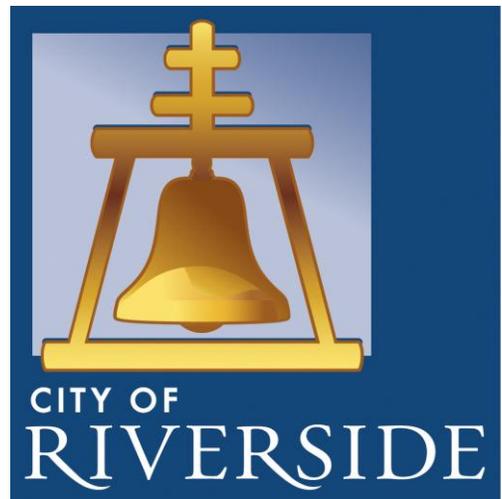


# BUDGET SUMMARY



# BUDGET SUMMARY

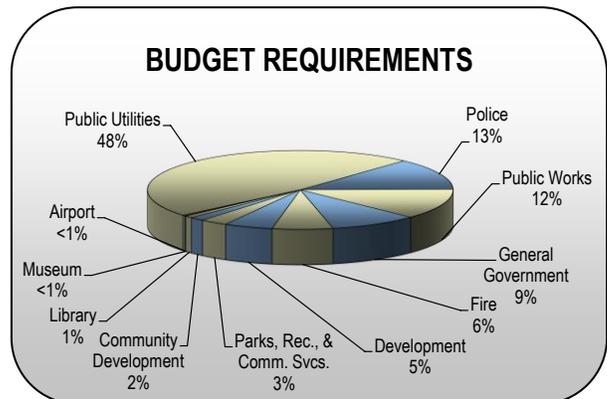
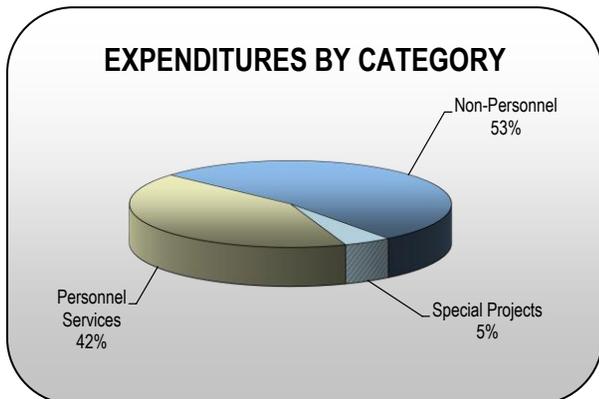
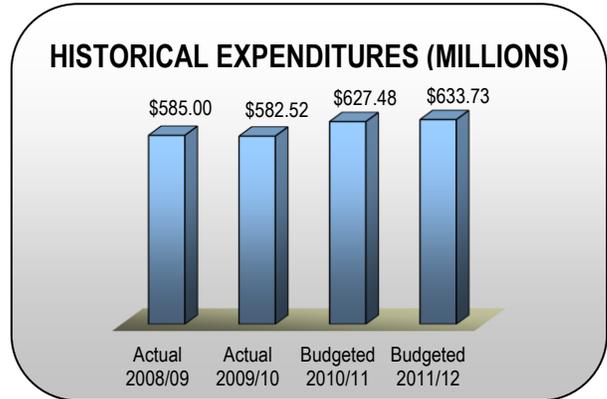
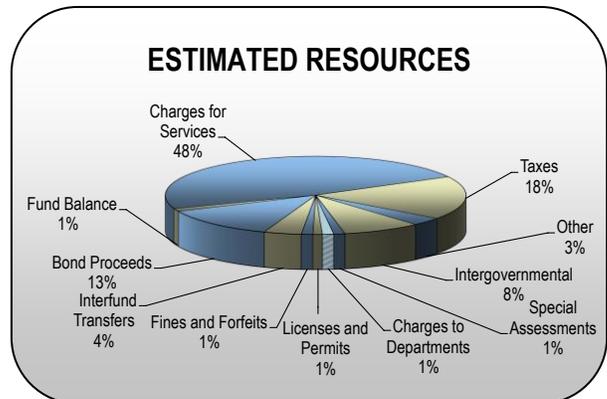
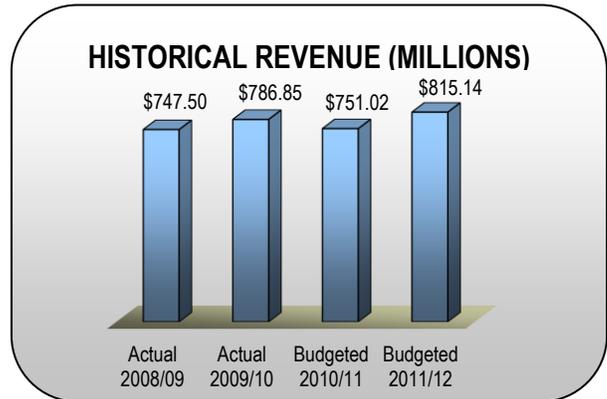
## Overview of the Annual Budget

The City's total combined Annual Budget for fiscal year 2011/12 amounts to \$992,994,022. This equates to an increase of 13.11% versus the previous year's Budget, excluding interfund transfers and managed savings. 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 1.00%.

Included in the \$993 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 \$929,091,806.

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 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Charges for Services	432,612,744	435,975,178	461,084,279	474,155,439	2.83%
Taxes	192,417,515	176,792,976	165,698,817	178,237,068	7.57%
Intergovernmental Revenues	35,136,953	87,369,855	35,564,955	83,384,393	134.46%
Special Assessments	13,369,112	13,497,900	14,108,640	11,911,221	-15.57%
Fines and Forfeits	8,642,095	10,800,056	11,201,000	12,193,442	8.86%
Licenses and Permits	8,980,207	8,944,311	9,675,379	10,072,326	4.10%
Charges to Departments	8,086,417	7,215,363	7,581,359	11,936,687	57.45%
Other	48,252,886	46,249,918	46,103,648	33,245,148	-27.89%
<b>Total Revenues</b>	<b>\$ 747,497,929</b>	<b>\$ 786,845,557</b>	<b>\$ 751,018,077</b>	<b>\$ 815,135,724</b>	<b>8.54%</b>
Interfund Transfers			39,694,600	39,936,100	
Bond Proceeds			81,310,786	125,702,520	
Fund Balance			11,474,738	12,219,678	
<b>Total Resources</b>			<b>\$ 883,498,201</b>	<b>\$ 992,994,022</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Personnel Services	252,013,962	251,551,468	256,443,557	267,145,723	4.17%
Non-Personnel	304,804,540	304,935,424	335,541,495	336,192,837	0.19%
Special Projects	28,183,660	26,029,897	35,490,854	30,391,929	-14.37%
<b>Current Operations Budget</b>	<b>\$ 585,002,162</b>	<b>\$ 582,516,789</b>	<b>\$ 627,475,906</b>	<b>\$ 633,730,489</b>	<b>1.00%</b>
Equipment Outlay	12,311,198	7,433,422	4,159,522	7,746,947	86.25%
Debt Service	129,249,051	126,015,669	137,095,965	147,668,022	7.71%
Operating Grants	4,339,018	4,468,227	-	-	---
Capital Outlay & Grants	297,336,576	238,991,832	109,661,322	202,074,758	84.27%
Charges From Others	99,176,707	93,742,920	120,383,064	122,317,582	1.61%
Charges To Others	(129,184,615)	(126,506,833)	(152,421,825)	(156,232,141)	2.50%
<b>Total Budget</b>	<b>\$ 998,230,097</b>	<b>\$ 926,662,026</b>	<b>\$ 846,353,954</b>	<b>\$ 957,305,657</b>	<b>13.11%</b>
Interfund Transfers			39,694,600	39,936,100	
Managed Savings			(2,550,353)	(4,247,735)	
<b>Total Budget Requirements</b>			<b>\$ 883,498,201</b>	<b>\$ 992,994,022</b>	

