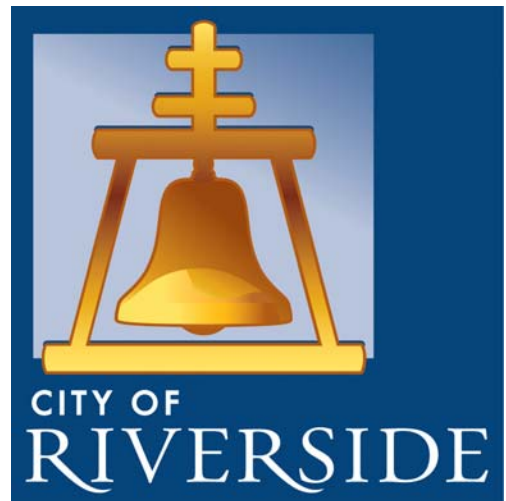


# BUDGET SUMMARY



# BUDGET SUMMARY

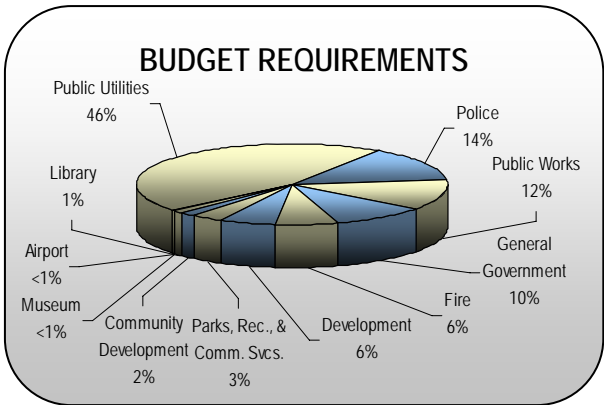
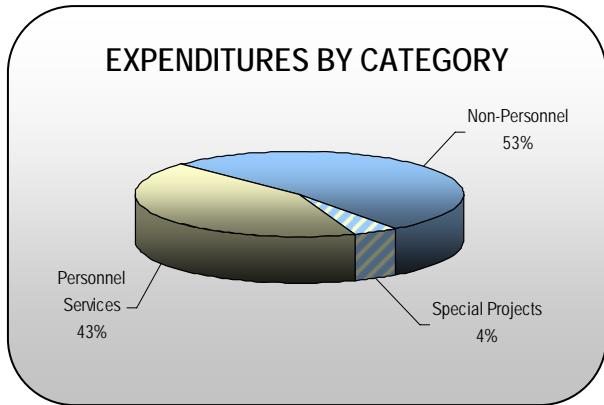
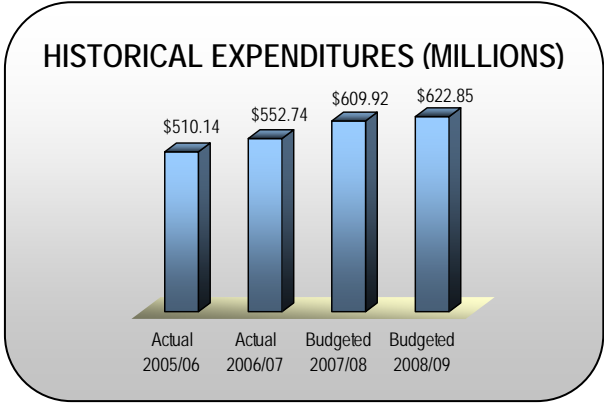
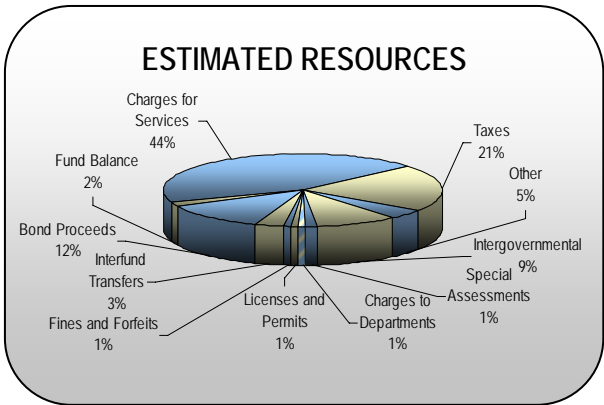
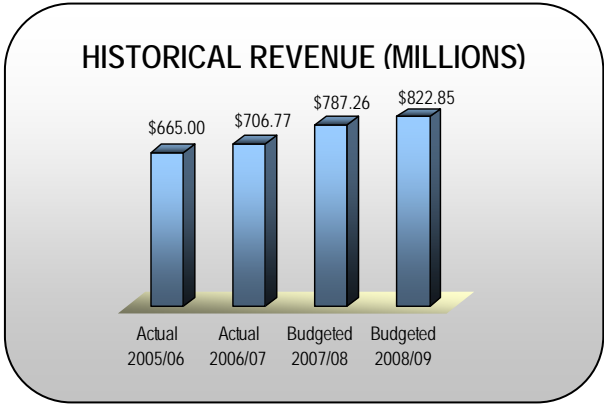
## Overview of the Annual Budget

The City's total combined Annual Budget for fiscal year 2008/09 amounts to \$994,567,611. This equates to a decrease of 10.26% versus the previous year's Budget, excluding interfund transfers and managed savings. The decrease is primarily attributable to several large capital projects included in the prior year's Budget. The increase in the current operations, or operating, budget – the Citywide total Budget excluding debt service, capital projects, equipment purchases, charges to/from others, interfund transfers, and managed savings – is 2.12%.

Included in the \$995 million total Annual Budget amount are the City's Internal Service Funds and transfers to the General Fund from the Electric and Water Funds. These expenditures and transfers are found in the budget twice, because the revenue to the Internal Service Funds is a budgeted expenditure in the City's other funds and the interfund transfers are revenue to the General Fund that is then spent by the General Fund departments. When these two items are excluded from the total, the adjusted total Annual Budget amounts to \$937,596,643.

In this Section, the fund structure of the City's funds is described, significant changes between the current year's Annual Budget and the prior fiscal year are discussed, and other relevant information required to understand the Sections that follow is provided. Subsequently, each of the City's Major Funds, defined as any fund constituting more than 5.00% of the City's Annual Budget, is summarized and described. The City's major funds are:

- The General Fund
- The Electric Fund
- The Water Fund
- The Sewer Fund



## BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Charges for Services	366,197,688	398,517,617	411,426,584	438,369,141	6.55%
Taxes	170,090,309	190,975,567	202,390,400	207,359,687	2.46%
Intergovernmental Revenues	28,676,690	30,879,439	91,941,618	92,510,746	0.62%
Special Assessments	14,076,011	14,481,644	14,543,711	14,221,800	-2.21%
Charges to Departments	9,738,652	8,303,744	11,008,237	8,086,415	-26.54%
Licenses and Permits	10,072,225	9,860,275	10,829,770	10,084,415	-6.88%
Fines and Forfeits	3,227,486	4,164,084	8,674,564	6,770,028	-21.96%
Other	62,923,731	49,588,265	36,450,057	45,447,149	24.68%
<b>Total Revenues</b>	<b>\$ 665,002,792</b>	<b>\$ 706,770,635</b>	<b>\$ 787,264,941</b>	<b>\$ 822,849,381</b>	<b>4.52%</b>
Interfund Transfers			31,626,200	34,553,000	
Bond Proceeds			235,000,000	119,857,000	
Fund Balance			45,240,855	17,308,230	
<b>Total Resources</b>			<b>\$ 1,099,131,996</b>	<b>\$ 994,567,611</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Personnel Services	203,785,541	227,652,388	265,831,945	267,219,170	0.52%
Non-Personnel	273,303,158	295,525,950	316,256,813	327,669,660	3.61%
Special Projects	33,052,336	29,566,548	27,834,908	27,961,918	0.46%
<b>Current Operations Budget</b>	<b>\$ 510,141,035</b>	<b>\$ 552,744,886</b>	<b>\$ 609,923,666</b>	<b>\$ 622,850,748</b>	<b>2.12%</b>
Equipment Outlay	12,044,666	17,834,236	9,211,840	17,241,012	87.16%
Debt Service	85,412,249	128,380,332	111,160,110	129,289,780	16.31%
Operating Grants	5,656,367	4,345,204	-	-	---
Capital Outlay & Grants	190,655,365	231,804,338	378,753,711	228,971,165	-39.55%
Charges From Others	63,933,994	69,054,140	101,509,230	114,285,949	12.59%
Charges To Others	(84,132,364)	(92,311,431)	(130,888,329)	(143,781,134)	9.85%
<b>Total Budget</b>	<b>\$ 783,711,312</b>	<b>\$ 911,851,705</b>	<b>\$ 1,079,670,228</b>	<b>\$ 968,857,520</b>	<b>-10.26%</b>
Interfund Transfers			31,626,200	34,553,000	
Managed Savings			(12,164,432)	(8,842,909)	
<b>Total Budget Requirements</b>			<b>\$ 1,099,131,996</b>	<b>\$ 994,567,611</b>	

### EXPENDITURE HISTORY BY ORGANIZATIONAL UNIT

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Riverside Public Utilities	225,552,567	231,269,897	265,552,033	283,515,139	6.76%
Police Department	70,243,437	79,730,230	83,703,997	84,678,552	1.16%
Public Works Department	49,407,551	58,012,514	74,784,346	76,101,351	1.76%
General Government	70,376,454	75,648,442	69,212,103	62,935,323	-9.07%
Fire Department	33,078,654	37,030,649	40,070,763	40,203,818	0.33%
Development Department	23,765,056	31,913,587	32,966,937	35,711,515	8.33%
Parks, Recreation, & Community Services Dept.	19,595,515	18,890,015	20,237,661	20,260,873	0.11%
Community Development Department	9,312,889	10,581,375	12,797,783	10,141,315	-20.76%
Riverside Public Library	6,747,320	7,300,359	7,997,310	6,902,092	-13.69%
Riverside Metropolitan Museum	1,409,997	1,653,182	1,732,184	1,458,120	-15.82%
Riverside Airport	651,595	714,636	868,549	942,650	8.53%
<b>Current Operations Budget</b>	<b>\$ 510,141,035</b>	<b>\$ 552,744,886</b>	<b>\$ 609,923,666</b>	<b>\$ 622,850,748</b>	<b>2.12%</b>

# BUDGET SUMMARY

## Overview of the Annual Budget (Continued)

Additionally, due to their material nature to the City's operations, the Refuse Fund and the Airport Fund are also reported as Major Funds, though they comprise less than 5.00% of the City's Annual Budget. Similarly, the Capital Outlay Fund, though more than 5.00% of the City's Annual Budget, is excluded because it is a capital projects fund.

