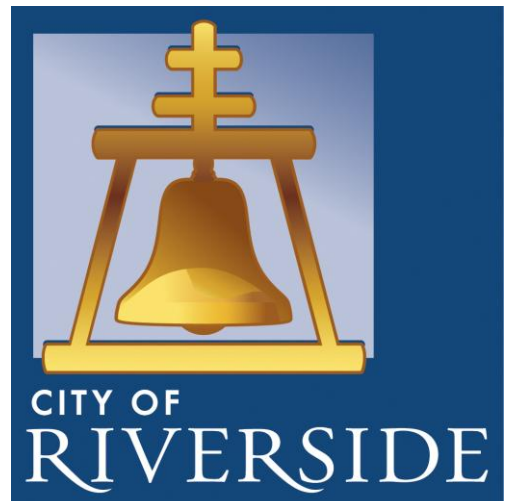


BUDGET SUMMARY



BUDGET SUMMARY

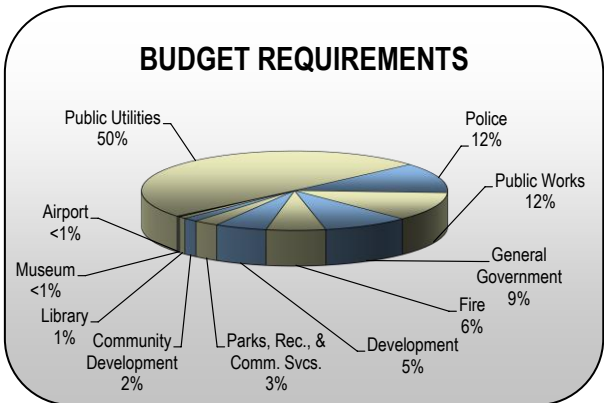
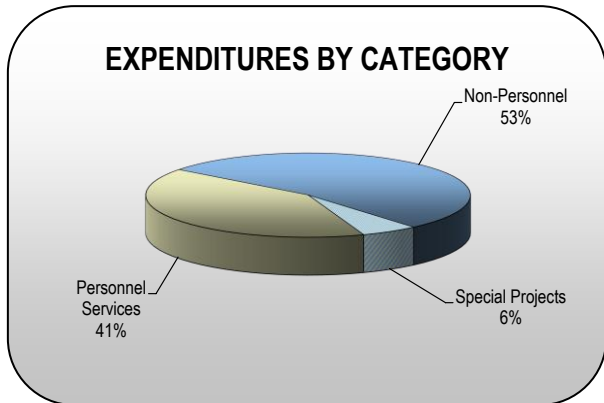
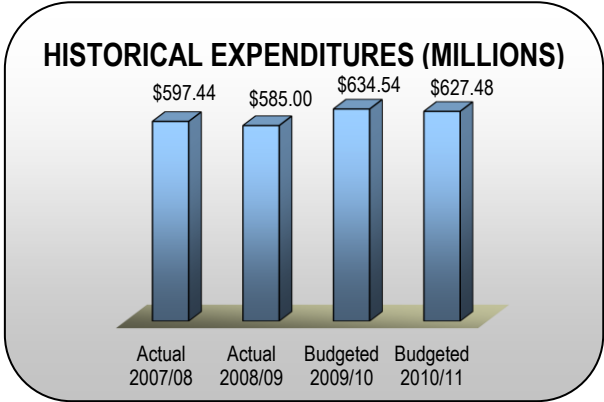
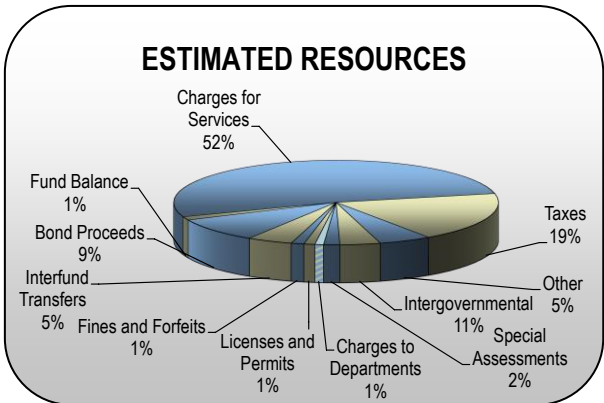
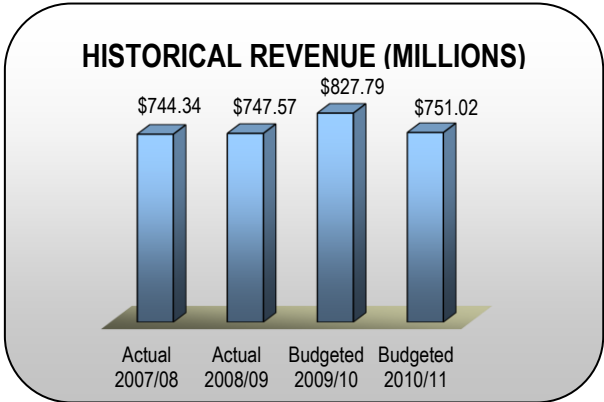
Overview of the Annual Budget

The City's total combined Annual Budget for fiscal year 2010/11 amounts to \$883,498,201. This equates to a decrease of 12.72% versus the previous year's Budget, excluding interfund transfers and managed savings. The decrease 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 1.11%.

Included in the \$883 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 \$820,685,273.

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 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Charges for Services	421,775,266	432,612,744	458,184,198	461,084,279	0.63%
Taxes	200,166,323	192,417,515	177,576,712	165,698,817	-6.69%
Intergovernmental Revenues	29,662,210	35,136,953	106,000,455	35,564,955	-66.45%
Special Assessments	14,115,959	13,395,465	13,661,200	14,108,640	3.28%
Fines and Forfeits	6,444,926	8,642,095	7,158,454	11,201,000	56.47%
Licenses and Permits	9,469,521	8,980,207	9,700,185	9,675,379	-0.26%
Charges to Departments	11,007,438	8,086,417	7,215,392	7,581,359	5.07%
Other	51,695,174	48,299,400	48,294,517	46,103,648	-4.54%
Total Revenues	\$ 744,336,817	\$ 747,570,796	\$ 827,791,113	\$ 751,018,077	-9.27%
Interfund Transfers			38,410,800	39,694,600	
Bond Proceeds			123,057,700	81,310,786	
Fund Balance			14,474,641	11,474,738	
Total Resources			\$ 1,003,734,254	\$ 883,498,201	

EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Personnel Services	254,520,673	252,013,962	256,117,112	256,443,557	0.13%
Non-Personnel	316,649,045	304,804,540	345,779,926	335,541,495	-2.96%
Special Projects	26,269,765	28,183,660	32,641,361	35,490,854	8.73%
Current Operations Budget	\$ 597,439,483	\$ 585,002,162	\$ 634,538,399	\$ 627,475,906	-1.11%
Equipment Outlay	18,753,838	12,311,198	4,651,479	4,159,522	-10.58%
Debt Service	113,904,927	129,249,051	130,703,133	137,095,965	4.89%
Operating Grants	4,514,449	4,339,018	-	-	---
Capital Outlay & Grants	318,455,999	297,336,576	228,363,330	109,661,322	-51.98%
Charges From Others	83,661,545	99,176,707	108,518,257	120,383,064	10.93%
Charges To Others	(110,279,324)	(129,184,615)	(137,023,850)	(152,421,825)	11.24%
Total Budget	\$ 1,026,450,917	\$ 998,230,097	\$ 969,750,748	\$ 846,353,954	-12.72%
Interfund Transfers			38,410,800	39,694,600	
Managed Savings			(4,427,294)	(2,550,353)	
Total Budget Requirements			\$ 1,003,734,254	\$ 883,498,201	

EXPENDITURE HISTORY BY ORGANIZATIONAL UNIT

	Actual 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Riverside Public Utilities	269,772,499	263,047,168	314,079,528	311,696,911	-0.76%
Police Department	83,323,367	82,526,725	80,814,388	77,234,945	-4.43%
Public Works Department	66,398,056	68,996,684	74,082,213	73,561,418	-0.70%
General Government	65,545,857	52,048,121	56,369,527	57,328,798	1.70%
Fire Department	41,712,950	42,064,328	38,687,413	39,239,850	1.43%
Development Department	30,758,376	38,917,483	36,045,927	34,363,368	-4.67%
Parks, Recreation, & Community Services Dept.	19,207,465	18,363,642	17,199,779	16,576,909	-3.62%
Community Development Department	10,542,744	9,423,674	9,738,388	9,861,841	1.27%
Riverside Public Library	7,855,540	7,493,081	5,543,710	5,174,526	-6.66%
Riverside Metropolitan Museum	1,504,027	1,207,143	1,065,570	1,010,839	-5.14%
Riverside Airport	818,602	914,113	911,956	1,426,501	56.42%
Current Operations Budget	\$ 597,439,483	\$ 585,002,162	\$ 634,538,399	\$ 627,475,906	-1.11%

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.