### EXPENDITURE HISTORY BY ORGANIZATIONAL UNIT

	Actual 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Riverside Public Utilities	263,047,168	254,700,054	311,696,911	304,078,214	-2.44%
Police Department	82,526,725	80,008,980	77,234,945	81,927,700	6.08%
Public Works Department	68,996,684	69,015,545	73,561,418	78,742,336	7.04%
General Government	52,048,121	55,484,310	57,328,798	59,104,158	3.10%
Fire Department	42,064,328	40,233,281	39,239,850	40,615,277	3.51%
Development Department	38,917,483	50,498,570	34,363,368	32,551,147	-5.27%
Parks, Recreation, & Community Services Dept.	18,363,642	16,470,027	16,576,909	18,428,762	11.17%
Community Development Department	9,423,674	8,292,514	9,861,841	9,952,265	0.92%
Riverside Public Library	7,493,081	5,314,353	5,174,526	5,482,207	5.95%
Riverside Metropolitan Museum	1,207,143	1,160,255	1,010,839	1,078,356	6.68%
Riverside Airport	914,113	1,338,900	1,426,501	1,770,067	24.08%
<b>Current Operations Budget</b>	<b>\$ 585,002,162</b>	<b>\$ 582,516,789</b>	<b>\$ 627,475,906</b>	<b>\$ 633,730,489</b>	<b>1.00%</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.

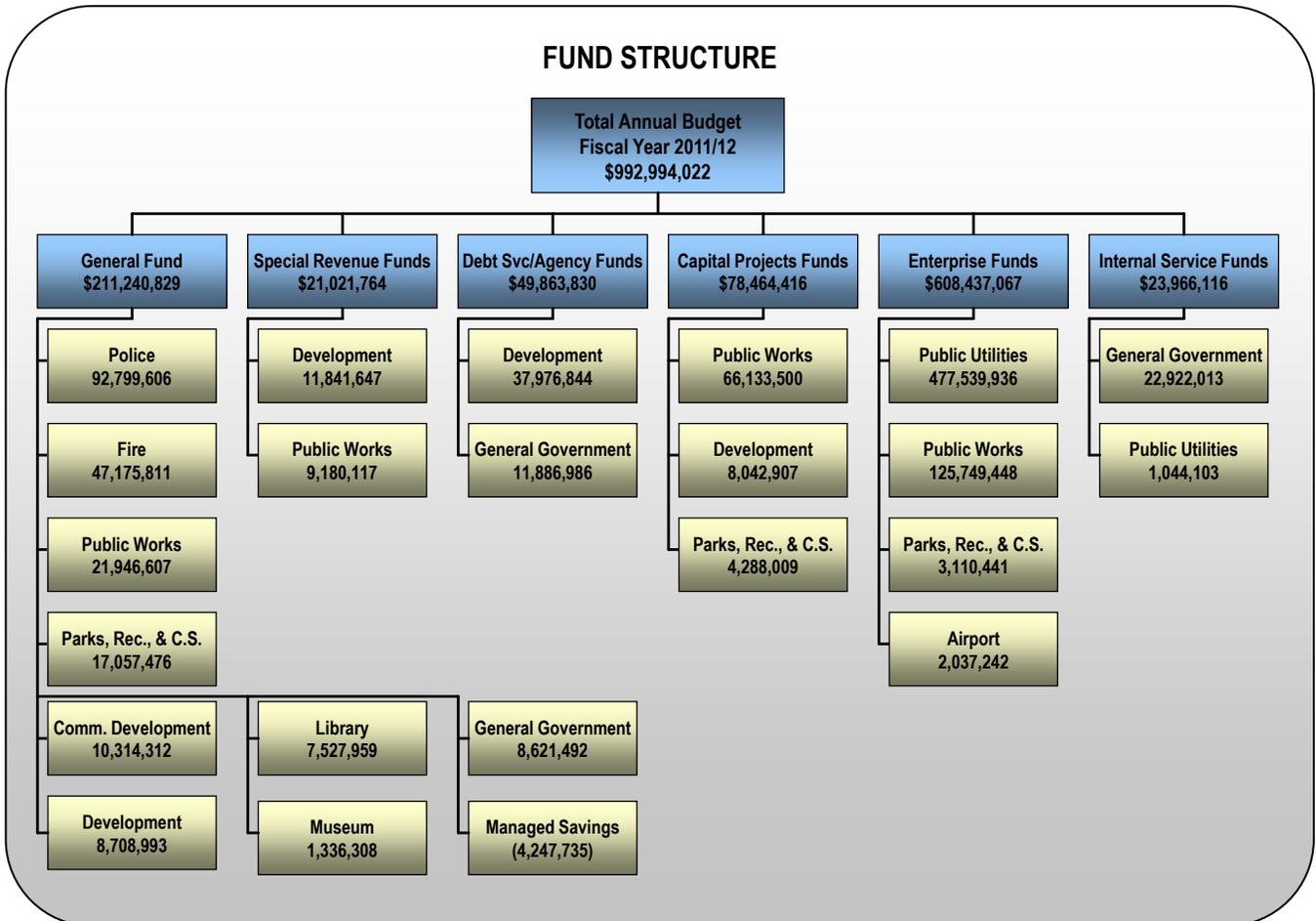
The term "General Government" is used to refer to a combination of all City Departments that are not public service Departments. These Departments include the Office of the Mayor, City Council, Office of the City Attorney, Office of the City Clerk, Office of the City Manager, and the Human Resources,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

Grant revenue and expenditures are not typically budgeted. However, historical actual expenditures shown for fiscal years 2008/09 and 2009/10 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.

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 Debt Service Fund - General 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 certain other General Fund-related debt service.

### **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 Water 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 principally 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 Human Resources Department and Office of the City Manager. 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 Reorganizations***

At the close of fiscal year 2010/11 the Neglected Property Abatement Fund was consolidated into the General Fund. The Neglected Property Abatement Fund was used to account for revenue and expenditures associated with Code Enforcement Activities targeting foreclosed properties. With the issuance of Governmental Accounting Standards Board (GASB) Statement No. 54 in March of 2009 (required to be implemented by fiscal year 2011/12), the requirements for funds being accounted for in a Special Revenue Fund became more stringent. As a result, the funds accounted for in the Neglected Property

## BUDGET SUMMARY

Abatement Fund no longer qualified for Special Revenue Fund status. Accordingly, the fiscal year 2011/12 Annual Budget reflects the budget of the former Neglected Property Abatement Fund in the General Fund. These funds continue to be part of the budget for the Code Enforcement Division of the Community Development Department and no operational changes were associated with the consolidation.

During fiscal year 2010/11 the Redevelopment Agency completed the requirements to merge the Hunter Park/Northside Redevelopment Project Area into the Downtown/Airport Redevelopment Project Area. Accordingly, in the fiscal year 2011/12 Annual Budget the former Funds of the Hunter Park/Northside Redevelopment Project Area have been consolidated into the Funds of the former Downtown/Airport Redevelopment Project Area, now known as the Downtown/Airport/Hunter Park/Northside Redevelopment Project Area.

In fiscal year 2010/11 the decision was made to segregate certain components of the budget of the Downtown/Airport Redevelopment Project Area related to the California Tower building into separate Funds. This accounting treatment was determined to be unnecessary during the course of fiscal year 2010/11, and accordingly these funds were merged back into the primary funds for the Project Area in the fiscal year 2011/12 Annual Budget.

### **Department Reorganizations**

During fiscal year 2010/11 or effective at the beginning of fiscal year 2011/12, 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 various Sections of the Planning Division of the Community Development Department, with the exception of the Historic Preservation Section, were consolidated into the Administration Section.
2. The Arts & Cultural Affairs Division of the Development Department was consolidated into the Economic Development Division.
3. The General Services Department added the Broadcasting Division to account for the activities associated with the City's cable television channel.
4. The Workers' Compensation Section was transferred from the Finance Division of the Office of the City Manager to the Benefits Division of the Human Resources Department.
5. The Plant Maintenance Section of the Sewerage Systems Division of the Public Works Department was split into four Sections to better segregate components of the increasingly complex plant maintenance activities.
6. The staff in the Electric Public Benefits Section of Riverside Public Utilities were consolidated into the Marketing Services Section to provide greater flexibility for allocating staff to various programs.