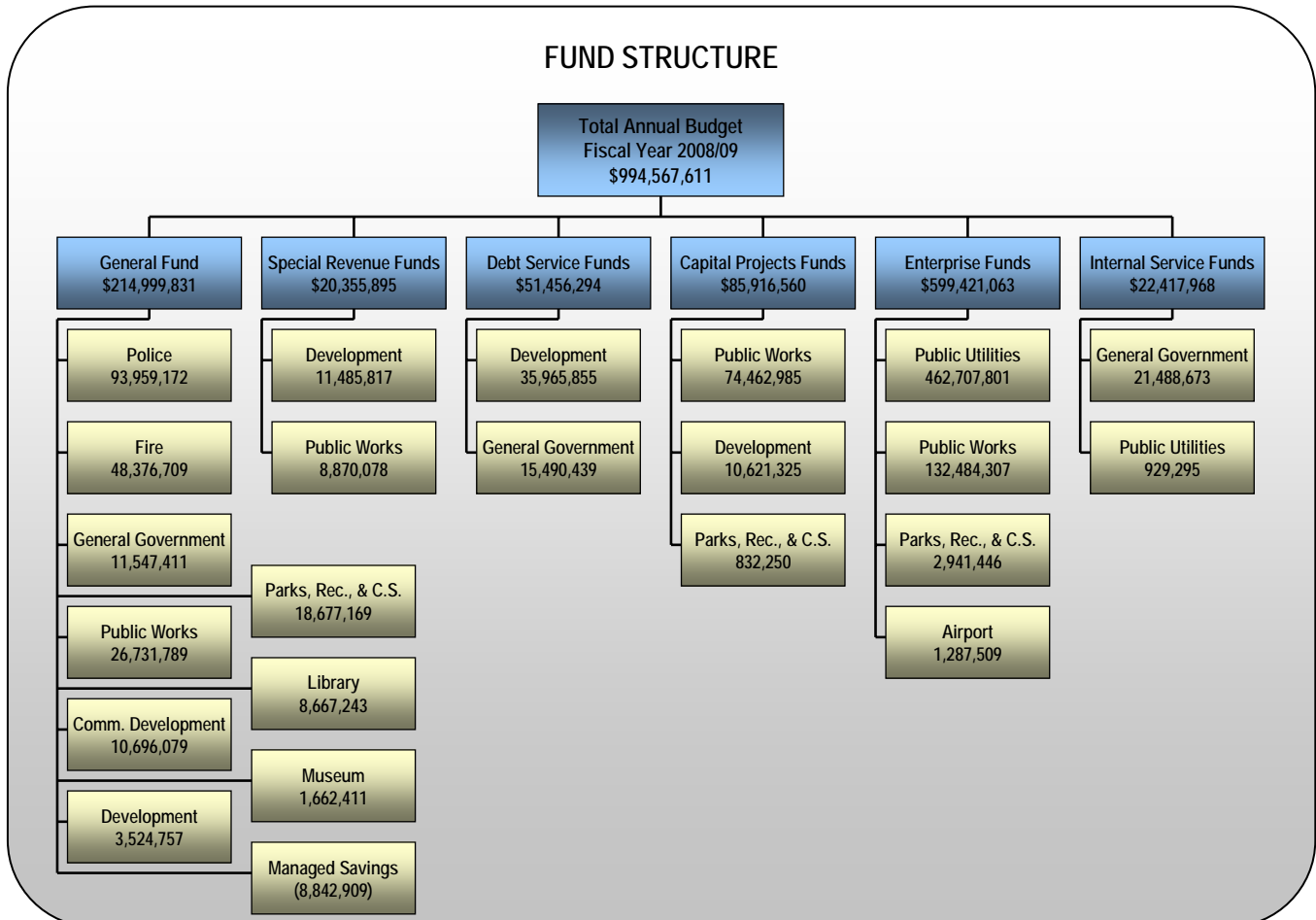
The term "General Government" is used to refer to a combination of all City Departments that are not public service Departments. These Departments include the Office of the Mayor, City Council, Office of the City Attorney, Office of the City Clerk, Office of the City Manager, and the Human Resources, General Services, and Information Technology Departments.

Grant revenue and expenditures are not typically budgeted. However, historical actual expenditures shown for fiscal years 2005/06 and 2006/07 include grants and other supplemental appropriations.

## Fund Structure

The City organizes its resources into six main fund categories: General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Enterprise Funds, and Internal Service Funds. Within each category are multiple funds that each relate to a Department. Funds are categorized primarily for accounting purposes; therefore the Annual Budget typically discusses funds as they relate to Departments rather than categories. Below is a diagram illustrating the relationship between the six fund categories and the City's various Departments. Each Department may have more than one fund within each category.

As can be seen from the following descriptions of fund categories, in many cases individual City Departments span multiple funds within a single category, or in some cases multiple categories. The reasons for this separation of activities are primarily of an accounting nature and can be reviewed in more detail in the City's CAFR.



## BUDGET SUMMARY

### *General Fund*

The General Fund is the City's primary operating fund where core City services such as police, fire, parks, recreation, and street maintenance are budgeted. The General Fund is described in more detail later in this Section.

### *Special Revenue Funds*

Special Revenue Funds are used to account for specific monies that are legally restricted for use for a particular purpose. Funds included in this category relate to City Departments as follows.

The Development Department's budget includes various Special Revenue Funds. Several of these funds are used to account for the portion of Redevelopment tax increment monies that California Redevelopment Law requires be set aside for the development of low and moderate income housing in the City's various redevelopment areas. Other funds are used to account for Federal grants received from the Department of Housing and Urban Development (HUD) to be used for the development of a viable urban community by providing decent housing, a suitable living environment, and expanding economic opportunities principally for persons of low and moderate incomes.

The Public Works Department's budget includes three Special Revenue Funds. These funds include the Special Gas Tax Fund, used to account for the construction and maintenance of City streets funded by the City's share of state gasoline taxes; the Air Quality Improvement Fund, used to account for qualified air pollution reduction programs funded by the South Coast Air Quality Management District; and the National Pollution Discharge Elimination System (NPDES) Fund, used to account for storm drain maintenance and inspection required for California storm water permits funded by a special assessment district of Riverside County.

A final fund included in this category is the Community Redevelopment Agency Fund. This fund is entirely allocated through a distribution of costs to the Development Department's various other funds. It therefore has a budget of zero dollars and is not an appropriated fund. This fund is mentioned here to provide context for the tables where it appears due to costs budgeted in the fund that are allocated to other funds.

### *Debt Service Funds*

Debt Service Funds are used to account for the accumulation of resources and payment of long-term debt obligations of the City and related entities. Funds included in this category are Development Department funds associated with the City's various redevelopment areas; funds used to account for debt service payments for the City's various assessment districts and community facilities districts (CFDs); and the Certificates of Participation Debt Service Fund used to account for debt service associated with certificates of participation issued by the Riverside Municipal Improvements Corporation or the Riverside Public Financing Authority and financed via lease payments from the City.

### *Capital Projects Funds*

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by Enterprise Funds or the General Fund.

The Public Works Department's budget includes four Capital Projects Funds. These funds include the Storm Drain Fund, used to account for the acquisition, construction, and installation of storm drains in the City; the Capital Outlay Fund, used to account for the construction and installation of street and highway capital improvements; the Measure A Fund, used to account for transportation improvements funded by the 1/2% sales tax approved by Riverside County voters in 1988; and the Transportation Development Impact Fees Fund, used to account for transportation improvements funded by impact fees.

The Development Department's budget includes various Capital Projects Funds. These funds are used to account for costs associated with the acquisition, relocation, demolition, and sale of property and the construction of projects in the City's various redevelopment project areas.

Finally, the Parks, Recreation, and Community Services Department's budget includes two Capital Projects Funds. These funds include the Local Park Special Capital Improvements Fund, used to account for capital projects to construct parks and recreation facilities funded by impact fees; and the Regional Park Special Capital Improvements Fund, used to account for capital projects to construct regional parks and recreation facilities funded by impact fees.

## BUDGET SUMMARY

### *Enterprise Funds*

Enterprise Funds are used to account for activities that are financed and operated in a manner similar to private businesses. The City's intent is that the operational and capital costs of providing these services be recovered primarily through user fees and charges.

Riverside Public Utilities is budgeted in four Enterprise Funds. These funds include the Electric Fund, used to account for expenditures of the City's electric utility; the Electric Public Benefits Charge Fund, used to account for public benefits funds related to the City's electric utility; the Water Fund, used to account for expenditures of the City's water utility; and the Conservation and Reclamation Program Fund, used to account for public benefits funds related to the City's water utility. The Electric and Water Funds are described in more detail later in this Section.

The Public Works Department's budget includes three Enterprise Funds. These funds include the Refuse Collection Fund, used to account for expenditures associated with the City's refuse collection services; the Sewer Service Fund, used to account for expenditures related to the City's sewer system; and the Public Parking fund, used to account for expenditures related to the various parking facilities operated by the City in downtown Riverside. The Refuse and Sewer Funds are described in more detail later in this Section.

The Parks, Recreation, and Community Services Department's budget includes an Enterprise Fund. The Special Transit fund is used to account for expenditures related to the City's fleet of minibuses, which are used to transport senior citizens and disabled persons.

Finally, the Riverside Airport is entirely budgeted in an Enterprise Fund. The Airport Fund is described in more detail later in this Section.

### *Internal Service Funds*

Internal Service Funds are used to account for the operational and capital cost of providing centralized services to City Departments. The costs of these services are recovered through the City's Cost Allocation Plan or other cost reimbursement methods. Funds in this category include the City's insurance-related funds, which are budgeted in the Office of the City Manager's budget. They are the Workers' Compensation Insurance Trust Fund, the Unemployment Insurance Trust Fund, and the Liability Insurance Trust Fund. Riverside Public Utilities'

budget includes the Central Stores Fund, used to account for purchases; and the General Services Department's budget includes the Central Garage Fund, used to account for vehicle maintenance and motor pool functions.