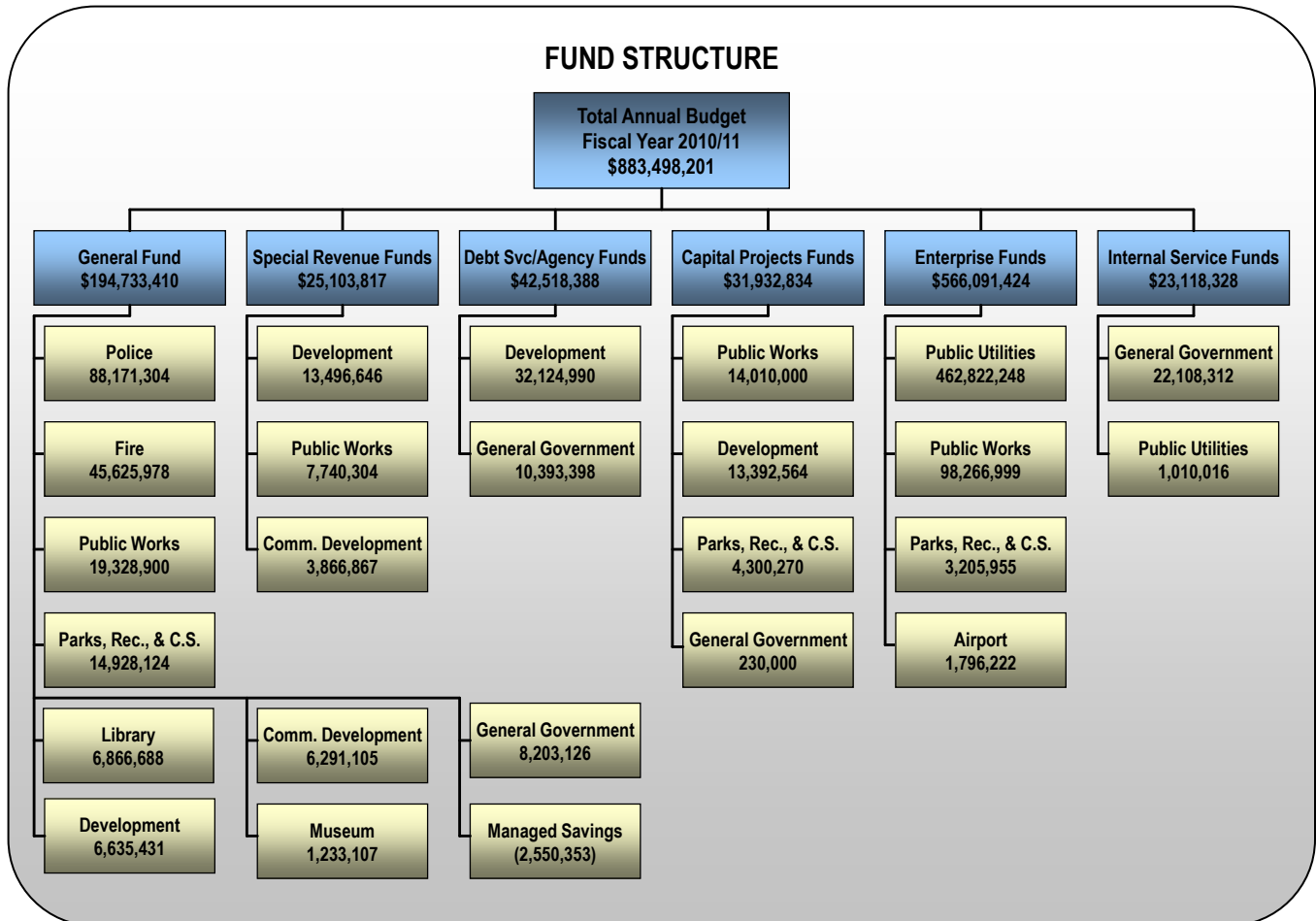
The term "General Government" is used to refer to a combination of all City Departments that are not public service Departments. These Departments include the Office of the Mayor, City Council, Office of the City Attorney, Office of the City Clerk, Office of the City Manager, and the Human Resources,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

Grant revenue and expenditures are not typically budgeted. However, historical actual expenditures shown for fiscal years 2007/08 and 2008/09 include grants and other supplemental appropriations.

Fund Structure

The City organizes its resources into seven main fund categories: General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Enterprise Funds, Internal Service Funds, and Agency 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 seven 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.

The Community Development Department's budget includes the Neglected Property Abatement Fund. This fund is used to account for revenue and expenditures associated with Code Enforcement activities targeting foreclosed properties.

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 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

BUDGET SUMMARY

to construct regional parks and recreation facilities funded by impact fees.

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.

Agency Funds

Agency Funds are used to account for funds that held by the City as an agent for another entity. The City's Agency Funds, budgeted in the Office of the City Manager, are used to account for debt service payments for the various assessment districts (ADs) and community facilities districts (CFDs) located throughout the City.

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).

BUDGET SUMMARY

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 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 2008/09 or effective at the beginning of fiscal year 2009/10, 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 or one fund to another fund that has no impact on the net Annual Budget.

1. The Parks, Recreation, and Community Services Department transferred administration of the City's Landscape Maintenance Districts to the Public Works Department.
2. The Community Development Department transferred certain Code Enforcement personnel and costs to the Neglected Property Abatement

Fund to track costs associated with addressing foreclosed properties.

3. The Development Department relocated costs associated with the California Tower office building into separate funds in order to segregate these costs from other costs in the Downtown/Airport Redevelopment Project Area.
4. The Development Department created the Neighborhood Stabilization Fund to account for costs associated with the City's Neighborhood Stabilization Program.

Programmatic and Staffing Changes

Citywide staffing increased by 27.66 full time equivalents. Due to the constraints imposed by the current economic conditions, additional staffing authorizations were kept to a minimum and unneeded positions were eliminated. 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 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

BUDGET SUMMARY

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.

SUMMARY OF INTERFUND TRANSFERS

Sending Fund	Transfer to General Fund	
Electric Fund	510	33,753,700
Water Fund	520	5,940,900
Total \$		39,694,600

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 \$1.67 billion in

debt currently outstanding, only \$17.32 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 \$16.84 billion, resulting in a debt limit of \$631.52 million and a current ratio of debt to assessed value of 2.78%. 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 2009/10, several significant debt transactions were completed. The General Fund issued Refunding Pension Bond Anticipation Notes totaling \$30.60 million and Certificates of Participation totaling \$20.66 million, the Electric Fund issued revenue bonds totaling \$34.92 million, the Water Fund issued revenue bonds totaling \$99.69 million, and the Sewer Fund issued revenue bonds totaling \$240.91 million.