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

Citywide staffing increased by 46.15 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 staffing increases, the budget was increased primarily to address identified City Council priorities as articulated in the City Manager's Budget Message and as a result of a CalPERS rate increase. Additionally, as a result of the reduced availability of Redevelopment Agency funding for General Fund programs due to the State's redirection of resources to its own budgetary challenges, General Fund support for these programs was increased per the direction of the City Council. Each department's summary in Section I outlines the reasons for significant increases or decreases in expenditures.

The transmittal letter included in Section A references "minor administrative adjustments" in addition to any 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

# BUDGET SUMMARY

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 transferred funds originate. Transfers for fiscal year 2011/12 are budgeted at \$33,645,300 from the Electric Fund to the General Fund and \$6,290,800 from the Water Fund to the General Fund. Both transfers are made as authorized by City Charter Section 1204(f).

### 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 \$1.81 billion in debt currently outstanding, only \$16.85 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 \$16.4 billion, resulting in a debt limit of \$614.9 million and a current ratio of debt to assessed value of 2.74%. 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. Excluded are minor debts such as capital leases.

During fiscal year 2010/11, several significant debt transactions were completed. The General Fund entered into a loan totaling \$25.0 million on behalf of the Parking Fund for construction of a new parking facility adjacent to the Fox Performing Arts Center, the Electric Fund issued revenue bonds totaling \$56.5 million and entered into a loan totaling \$45.6 million, the Water Fund issued revenue bonds totaling \$59.0 million, and the Redevelopment Agency issued tax allocation bonds totaling \$65.0 million.

Bond proceeds totaling \$125.7 million are included in the Debt Service Fund – General, Electric Fund, Water Fund, and Sewer Fund portions of the Annual Budget that relate to various debt issues. 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, 2011</b>
Fiscal Year 2010/11 Assessed Valuation	16,396,996,178
Conversion Percentage	25.00%
Adjusted Assessed Valuation for Calculation Purposes	4,099,249,045
Debt Limit Percentage	15.00%
<b>Legal Debt Limit</b>	<b>\$ 614,887,357</b>
Less: Outstanding General Obligation Debt Payable from Property Taxes Measure G Fire Facility Projects Bonds	16,845,000
<b>Remaining Debt Capacity</b>	<b>\$ 598,042,357</b>

# BUDGET SUMMARY

## SUMMARY OF CITYWIDE DEBT OBLIGATIONS

Debt Issue	Budgeted Fund	Year of Issuance	Year of Final Maturity	Total Issue Size	Outstanding Principal 6/30/2012	2011/12 Principal	2011/12 Interest
<b>General Obligation</b>							
Measure G Fire Facility Projects Bonds	General Fund	2004	2024	20,000,000	15,915,000	725,000	765,883
<b>Pension Obligation</b>							
Pension Obligation Bonds (2004)	General Fund	2004	2023	89,540,000	73,935,000	3,120,000	4,447,284
Pension Obligation Bonds (2005) Series A	General Fund	2005	2020	30,000,000	22,605,000	1,660,000	1,145,542
Pension Obligation Refunding Bond Anticipation Notes	General Fund	2011	N/A	30,775,000	30,775,000	-	307,750
<b>Certificates of Participation</b>							
Riverside Public Financing Authority (RPFA) Projects	General Fund	2003	2033	53,185,000	44,025,000	1,315,000	2,168,300
Galleria Mall Improvements	General Fund	2006	2036	19,945,000	19,510,000	435,000	890,729
Riverside Renaissance Projects Refunding	General Fund	2008	2037	128,300,000	122,400,000	3,000,000	4,190,733
Recovery Zone Facility Hotel Project (Hyatt)	General Fund	2010	2040	20,660,000	20,660,000	-	1,076,538
<b>Total General Fund</b>					<b>349,825,000</b>	<b>10,255,000</b>	<b>14,992,759</b>
<b>Electric Utility</b>							
Electric Revenue Bonds (2001)	Electric Fund	2001	2012	47,215,000	3,855,000	3,670,000	284,500
Electric Revenue Bonds (2003)	Electric Fund	2003	2013	75,405,000	15,415,000	8,250,000	929,150
Electric Revenue Bonds (2004) Series A	Electric Fund	2004	2014	27,500,000	9,845,000	3,280,000	592,725
Electric Revenue Refunding Bonds (2008) Series A	Electric Fund	2008	2029	84,515,000	84,515,000	-	2,629,262
Electric Revenue Refunding Bonds (2008) Series C	Electric Fund	2008	2035	57,325,000	55,125,000	1,325,000	1,776,818
Electric Revenue Bonds (2008) Series D	Electric Fund	2008	2038	209,740,000	209,740,000	-	10,246,400
Electric Revenue Bonds (2009) Series A	Electric Fund	2009	2018	34,920,000	24,335,000	3,090,000	1,151,300
Electric Revenue Bonds (2010) Series A	Electric Fund	2010	2040	133,290,000	133,290,000	-	6,479,481
Electric Revenue Bonds (2010) Series B	Electric Fund	2010	2019	7,090,000	7,090,000	-	307,050
Electric Revenue Bonds (2011) Series A	Electric Fund	2011	2036	56,450,000	55,125,000	1,325,000	2,133,957
Clearwater Plant Acquisition Loan (City of Corona)	Electric Fund	2011	2015	45,568,916	44,140,620	1,428,296	2,392,477
<b>Total Electric Fund</b>					<b>642,475,620</b>	<b>22,368,296</b>	<b>28,923,120</b>
<b>Water Utility</b>							
Water Revenue Bonds (2001)	Water Fund	2001	2013	20,000,000	1,000,000	470,000	52,538
Water Revenue Bonds (2008) Series B	Water Fund	2008	2038	58,235,000	58,235,000	-	2,830,350
Water Revenue Bonds (2009) Series A	Water Fund	2009	2020	31,895,000	28,095,000	3,275,000	1,323,100
Water Revenue Bonds (2009) Series B	Water Fund	2009	2039	67,790,000	67,790,000	-	2,717,377
Water Revenue Bonds (2011) Series A	Water Fund	2011	2035	59,000,000	58,200,000	800,000	1,916,688
<b>Total Water Fund</b>					<b>213,320,000</b>	<b>4,545,000</b>	<b>8,840,053</b>
<b>Sewer Utility</b>							
Sewer Revenue Bonds (2009) Series A	Sewer Fund	2009	2016	36,835,000	36,835,000	-	1,630,550
Sewer Revenue Bonds (2009) Series B	Sewer Fund	2009	2039	204,075,000	204,075,000	-	9,216,748
<b>Total Sewer Fund</b>					<b>240,910,000</b>	<b>-</b>	<b>10,847,298</b>
<b>Parking Fund</b>							
Fox Entertainment Plaza Loan (City National Bank)	Parking Fund	2010	2032	25,000,000	23,800,905	806,993	939,711
<b>Total Parking Fund</b>					<b>23,800,905</b>	<b>806,993</b>	<b>939,711</b>
<b>Redevelopment Agency</b>							
RPFA Multiple Project Area TABs (1991)	Redev. Funds	1991	2018	13,285,000	115,000	15,000	10,400
Univ. Corridor/Sycamore Canyon TABs Series A	Redev. Funds	1999	2027	17,025,000	12,455,000	495,000	615,125
Univ. Corridor/Sycamore Canyon TABs Series B	Redev. Funds	1999	2027	6,055,000	4,525,000	175,000	257,375
Casa Blanca TABs	Redev. Funds	1999	2025	20,395,000	13,710,000	685,000	675,175
Downtown/Airport TABs	Redev. Funds	2003	2034	40,435,000	29,830,000	1,455,000	1,482,528
California Tower Lease Revenue Bonds Series A	Redev. Funds	2003	2024	26,255,000	19,805,000	905,000	947,708
California Tower Lease Revenue Bonds Series B	Redev. Funds	2003	2024	4,810,000	3,360,000	180,000	181,308
Arlington Tax Allocation Bonds Series A	Redev. Funds	2004	2034	4,550,000	4,270,000	40,000	199,575
Arlington Tax Allocation Bonds Series B	Redev. Funds	2004	2024	2,975,000	2,265,000	120,000	127,875
Multiple Project Area Housing TABs	Redev. Funds	2004	2034	24,115,000	19,870,000	685,000	898,171
ERAF Loan Program Through CSCDA	Redev. Funds	2005	2015	1,465,000	520,000	155,000	34,462
RPFA Multiple Project Area TABs (2007) Series A	Redev. Funds	2007	2037	8,340,000	8,260,000	20,000	360,831
RPFA Multiple Project Area TABs (2007) Series B	Redev. Funds	2007	2028	14,850,000	13,380,000	405,000	772,972
RPFA Multiple Project Area TABs (2007) Series C	Redev. Funds	2007	2037	89,205,000	88,170,000	505,000	4,305,463
RPFA Multiple Project Area TABs (2007) Series D	Redev. Funds	2007	2032	43,875,000	37,810,000	1,400,000	2,200,802
La Sierra/Arlanza Tax Allocation Bonds (2011)	Redev. Funds	2011	2041	20,000,000	5,000,000	-	493,151
Magnolia Center Tax Allocation Bonds (2011)	Redev. Funds	2011	2041	5,000,000	1,000,000	-	112,329
University Corridor/Sycamore Canyon TABs (2011)	Redev. Funds	2011	2037	17,700,000	10,000,000	-	680,822
Downtown/Airport/HP/Northside TABs (2011)	Redev. Funds	2011	2041	17,300,000	17,300,000	-	992,347
<b>Total Redevelopment Agency</b>					<b>291,645,000</b>	<b>7,240,000</b>	<b>15,348,419</b>
<b>Assessment District &amp; Community Facilities District</b>					<b>48,515,000</b>	<b>5,152,056</b>	<b>3,598,934</b>
<b>Total Debt</b>					<b>\$1,810,491,525</b>	<b>\$ 50,367,345</b>	<b>\$ 83,490,294</b>