### *Funds Not Budgeted*

There are certain City funds that do not appear in the budget and that have not been described in this Section, either because they are no longer active or because they are never budgeted in the Annual Budget. Funds in the second category include the Capital Projects Funds related to the City's assessment districts and CFDs, certain Public Works Capital Projects Funds, and certain Capital Projects Funds used to account for expenditures associated with bond or certificate of participation issues completed mid-year in prior budget years. Appropriations were or are made to these funds on an as-needed basis through supplemental appropriations approved by the City Council during the budget year.

### Summary of Significant Budget Adjustments

Detailed listings by department of significant budget adjustments can be found in Section I of the Annual Budget. This summary is intended as a high-level overview of significant structural changes to the budget or organization. Please refer to Section I for a detailed discussion of specific budgetary adjustments at the department level.

### *Fund Reorganization*

At the close of fiscal year 2006/07, several funds were eliminated in an effort to simplify the City's fund structure. Historical data has been presented in the Annual Budget as though these changes had always been in place. This facilitates easy historical comparison, which would not be possible if the prior year data were left in the old format.

The first significant change is the consolidation of the Central Services Fund (102) into the General Fund (101). The two funds have historically been consolidated in the City's CAFR, but were tracked separately for budgetary purposes. The primary reason for this is related to the City's Cost Allocation Plan (CAP). The CAP fully allocated all divisions located in the Central Services Fund, and the fund therefore had a net budget of \$0.00. The divisions previously budgeted in the Central Services Fund are now budgeted in the General Fund.

The second significant change is the consolidation of the Library Fund (210) into the General Fund. Historically, the

## BUDGET SUMMARY

Riverside Public Library provided contract services to Riverside County. This necessitated the tracking of the Library's operations in a Special Revenue Fund. The arrangement with the County was terminated several years ago, but the Library remained in its own fund. Additionally, transfers from the General Fund were necessary to maintain a positive fund balance in the Library Fund. Because the relationship with the County no longer exists and because the General Fund was already partially supporting the Library's operations, the Library has been moved into the General Fund.

Finally, the last significant change is the consolidation of the Sewer Projects Fund (551) into the Sewer Service Fund (550). Historically, there was a need to track capital projects related to the City's sewer infrastructure in a separate fund. This type of tracking is no longer needed. Therefore the Sewer Projects Fund was eliminated in favor of a single fund for operating the Sewer enterprise. This is consistent with the way that the City's other Enterprise Funds are structured wherein capital projects and current operations are all budgeted in the same fund.

### ***Department Reorganizations***

During fiscal year 2007/08 or effective at the beginning of fiscal year 2008/09, the following reorganizations occurred throughout the City. A reorganization can be defined as the transfer of a particular function from one department to another department that has no impact on the net Annual Budget.

1. The Office of the City Manager transferred the Central Stores Fund to Riverside Public Utilities.
2. The Police Department transferred the Crossing Guards Program to the Public Works Department.

### ***Programmatic and Staffing Changes***

Citywide staffing increased by 7.65 full time equivalents. Due to the constraints imposed by the current economic conditions, additional staffing authorizations were kept to a minimum. However, certain additional staffing requests were approved, the majority of which facilitate addressing identified City Council priorities. Each department's summary in Section I outlines the reasons for the increases in personnel.

In addition to personnel increases, the non-personnel budget was increased, primarily in the City's Enterprise Funds, to address identified City Council priorities as

articulated in the City Manager's Budget Message. The General Fund budget, as noted in the Budget Message, was significantly reduced as reflected in the General Fund summary information found later in this Section. Each department's summary in Section I outlines the reasons for significant increases or decreases in non-personnel expenditures. The capital improvements budget is smaller than in the prior year, primarily due to several large projects budgeted in the Electric Fund in the prior year. The debt service budget is larger than in the prior year, primarily due to new debt issues related to the Riverside Renaissance Initiative.

The transmittal letter for the final budget included at the end of Section A references "minor administrative adjustments" in addition to several listed last minute additions to the budget. These minor administrative adjustments do not have a material impact on the budget as a whole, though the budget numbers presented in the City Manager's Budget Message may be slightly different than the final budget numbers presented in the Annual Budget.

### **Interfund Transfers**

Throughout the Annual Budget reference is made to interfund transfers. An interfund transfer is a transfer of funds from one City fund to another City fund. These transfers appear as a resource in the fund receiving the transfer and as a budget requirement in the fund that is sending the transfer. While this does result in the revenue and expenditure being "double counted" in the Annual Budget, this presentation provides a truer picture of the actual expenditures for the City's Enterprise Funds, from which the majority of the transferred funds originate. A summary of the City's interfund transfers is provided in the table below.

<b>SUMMARY OF INTERFUND TRANSFERS</b>		
<b>Sending Fund</b>	<b>Transfer to General Fund</b>	
Electric Fund	510	29,298,000
Water Fund	520	5,255,000
<b>Total \$</b>		<b>34,553,000</b>

# BUDGET SUMMARY

## Outstanding Debt

As discussed in the City's Debt Management Policy, found in the Guide to the Budget Section, the City's legal debt limit is set by State of California Statute at 15% of the City's adjusted assessed valuation. Of the \$1.39 billion in debt currently outstanding, only \$17.94 million is supported by tax revenues (the Measure G Fire Facility Projects Bonds) and is therefore subject to the legal debt limit. The City's assessed valuation for the current fiscal year is \$17.96 billion, resulting in a debt limit of \$673.55 million and a current ratio of debt to assessed value of 2.75%. The remaining outstanding debt detailed in the table on the facing page is supported by other specific revenue streams and is not subject to the legal debt limit.

During fiscal year 2007/08, several significant debt issues were completed. The General Fund issued Refunding Certificates of Participation totaling \$128.30 million, the Electric Fund issued Revenue Refunding Bonds totaling \$198.57 million and revenue bonds totaling \$209.74 million, and the Water Fund issued revenue refunding bonds totaling \$59.88 million and revenue bonds totaling \$58.24 million.

The projects funded by the new electric and water debt are described in more detail in the Capital Improvement Program Summary in Section J of the Annual Budget. The debt service for the new electric and water debt is supported by electric and water rates.

The various refunding issues completed in fiscal year 2007/08 are the refinancing of outstanding debt that was supported by existing revenue streams. Such refinancing typically occurs whenever an interest cost savings to the City can be achieved through the refunding.

During the course of fiscal year 2008/09, it is anticipated that debt will be issued by the Sewer Fund, though a pending rate increase will determine the structure of funding for future capital projects. Bond proceeds totaling \$119.86 million are included in the Electric, Water, and Sewer Fund portions of the Annual Budget that relate to the various debt issues described above. These funds are reflected as a resource in the various revenue tables but are not included in revenue to avoid skewing historical comparisons, as bond proceeds are not included in historical revenues.

### LEGAL DEBT LIMIT CALCULATION

	<b>As of June 30, 2008</b>
Fiscal Year 2007/08 Assessed Valuation	17,961,416,425
Conversion Percentage	25.00%
Adjusted Assessed Valuation for Calculation Purposes	4,490,354,106
Debt Limit Percentage	15.00%
<b>Legal Debt Limit</b>	<b>\$ 673,553,116</b>
Less: Outstanding General Obligation Debt Payable from Property Taxes Measure G Fire Facility Projects Bonds	18,530,000
<b>Remaining Debt Capacity</b>	<b>\$ 655,023,116</b>
Ratio of Debt to Legal Debt Limit	2.75%
Debt per Capita (2008 Population Estimate of 296,842)	\$62.42