Bond proceeds totaling \$81.31 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

	As of June 30, 2010
Fiscal Year 2009/10 Assessed Valuation	16,840,574,811
Conversion Percentage	25.00%
Adjusted Assessed Valuation for Calculation Purposes	4,210,143,703
Debt Limit Percentage	15.00%
Legal Debt Limit	\$ 631,521,555
Less: Outstanding General Obligation Debt Payable from Property Taxes Measure G Fire Facility Projects Bonds	17,533,439
Remaining Debt Capacity	\$ 613,988,117
Ratio of Debt to Legal Debt Limit	2.78%
Debt per Capita (2010 Population Estimate of 304,051)	\$57.67

BUDGET SUMMARY

SUMMARY OF CITYWIDE DEBT OBLIGATIONS

Debt Issue	Budgeted Fund	Year of Issuance	Year of Final Maturity	Total Issue Size	Outstanding Principal 6/30/2011	2010/11 Principal	2010/11 Interest
General Obligation							
Measure G Fire Facility Projects Bonds	General Fund	2004	2025	20,000,000	16,640,000	675,000	793,883
Pension Obligation							
Pension Obligation Bonds (2004)	General Fund	2004	2023	89,540,000	77,055,000	2,710,000	4,583,326
Pension Obligation Bonds (2005) Series A	General Fund	2005	2020	30,000,000	24,265,000	1,420,000	1,208,732
Pension Obligation Refunding Bond Anticipation Notes	General Fund	2010	N/A	30,600,000	30,600,000	-	382,500
Certificates of Participation							
Riverside Public Financing Authority (RPFA) Projects	General Fund	2003	2034	53,185,000	45,340,000	1,275,000	2,213,725
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	125,400,000	2,900,000	4,289,072
Recovery Zone Facility Hotel Project (Hyatt)	General Fund	2010	2040	20,660,000	20,660,000	-	989,816
Total General Fund					359,905,000	8,980,000	15,361,570
Electric Utility							
Electric Revenue Bonds (2001)	Electric Fund	2001	2015	47,215,000	7,525,000	3,505,000	446,350
Electric Revenue Bonds (2003)	Electric Fund	2003	2014	75,405,000	23,665,000	7,960,000	1,273,250
Electric Revenue Bonds (2004) Series A	Electric Fund	2004	2015	27,500,000	13,125,000	3,170,000	757,938
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	56,450,000	275,000	1,809,165
Electric Revenue Refunding Bonds (2008) Series C	Electric Fund	2008	2036	57,325,000	56,450,000	300,000	1,811,061
Electric Revenue Bonds (2008) Series D	Electric Fund	2008	2039	209,740,000	209,740,000	-	10,246,400
Electric Revenue Bonds (2009) Series A	Electric Fund	2009	2019	34,920,000	27,425,000	7,495,000	1,309,975
Total Electric Fund					478,895,000	22,705,000	20,283,400
Water Utility							
Water Revenue Bonds (1991)	Water Fund	1991	2011	50,950,000	-	3,235,000	-
Water Revenue Bonds (2001)	Water Fund	2001	2017	20,000,000	1,470,000	450,000	70,938
Water Revenue Refunding Bonds (2008) Series A	Water Fund	2008	2036	60,300,000	59,000,000	450,000	1,891,600
Water Revenue Bonds (2008) Series B	Water Fund	2008	2039	58,235,000	58,235,000	-	2,830,350
Water Revenue Bonds (2009) Series A	Water Fund	2009	2021	31,895,000	31,370,000	525,000	1,380,225
Water Revenue Bonds (2009) Series B	Water Fund	2009	2040	67,790,000	67,790,000	-	2,717,377
Total Water Fund					217,865,000	4,660,000	8,890,489
Sewer Utility							
Sewer Revenue Bonds (2009) Series A	Sewer Fund	2009	2017	36,835,000	36,835,000	-	1,630,550
Sewer Revenue Bonds (2009) Series B	Sewer Fund	2009	2040	204,075,000	204,075,000	-	9,216,748
Total Sewer Fund					240,910,000	-	10,847,298
Redevelopment Agency							
RPFA Multiple Project Area TABs (1991)	Redev. Funds	1991	2018	5,645,000	130,000	15,000	11,600
Univ. Corridor/Sycamore Canyon TABs Series A	Redev. Funds	1999	2028	17,025,000	12,950,000	480,000	636,335
Univ. Corridor/Sycamore Canyon TABs Series B	Redev. Funds	1999	2028	6,055,000	4,700,000	170,000	266,669
Casa Blanca TABs	Redev. Funds	1999	2026	20,395,000	14,395,000	655,000	704,328
Downtown/Airport TABs	Redev. Funds	2003	2034	40,435,000	31,285,000	1,400,000	1,533,080
California Tower Lease Revenue Bonds Series A	Redev. Funds	2003	2025	26,255,000	20,710,000	835,000	982,508
California Tower Lease Revenue Bonds Series B	Redev. Funds	2003	2025	4,810,000	3,540,000	175,000	189,012
Arlington Tax Allocation Bonds Series A	Redev. Funds	2004	2035	4,550,000	4,310,000	40,000	201,095
Arlington Tax Allocation Bonds Series B	Redev. Funds	2004	2025	2,975,000	2,385,000	115,000	134,338
Multiple Project Area Housing TABs	Redev. Funds	2004	2035	24,115,000	20,555,000	660,000	925,071
ERAF Loan Program Through CSCDA	Redev. Funds	2005	2016	1,465,000	825,000	145,000	43,523
RPFA Multiple Project Area TABs (2007) Series A	Redev. Funds	2007	2037	8,340,000	8,280,000	20,000	361,631
RPFA Multiple Project Area TABs (2007) Series B	Redev. Funds	2007	2028	14,850,000	13,785,000	400,000	793,862
RPFA Multiple Project Area TABs (2007) Series C	Redev. Funds	2007	2037	89,205,000	88,675,000	430,000	4,322,900
RPFA Multiple Project Area TABs (2007) Series D	Redev. Funds	2007	2032	43,875,000	39,210,000	1,385,000	2,273,769
Total Redevelopment Agency					265,735,000	6,925,000	13,379,718
Assessment District & Community Facilities District							
Community Facilities District 90-2 Tyler Mall Bonds	Asmt. Funds	1991	2012	17,960,000	307,056	329,987	865,013
Sycamore Canyon Business Park No. 1 Bonds	Asmt. Funds	1992	2013	4,416,947	805,000	355,000	83,513
Auto Center Assessment District Bonds	Asmt. Funds	1999	2025	6,341,504	4,420,000	215,000	239,423
Highlander CFD 90-1 Refunding Bonds	Asmt. Funds	2001	2016	14,325,000	6,125,000	1,065,000	344,278
Riverwalk Assessment District Bonds	Asmt. Funds	2001	2027	10,198,078	8,135,000	305,000	507,650
RPFA Refunding Bonds Series A	Asmt. Funds	2001	2017	16,730,000	5,570,000	800,000	267,943
RPFA Refunding Bonds Series B	Asmt. Funds	2001	2017	1,620,000	770,000	105,000	44,907
Canyon Springs Assessment District Refunding Bonds	Asmt. Funds	2004	2012	8,680,000	1,275,000	1,230,000	78,788
Riverwalk Business Center Assessment District Bonds	Asmt. Funds	2005	2030	3,755,000	3,240,000	95,000	194,323
Sycamore Canyon Business Park CFD 92-1 Bonds	Asmt. Funds	2005	2035	9,700,000	8,790,000	200,000	449,503
Hunter Park Assessment District Bonds	Asmt. Funds	2006	2037	15,269,906	14,230,000	275,000	724,993
Total Assessment District & Community Facilities District					53,667,056	4,974,987	3,800,330
Total Debt					\$1,616,977,056	\$ 48,244,987	\$ 72,562,806

NOTE: "TABs" refers to Tax Allocation Bonds.

