,221	27,997
Transportation and public works	-	18,673	18,203	36,876
Other purposes	616	-	3,628	4,244
Assigned to:				
General government	2,419	-	-	2,419
Public safety	1,860	-	-	1,860
Highways and streets	150	-	-	150
Culture and recreation	553	-	-	553
Continuing projects	4,940	-	-	4,940
Unassigned	29,495	-	-	29,495
Total fund balances	<u>65,578</u>	<u>18,673</u>	<u>74,417</u>	<u>158,668</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 106,710</u>	<u>\$ 29,387</u>	<u>\$ 124,654</u>	<u>\$ 260,751</u>

The notes to basic 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 Position**  
**June 30, 2016**  
**(amounts expressed in thousands)**

Total fund balances - governmental funds \$ 158,668

Amounts reported for governmental activities in the Statement of Net Position 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. 1,370,553

Deferred refunding charges are not available resources and, therefore, are not reported in the funds. 4,493

Deferred amounts on pensions related to contributions after the measurement date 98,707

Deferred amounts on pensions related to the net difference between projected and actual earnings on pension plan investments (91,075)

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds. 51,207

Accrued interest payable for the current portion of interest due on various debt issues has not been reported in the governmental funds. (3,168)

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

Bonds	\$ (150,675)	
Certificates of participation	(180,640)	
Capital leases	(12,006)	
Loan payable	(43,482)	
Bond premiums	(3,079)	
OPEB obligation	(17,043)	
Net pension liability	(293,148)	
Compensated absences	(21,993)	
		(722,066)

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

Net fair value of interest rate swaps	\$ (31,464)	
Deferred amount related to the hedgeable portion of the derivative instrumen	<u>26,102</u>	
		(5,362)

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 Position. (20,837)

Net position of governmental activities \$841,120

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

**City of Riverside**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the fiscal year ended June 30, 2016**  
**(amounts expressed in thousands)**

	<u>General Fund</u>	<u>Capital Outlay Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Taxes	\$ 156,172	\$ -	\$ -	\$ 156,172
Licenses and permits	9,077	-	2,534	11,611
Intergovernmental	10,006	25,917	15,973	51,896
Charges for services	26,443	-	-	26,443
Fines and forfeitures	1,937	-	4	1,941
Special assessments	4,424	409	2,206	7,039
Rental and investment income	1,868	366	2,136	4,370
Miscellaneous	4,146	831	7,601	12,578
Total revenues	<u>214,073</u>	<u>27,523</u>	<u>30,454</u>	<u>272,050</u>
<b>Expenditures</b>				
Current:				
General government	15,578	-	4,322	19,900
Public safety	163,837	-	963	164,800
Highways and streets	17,416	-	-	17,416
Culture and recreation	39,413	-	170	39,583
Capital outlay	8,139	24,445	20,624	53,208
Debt service:				
Principal	43,172	-	8,815	51,987
Interest	5,626	-	10,825	16,451
Bond issuance costs	180	-	-	180
Total expenditures	<u>293,361</u>	<u>24,445</u>	<u>45,719</u>	<u>363,525</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(79,288)</u>	<u>3,078</u>	<u>(15,265)</u>	<u>(91,475)</u>
<b>Other financing sources (uses)</b>				
Transfers in	44,790	58	16,536	61,384
Transfers out	(16,747)	(3,156)	(265)	(20,168)
Issuance of long-term debt	31,145	-	-	31,145
Capital lease financings	5,846	-	-	5,846
Proceeds from the sale of capital assets	181	80	-	261
Total other financing sources (uses)	<u>65,215</u>	<u>(3,018)</u>	<u>16,271</u>	<u>78,468</u>
Net change in fund balances	(14,073)	60	1,006	(13,007)
Fund balances - beginning	79,651	18,613	73,411	171,675
Fund balances - ending	<u>\$ 65,578</u>	<u>\$ 18,673</u>	<u>\$ 74,417</u>	<u>\$ 158,668</u>

The notes to basic 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 fiscal year ended June 30, 2016**  
**(amounts expressed in thousands)**

Net change in fund balances - total governmental funds \$ (13,007)

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	\$ 48,351	
Depreciation expense	<u>(46,222)</u>	2,129

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net position. (3,681)

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. (8,681)