NOTE: "TABs" refers to Tax Allocation Bonds.

# BUDGET SUMMARY – GENERAL FUND

## Overview of the General Fund

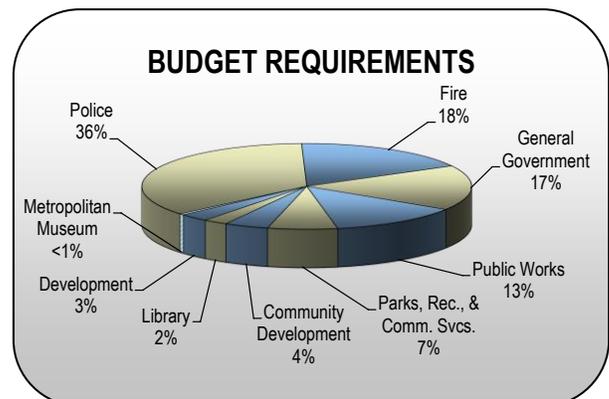
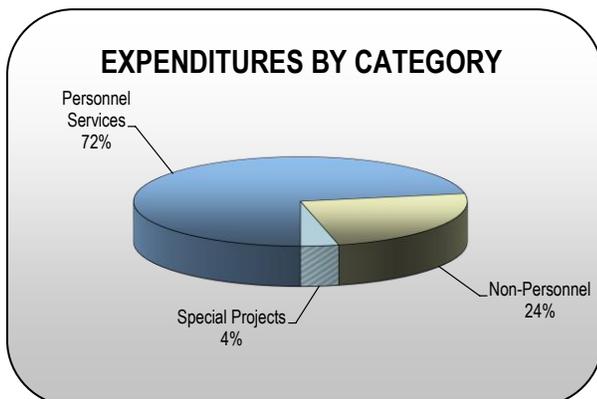
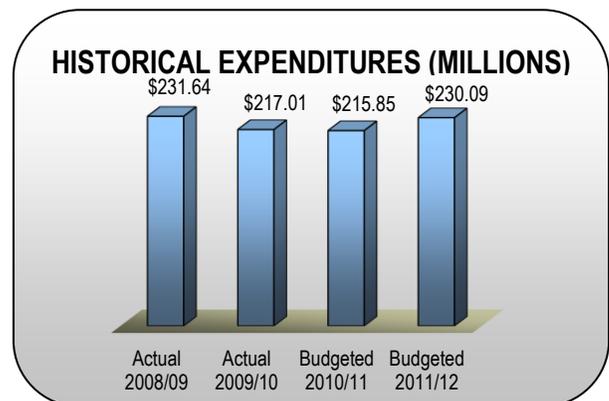
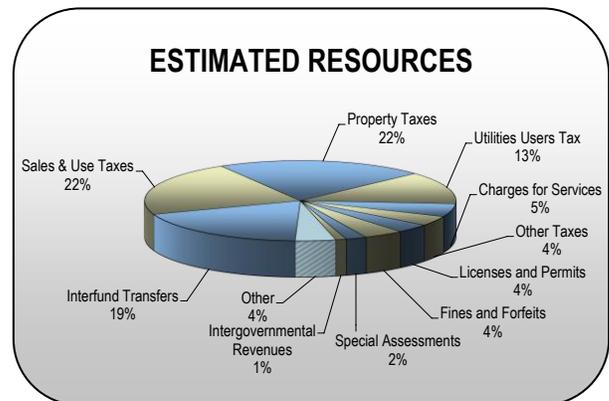
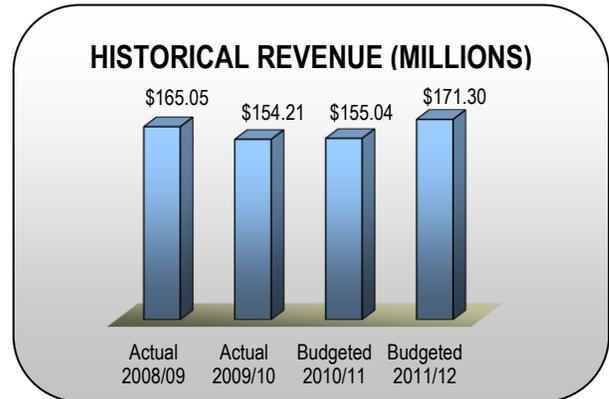
The City's General Fund budget for fiscal year 2011/12 amounts to \$211,240,829, including managed savings. This equates to an increase of 8.48% versus the previous year's Annual Budget. The increase in the current operations budget is 6.60%.