BUDGET SUMMARY – GENERAL FUND

Overview of the General Fund

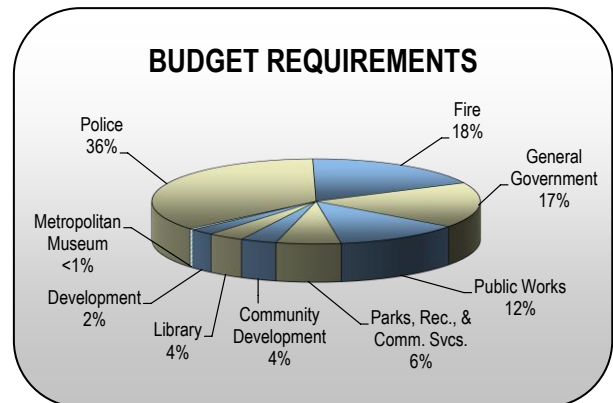
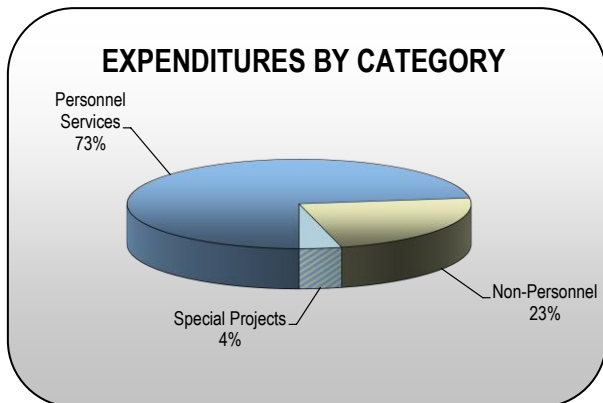
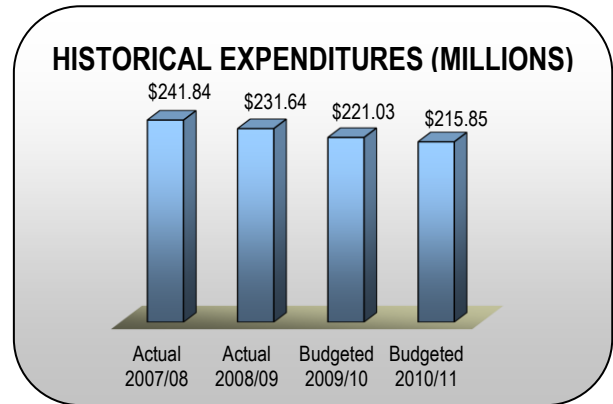
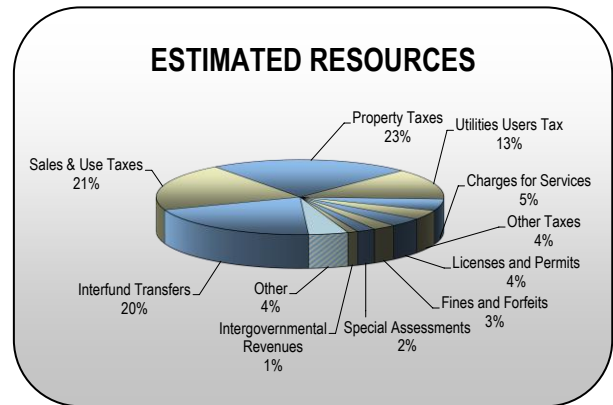
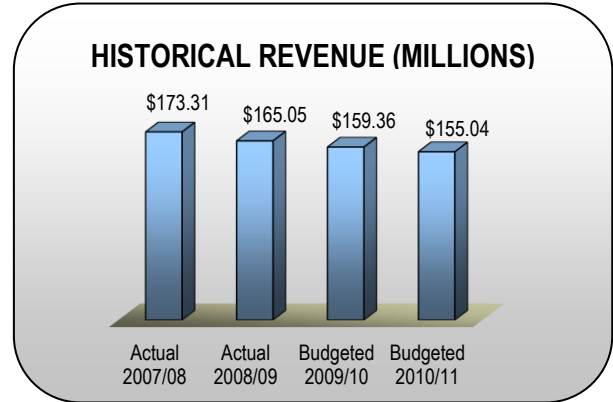
The City's General Fund budget for fiscal year 2010/11 amounts to \$194,733,410, including managed savings. This equates to a decrease of 2.43% versus the previous year's Annual Budget. The decrease in the current operations budget is 2.34%.

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 \$39.7 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 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Property Taxes	50,431,804	50,936,501	45,640,000	43,998,883	-3.60%
Sales & Use Taxes	50,526,056	41,881,310	42,185,000	39,932,000	-5.34%
Utilities Users Tax	26,265,370	25,963,671	28,028,000	25,881,000	-7.66%
Charges for Services	11,015,018	8,789,240	9,542,530	9,898,621	3.73%
Other Taxes	8,658,599	8,050,471	8,101,000	7,932,000	-2.09%
Licenses and Permits	7,145,107	6,380,073	6,959,002	7,329,119	5.32%
Fines and Forfeits	4,787,725	4,865,889	4,057,000	5,070,000	24.97%
Special Assessments	4,112,383	4,236,052	4,127,200	4,089,640	-0.91%
Intergovernmental Revenues	2,578,940	5,164,966	2,683,000	2,255,000	-15.95%
Other	7,787,449	8,784,680	8,037,573	8,652,547	7.65%
Total Revenues	\$ 173,308,451	\$ 165,052,853	\$ 159,360,305	\$ 155,038,810	-2.71%
Interfund Transfers			38,410,800	39,694,600	
Fund Balance			-	-	
Total Resources			\$ 197,771,105	\$ 194,733,410	

EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Personnel Services	176,795,330	173,797,551	163,441,064	157,446,017	-3.67%
Non-Personnel	58,127,416	50,045,570	51,224,149	49,820,299	-2.74%
Special Projects	6,918,283	7,795,549	6,361,595	8,579,575	34.87%
Current Operations Budget	\$ 241,841,029	\$ 231,638,670	\$ 221,026,808	\$ 215,845,891	-2.34%
Equipment Outlay	10,672,839	5,215,040	813,700	822,359	1.06%
Debt Service	26,903,973	24,042,971	13,902,209	13,909,587	0.05%
Operating Grants	4,042,154	3,132,805	-	-	---
Capital Outlay & Grants	20,570,771	5,373,945	1,013,307	697,584	-31.16%
Charges From Others	37,393,372	45,296,980	42,064,016	48,034,398	14.19%
Charges To Others	(76,315,492)	(83,716,670)	(76,621,641)	(82,026,056)	7.05%
Total Budget	\$ 265,108,646	\$ 230,983,741	\$ 202,198,399	\$ 197,283,763	-2.43%
Interfund Transfers			-	-	
Managed Savings			(4,427,294)	(2,550,353)	
Total Budget Requirements			\$ 197,771,105	\$ 194,733,410	

EXPENDITURE HISTORY BY ORGANIZATIONAL UNIT

	Actual 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Police Department	83,323,367	82,526,725	80,814,388	77,234,945	-4.43%
Fire Department	41,712,950	41,975,662	38,687,413	39,239,850	1.43%
General Government	44,588,887	38,269,623	37,009,908	37,303,145	0.79%
Public Works Department	29,854,910	30,293,087	27,519,241	26,811,715	-2.57%
Parks, Recreation, & Community Services Dept.	16,833,275	15,756,817	14,374,868	13,740,807	-4.41%
Community Development Department	10,542,744	8,458,553	8,230,367	7,675,418	-6.74%
Riverside Public Library	7,855,540	5,657,977	5,543,710	7,654,646	38.08%
Development Department	5,625,329	7,493,082	7,781,343	5,174,526	-33.50%
Riverside Metropolitan Museum	1,504,027	1,207,144	1,065,570	1,010,839	-5.14%
Current Operations Budget	\$ 241,841,029	\$ 231,638,670	\$ 221,026,808	\$ 215,845,891	-2.34%

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 8.75% 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.

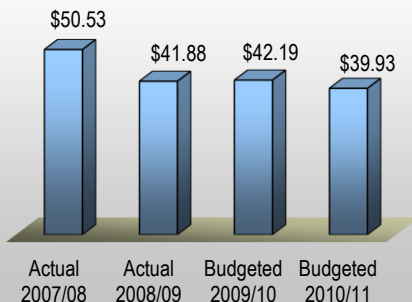
Sales and Use Tax revenues are one of the two largest revenue sources for the General Fund, representing 25.76% of total estimated revenues in fiscal year 2010/11. In each of the past 15 years except for the past three years these revenues have increased, with growth rates in some years higher than 10% 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 2010/11, 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 \$39.93 million represents a decrease of 5.34%.

Property Taxes

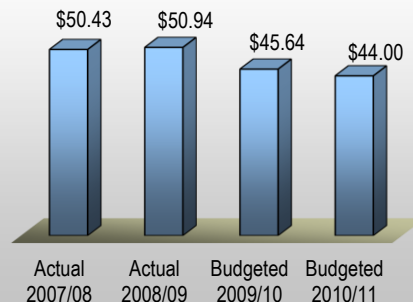
Property taxes are levied at one percent of assessed value, as established in 1978 by California’s Proposition 13. The County of Riverside administers the property tax program and the City of Riverside receives approximately 12% of the receipts generated by property taxes levied within the City limits. The balance of the assessment received is allocated between various schools, Riverside County, and the City’s Redevelopment Agency.