# BUDGET SUMMARY

## SUMMARY OF CITYWIDE DEBT OBLIGATIONS

Debt Issue	Budgeted Fund	Year of Issuance	Year of Final Maturity	Total Issue Size	Outstanding Principal 6/30/2009	2008/09 Principal	2008/09 Interest
<b>General Obligation</b>							
Measure G Fire Facility Projects Bonds	General Fund	2004	2025	20,000,000	17,940,000	590,000	839,670
<b>Pension Obligation</b>							
Pension Obligation Bonds (2004)	General Fund	2004	2023	89,540,000	82,100,000	1,990,000	4,785,622
Pension Obligation Bonds (2005) Series A	General Fund	2005	2020	30,000,000	26,885,000	995,000	1,304,197
Pension Obligation Refunding Bond Anticipation Notes	General Fund	2008	N/A	30,200,000	30,200,000	-	960,360
<b>Certificates of Participation</b>							
Capital Improvement Projects Refunding	General Fund	1999	2010	6,360,000	815,000	760,000	119,320
Riverside Public Financing Authority (RPFA) Projects	General Fund	2003	2034	53,185,000	47,845,000	1,190,000	2,299,900
Galleria Mall Improvements	General Fund	2006	2036	19,945,000	19,945,000	-	900,516
Riverside Renaissance Projects Refunding	General Fund	2008	2037	128,300,000	128,300,000	-	4,313,446
<b>Total General Fund</b>					<b>354,030,000</b>	<b>5,525,000</b>	<b>15,523,031</b>
<b>Sewer</b>							
Sewer Revenue Bonds	Sewer Fund	1993	2013	49,145,000	17,590,000	3,760,000	1,091,500
<b>Total Sewer Fund</b>					<b>17,590,000</b>	<b>3,760,000</b>	<b>1,091,500</b>
<b>Electric Utility</b>							
Electric Revenue Bonds (1998)	Electric Fund	1998	2019	98,730,000	35,125,000	6,285,000	2,014,934
Electric Revenue Bonds (2001)	Electric Fund	2001	2015	47,215,000	22,740,000	3,250,000	1,141,266
Electric Revenue Bonds (2003)	Electric Fund	2003	2014	75,405,000	39,305,000	7,405,000	1,926,850
Electric Revenue Bonds (2004) Series A	Electric Fund	2004	2015	27,500,000	19,305,000	2,855,000	1,074,119
Electric Revenue Refunding Bonds (2008) Series A	Electric Fund	2008	2030	84,515,000	84,515,000	-	2,629,262
Electric Revenue Refunding Bonds (2008) Series B	Electric Fund	2008	2036	57,275,000	57,000,000	275,000	1,826,771
Electric Revenue Refunding Bonds (2008) Series C	Electric Fund	2008	2036	57,325,000	57,050,000	275,000	1,830,085
Electric Revenue Bonds (2008) Series D	Electric Fund	2008	2039	209,740,000	209,740,000	-	8,851,751
<b>Total Electric Fund</b>					<b>524,780,000</b>	<b>20,345,000</b>	<b>21,295,038</b>
<b>Water Utility</b>							
Water Revenue Bonds (1991)	Water Fund	1991	2011	50,950,000	6,475,000	3,235,000	-
Water Revenue Bonds (1998)	Water Fund	1998	2019	30,965,000	20,405,000	300,000	1,051,176
Water Revenue Bonds (2001)	Water Fund	2001	2017	20,000,000	4,030,000	415,000	181,303
Water Revenue Refunding Bonds (2008) Series A	Water Fund	2008	2036	60,300,000	59,875,000	425,000	1,919,400
Water Revenue Bonds (2008) Series B	Water Fund	2008	2039	58,235,000	58,235,000	-	2,382,211
<b>Total Water Fund</b>					<b>149,020,000</b>	<b>4,375,000</b>	<b>5,534,090</b>
<b>Redevelopment Agency</b>							
RPFA Multiple Project Area TABs (1991)	Redev. Funds	1991	2018	5,645,000	160,000	10,000	13,600
Univ. Corridor/Sycamore Canyon TABs Series A	Redev. Funds	1999	2028	17,025,000	13,885,000	440,000	674,785
Univ. Corridor/Sycamore Canyon TABs Series B	Redev. Funds	1999	2028	6,055,000	5,025,000	155,000	283,219
Casa Blanca TABs	Redev. Funds	1999	2026	20,395,000	15,680,000	605,000	757,273
Downtown/Airport TABs	Redev. Funds	2003	2034	40,435,000	34,045,000	1,330,000	1,614,274
California Towers Lease Revenue Bonds Series A	Redev. Funds	2003	2025	26,255,000	22,330,000	730,000	1,033,708
California Towers Lease Revenue Bonds Series B	Redev. Funds	2003	2025	4,810,000	3,880,000	160,000	202,442
Arlington Tax Allocation Bonds Series A	Redev. Funds	2004	2035	4,550,000	4,395,000	40,000	204,325
Arlington Tax Allocation Bonds Series B	Redev. Funds	2004	2025	2,975,000	2,605,000	100,000	146,025
Multiple Project Area Housing TABs	Redev. Funds	2004	2035	24,115,000	21,850,000	610,000	975,871
ERAF Loan Program Through CSCDA	Redev. Funds	2005	2016	1,465,000	1,105,000	130,000	55,693
RPFA Multiple Project Area TABs (2007) Series A	Redev. Funds	2007	2037	8,340,000	8,320,000	20,000	363,231
RPFA Multiple Project Area TABs (2007) Series B	Redev. Funds	2007	2028	14,850,000	14,575,000	275,000	831,619
RPFA Multiple Project Area TABs (2007) Series C	Redev. Funds	2007	2037	89,205,000	89,155,000	50,000	4,334,500
RPFA Multiple Project Area TABs (2007) Series D	Redev. Funds	2007	2032	43,875,000	42,275,000	1,600,000	2,440,008
<b>Total Redevelopment Agency</b>					<b>279,285,000</b>	<b>6,255,000</b>	<b>13,930,573</b>
<b>Assessment District &amp; Community Facilities District</b>							
Community Facilities District 90-2 Tyler Mall Bonds	Asmt. Funds	1991	2012	17,960,000	991,782	382,585	807,415
Sycamore Canyon Business Park No. 1 Bonds	Asmt. Funds	1992	2013	4,416,947	1,490,000	300,000	139,400
Auto Center Assessment District Bonds	Asmt. Funds	1999	2025	6,341,504	4,840,000	195,000	259,013
Highlander CFD 90-1 Refunding Bonds	Asmt. Funds	2001	2016	14,325,000	8,215,000	985,000	426,810
Riverwalk Assessment District Bonds	Asmt. Funds	2001	2027	10,198,078	8,730,000	275,000	537,543
RPFA Refunding Bonds Series A	Asmt. Funds	2001	2017	16,730,000	7,795,000	1,375,000	366,380
RPFA Refunding Bonds Series B	Asmt. Funds	2001	2017	1,620,000	975,000	100,000	54,998
Canyon Springs Assessment District Refunding Bonds	Asmt. Funds	2004	2012	8,680,000	3,695,000	1,150,000	168,138
Riverwalk Business Center Assessment District Bonds	Asmt. Funds	2005	2030	3,755,000	3,425,000	85,000	202,613
Sycamore Canyon Business Park CFD 92-1 Bonds	Asmt. Funds	2005	2035	9,700,000	9,175,000	180,000	463,578
Hunter Park Assessment District Bonds	Asmt. Funds	2006	2037	15,269,906	14,770,000	255,000	745,938
<b>Total Assessment District &amp; Community Facilities District</b>					<b>64,101,782</b>	<b>5,282,585</b>	<b>4,171,826</b>
<b>Total Debt</b>					<b>\$ 1,388,806,782</b>	<b>\$ 45,542,585</b>	<b>\$ 61,546,058</b>

NOTE: "TABs" refers to Tax Allocation Bonds.

# BUDGET SUMMARY – GENERAL FUND

## Overview of the General Fund

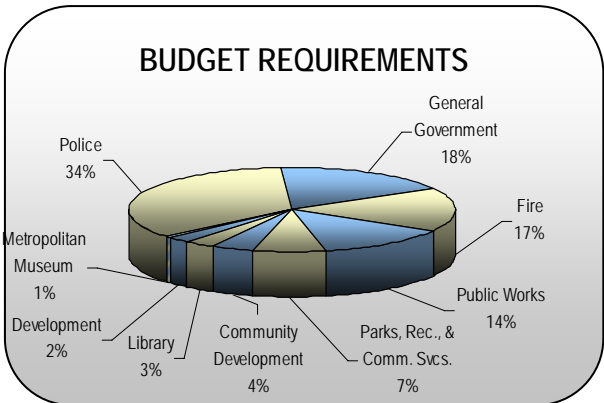
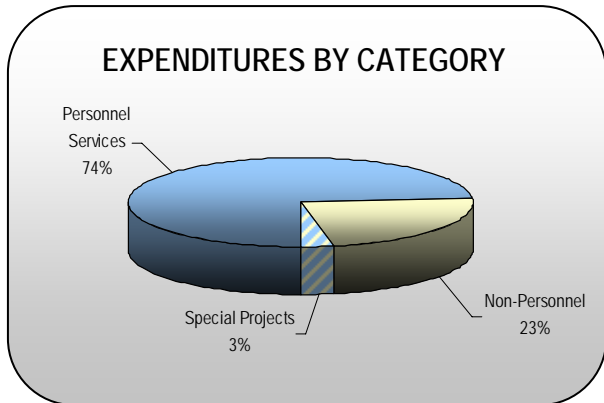
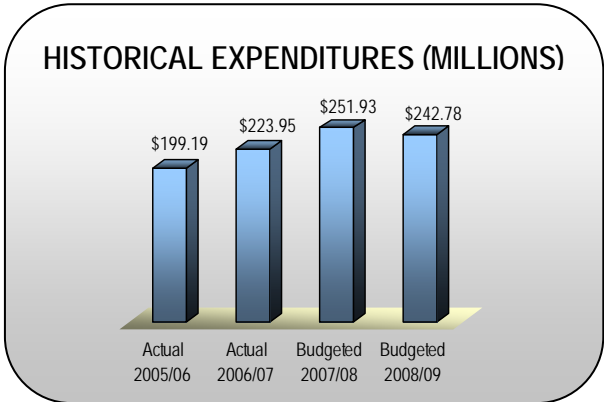
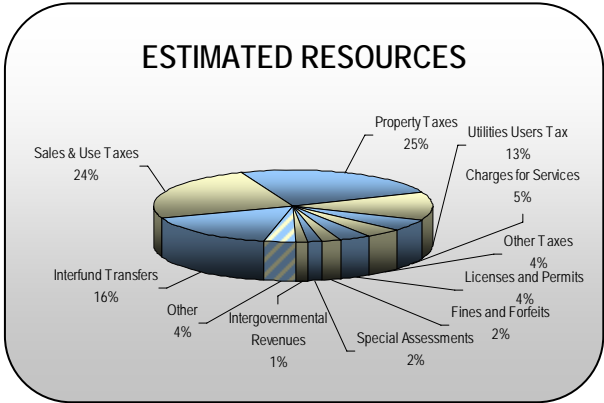
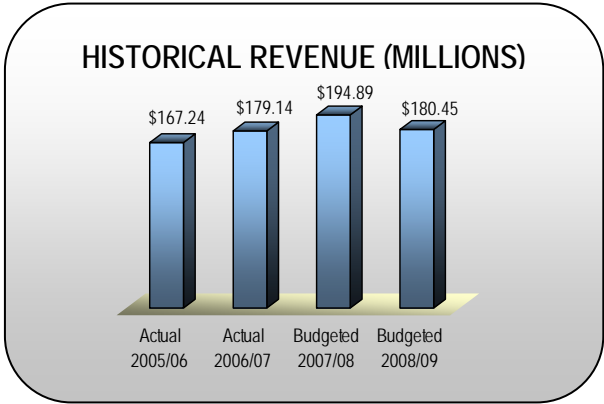
The City's General Fund budget for fiscal year 2008/09 amounts to \$214,999,831, including managed savings. This equates to a decrease of 5.08% versus the previous year's Annual Budget. The decrease in the current operations budget is 3.63%.

Core city services such as police, fire, parks, recreation, and street maintenance are budgeted in the General Fund. Therefore, the General Fund's growth can be more closely tied to the growth of the City and the economic activity within the City than the Annual Budget as a whole. The General Fund budget decrease this year reflects the current economic conditions while maintaining the City's investment in public safety, transportation, economic development, and other critical needs as outlined in the City Manager's Budget Message.