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 \$39.9 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 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Sales & Use Taxes	41,881,310	39,644,890	39,932,000	46,611,000	16.73%
Property Taxes	50,936,501	46,713,898	43,998,883	45,807,533	4.11%
Utilities Users Tax	25,963,671	25,831,455	25,881,000	27,525,200	6.35%
Charges for Services	8,789,240	9,312,520	9,898,621	11,192,392	13.07%
Fines and Forfeits	4,865,889	4,693,620	5,070,000	8,793,998	73.45%
Other Taxes	8,050,471	6,964,474	7,932,000	8,167,700	2.97%
Licenses and Permits	6,380,073	6,305,672	7,329,119	7,421,323	1.26%
Special Assessments	4,236,052	4,038,698	4,089,640	4,525,220	10.65%
Intergovernmental Revenues	5,164,966	1,720,295	2,255,000	2,350,000	4.21%
Other	8,784,680	8,987,775	8,652,547	8,910,363	2.98%
<b>Total Revenues</b>	<b>\$ 165,052,853</b>	<b>\$ 154,213,297</b>	<b>\$ 155,038,810</b>	<b>\$ 171,304,729</b>	<b>10.49%</b>
Interfund Transfers			39,694,600	39,936,100	
Fund Balance			-	-	
<b>Total Resources</b>			<b>\$ 194,733,410</b>	<b>\$ 211,240,829</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Personnel Services	173,797,551	164,272,136	157,446,017	166,189,676	5.55%
Non-Personnel	50,045,570	45,453,872	49,820,299	55,414,499	11.23%
Special Projects	7,795,549	7,284,678	8,579,575	8,481,128	-1.15%
<b>Current Operations Budget</b>	<b>\$ 231,638,670</b>	<b>\$ 217,010,686</b>	<b>\$ 215,845,891</b>	<b>\$ 230,085,303</b>	<b>6.60%</b>
Equipment Outlay	5,215,040	1,687,913	822,359	2,561,559	211.49%
Debt Service	24,042,971	16,291,625	13,909,587	14,138,453	1.65%
Operating Grants	3,132,805	3,816,084	-	-	---
Capital Outlay & Grants	5,373,945	734,449	697,584	711,084	1.94%
Charges From Others	45,296,980	40,251,725	48,034,398	49,901,667	3.89%
Charges To Others	(83,716,670)	(77,650,746)	(82,026,056)	(81,909,502)	-0.14%
<b>Total Budget</b>	<b>\$ 230,983,741</b>	<b>\$ 202,141,736</b>	<b>\$ 197,283,763</b>	<b>\$ 215,488,564</b>	<b>9.23%</b>
Interfund Transfers			-	-	
Managed Savings			(2,550,353)	(4,247,735)	
<b>Total Budget Requirements</b>			<b>\$ 194,733,410</b>	<b>\$ 211,240,829</b>	

### EXPENDITURE HISTORY BY ORGANIZATIONAL UNIT

	Actual 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Police Department	82,526,725	80,008,981	77,234,945	81,927,700	6.08%
Fire Department	41,975,662	40,092,410	39,239,850	40,615,277	3.51%
General Government	38,269,623	34,994,571	37,303,145	38,997,512	4.54%
Public Works Department	30,293,087	27,564,074	26,811,715	29,667,251	10.65%
Parks, Recreation, & Community Services Dept.	15,756,817	14,027,441	13,740,807	15,688,252	14.17%
Community Development Department	8,458,553	6,779,397	7,675,418	9,952,265	29.66%
Riverside Public Library	5,657,977	5,314,353	5,174,526	5,482,207	5.95%
Development Department	7,493,082	7,069,203	7,654,646	6,676,483	-12.78%
Riverside Metropolitan Museum	1,207,144	1,160,256	1,010,839	1,078,356	6.68%
<b>Current Operations Budget</b>	<b>\$ 231,638,670</b>	<b>\$ 217,010,686</b>	<b>\$ 215,845,891</b>	<b>\$ 230,085,303</b>	<b>6.60%</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.

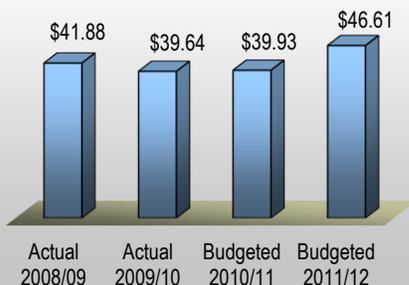
Sales and Use Tax revenues are one of the two largest revenue sources for the General Fund, representing 27.21% of total estimated revenues in fiscal year 2011/12. In each of the past 16 years except for the past four years these revenues have increased, with growth rates in some years higher than 10% 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 2011/12, budgeted Sales and Use Tax revenues are estimated to increase from the prior year’s budgeted revenues based on forecast data. The budgeted amount of \$46.61 million represents an increase of 16.73%.

## Property Taxes

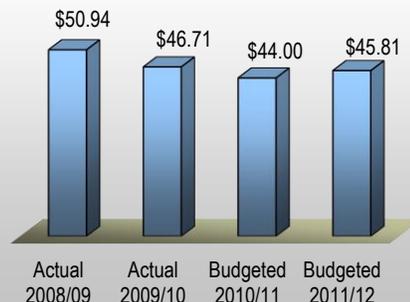
Property taxes are levied at one percent of assessed value, as established in 1978 by California’s Proposition 13. The County of Riverside administers the property tax program and the City of Riverside receives approximately 12% of the receipts generated by property taxes levied within the City limits. 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 26.74% of total estimated revenues in fiscal year 2011/12. 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 2011/12, budgeted Property Tax revenues are estimated to increase versus the previous fiscal year, despite the recent decline in assessed values for homes that have been constructed or changed hands in the last several years. The budgeted amount of \$45.81 million represents an increase of 4.11%.

**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.

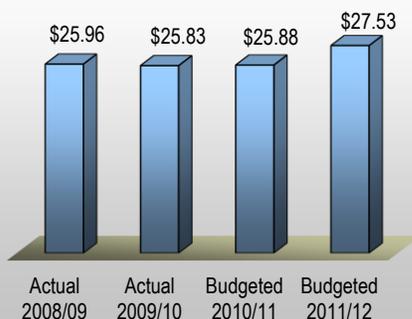
Utility Users Tax revenues represent 16.07% of total estimated General Fund revenues in fiscal year 2011/12. These revenues are largely predictable and increase at a steady and measurable rate as the customer base of the City's utilities increases. For fiscal year 2011/12, budgeted Utility Users Tax revenues have also been adjusted to reflect utility rate increases in the City and growing competition in the cable television market. The budgeted amount of \$27.53 million represents an increase of 6.35%.

## Charges for Services

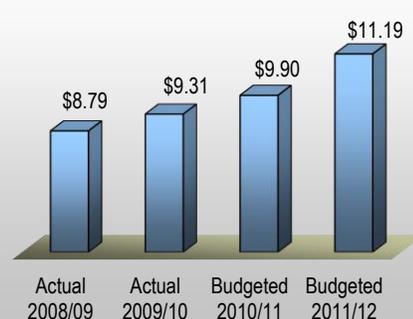
The City has developed service fees that are designed to recover a specified portion of the service cost. This is referred to as the recovery level and is established by the City Council. The primary revenue source in this category is fees for processing various development-related applications.

Charges for Services revenue represents 6.53% of total estimated General Fund revenues in fiscal year 2011/12. 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 2011/12, 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 \$11.19 million represents an increase of 13.07%.

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



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



# BUDGET SUMMARY – GENERAL FUND

## Licenses and Permits

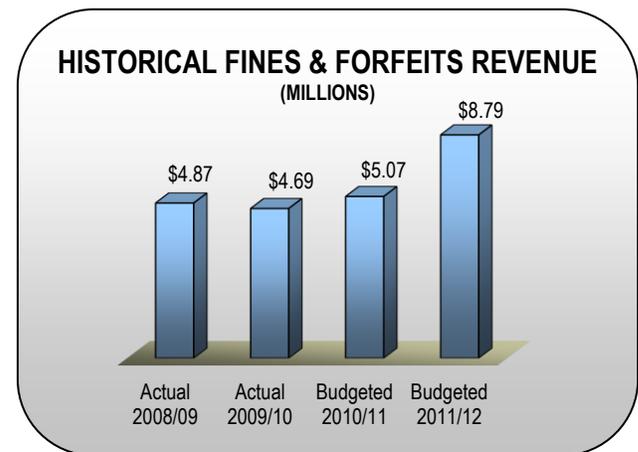
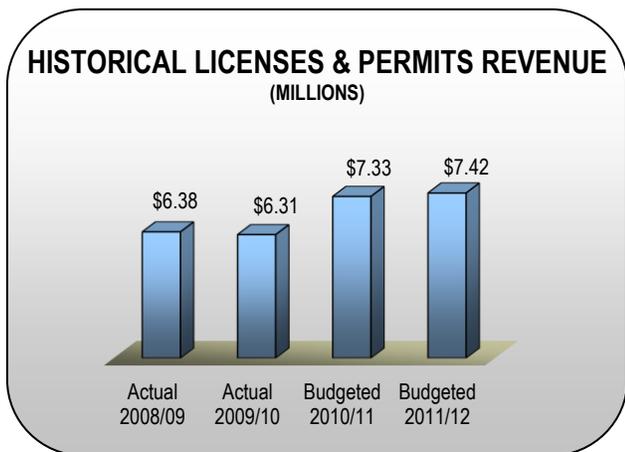
Licenses and permits generate revenue from a wide variety of activity, ranging from business and animal licenses, to building-related permits. The most significant revenue sources are Business Licenses and Building Permit Fees. Business Licenses are required for all establishments conducting business 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 4.33% of total estimated General Fund revenues in fiscal year 2011/12. 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 2011/12, 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 \$7.42 million represents an increase of 1.26%.