Property Tax revenues are one of the two largest revenue sources for the General Fund, representing 28.38% of total estimated revenues in fiscal year 2010/11. 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 2010/11, budgeted Property Tax revenues are estimated to decrease versus the previous fiscal year, reflecting the recent decline in assessed values for homes that have been constructed or changed hands in the last several years. The budgeted amount of \$44.00 million represents a decrease of 3.60%.

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 16.69% of total estimated General Fund revenues in fiscal year 2010/11. 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 2010/11, budgeted Utility Users Tax revenues have also been adjusted to reflect utility rate increases in the City and an anticipated continuation of decreasing natural gas prices. The budgeted amount of \$25.88 million represents a decrease of 7.66%.

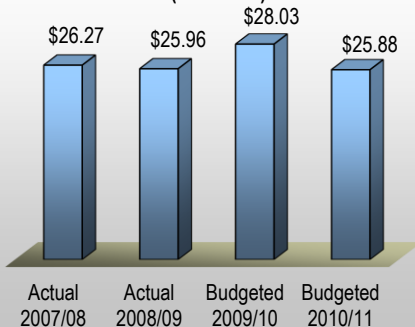
Charges for Services

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 6.38% of total estimated General Fund revenues in fiscal year 2010/11. 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 2010/11, budgeted Charges for Services are estimated to increase primarily as a result of an anticipated gradual reversal of the decline in the housing market. The budgeted amount of \$9.90 million represents an increase of 3.73%.

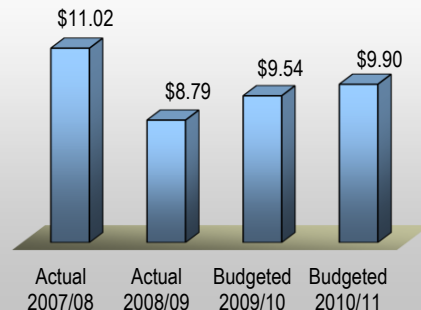
HISTORICAL UTILITY USERS TAX REVENUE

(MILLIONS)



HISTORICAL CHARGES FOR SVCS. REVENUE

(MILLIONS)



BUDGET SUMMARY – GENERAL FUND

Licenses and Permits

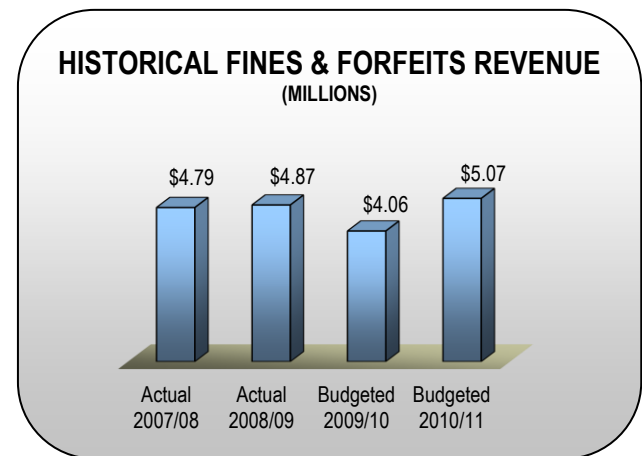
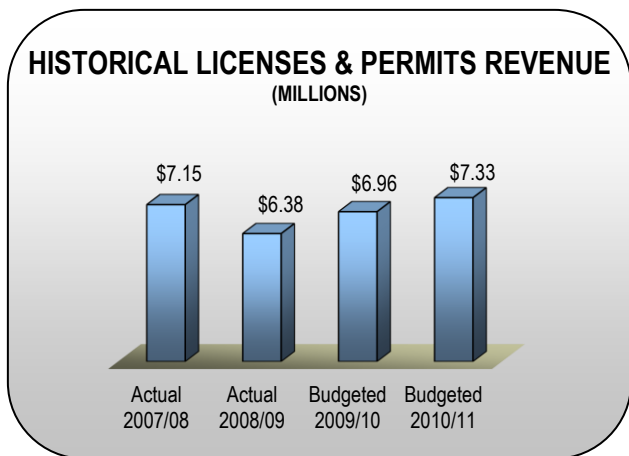
Licenses and permits generate revenue from a wide variety of activity, ranging from business and animal licenses, to building-related permits. The most significant revenue sources are Business Licenses and Building Permit Fees. Business Licenses are required for all establishments conducting business 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 4.73% of total estimated General Fund revenues in fiscal year 2010/11. 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 2010/11, budgeted Licenses and Permits revenues are estimated to increase primarily as a result of an anticipated gradual reversal of the decline in the housing market. The budgeted amount of \$7.33 million represents an increase of 5.32%.

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 3.27% of total estimated General Fund revenues in fiscal year 2010/11. 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 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 increase shown in fiscal year 2010/11 is attributable to an increase in deployed Photo Red Light Enforcement Cameras and an increase in administrative civil penalties revenue anticipated by the Code Enforcement Division. The budgeted amount of \$5.07 million represents an increase of 24.97%.



GENERAL FUND – BUDGET SUMMARY

This Page Intentionally Left Blank

BUDGET SUMMARY – ELECTRIC FUND

Overview of the Electric Fund

The City's Electric Fund budget for fiscal year 2010/11 amounts to \$366,219,590. This equates to a decrease of 4.11% versus the previous year's Annual Budget. This decrease is primarily attributable to capital projects that were budgeted in fiscal year 2009/10 at a higher level than 2010/11. The decrease in the current operations budget is 0.76%.

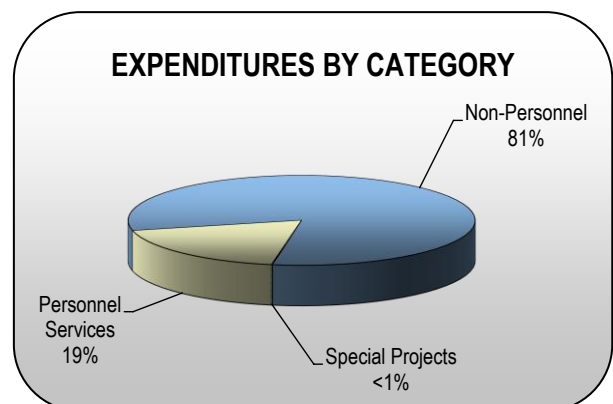
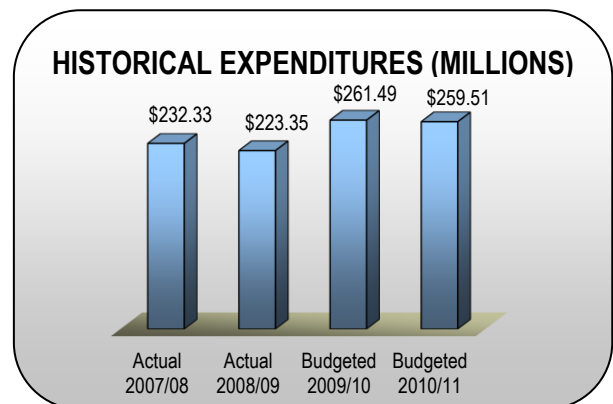
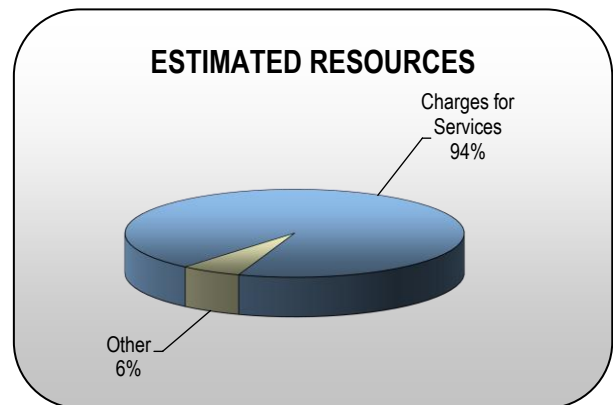
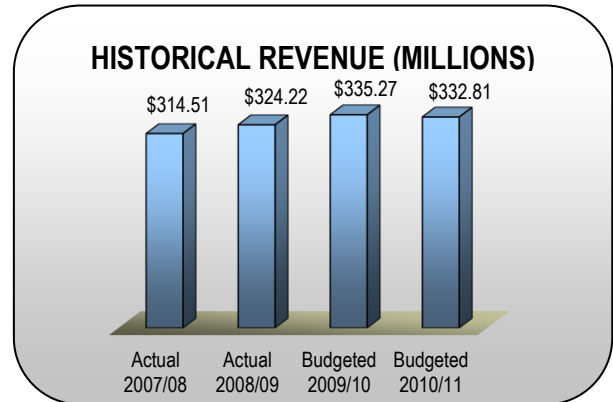
The operating and capital expenditures of the Electric Utility component of Riverside Public Utilities are budgeted in the Electric Fund. In addition to offering lower residential rates than its competitors, Riverside Public Utilities also bolsters economic development within the City by offering discounted 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, rates, 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 \$313.56 million represents a decrease of 1.25%.