## General Fund Revenue Sources

The General Fund is supported by a diverse set of revenue sources. Included are tax revenues, fees charged for services, licenses and permits, and other more minor sources. In the pages that follow, each of the major General Fund revenue sources is described with information about historical trends, current budgeted revenues, and forecast methodology.

An important part of the overall General Fund financial picture is interfund transfers. The General Fund will receive \$34.6 million from the Electric and Water Funds, which is a transfer of certain operating revenues as authorized by the City Charter.



## GENERAL FUND – BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Property Taxes	44,235,108	50,131,556	55,703,000	52,985,000	-4.88%
Sales & Use Taxes	58,830,459	57,232,520	61,276,000	52,600,000	-14.16%
Utilities Users Tax	23,501,590	25,383,810	25,598,000	27,763,000	8.46%
Charges for Services	11,583,215	11,964,405	12,199,891	10,965,431	-10.12%
Other Taxes	8,387,159	8,585,315	9,185,000	9,289,000	1.13%
Licenses and Permits	8,367,349	7,821,271	8,636,900	7,732,855	-10.47%
Fines and Forfeits	2,096,110	2,778,132	6,857,000	4,950,000	-27.81%
Special Assessments	3,577,316	3,578,077	3,800,411	3,543,000	-6.77%
Intergovernmental Revenues	2,850,453	4,141,438	3,370,000	2,820,000	-16.32%
Other	3,812,934	7,522,202	8,262,477	7,798,545	-5.61%
<b>Total Revenues</b>	<b>\$ 167,241,693</b>	<b>\$ 179,138,726</b>	<b>\$ 194,888,679</b>	<b>\$ 180,446,831</b>	<b>-7.41%</b>
Interfund Transfers			31,626,200	34,553,000	
Fund Balance					
<b>Total Resources</b>	<b>\$ 226,514,879</b>	<b>\$ 226,514,879</b>	<b>\$ 226,514,879</b>	<b>\$ 214,999,831</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Personnel Services	142,430,242	160,485,083	180,397,286	178,865,258	-0.85%
Non-Personnel	48,542,776	56,582,844	63,026,921	56,413,620	-10.49%
Special Projects	8,220,256	6,882,808	8,505,118	7,500,347	-11.81%
<b>Current Operations Budget</b>	<b>\$ 199,193,274</b>	<b>\$ 223,950,735</b>	<b>\$ 251,929,325</b>	<b>\$ 242,779,225</b>	<b>-3.63%</b>
Equipment Outlay	4,956,802	8,909,024	2,205,331	788,893	-64.23%
Debt Service	17,475,143	18,346,803	18,366,173	14,701,355	-19.95%
Operating Grants	5,542,521	3,994,454	-	-	---
Capital Outlay & Grants	35,083,292	33,794,592	6,134,294	1,425,652	-76.76%
Charges From Others	31,900,782	32,678,376	37,857,255	45,465,481	20.10%
Charges To Others	(59,475,609)	(62,027,690)	(77,813,067)	(81,317,866)	4.50%
<b>Total Budget</b>	<b>\$ 234,676,205</b>	<b>\$ 259,646,294</b>	<b>\$ 238,679,311</b>	<b>\$ 223,842,740</b>	<b>-6.22%</b>
Interfund Transfers					
Managed Savings			(12,164,432)	(8,842,909)	
<b>Total Budget Requirements</b>	<b>\$ 226,514,879</b>	<b>\$ 226,514,879</b>	<b>\$ 226,514,879</b>	<b>\$ 214,999,831</b>	

### EXPENDITURE HISTORY BY ORGANIZATIONAL UNIT

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Police Department	70,243,437	79,730,230	83,703,997	84,678,552	1.16%
General Government	40,394,892	42,224,950	49,638,439	43,432,234	-12.50%
Fire Department	33,078,654	37,030,649	40,070,763	40,203,818	0.33%
Public Works Department	18,169,055	23,558,721	32,411,416	32,914,783	1.55%
Parks, Recreation, & Community Services Dept.	17,276,291	16,660,589	17,520,414	17,568,654	0.28%
Community Development Department	9,312,889	10,581,375	12,797,783	10,141,315	-20.76%
Riverside Public Library	6,747,320	7,300,359	7,997,310	6,902,092	-13.69%
Development Department	2,560,739	5,210,680	6,057,019	5,479,657	-9.53%
Riverside Metropolitan Museum	1,409,997	1,653,182	1,732,184	1,458,120	-15.82%
<b>Current Operations Budget</b>	<b>\$ 199,193,274</b>	<b>\$ 223,950,735</b>	<b>\$ 251,929,325</b>	<b>\$ 242,779,225</b>	<b>-3.63%</b>

## BUDGET SUMMARY – GENERAL FUND

### Sales and Use Taxes

Sales and Use Taxes are imposed on retail transactions, usually at the point of sale. They are collected and remitted to the California State Board of Equalization, which administers the program. In Riverside County, Sales Tax is assessed at the rate of 7.75% of the transaction value. Included in this rate are one percentage point for local sales tax, 0.5 percentage point for Measure “A” transportation programs, and 0.5 percentage point for Local Public Safety Augmentation (LPSA). The Board of Equalization distributes Sales Tax monies on the basis of point of sale data, while Use Tax monies are allocated from various dollar pools at County or State levels based on taxable sales for the defined areas. The LPSA monies are distributed via the County of Riverside to cities based on their proportionate share of property tax losses due to the State’s Educational Revenue Augmentation Fund (ERAF) shifts.

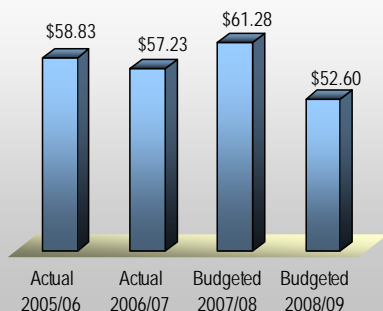
Sales and Use Tax revenues are one of the two largest revenue sources for the General Fund, representing 29.15% of total estimated revenues in fiscal year 2008/09. In each of the past 14 years except for the past year these revenues have increased, with growth rates in some years higher than 10% annually. This growth is dependent upon the economy and local commercial trends, and sustained growth at the 10% level is not possible given the current economic conditions. For fiscal year 2008/09, budgeted Sales and Use Tax revenues are estimated to decline from the prior year’s budgeted revenues based on forecast data. The budgeted amount of \$52.60 million represents a decrease of 14.16%.

### Property Taxes

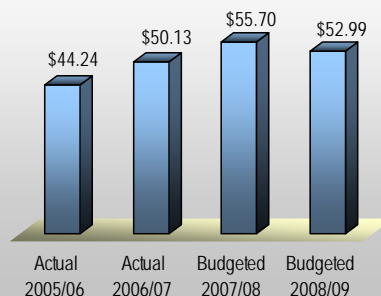
Property taxes are levied at one percent of assessed value, as established in 1978 by California’s Proposition 13. The County of Riverside administers the property tax program and the City of Riverside receives approximately 12% of the receipts generated by property taxes levied within the City limits. The balance of the assessment received is allocated between various schools, Riverside County, and the City’s Redevelopment Agency. The increase in revenues between fiscal years 2005/06 and 2006/07 is partially attributable to the ERAF III shift, which diverted certain Property Tax revenues to the State in fiscal years 2004/05 and 2005/06.

Property Tax revenues are one of the two largest revenue sources for the General Fund, representing 29.36% of total estimated revenues in fiscal year 2008/09. Property Tax revenues have increased in recent years as a result of the booming housing market in Southern California, new retail and commercial construction, annexations, and higher assessed values for properties as they are sold (Proposition 13 also limits annual increases in assessed value so that properties are often assessed considerably below actual value until resold). For fiscal year 2008/09, budgeted Property Tax revenues are estimated to decrease slightly versus the previous fiscal year, reflecting the slowing housing market in Southern California. The budgeted amount of \$52.99 million represents a decrease of 4.88%.

**HISTORICAL SALES & USE TAX REVENUE**  
(MILLIONS)



**HISTORICAL PROPERTY TAX REVENUE**  
(MILLIONS)



## GENERAL FUND – BUDGET SUMMARY

### Utility Users Taxes

Utility Users Taxes are imposed on telephone, electrical, gas, water, and cable television services within the City limits at a rate of 6.5 percent of taxable services.

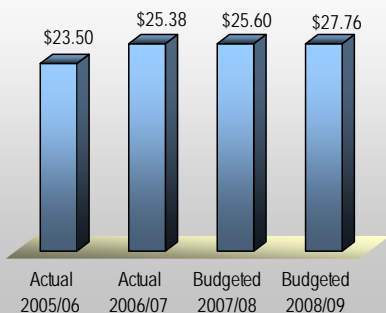
Utility Users Tax revenues represent 15.39% of total estimated General Fund revenues in fiscal year 2008/09. These revenues are largely predictable and increase at a steady and measurable rate as the customer base of the City's utilities increases. For fiscal year 2008/09, budgeted Utility Users Tax revenues are estimated to grow at a higher rate than in the previous year due to increasing utility rates in the City. The budgeted amount of \$27.76 million represents an increase of 8.46%.

### Charges for Services

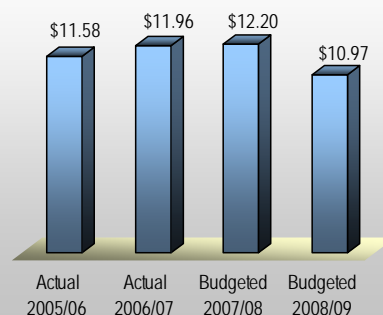
The City has developed service fees that are designed to recover a specified portion of the service cost. This is referred to as the recovery level and is established by the City Council. The primary revenue source in this category is fees for processing various development-related applications.

Charges for Services revenue represents 6.08% of total estimated General Fund revenues in fiscal year 2008/09. Revenue from many Charges for Services remains relatively steady and increases each year with the growth in the City's population and inflation. Certain Charges for Services, however, are tied to the construction industry and are thus more closely tied to current economic trends. For fiscal year 2008/09, budgeted Charges for Services are estimated to decrease primarily as a result of the slowing housing market. The budgeted amount of \$10.97 million represents a decrease of 10.12%.