## 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 5.13% of total estimated General Fund revenues in fiscal year 2011/12. 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. For fiscal year 2011/12, budgeted Fines and Forfeits revenues are estimated to increase primarily as a result of the consolidation of the Neglected Property Abatement Fund into the General Fund. This increase is offset by the elimination of revenues budgeted in that Fund. The budgeted amount of \$8.79 million represents an increase of 73.45%.



# 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 2011/12 amounts to \$380,322,318. This equates to an increase of 4.27% versus the previous year's Annual Budget. This increase is primarily attributable to capital projects that were budgeted in fiscal year 2011/12 at a higher level than fiscal year 2010/11. The decrease in the current operations budget is 1.35%.

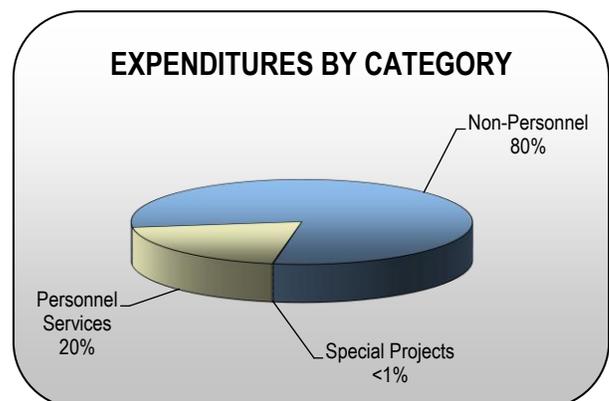
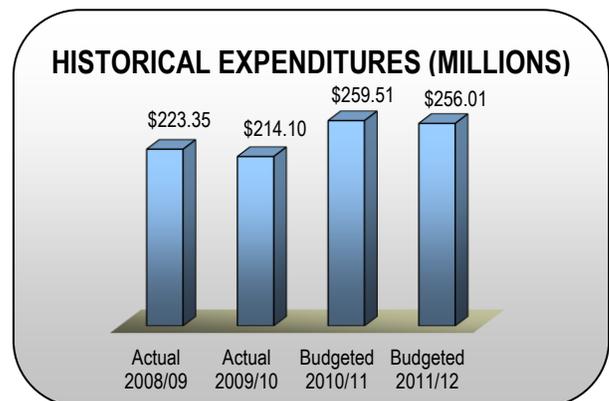
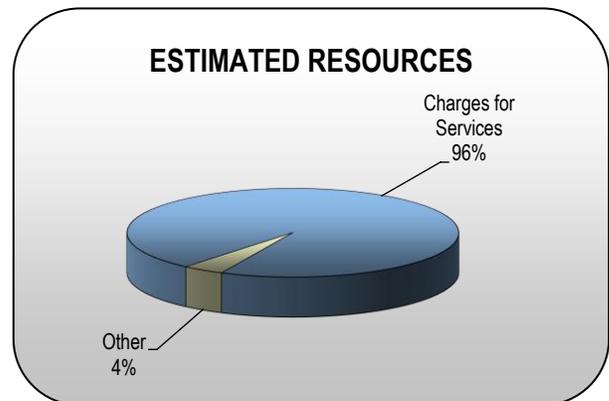
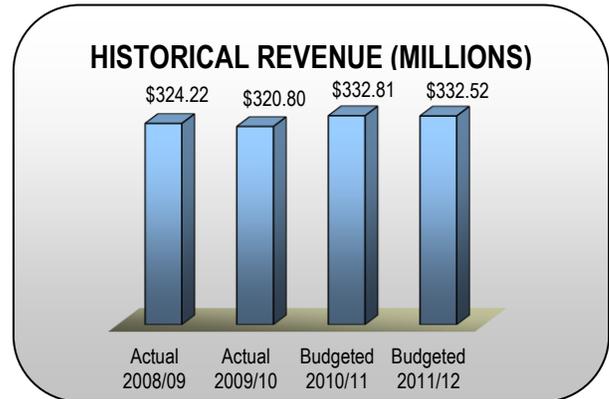
The operating and capital expenditures of the Electric Utility component of Riverside Public Utilities are budgeted in the Electric Fund. In addition to offering lower residential rates than its competitors, Riverside Public Utilities also bolsters economic development within the City by offering discounted 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 \$319.00 million represents an increase of 1.73%.

An important part of the overall Electric Fund financial picture is interfund transfers. The Electric Fund will transfer \$33.65 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 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Charges for Services	305,821,395	301,937,376	313,564,000	319,004,000	1.73%
Other	18,403,236	18,859,852	19,249,000	13,517,283	-29.78%
<b>Total Revenues</b>	<b>\$ 324,224,631</b>	<b>\$ 320,797,228</b>	<b>\$ 332,813,000</b>	<b>\$ 332,521,283</b>	<b>-0.09%</b>
Interfund Transfers			-	-	
Bond Proceeds			25,924,000	42,871,500	
Fund Balance			7,482,590	4,929,535	
<b>Total Resources</b>			<b>\$ 366,219,590</b>	<b>\$ 380,322,318</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Personnel Services	37,456,045	41,534,705	48,070,149	51,388,116	6.90%
Non-Personnel	185,678,277	172,006,546	211,168,346	204,335,828	-3.24%
Special Projects	217,236	562,930	274,133	286,133	4.38%
<b>Current Operations Budget</b>	<b>\$ 223,351,558</b>	<b>\$ 214,104,181</b>	<b>\$ 259,512,628</b>	<b>\$ 256,010,077</b>	<b>-1.35%</b>
Equipment Outlay	2,470,453	2,191,788	781,500	871,000	11.45%
Debt Service	43,671,148	40,908,581	49,914,000	53,229,000	6.64%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	72,140,958	61,187,924	34,294,000	46,761,500	36.35%
Charges From Others	11,017,657	10,915,184	11,185,569	13,651,073	22.04%
Charges To Others	(22,406,257)	(23,907,820)	(23,221,807)	(23,845,632)	2.69%
<b>Total Budget</b>	<b>\$ 330,245,517</b>	<b>\$ 305,399,838</b>	<b>\$ 332,465,890</b>	<b>\$ 346,677,018</b>	<b>4.27%</b>
Interfund Transfers			33,753,700	33,645,300	
<b>Total Budget Requirements</b>			<b>\$ 366,219,590</b>	<b>\$ 380,322,318</b>	

# BUDGET SUMMARY – WATER FUND

## Overview of the Water Fund

The City's Water Fund budget for fiscal year 2011/12 amounts to \$86,046,339. This equates to an increase of 7.31% from the previous year's Annual Budget. This increase is primarily attributable to an increase in capital expenditures versus the prior year's budget. The increase in the current operations budget is 2.48%.