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 position. Also, governmental funds immediately report the effect of 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	\$ 51,987	
Net pension liability	18,949	
Judgement payments	3,334	
Net OPEB obligation	(1,446)	
Compensated absences	(424)	
Interest	(842)	
Issuance of long-term debt	<u>(31,145)</u>	40,413

Internal service funds are used by management to charge the costs of insurance, centralized purchasing and fleet management to individual funds. The net revenue (expense) of certain activities of internal service funds is reported with governmental activities. (1,732)

Change in net position of governmental activities \$ 15,441

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

City of Riverside  
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
General Fund  
For the fiscal year ended June 30, 2016  
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget		Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final				Original	Final		
<b>Revenues</b>									
Taxes	\$ 159,403	\$ 159,403	\$ 156,172	\$ (3,231)	Public safety:				
Licenses and permits	9,094	9,094	9,077	(17)	Police	93,522	106,291	100,650	5,641
Intergovernmental	1,897	14,115	10,006	(4,109)	Fire	49,986	53,822	53,656	166
Charges for services	25,717	25,998	26,443	445	Animal regulation	3,409	3,409	3,092	317
Fines and forfeitures	2,419	2,419	1,937	(482)	Building and zoning inspection	2,386	2,386	1,907	479
Special assessments	4,622	4,622	4,424	(198)	Street lighting	4,523	4,523	4,532	(9)
Rental and investment income	3,047	3,047	1,868	(1,179)	Total public safety	153,826	170,431	163,837	6,594
Miscellaneous	5,107	6,269	4,146	(2,123)	Highways and streets	20,356	20,015	17,416	2,599
Total revenues	211,306	224,967	214,073	(10,894)	Culture and recreation				
					Library	7,511	8,328	7,918	410
<b>Expenditures</b>					Museum & cultural affairs	12,630	12,904	12,925	(21)
General government:					Parks, recreation & community services	17,599	20,230	18,570	1,660
Mayor	1,039	1,102	947	155	Total culture and recreation	37,740	41,462	39,413	2,049
Council	1,758	1,745	1,706	39	Capital outlay	218	15,727	8,139	7,588
Manager	11,794	12,001	13,513	(1,512)	Debt service:				
Attorney	5,221	5,582	4,763	819	Principal	12,309	43,249	43,172	77
Clerk	1,838	1,838	1,827	11	Interest	5,839	5,839	5,626	213
Community development	12,958	13,763	12,245	1,518	Bond issuance costs	-	180	180	-
Human resources	3,615	3,930	3,481	449	Total debt service	18,148	49,268	48,978	290
General services	11,615	12,458	11,337	1,121	Total expenditures	240,532	311,326	293,361	17,965
Finance	8,428	9,083	14,847	(5,764)	Deficiency of revenue under expenditures	(29,226)	(86,359)	(79,288)	7,071
Innovation & technology	11,964	12,907	10,832	2,075	<b>Other financing sources (uses)</b>				
Subtotal	70,230	74,409	75,498	(1,089)	Transfers in	46,134	44,790	44,790	-
Allocated expenditures	(59,986)	(59,986)	(59,920)	(66)	Transfers out	(16,062)	(16,908)	(16,747)	161
Total general government	10,244	14,423	15,578	(1,155)	Issuance of long-term debt	-	31,145	31,145	-
					Capital lease financings	-	8,806	5,846	(2,960)
					Proceeds from the sale of capital assets	155	155	181	26
					Total other financing sources	30,227	67,988	65,215	(2,773)
				continued	Net change in fund balance	1,001	(18,371)	(14,073)	4,298
					Fund balance, beginning	79,651	79,651	79,651	-
					Fund balance (deficit), ending	\$ 80,652	\$ 61,280	\$ 65,578	\$ 4,298

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

City of Riverside  
Statement of Net Position  
Proprietary Funds  
June 30, 2016  
(amounts expressed in thousands)