**HISTORICAL UTILITY USERS TAX REVENUE**  
(MILLIONS)



**HISTORICAL CHARGES FOR SVCS. REVENUE**  
(MILLIONS)



# BUDGET SUMMARY – GENERAL FUND

## Licenses and Permits

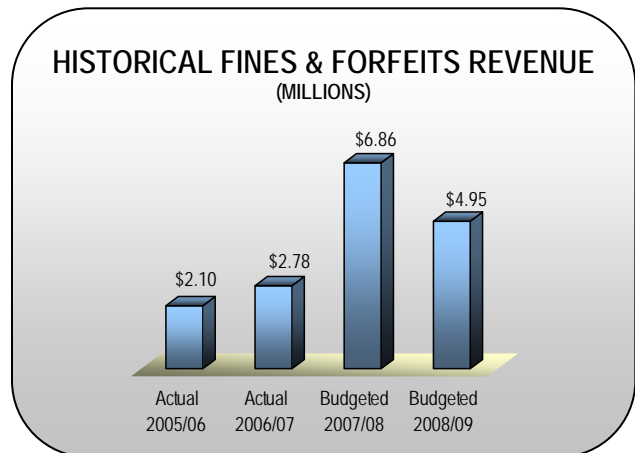
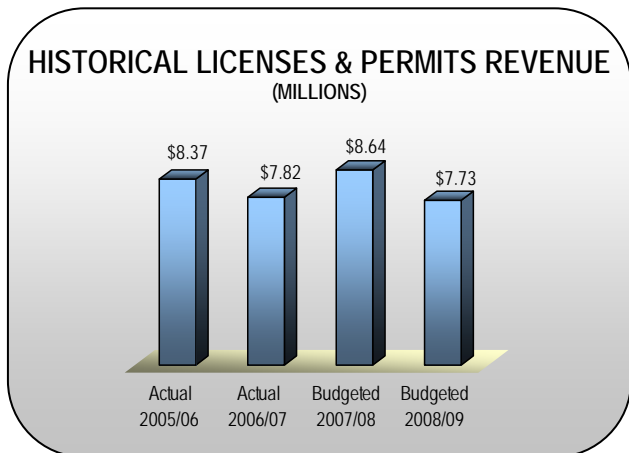
Licenses and permits generate revenue from a wide variety of activity, ranging from business and animal licenses, to building-related permits. The most significant revenue sources are Business Licenses and Building Permit Fees. Business Licenses are required for all establishments conducting business within the City limits and are renewed annually. License fees are based on gross sales, the type of business, and the number of employees. Building Permits are issued by the City and required for various types of construction within the City limits.

Licenses and Permits revenue represents 4.29% of total estimated General Fund revenues in fiscal year 2008/09. Revenue from some Licenses and Permits remains relatively steady and increases each year with the growth in the City's population and inflation. Other Licenses and Permits, however, are tied to the construction industry and are thus more closely tied to current economic trends. For fiscal year 2008/09, budgeted Licenses and Permits revenues are estimated to decrease primarily as a result of the slowing housing market. The budgeted amount of \$7.73 million represents a decrease of 10.47%.

## Fines and Forfeits

Fines and Forfeits revenue is generated primarily by fines paid to the City for violations of the municipal code or for traffic violations.

Fines and Forfeits revenue represents 2.74% of total estimated General Fund revenues in fiscal year 2008/09. Revenue from most Fines & Forfeits sources remains relatively steady and increases each year with the growth in the City's population and inflation. With the implementation mid-year in fiscal year 2006/07 of the City's Photo Red Light Enforcement Program, however, there was a significant anticipated increase in Fines and Forfeits revenue for fiscal year 2007/08. These revenues are designated for traffic safety-related expenditures and offset expenditures budgeted in the Public Works Department budget for that purpose. The decrease shown in fiscal year 2008/09 is attributable to a refined revenue estimate based on actual Photo Red Light Enforcement Program collections experienced in the prior fiscal year. The budgeted amount of \$4.95 million represents a decrease of 27.81%.



# GENERAL FUND – BUDGET SUMMARY

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# BUDGET SUMMARY – ELECTRIC FUND

## Overview of the Electric Fund

The City's Electric Fund budget for fiscal year 2008/09 amounts to \$357,664,280. This equates to a decrease of 31.61% versus the previous year's Annual Budget. This decrease is primarily attributable to several large capital projects budgeted in fiscal year 2007/08. The increase in the current operations budget is 6.84%.

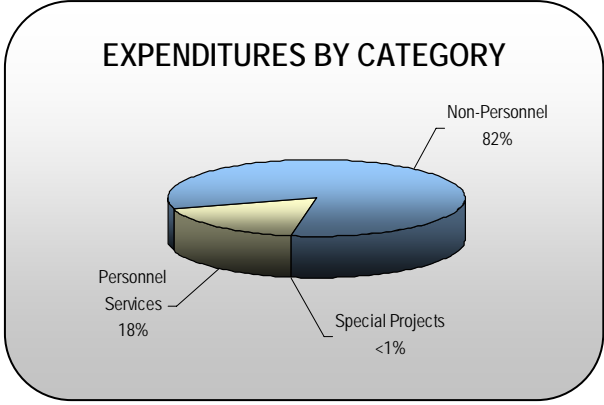
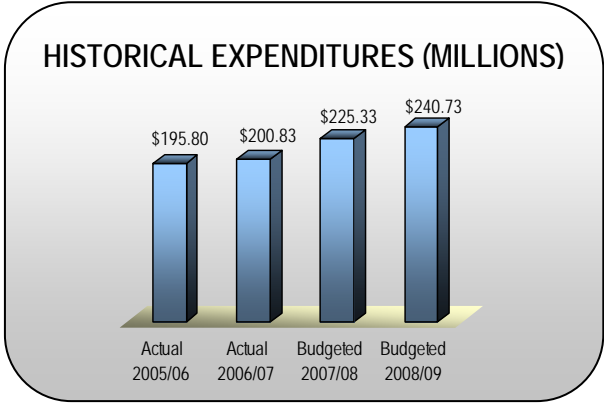
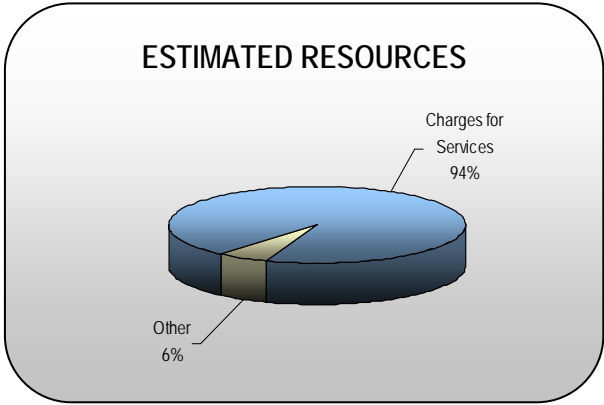
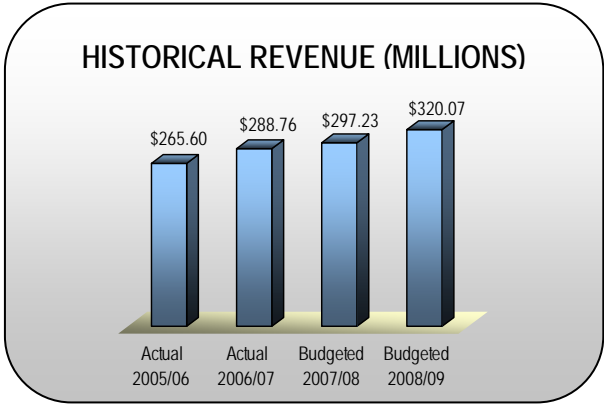
The operating and capital expenditures of the Electric Utility component of Riverside Public Utilities are budgeted in the Electric Fund. In addition to offering lower residential rates than its competitors, Riverside Public Utilities also bolsters economic development within the City by offering discounted commercial rates to large power users and high tech companies. Expenditures in the Electric Fund range from personnel operating the City's power plants to capital expenditures to construct new transmission lines as the City grows.

## Electric Fund Revenue Sources

The Electric Fund is supported almost exclusively by Charges for Services. These charges include charges for residential and commercial electricity usage by the Utility's customers as well as other miscellaneous items. As an Enterprise Fund, capital and operational cost are recovered through charges for services. Rate increases may be necessary due to increased costs or inflation.

Growth in Electric Fund Charges for Services is primarily tied to growth in the customer base of the Utility and/or electricity demand. Riverside Public Utilities prepares revenue projections based upon an analysis of various statistics and trends. The results of this analysis are included in the Annual Budget. The budgeted amount of \$302.43 million represents an increase of 6.20%.

An important part of the overall Electric Fund financial picture is interfund transfers. The Electric Fund will transfer \$29.30 million out to the General Fund, which is a transfer of certain operating revenues as authorized by the City Charter. These funds are used by the City to augment the provisioning of core city services such as police, fire, parks, and street maintenance.





## ELECTRIC FUND – BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Charges for Services	252,075,102	271,646,862	284,775,000	302,434,000	6.20%
Other	13,526,773	17,114,883	12,457,000	17,638,000	41.59%
<b>Total Revenues</b>	<b>\$ 265,601,875</b>	<b>\$ 288,761,745</b>	<b>\$ 297,232,000</b>	<b>\$ 320,072,000</b>	<b>7.68%</b>
Interfund Transfers			-	-	
Bond Proceeds			180,000,000	21,757,000	
Fund Balance			45,745,667	15,835,280	
<b>Total Resources</b>			<b>\$ 522,977,667</b>	<b>\$ 357,664,280</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Personnel Services	28,511,820	32,604,621	41,261,449	42,303,747	2.53%
Non-Personnel	167,105,119	168,039,933	183,838,687	198,188,738	7.81%
Special Projects	182,496	188,486	225,000	239,133	6.28%
<b>Current Operations Budget</b>	<b>\$ 195,799,435</b>	<b>\$ 200,833,040</b>	<b>\$ 225,325,136</b>	<b>\$ 240,731,618</b>	<b>6.84%</b>
Equipment Outlay	4,905,156	1,657,973	2,627,729	11,525,000	338.59%
Debt Service	28,629,333	33,340,201	45,014,000	52,092,000	15.72%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	58,360,756	41,560,995	231,848,000	36,909,000	-84.08%
Charges From Others	7,791,826	8,324,447	11,419,350	11,018,127	-3.51%
Charges To Others	(14,252,317)	(17,056,447)	(20,191,848)	(23,909,465)	18.41%
<b>Total Budget</b>	<b>\$ 281,234,189</b>	<b>\$ 268,660,209</b>	<b>\$ 496,042,367</b>	<b>\$ 328,366,280</b>	<b>-33.80%</b>
Interfund Transfers			26,935,300	29,298,000	
<b>Total Budget Requirements</b>			<b>\$ 522,977,667</b>	<b>\$ 357,664,280</b>	

# BUDGET SUMMARY – WATER FUND

## Overview of the Water Fund

The City's Water Fund budget for fiscal year 2008/09 amounts to \$93,754,671. This equates to a decrease of 0.83% from the previous year's Annual Budget. This decrease is primarily attributable to a slight decrease in capital expenditures versus the prior year's budget. The increase in the current operations budget is 1.17%.