An important part of the overall Electric Fund financial picture is interfund transfers. The Electric Fund will transfer \$33.75 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 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Charges for Services	297,355,408	305,821,395	317,544,222	313,564,000	-1.25%
Other	17,159,406	18,403,236	17,726,000	19,249,000	8.59%
Total Revenues	\$ 314,514,814	\$ 324,224,631	\$ 335,270,222	\$ 332,813,000	-0.73%
Interfund Transfers			-	-	
Bond Proceeds			37,196,700	25,924,000	
Fund Balance			6,838,381	7,482,590	
Total Resources			\$ 379,305,303	\$ 366,219,590	

EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Personnel Services	38,334,472	37,456,045	43,735,413	48,070,149	9.91%
Non-Personnel	193,694,739	185,678,277	217,531,990	211,168,346	-2.93%
Special Projects	303,389	217,236	224,133	274,133	22.31%
Current Operations Budget	\$ 232,332,600	\$ 223,351,558	\$ 261,491,536	\$ 259,512,628	-0.76%
Equipment Outlay	962,122	2,470,453	767,510	781,500	1.82%
Debt Service	35,293,654	43,671,148	51,287,000	49,914,000	-2.68%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	68,381,416	72,140,958	46,089,400	34,294,000	-25.59%
Charges From Others	11,419,348	11,017,657	10,253,482	11,185,569	9.09%
Charges To Others	(19,470,783)	(22,406,257)	(23,175,725)	(23,221,807)	0.20%
Total Budget	\$ 328,918,357	\$ 330,245,517	\$ 346,713,203	\$ 332,465,890	-4.11%
Interfund Transfers			32,592,100	33,753,700	
Total Budget Requirements			\$ 379,305,303	\$ 366,219,590	

BUDGET SUMMARY – WATER FUND

Overview of the Water Fund

The City's Water Fund budget for fiscal year 2010/11 amounts to \$80,260,025. This equates to a decrease of 41.80% from the previous year's Annual Budget. This decrease is primarily attributable to a significant decrease in capital expenditures versus the prior year's budget. The decrease in the current operations budget is 0.51%.

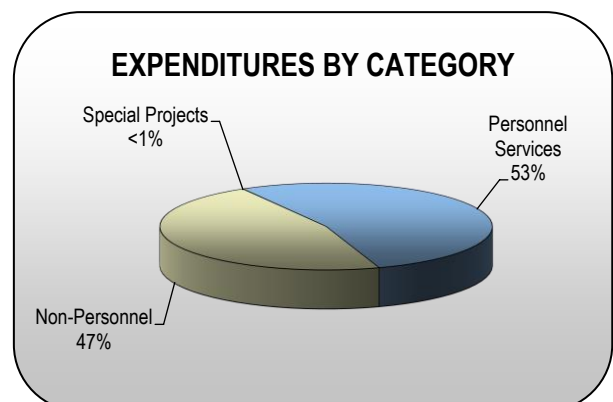
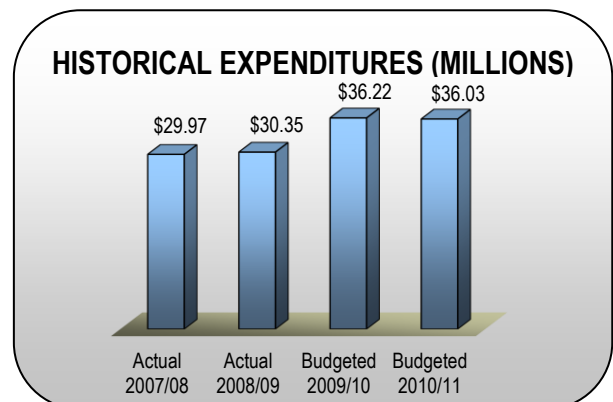
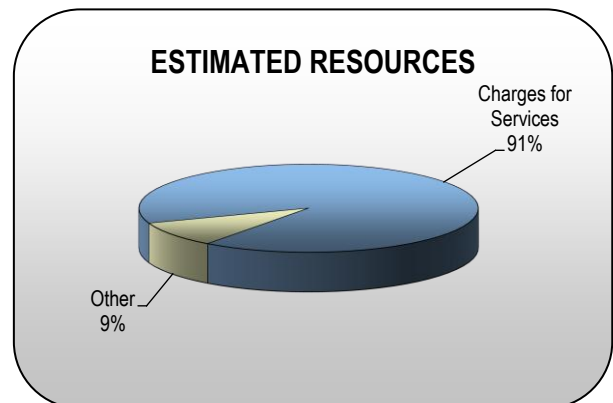
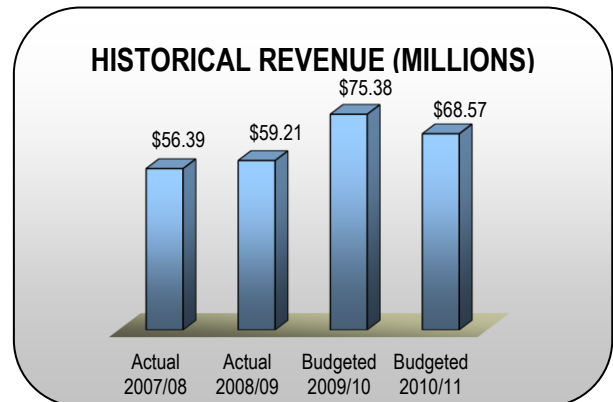
The operating and capital expenditures of the Water Utility component of Riverside Public Utilities are budgeted in the Water Fund. Expenditures in the Water Fund range from personnel maintaining water lines to capital expenditures to construct new water lines as the City grows.

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, rates, 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 \$62.17 million represents an increase of 0.70%.

An important part of the overall Water Fund financial picture is interfund transfers. The Water Fund will transfer \$5.94 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.



WATER FUND – BUDGET SUMMARY

REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Charges for Services	49,022,086	53,937,792	61,736,000	62,169,500	0.70%
Other	7,368,442	5,275,974	13,645,000	6,402,000	-53.08%
Total Revenues	\$ 56,390,528	\$ 59,213,766	\$ 75,381,000	\$ 68,571,500	-9.03%
Interfund Transfers				-	-
Bond Proceeds			58,183,000	14,434,000	
Fund Balance				-	-
Total Resources	\$ 133,564,000	\$ 83,005,500			

EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Personnel Services	14,452,731	14,717,658	18,387,112	19,161,439	4.21%
Non-Personnel	15,505,615	15,623,481	17,815,614	16,854,885	-5.39%
Special Projects	8,477	10,159	15,000	15,000	0.00%
Current Operations Budget	\$ 29,966,823	\$ 30,351,298	\$ 36,217,726	\$ 36,031,324	-0.51%
Equipment Outlay	2,298,302	991,272	-	252,151	---
Debt Service	8,714,495	11,413,950	15,060,800	14,703,000	-2.38%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	39,956,985	37,072,741	69,799,000	20,512,000	-70.61%
Charges From Others	9,099,513	10,864,558	11,404,682	9,320,650	-18.27%
Charges To Others	(5,278,223)	(5,390,240)	(4,787,000)	(6,500,000)	35.78%
Total Budget	\$ 84,757,895	\$ 85,303,579	\$ 127,695,208	\$ 74,319,125	-41.80%
Interfund Transfers			5,818,700	5,940,900	
Total Budget Requirements	\$ 133,513,908	\$ 80,260,025			