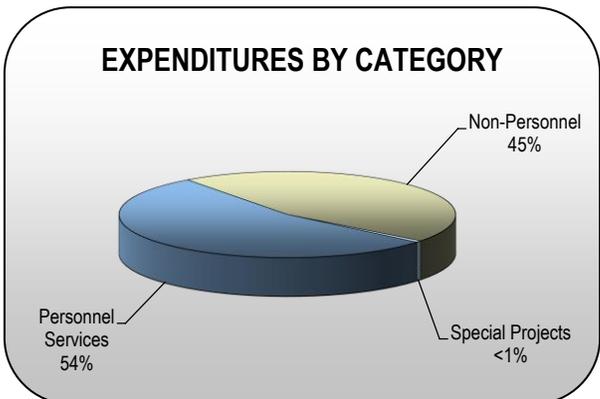
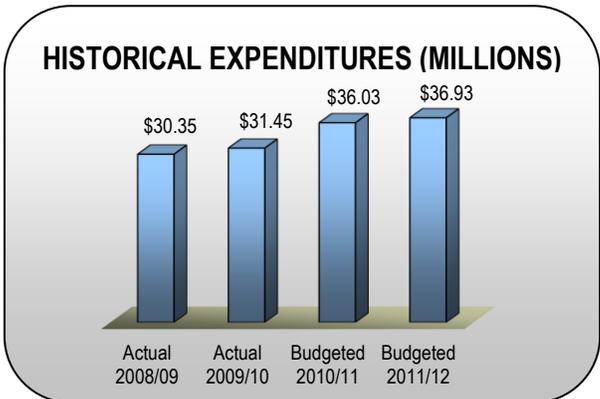
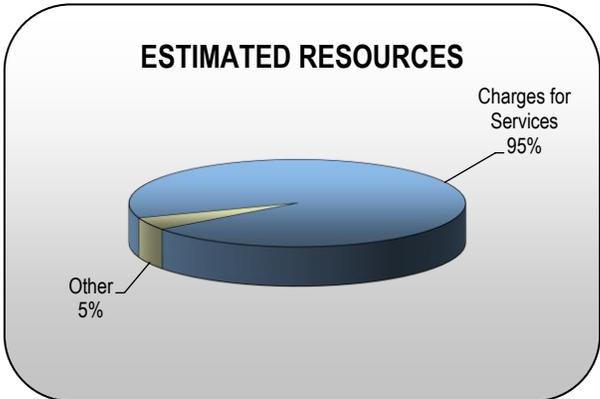
The operating and capital expenditures of the Water Utility component of Riverside Public Utilities are budgeted in the Water Fund. Expenditures in the Water Fund range from personnel maintaining water lines to capital expenditures to construct new water lines as the City grows.

## 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 \$63.67 million represents an increase of 2.42%.

An important part of the overall Water Fund financial picture is interfund transfers. The Water Fund will transfer \$6.29 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 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Charges for Services	53,937,792	56,697,161	62,169,500	63,674,000	2.42%
Other	5,275,974	5,537,851	6,402,000	3,125,234	-51.18%
<b>Total Revenues</b>	<b>\$ 59,213,766</b>	<b>\$ 62,235,012</b>	<b>\$ 68,571,500</b>	<b>\$ 66,799,234</b>	<b>-2.58%</b>
Interfund Transfers				-	-
Bond Proceeds			14,434,000	21,601,500	
Fund Balance				-	-
<b>Total Resources</b>	<b>\$ 83,005,500</b>	<b>\$ 88,400,734</b>			

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Personnel Services	14,717,658	17,040,532	19,161,439	19,854,090	3.61%
Non-Personnel	15,623,481	14,248,171	16,854,885	16,832,216	-0.13%
Special Projects	10,159	161,938	15,000	240,000	1500.00%
<b>Current Operations Budget</b>	<b>\$ 30,351,298</b>	<b>\$ 31,450,641</b>	<b>\$ 36,031,324</b>	<b>\$ 36,926,306</b>	<b>2.48%</b>
Equipment Outlay	991,272	1,285,807	252,151	699,500	177.41%
Debt Service	11,413,950	12,321,004	14,703,000	14,093,000	-4.15%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	37,072,741	24,737,172	20,512,000	26,088,500	27.19%
Charges From Others	10,864,558	11,404,681	9,320,650	9,090,233	-2.47%
Charges To Others	(5,390,240)	(6,954,850)	(6,500,000)	(7,142,000)	9.88%
<b>Total Budget</b>	<b>\$ 85,303,579</b>	<b>\$ 74,244,455</b>	<b>\$ 74,319,125</b>	<b>\$ 79,755,539</b>	<b>7.31%</b>
Interfund Transfers			5,940,900	6,290,800	
<b>Total Budget Requirements</b>	<b>\$ 80,260,025</b>	<b>\$ 86,046,339</b>			

# BUDGET SUMMARY – SEWER FUND

## Overview of the Sewer Fund

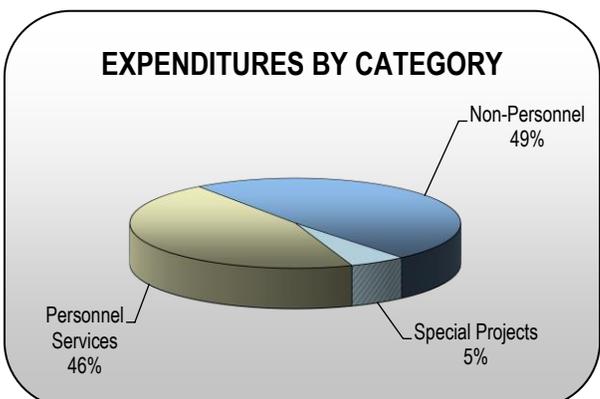
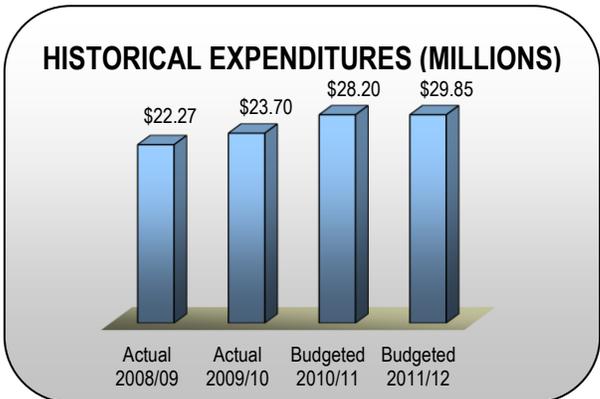
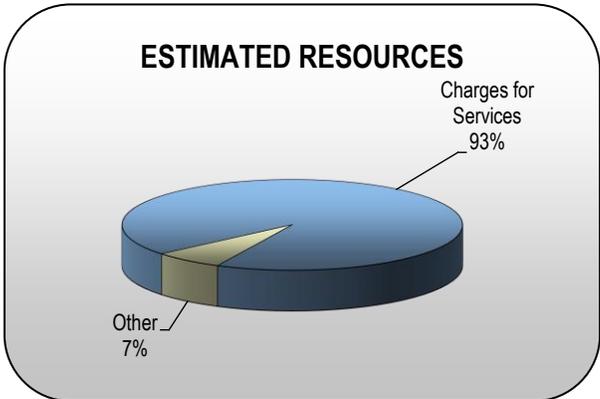
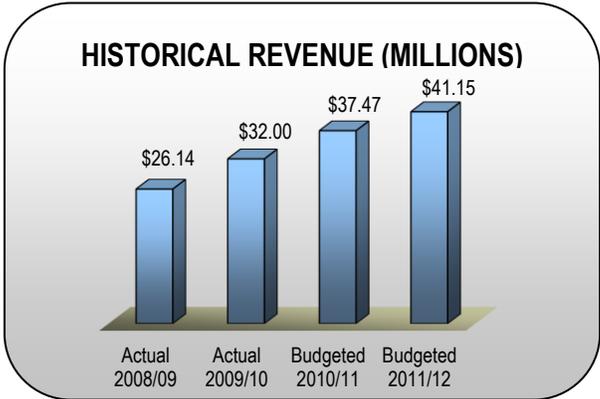
The City's Sewer Fund budget for fiscal year 2011/12 amounts to \$98,282,408. This equates to an increase of 34.76% versus the previous year's Annual Budget. The increase is primarily attributable to significant capital projects budgeted in fiscal year 2011/12. The increase in the current operations budget is 5.88%.