Business-type Activities - Enterprise Funds							Governmental Activities-Internal Service Funds
Assets	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds		
Current assets:							
Cash and investments	\$ 249,247	\$ 73,541	\$ 45,764	\$ 5,381	\$ 373,933	\$	11,974
Receivables (net allowances for uncollectibles)							
Interest	650	182	123	17	972		33
Utility billed	14,379	3,221	2,907	1,027	21,534		-
Utility unbilled	15,909	3,048	2,062	747	21,766		-
Accounts	4,107	1,921	93	1,407	7,528		21
Intergovernmental	2	898	669	308	1,877		32
Inventory	1,097	-	1,529	-	2,626		5,914
Prepaid items	21,338	168	1	-	21,507		-
Deposits	1,356	-	-	-	1,356		-
Due from other funds	418	179	-	-	597		-
Restricted assets:							
Cash and cash equivalents:							
Rate stabilization cash and cash equivalents	-	-	14,500	-	14,500		-
Other restricted cash and cash equivalents	41,847	8,491	-	413	50,751		-
Public benefit programs receivable	897	102	-	-	999		-
Total current assets	<u>351,247</u>	<u>91,751</u>	<u>67,648</u>	<u>9,300</u>	<u>519,946</u>		<u>17,974</u>
Non-current assets:							
Restricted assets:							
Cash and investments at fiscal agent	92,393	-	113,879	-	206,272		-
Regulatory assets	4,395	705	1,746	5,687	12,533		-
Prepaid items - non-current	6,964	-	-	-	6,964		-
Advances to other funds	-	-	5,984	-	5,984		4,692
Advances to Successor Agency Trust Fund	5,113	-	-	-	5,113		4,240
Capital assets:							
Land	21,439	20,483	2,737	19,180	63,839		458
Intangible assets, non-depreciable	10,651	10,841	-	-	21,492		-
Intangible assets, depreciable	18,961	2,353	119	-	21,433		219
Accumulated depreciation - intangible assets, depreciable	(1,825)	(360)	(30)	-	(2,215)		(44)
Buildings	60,183	19,609	199,684	35,903	315,379		4,065
Accumulated depreciation - buildings	(7,752)	(5,814)	(107,378)	(7,150)	(128,094)		(477)
Improvements other than buildings	903,206	594,374	107,276	29,054	1,633,910		1,308
Accumulated depreciation - improvements other than buildings	(315,576)	(186,004)	(20,046)	(10,296)	(531,922)		(269)
Machinery and equipment	39,094	13,215	13,802	23,162	89,273		10,343
Accumulated depreciation - machinery and equipment	(19,013)	(12,203)	(7,952)	(15,877)	(55,045)		(8,547)
Construction in progress	45,326	6,655	297,950	46	349,977		-
Total non-current assets	<u>863,559</u>	<u>463,854</u>	<u>607,771</u>	<u>79,709</u>	<u>2,014,893</u>		<u>15,988</u>
Total assets	<u>1,214,806</u>	<u>555,605</u>	<u>675,419</u>	<u>89,009</u>	<u>2,534,839</u>		<u>33,962</u>
<b>Deferred Outflows of Resources</b>							
Changes in derivative values	27,713	7,346	-	-	35,059		-
Charge on refunding	10,790	7,162	-	-	17,952		-
Pension contributions, changes in assumptions and differences in experience	26,232	9,515	6,173	3,904	45,824		2,016
Total deferred outflows of resources	<u>64,735</u>	<u>24,023</u>	<u>6,173</u>	<u>3,904</u>	<u>98,835</u>		<u>2,016</u>

Continued



City of Riverside  
Statement of Net Position  
Proprietary Funds  
June 30, 2016  
(amounts expressed in thousands)