The operating and capital expenditures of the Water Utility component of Riverside Public Utilities are budgeted in the Water Fund. Expenditures in the Water Fund range from personnel maintaining water lines to capital expenditures to construct new water lines as the City grows.

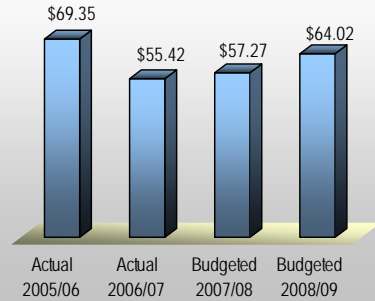
## Water Fund Revenue Sources

The Water Fund is supported almost exclusively by Charges for Services. These charges include residential and commercial water usage by the Utility's customers as well as other miscellaneous items. As an Enterprise Fund, capital and operational cost are recovered through charges for services. Rate increases may be necessary due to increased costs or inflation.

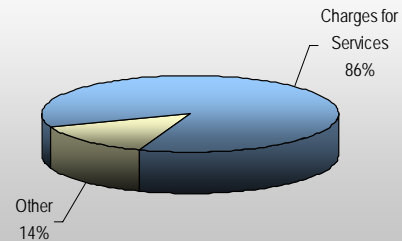
Growth in Water Fund Charges for Services is primarily tied to growth in the customer base of the Utility and/or water demand. Riverside Public Utilities prepares revenue projections based upon an analysis of various statistics and trends. The results of this analysis are included in the Annual Budget. The budgeted amount of \$55.08 million represents an increase of 14.51%.

An important part of the overall Water Fund financial picture is interfund transfers. The Water Fund will transfer \$5.26 million out to the General Fund, which is a transfer of certain operating revenues as authorized by the City Charter. These funds are used by the City to augment the provisioning of core city services such as police, fire, parks, and street maintenance.

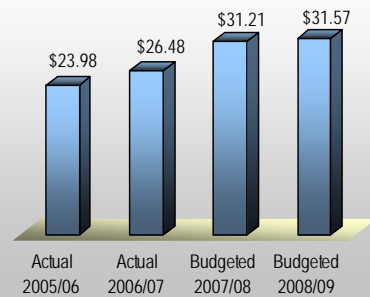
## HISTORICAL REVENUE (MILLIONS)



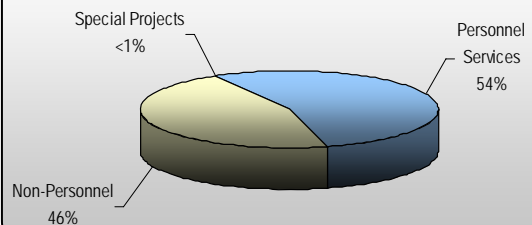
## ESTIMATED RESOURCES



## HISTORICAL EXPENDITURES (MILLIONS)



## EXPENDITURES BY CATEGORY



## WATER FUND – BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Charges for Services	37,145,635	46,331,714	48,105,000	55,084,000	14.51%
Other	32,206,120	9,091,056	9,165,000	8,939,000	-2.47%
<b>Total Revenues</b>	<b>\$ 69,351,755</b>	<b>\$ 55,422,770</b>	<b>\$ 57,270,000</b>	<b>\$ 64,023,000</b>	<b>11.79%</b>
Interfund Transfers			-	-	
Bond Proceeds			55,000,000	25,110,000	
Fund Balance			-	4,621,671	
<b>Total Resources</b>			<b>\$ 112,270,000</b>	<b>\$ 93,754,671</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Personnel Services	11,312,205	12,299,763	16,664,594	17,098,566	2.60%
Non-Personnel	12,670,004	14,172,156	14,526,615	14,456,546	-0.48%
Special Projects	1,728	6,619	15,000	15,000	0.00%
<b>Current Operations Budget</b>	<b>\$ 23,983,937</b>	<b>\$ 26,478,538</b>	<b>\$ 31,206,209</b>	<b>\$ 31,570,112</b>	<b>1.17%</b>
Equipment Outlay	234,071	1,210,853	525,000	2,165,600	312.50%
Debt Service	8,827,833	8,730,831	12,288,600	13,766,400	12.03%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	16,843,716	23,941,152	43,321,000	34,133,000	-21.21%
Charges From Others	6,804,280	8,026,786	9,099,514	11,464,559	25.99%
Charges To Others	(3,567,352)	(4,806,416)	(6,592,000)	(4,600,000)	-30.22%
<b>Total Budget</b>	<b>\$ 53,126,485</b>	<b>\$ 63,581,744</b>	<b>\$ 89,848,323</b>	<b>\$ 88,499,671</b>	<b>-1.50%</b>
Interfund Transfers			4,690,900	5,255,000	
<b>Total Budget Requirements</b>			<b>\$ 94,539,223</b>	<b>\$ 93,754,671</b>	

# BUDGET SUMMARY – SEWER FUND

## Overview of the Sewer Fund

The City's Sewer Fund budget for fiscal year 2008/09 amounts to \$108,492,114. This equates to an increase of 146.68% versus the previous year's Annual Budget. The increase is primarily attributable to significant capital projects budgeted in fiscal year 2008/09. The increase in the current operations budget is 4.04%.

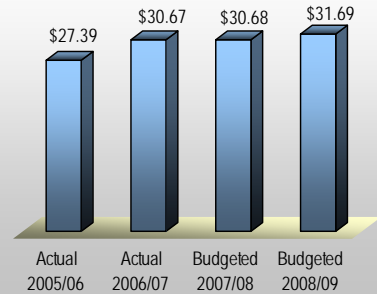
The operating and capital expenditures related to the City's sewer system and treatment plant are budgeted in the Sewer Fund. Expenditures in the Sewer Funds include the cost of constructing and maintaining sewer lines and facilities and well as the operational costs associated with the City's Wastewater Treatment Plant, which serves the residential and commercial sewer needs within the City as well as the Jurupa, Rubidoux, and Edgemont Community Service Districts.

## Sewer Funds Revenue Sources

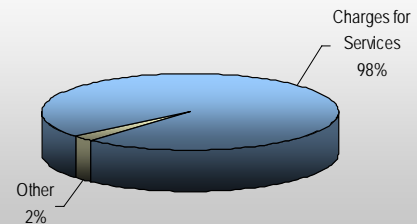
The Sewer Fund is supported almost exclusively by Charges for Services. These charges include residential and commercial sewer usage charges and other miscellaneous items. As an Enterprise Fund, capital and operational cost are recovered through charges for services. Rate increases may be necessary due to increased costs or inflation.

Growth in Sewer Fund Charges for Services is primarily tied to growth in the customer base and/or demand. The Public Works Department prepares revenue projections based upon an analysis of various statistics and trends. The results of this analysis are included in the Annual Budget. The budgeted amount of \$30.97 million represents an increase of 3.03%.

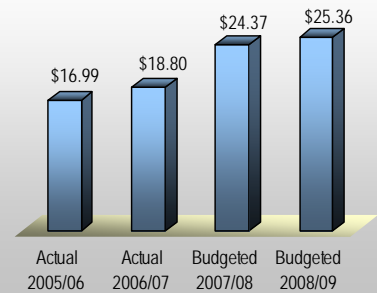
### HISTORICAL REVENUE (MILLIONS)



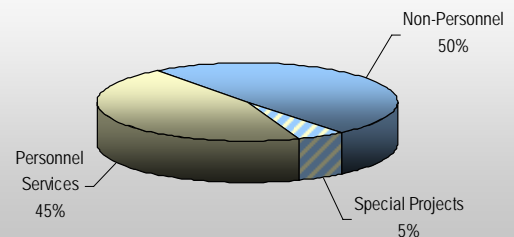
### ESTIMATED RESOURCES



### HISTORICAL EXPENDITURES (MILLIONS)



### EXPENDITURES BY CATEGORY



## SEWER FUND – BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Charges for Services	25,570,003	29,079,444	30,057,561	30,968,372	3.03%
Other	1,815,512	1,593,467	622,000	723,969	16.39%
<b>Total Revenues</b>	<b>\$ 27,385,515</b>	<b>\$ 30,672,911</b>	<b>\$ 30,679,561</b>	<b>\$ 31,692,341</b>	<b>3.30%</b>
Interfund Transfers			-	-	
Bond Proceeds				72,990,000	
Fund Balance			13,301,479	3,809,773	
<b>Total Resources</b>	<b>\$ 43,981,040</b>	<b>\$ 43,981,040</b>	<b>\$ 43,981,040</b>	<b>\$ 108,492,114</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Personnel Services	8,454,647	8,784,235	10,725,520	11,483,568	7.07%
Non-Personnel	7,337,472	8,831,055	12,340,504	12,526,357	1.51%
Special Projects	1,196,497	1,181,611	1,306,084	1,347,119	3.14%
<b>Current Operations Budget</b>	<b>\$ 16,988,616</b>	<b>\$ 18,796,901</b>	<b>\$ 24,372,108</b>	<b>\$ 25,357,044</b>	<b>4.04%</b>
Equipment Outlay	29,268	926,914	854,000	354,069	-58.54%
Debt Service	5,629,385	5,477,042	5,904,758	5,904,097	-0.01%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	7,071,417	11,435,679	9,200,000	72,990,000	693.37%
Charges From Others	2,731,477	3,069,884	3,657,674	4,818,542	31.74%
Charges To Others	(178,497)	(393,316)	(7,500)	(931,638)	12321.84%
<b>Total Budget</b>	<b>\$ 32,271,666</b>	<b>\$ 39,313,104</b>	<b>\$ 43,981,040</b>	<b>\$ 108,492,114</b>	<b>146.68%</b>
Interfund Transfers			-	-	
<b>Total Budget Requirements</b>	<b>\$ 43,981,040</b>	<b>\$ 43,981,040</b>	<b>\$ 43,981,040</b>	<b>\$ 108,492,114</b>	

# BUDGET SUMMARY – REFUSE FUND

## Overview of the Refuse Fund

The City's Refuse Fund budget for fiscal year 2008/09 amounts to \$19,743,954. This equates to a decrease of 3.06% versus the previous year's Annual Budget. The decrease in the current operations budget is 3.81%.