BUDGET SUMMARY – SEWER FUND

Overview of the Sewer Fund

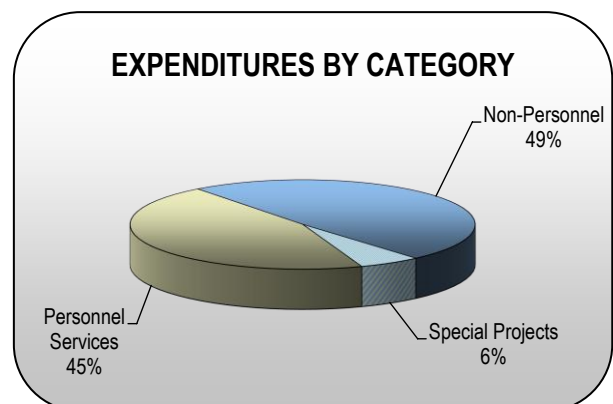
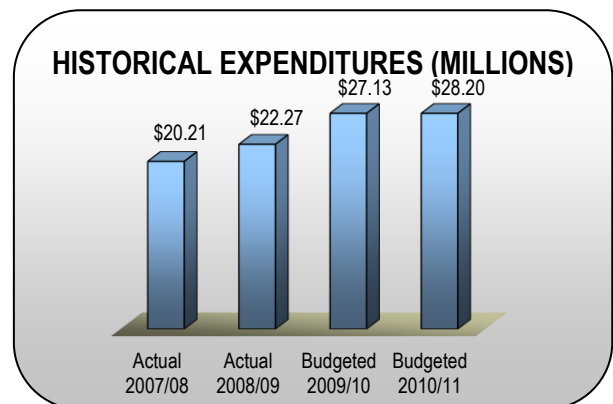
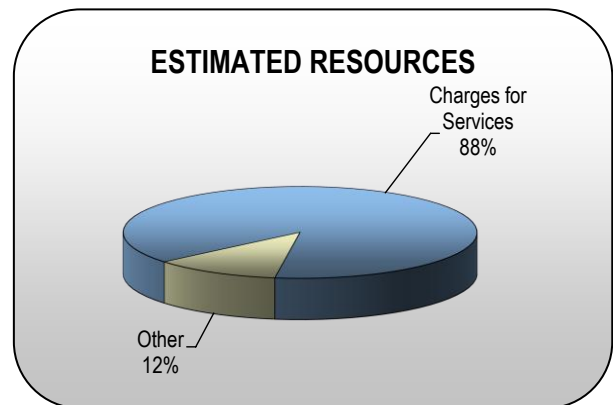
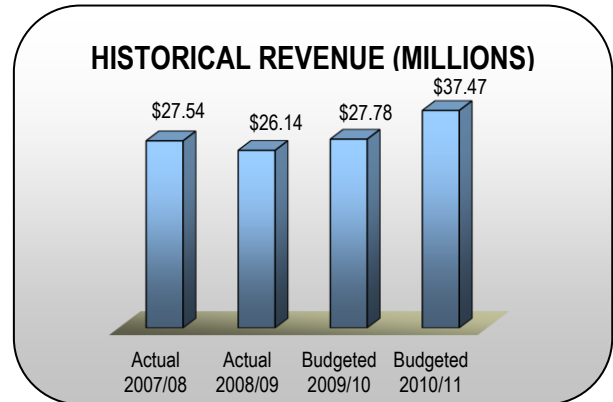
The City's Sewer Fund budget for fiscal year 2010/11 amounts to \$72,929,844. This equates to an increase of 49.50% versus the previous year's Annual Budget. The increase is primarily attributable to significant capital projects budgeted in fiscal year 2010/11. The increase in the current operations budget is 3.92%.

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, rates, 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 \$33.12 million represents an increase of 22.21%.



SEWER FUND – BUDGET SUMMARY

REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Charges for Services	25,206,867	24,094,482	27,099,591	33,117,936	22.21%
Other	2,330,333	2,043,529	680,450	4,350,400	539.34%
Total Revenues	\$ 27,537,200	\$ 26,138,011	\$ 27,780,041	\$ 37,468,336	34.88%
Interfund Transfers			-	-	
Bond Proceeds			27,678,000	40,952,786	
Fund Balance			-	-	
Total Resources			\$ 55,458,041	\$ 78,421,122	

EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Personnel Services	9,718,530	9,844,650	11,982,028	12,728,480	6.23%
Non-Personnel	9,191,014	11,074,939	13,508,481	13,837,676	2.44%
Special Projects	1,304,083	1,347,117	1,643,826	1,630,675	-0.80%
Current Operations Budget	\$ 20,213,627	\$ 22,266,706	\$ 27,134,335	\$ 28,196,831	3.92%
Equipment Outlay	857,778	370,209	163,500	95,666	-41.49%
Debt Service	4,850,048	5,135,653	5,914,490	11,930,409	101.71%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	10,072,510	9,378,787	13,300,000	30,454,335	128.98%
Charges From Others	3,527,460	4,772,381	3,402,712	4,520,746	32.86%
Charges To Others	(539,508)	(1,216,523)	(1,132,354)	(2,268,143)	100.30%
Total Budget	\$ 38,981,915	\$ 40,707,213	\$ 48,782,683	\$ 72,929,844	49.50%
Interfund Transfers			-	-	
Total Budget Requirements			\$ 48,782,683	\$ 72,929,844	

BUDGET SUMMARY – REFUSE FUND

Overview of the Refuse Fund

The City's Refuse Fund budget for fiscal year 2010/11 amounts to \$19,928,497. This equates to a decrease of 9.12% versus the previous year's Annual Budget. The decrease in the current operations budget is 8.66%.

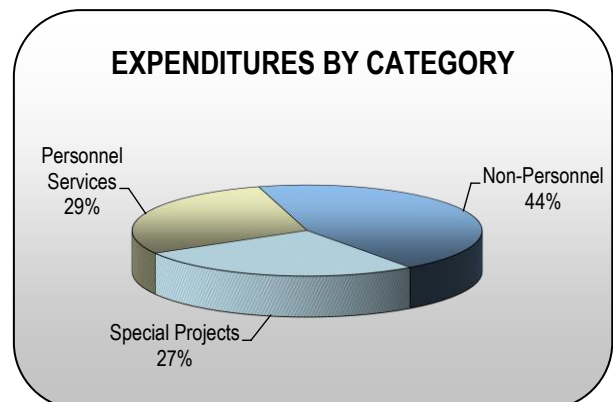
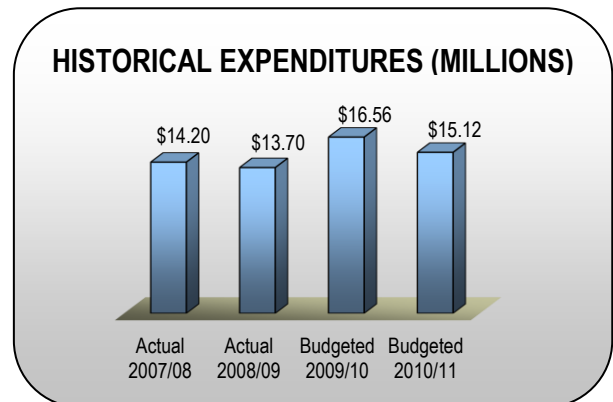
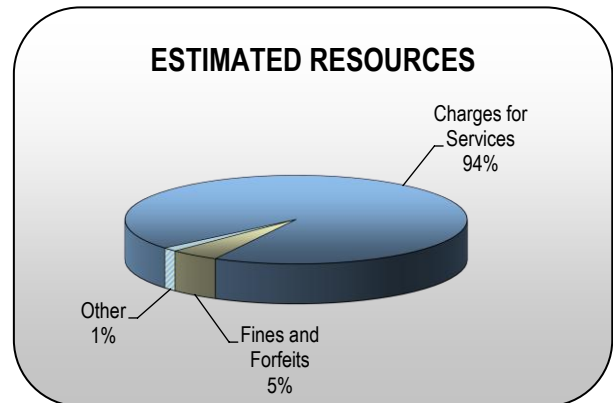
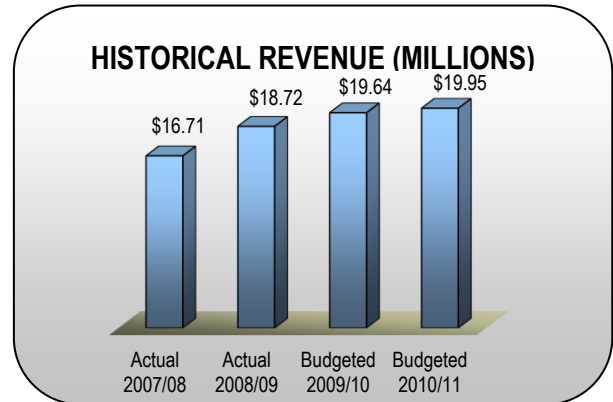
The operating and capital expenditures related to the City's refuse collection services are budgeted in the Refuse Fund. The City provides approximately 70 percent of residential service, with the remainder provided by private companies. Commercial refuse service is provided solely by the private sector.