Liabilities	Business-type Activities - Enterprise Funds					Governmental Activities-Internal Service Funds
	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	
<b>Current liabilities:</b>						
Accounts payable	15,861	2,325	5,433	832	24,451	1,568
Retainage payable	115	33	335	-	483	-
Unearned revenue	325	4	3	1,289	1,621	-
Deposits	5,040	539	-	-	5,579	-
Due to other funds	-	-	-	582	582	597
Capital leases - current	789	-	-	-	789	-
Water stock acquisitions - current	-	150	-	-	150	-
Notes payable - current	-	802	758	977	2,537	-
Landfill capping - current	-	-	-	200	200	-
Claims and judgments - current	-	-	-	-	-	11,315
Compensated absences - current	4,123	1,402	994	475	6,994	281
<b>Current liabilities payable from restricted assets:</b>						
Revenue bonds	13,320	5,180	8,055	-	26,555	-
Decommissioning liability	6,126	-	-	-	6,126	-
Accrued interest	5,405	1,687	8,249	-	15,341	-
Total current liabilities	51,104	12,122	23,827	4,355	91,408	13,761
<b>Non-current liabilities:</b>						
Revenue bonds	561,728	190,742	429,826	-	1,182,296	-
Notes payable	-	13,764	2,222	19,270	35,256	-
Capital leases	3,905	-	-	-	3,905	-
Advances from other funds	10,084	4,338	2,775	2,083	19,280	2,247
Decommissioning liability	62,767	-	-	-	62,767	-
Derivative instruments	34,201	12,398	-	-	46,599	-
Claims and judgments	-	-	-	-	-	31,954
Water stock acquisitions	-	788	-	-	788	-
Landfill capping	-	-	-	5,486	5,486	-
Compensated absences	764	196	111	55	1,126	170
OPEB obligation	7,264	3,032	2,152	1,847	14,295	834
Net pension liability	77,907	28,257	18,333	11,595	136,092	5,989
Total non-current liabilities	758,620	253,515	455,419	40,336	1,507,890	41,194
Total liabilities	809,724	265,637	479,246	44,691	1,599,298	54,955
<b>Deferred Inflows of Resources</b>						
Regulatory charges	-	-	16,556	-	16,556	-
Pension contributions, changes in assumptions and differences in experience	24,204	8,779	5,695	3,602	42,280	1,860
Total deferred inflows of resources	24,204	8,779	22,251	3,602	58,836	1,860
<b>Net Position</b>						
Net investment in capital assets	201,651	260,468	138,976	53,775	654,870	7,056
Restricted for debt service	16,289	5,949	34,642	-	56,880	-
Restricted for landfill capping	-	-	-	413	413	-
Restricted for programs and regulatory requirements	24,623	2,226	1,384	-	28,233	-
Unrestricted	203,050	36,569	5,093	(9,568)	235,144	(27,893)
Total net position (deficit)	\$ 445,613	\$ 305,212	\$ 180,095	\$ 44,620	\$ 975,540	\$ (20,837)

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

**City of Riverside**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the fiscal year ended June 30, 2016**  
**(amounts expressed in thousands)**

	<b>Business-type Activities - Enterprise Funds</b>					<b>Governmental</b>
	<b>Electric</b>	<b>Water</b>	<b>Sewer</b>	<b>Other Enterprise</b>	<b>Total Enterprise</b>	<b>Activities-Internal</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Service Funds</b>
Operating revenues:						
Charges for services	\$ 354,530	\$ 57,250	\$ 52,664	\$ 28,650	\$ 493,094	\$ 24,230
Operating expenses:						
Personnel services	39,789	10,358	8,574	8,133	66,854	3,835
Contractual services	6,849	2,230	2,706	5,554	17,339	1,111
Maintenance and operation	193,765	8,571	8,244	7,100	217,680	2,336
General	9,799	13,911	8,348	5,614	37,672	2,292
Materials and supplies	997	440	3,501	1,370	6,308	132
Claims/Insurance	793	397	490	237	1,917	15,557
Depreciation and amortization	30,953	13,510	7,025	3,843	55,331	927
Total operating expenses	<u>282,945</u>	<u>49,417</u>	<u>38,888</u>	<u>31,851</u>	<u>403,101</u>	<u>26,190</u>
Operating income (loss)	<u>71,585</u>	<u>7,833</u>	<u>13,776</u>	<u>(3,201)</u>	<u>89,993</u>	<u>(1,960)</u>
Non-operating revenues (expenses):						
Operating grants	-	-	-	2,322	2,322	-
Interest income	5,143	1,075	586	84	6,888	269
Other	18,191	1,802	379	1,076	21,448	3
Gain (loss) on retirement of capital assets	424	132	(2)	4	558	-
Capital improvement fees	-	-	660	-	660	-
Interest expense and fiscal charges	(24,980)	(8,352)	(1,090)	(854)	(35,276)	(71)
Total non-operating revenues (expenses)	<u>(1,222)</u>	<u>(5,343)</u>	<u>533</u>	<u>2,632</u>	<u>(3,400)</u>	<u>201</u>
Income (loss) before capital contributions and transfers	70,363	2,490	14,309	(569)	86,593	(1,759)
Cash capital contributions	2,435	2,245	-	861	5,541	27
Noncash capital contributions	12,439	888	-	-	13,327	-
Transfers in	-	3,333	261	718	4,312	-
Transfers out	(38,360)	(6,430)	-	(738)	(45,528)	-
Change in net position	46,877	2,526	14,570	272	64,245	(1,732)
Net position (deficit) - beginning	398,736	302,686	165,525	44,348	911,295	(19,105)
Net position (deficit) - ending	<u>\$ 445,613</u>	<u>\$ 305,212</u>	<u>\$ 180,095</u>	<u>\$ 44,620</u>	<u>\$ 975,540</u>	<u>\$ (20,837)</u>