The operating and capital expenditures related to the City's refuse collection services are budgeted in the Refuse Fund. The City provides approximately 70 percent of residential service, with the remainder provided by private companies. Commercial refuse service is provided solely by the private sector.

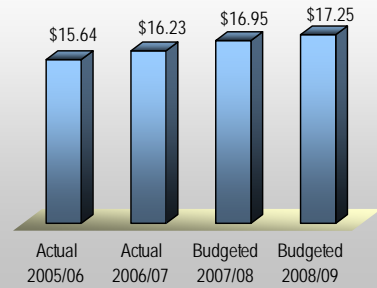
## Refuse Fund Revenue Sources

The Refuse Fund is supported almost exclusively by Charges for Services. These charges include residential refuse collection charges and other miscellaneous items. As an Enterprise Fund, capital and operational cost are recovered through charges for services. Rate increases may be necessary due to increased costs or inflation.

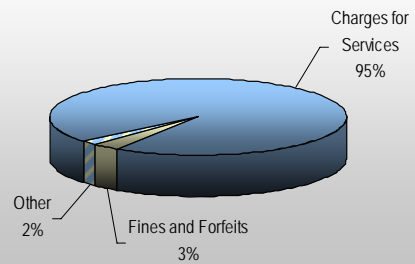
Growth in Refuse Fund Charges for Services is primarily tied to growth in the customer base and/or demand. The Public Works Department prepares revenue projections based upon analysis of various statistics and trends. The results of this analysis are included in the Annual Budget. The budgeted amount of \$16.42 million represents an increase of 1.29%.

Additionally, a small amount of revenue is received by the Refuse Fund related to parking tickets issued for violations of no parking zones on street sweeping days. These revenues offset interfund charges from the Public Parking Fund related to enforcement of the no parking zones.

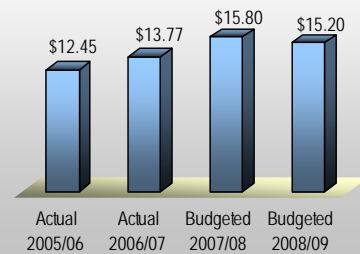
## HISTORICAL REVENUE (MILLIONS)



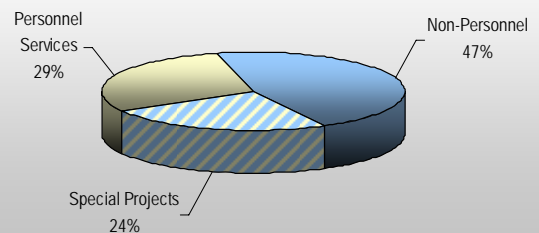
## ESTIMATED RESOURCES



## HISTORICAL EXPENDITURES (MILLIONS)



## EXPENDITURES BY CATEGORY



## REFUSE FUND – BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Charges for Services	15,160,650	15,815,492	16,213,753	16,423,567	1.29%
Fines and Forfeits	-	-	567,564	520,028	-8.38%
Other	475,574	411,737	173,100	306,060	76.81%
<b>Total Revenues</b>	<b>\$ 15,636,224</b>	<b>\$ 16,227,229</b>	<b>\$ 16,954,417</b>	<b>\$ 17,249,655</b>	<b>1.74%</b>
Interfund Transfers			-	-	
Fund Balance			3,413,380	2,494,299	
<b>Total Resources</b>			<b>\$ 20,367,797</b>	<b>\$ 19,743,954</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Personnel Services	3,687,912	3,812,517	4,534,334	4,476,848	-1.27%
Non-Personnel	5,729,508	6,209,356	7,512,737	7,015,361	-6.62%
Special Projects	3,030,203	3,745,621	3,756,720	3,708,798	-1.28%
<b>Current Operations Budget</b>	<b>\$ 12,447,623</b>	<b>\$ 13,767,494</b>	<b>\$ 15,803,791</b>	<b>\$ 15,201,007</b>	<b>-3.81%</b>
Equipment Outlay	683,339	2,642,333	1,543,021	1,575,114	2.08%
Debt Service	867,848	820,198	99,640	87,973	-11.71%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	279,896	323,566	385,000	460,000	19.48%
Charges From Others	1,626,567	1,980,326	2,854,437	2,860,799	0.22%
Charges To Others	(385,908)	(395,214)	(318,092)	(440,939)	38.62%
<b>Total Budget</b>	<b>\$ 15,519,365</b>	<b>\$ 19,138,703</b>	<b>\$ 20,367,797</b>	<b>\$ 19,743,954</b>	<b>-3.06%</b>
Interfund Transfers			-	-	
<b>Total Budget Requirements</b>			<b>\$ 20,367,797</b>	<b>\$ 19,743,954</b>	

# BUDGET SUMMARY – AIRPORT FUND

## Overview of the Airport Fund

The City's Airport Fund budget for fiscal year 2008/09 amounts to \$1.29. This equates to an increase of 15.21% versus the previous year's Annual Budget. The increase in the current operations budget is 8.53%.

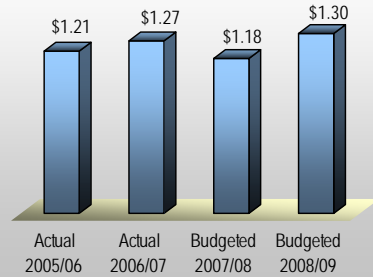
The operating and capital expenditures of the Riverside Airport are budgeted in the Airport Fund. The Riverside Airport serves the needs of local business jets, cargo aircraft, police and military helicopters, and private pilots and leases open space for short-term projects. Expenditures in the Airport Fund range from maintaining the terminal building to capital expenditures to reconstruct or expand the airfield.

## Airport Fund Revenue Sources

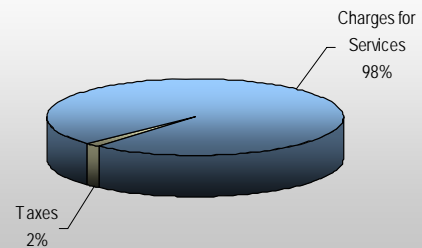
The Airport Fund is supported almost exclusively by Charges for Services. These charges include leases, fuel flowage charges, and landing fees. As an Enterprise Fund, capital and operational cost are recovered through charges for services. Rate increases may be necessary due to increased costs or inflation.

Growth in Airport Fund Charges for Services is primarily tied to growth in the customer base of the Airport and/or the number of leased facilities on the Airport. The Riverside Airport projects revenue based upon an analysis of historical trends. The results of this analysis are included in the Annual Budget. The budgeted amount of \$1.27 million represents an increase of 10.47%.

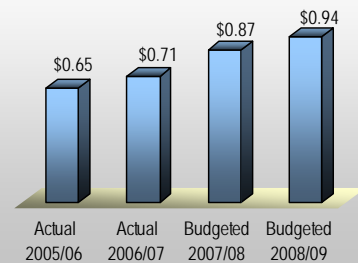
HISTORICAL REVENUE (MILLIONS)



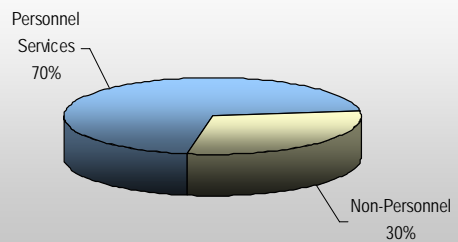
ESTIMATED RESOURCES



HISTORICAL EXPENDITURES (MILLIONS)



EXPENDITURES BY CATEGORY





## AIRPORT FUND – BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Taxes	49,379	3,205	25,000	25,000	0.00%
Charges for Services	1,161,578	1,262,917	1,154,025	1,274,830	10.47%
<b>Total Revenues</b>	<b>\$ 1,210,957</b>	<b>\$ 1,266,122</b>	<b>\$ 1,179,025</b>	<b>\$ 1,299,830</b>	<b>10.25%</b>
Interfund Transfers			-	-	
Fund Balance			-	-	
<b>Total Resources</b>			<b>\$ 1,179,025</b>	<b>\$ 1,299,830</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2005/06	Actual 2006/07	Budgeted 2007/08	Budgeted 2008/09	Change
Personnel Services	391,834	460,291	587,507	661,688	12.63%
Non-Personnel	259,761	254,345	281,042	280,962	-0.03%
Special Projects	-	-	-	-	---
<b>Current Operations Budget</b>	<b>\$ 651,595</b>	<b>\$ 714,636</b>	<b>\$ 868,549</b>	<b>\$ 942,650</b>	<b>8.53%</b>
Equipment Outlay	8,620	184	-	-	---
Debt Service	83,321	148,191	95,852	117,415	22.50%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	589,145	5,131,150	1,000	25,000	2400.00%
Charges From Others	127,715	200,504	152,129	202,444	33.07%
Charges To Others	-	-	-	-	---
<b>Total Budget</b>	<b>\$ 1,460,396</b>	<b>\$ 6,194,665</b>	<b>\$ 1,117,530</b>	<b>\$ 1,287,509</b>	<b>15.21%</b>
Interfund Transfers			-	-	
<b>Total Budget Requirements</b>			<b>\$ 1,117,530</b>	<b>\$ 1,287,509</b>	

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