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, rates, 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 \$18.73 million represents a decrease of 1.50%.

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.



REFUSE FUND – BUDGET SUMMARY

REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Charges for Services	16,024,940	17,912,208	19,018,489	18,732,883	-1.50%
Fines and Forfeits	265,311	479,694	306,454	931,000	203.80%
Other	418,203	325,570	315,000	283,753	-9.92%
Total Revenues	\$ 16,708,454	\$ 18,717,472	\$ 19,639,943	\$ 19,947,636	1.57%
Interfund Transfers			-	-	
Fund Balance			2,287,674	-	
Total Resources			\$ 21,927,617	\$ 19,947,636	

EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Personnel Services	4,315,642	3,878,660	4,541,273	4,365,234	-3.88%
Non-Personnel	6,308,594	6,357,346	8,134,590	6,729,088	-17.28%
Special Projects	3,579,650	3,459,705	3,881,793	4,029,497	3.81%
Current Operations Budget	\$ 14,203,886	\$ 13,695,711	\$ 16,557,656	\$ 15,123,819	-8.66%
Equipment Outlay	2,196,961	1,759,007	1,861,409	1,266,724	-31.95%
Debt Service	87,973	91,640	96,447	96,447	0.00%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	256,889	291,620	475,000	399,000	-16.00%
Charges From Others	2,839,436	3,062,534	3,354,345	3,458,183	3.10%
Charges To Others	(376,947)	(439,999)	(417,240)	(415,676)	-0.37%
Total Budget	\$ 19,208,198	\$ 18,460,513	\$ 21,927,617	\$ 19,928,497	-9.12%
Interfund Transfers			-	-	
Total Budget Requirements			\$ 21,927,617	\$ 19,928,497	

BUDGET SUMMARY – AIRPORT FUND

Overview of the Airport Fund

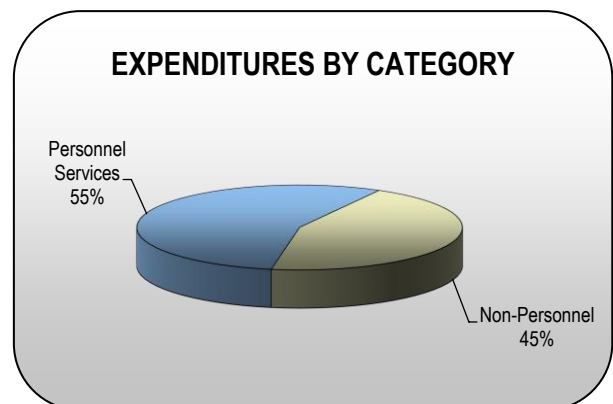
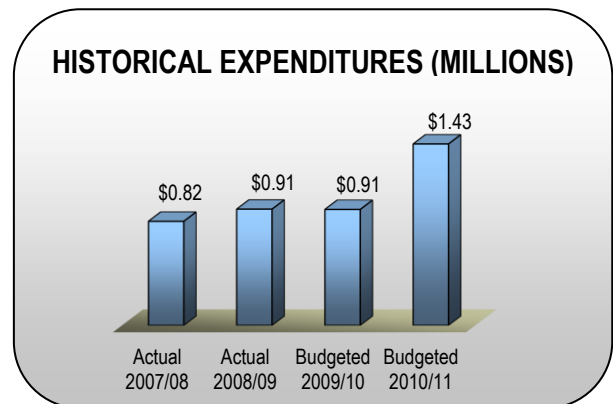
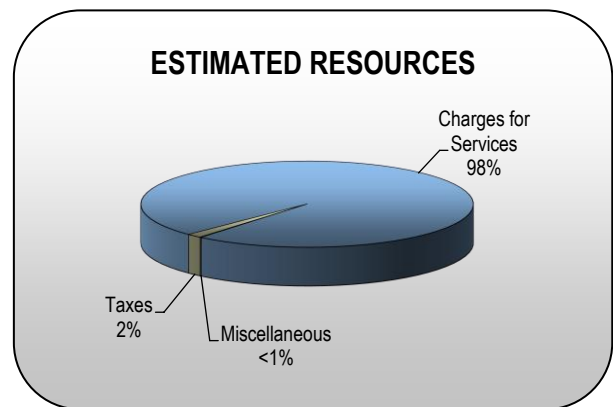
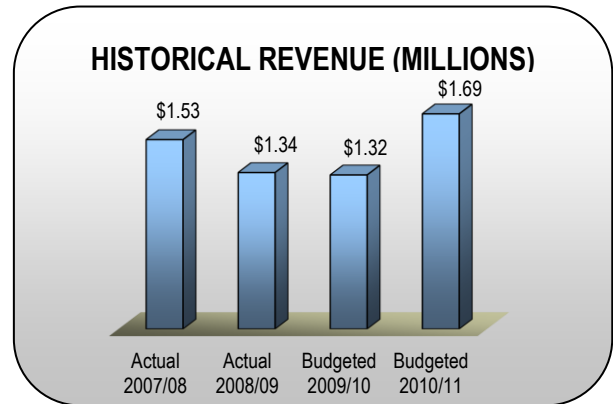
The City's Airport Fund budget for fiscal year 2010/11 amounts to \$1.80. This equates to an increase of 45.01% versus the previous year's Annual Budget. The increase in the current operations budget is 56.42% and primarily related to the Airport taking over the Fixed Base Operator formerly operated by a private party.

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 \$1.66 million represents an increase of 27.64%, primarily related to the Fixed Base Operator operation.



AIRPORT FUND – BUDGET SUMMARY

REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Taxes	107,911	102,760	25,000	25,000	0.00%
Charges for Services	1,423,920	1,232,364	1,295,871	1,658,469	27.98%
Miscellaneous	-	-	-	2,500	---
Total Revenues	\$ 1,531,831	\$ 1,335,124	\$ 1,320,871	\$ 1,685,969	27.64%
Interfund Transfers			-	-	
Fund Balance			-	-	
Total Resources	\$ 1,320,871	\$ 1,320,871	\$ 1,320,871	\$ 1,685,969	

EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2007/08	Actual 2008/09	Budgeted 2009/10	Budgeted 2010/11	Change
Personnel Services	567,930	567,102	619,735	789,730	27.43%
Non-Personnel	250,672	347,011	292,221	636,771	117.91%
Special Projects	-	-	-	-	---
Current Operations Budget	\$ 818,602	\$ 914,113	\$ 911,956	\$ 1,426,501	56.42%
Equipment Outlay	56	-	-	2,000	---
Debt Service	289,860	779,360	102,685	18,221	-82.26%
Operating Grants	-	(1,659)	-	-	---
Capital Outlay & Grants	3,371,031	815,320	25,000	25,000	0.00%
Charges From Others	146,128	148,608	199,005	324,500	63.06%
Charges To Others	-	-	-	-	---
Total Budget	\$ 4,625,677	\$ 2,655,742	\$ 1,238,646	\$ 1,796,222	45.01%
Interfund Transfers			-	-	
Total Budget Requirements	\$ 1,238,646	\$ 1,238,646	\$ 1,238,646	\$ 1,796,222	

This Page Intentionally Left Blank