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

City of Riverside  
Proprietary Funds  
Statement of Cash Flows  
For the fiscal year ended June 30, 2016  
(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	\$ 354,041	\$ 59,367	\$ 52,847	\$ 28,396	\$ 494,651	\$ 24,873
Cash paid to employees for services	(48,760)	(16,871)	(9,921)	(9,035)	(84,587)	194
Cash paid to other suppliers of goods or services	(210,879)	(22,775)	(21,080)	(20,561)	(275,295)	(20,963)
Other receipts	18,191	761	15,299	1,482	35,733	3
Net cash (used) provided by operating activities	<u>112,593</u>	<u>20,482</u>	<u>37,145</u>	<u>282</u>	<u>170,502</u>	<u>4,107</u>
Cash flows from noncapital financing activities:						
Transfers in	-	3,333	261	718	4,312	-
Transfers out	(38,360)	(6,430)	-	(738)	(45,528)	-
Operating grants	-	-	-	2,322	2,322	-
Receipts on interfund advances	929	82	5,467	(11)	6,467	2,153
Outflows on interfund advances	(635)	(274)	(175)	(234)	(1,318)	(415)
Net cash (used) provided by noncapital financing activities	<u>(38,066)</u>	<u>(3,289)</u>	<u>5,553</u>	<u>2,057</u>	<u>(33,745)</u>	<u>1,738</u>
Cash flows from capital and related financing activities:						
Purchase of capital assets	(65,534)	(15,042)	(43,167)	(2,373)	(126,116)	(175)
Proceeds from the sale of capital assets	483	148	(2)	4	633	-
Principal paid on long-term obligations	(16,499)	(5,263)	(8,928)	(940)	(31,630)	-
Interest paid on long-term obligations	(26,500)	(8,406)	(15,511)	(854)	(51,271)	(71)
Capital improvement fees	-	-	660	-	660	-
Capital contributions	2,830	2,271	-	861	5,962	27
Net cash (used) for capital and related financing activities	<u>(105,220)</u>	<u>(26,292)</u>	<u>(66,948)</u>	<u>(3,302)</u>	<u>(201,762)</u>	<u>(219)</u>
Cash flows from investing activities:						
Purchase of investments	(1,101)	-	(73)	9	(1,165)	(5)
Income from investments	5,363	1,204	586	84	7,237	269
Net cash (used) provided by investing activities	<u>4,262</u>	<u>1,204</u>	<u>513</u>	<u>93</u>	<u>6,072</u>	<u>264</u>
Net change in cash and cash equivalents	<u>(26,431)</u>	<u>(7,895)</u>	<u>(23,737)</u>	<u>(870)</u>	<u>(58,933)</u>	<u>5,890</u>
Cash and cash equivalents, beginning (including \$90,101 for Electric, \$6,063 for Water, \$174,182 for Sewer and \$650 for Other Enterprise Funds in restricted accounts.)						
	<u>317,525</u>	<u>89,927</u>	<u>197,880</u>	<u>6,664</u>	<u>611,996</u>	<u>6,084</u>
Cash and cash equivalents, ending (including \$41,847 for Electric, \$8,491 for Water, \$128,379 for Sewer and \$413 for Other Enterprise Funds in restricted accounts.)						
	<u>\$ 291,094</u>	<u>\$ 82,032</u>	<u>\$ 174,143</u>	<u>\$ 5,794</u>	<u>\$ 553,063</u>	<u>\$ 11,974</u>

Continued

City of Riverside  
Proprietary Funds  
Statement of Cash Flows  
For the fiscal year ended June 30, 2016  
(amounts expressed in thousands)

	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Continued Governmental Activities- Internal Service Funds
Reconciliation of operating income (loss) to net cash (used) provided by operating activities:						
Operating Income (loss)	\$ 71,585	\$ 7,833	\$ 13,776	\$ (3,201)	\$ 89,993	\$ (1,960)
Other receipts	18,191	761	379	1,076	20,407	3
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization	30,953	13,510	7,025	3,843	55,331	927
Changes in assets, liabilities and deferred inflows/outflows of resources:						
Utility billed receivable	1,055	91	(32)	100	1,214	-
Utility unbilled receivable	(859)	(352)	(122)	(28)	(1,361)	-
Accounts receivable	(565)	(891)	308	(197)	(1,345)	235
Intergovernmental receivable	-	371	29	(129)	271	408
Inventory	105	-	(114)	-	(9)	(30)
Prepaid and deposit items	(3,284)	(166)	1	-	(3,449)	-
Benefit programs receivable	115	2,940	-	-	3,055	-
Regulatory assets	7,160	-	(16)	406	7,550	-
Accounts payable	(1,642)	(1,322)	1,987	(104)	(1,081)	495
Accrued payroll	(1,627)	(536)	(320)	(261)	(2,744)	(132)
Retainage payable	(126)	(80)	335	(14)	115	-
Other payables	434	55	158	584	1,231	75
Deposits payable	528	94	-	(807)	(185)	-
Landfill capping	-	-	-	(236)	(236)	-
Claims and judgments	-	-	-	-	-	4,474
Net pension liability and related changes in deferred outflows and inflows of resources	(5,036)	(1,826)	(1,185)	(750)	(8,797)	(388)
Deferred regulatory charges	-	-	14,936	-	14,936	-
Decommissioning liability	(4,394)	-	-	-	(4,394)	-
Net cash (used) provided by operating activities	<u>\$ 112,593</u>	<u>\$ 20,482</u>	<u>\$ 37,145</u>	<u>\$ 282</u>	<u>\$ 170,502</u>	<u>\$ 4,107</u>
Schedule of noncash financing and investing activities:						
Capital Contributions - capital assets	\$ 12,439	\$ 888	\$ -	\$ -	\$ 13,327	\$ -
Increase in fair value of investments	(50)	-	-	-	(50)	-
Land purchase with note payable	-	3,082	-	-	3,082	-
Borrowing under capital lease	3,648	-	-	-	3,648	-

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

**City of Riverside**  
**Statement of Net Position/(Deficit)**  
**Fiduciary Funds**  
**June 30, 2016**  
**(amounts expressed in thousands)**

	<b>Successor Agency Private-Purpose Trust Fund</b>	<b>Agency Fund</b>
	<u>                    </u>	<u>                    </u>
<b>Assets</b>		
Cash and investments	\$ 36,564	\$ 3,085
Cash and investments at fiscal agent	13,207	5,156
Receivables:		
Interest	69	6
Accounts	82	-
Notes	21,081	-
Direct financing lease receivable	18,065	-
Deposits	2	-
Property tax receivables	-	52
Land and improvements held for resale	12,128	-
Capital assets:		
Land	185	-
Equipment	6	-
Accumulated depreciation - equipment	(6)	-
Total assets	<u>101,383</u>	<u>8,299</u>
<b>Liabilities</b>		
Accounts payable	118	35
Accrued interest	4,112	-
Advances from other funds	42,405	-
Bonds payable	226,290	-
Notes payable	5,093	-
Held for bond holders	-	8,264
Total liabilities	<u>278,018</u>	<u>8,299</u>
<b>Deferred Inflows of Resources</b>		
Deferred charge on refunding	1,374	-
Total deferred inflows of resources	<u>1,374</u>	<u>-</u>
<b>Net Position/(Deficit)</b>		
Held by Successor Agency	(178,009)	-
Total net position/(deficit)	<u>\$ (178,009)</u>	<u>\$ -</u>

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

**City of Riverside**  
**Statement of Changes in Net Position/(Deficit)**  
**Fiduciary Fund - Private-Purpose Trust Fund**  
**For the fiscal year ended June 30, 2016**  
**(amounts expressed in thousands)**

	<b>Successor Agency Private-Purpose Trust Fund</b>
	<u>                    </u>
<b>Additions</b>	
Property tax revenue	\$ 37,283
Rental and investment income	299
Miscellaneous	73
Total additions	<u>37,655</u>
<b>Deductions</b>	
Professional services and other deductions	2,573
Redevelopment projects	548
Interest expense	11,285
Total deductions	<u>14,406</u>
Change in Net Position/(Deficit)	23,249
Net position/(deficit) - beginning	<u>(201,258)</u>
Net position/(deficit) - ending	<u><u>\$ (178,009)</u></u>

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