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 Water Quality Control 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 \$38.40 million represents an increase of 15.95% and reflects an ongoing multi-year rate increase.



## SEWER FUND – BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Charges for Services	24,094,482	28,105,443	33,117,936	38,400,470	15.95%
Other	2,043,529	3,897,640	4,350,400	2,750,400	-36.78%
<b>Total Revenues</b>	<b>\$ 26,138,011</b>	<b>\$ 32,003,083</b>	<b>\$ 37,468,336</b>	<b>\$ 41,150,870</b>	<b>9.83%</b>
Interfund Transfers				-	-
Bond Proceeds			40,952,786	60,152,982	
Fund Balance				-	-
<b>Total Resources</b>	<b>\$ 78,421,122</b>	<b>\$ 101,303,852</b>			

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Personnel Services	9,844,650	10,996,712	12,728,480	13,620,530	7.01%
Non-Personnel	11,074,939	11,062,604	13,837,676	14,582,450	5.38%
Special Projects	1,347,117	1,644,265	1,630,675	1,651,874	1.30%
<b>Current Operations Budget</b>	<b>\$ 22,266,706</b>	<b>\$ 23,703,581</b>	<b>\$ 28,196,831</b>	<b>\$ 29,854,854</b>	<b>5.88%</b>
Equipment Outlay	370,209	166,185	95,666	867,038	806.32%
Debt Service	5,135,653	8,132,168	11,930,409	11,878,921	-0.43%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	9,378,787	16,575,847	30,454,335	54,729,335	79.71%
Charges From Others	4,772,381	4,418,793	4,520,746	5,143,519	13.78%
Charges To Others	(1,216,523)	(2,111,525)	(2,268,143)	(4,191,259)	84.79%
<b>Total Budget</b>	<b>\$ 40,707,213</b>	<b>\$ 50,885,049</b>	<b>\$ 72,929,844</b>	<b>\$ 98,282,408</b>	<b>34.76%</b>
Interfund Transfers				-	-
<b>Total Budget Requirements</b>	<b>\$ 72,929,844</b>	<b>\$ 98,282,408</b>			

# BUDGET SUMMARY – REFUSE FUND

## Overview of the Refuse Fund

The City's Refuse Fund budget for fiscal year 2011/12 amounts to \$20,767,784. This equates to an increase of 4.21% versus the previous year's Annual Budget. The increase in the current operations budget is 3.09%.

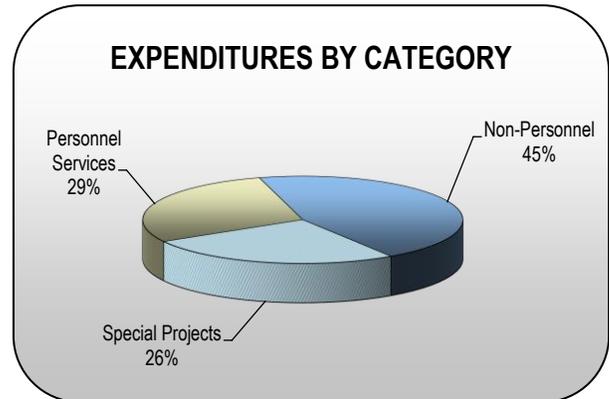
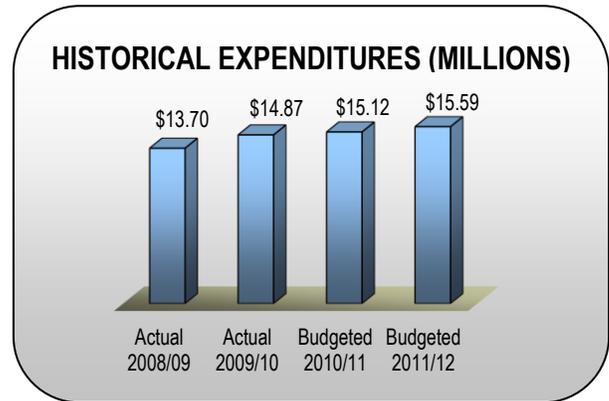
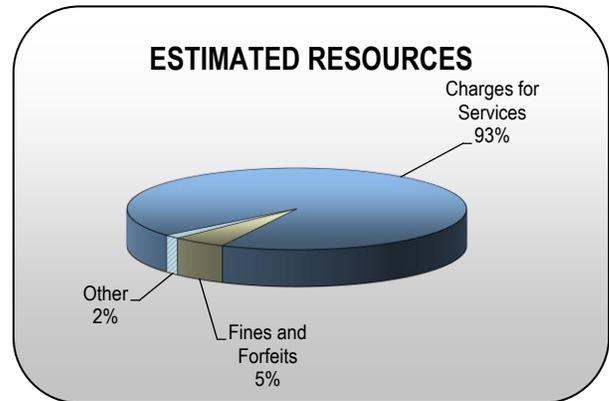
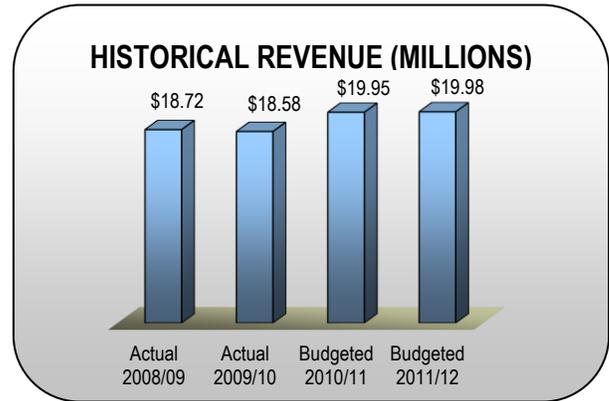
The operating and capital expenditures related to the City's refuse collection services are budgeted in the Refuse Fund. The City provides approximately 70 percent of residential service, with the remainder provided by private companies. Commercial refuse service is provided solely by the private sector.

## 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 \$18.64 million represents a decrease of 0.48%.

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 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Charges for Services	17,912,208	17,854,979	18,732,883	18,642,548	-0.48%
Fines and Forfeits	479,694	860,278	931,000	1,034,444	11.11%
Other	325,570	249,826	283,753	304,532	7.32%
<b>Total Revenues</b>	<b>\$ 18,717,472</b>	<b>\$ 18,965,083</b>	<b>\$ 19,947,636</b>	<b>\$ 19,981,524</b>	<b>0.17%</b>
Interfund Transfers			-	-	
Fund Balance			-	786,260	
<b>Total Resources</b>			<b>\$ 19,947,636</b>	<b>\$ 20,767,784</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Personnel Services	3,878,660	4,309,842	4,365,234	4,513,574	3.40%
Non-Personnel	6,357,346	6,536,517	6,729,088	7,036,518	4.57%
Special Projects	3,459,705	4,018,653	4,029,497	4,041,258	0.29%
<b>Current Operations Budget</b>	<b>\$ 13,695,711</b>	<b>\$ 14,865,012</b>	<b>\$ 15,123,819</b>	<b>\$ 15,591,350</b>	<b>3.09%</b>
Equipment Outlay	1,759,007	1,878,338	1,266,724	1,303,128	2.87%
Debt Service	91,640	95,444	96,447	80,141	-16.91%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	291,620	132,569	399,000	409,170	2.55%
Charges From Others	3,062,534	3,535,041	3,458,183	3,802,510	9.96%
Charges To Others	(439,999)	(452,399)	(415,676)	(418,515)	0.68%
<b>Total Budget</b>	<b>\$ 18,460,513</b>	<b>\$ 20,054,005</b>	<b>\$ 19,928,497</b>	<b>\$ 20,767,784</b>	<b>4.21%</b>
Interfund Transfers			-	-	
<b>Total Budget Requirements</b>			<b>\$ 19,928,497</b>	<b>\$ 20,767,784</b>	

# BUDGET SUMMARY – AIRPORT FUND

## Overview of the Airport Fund

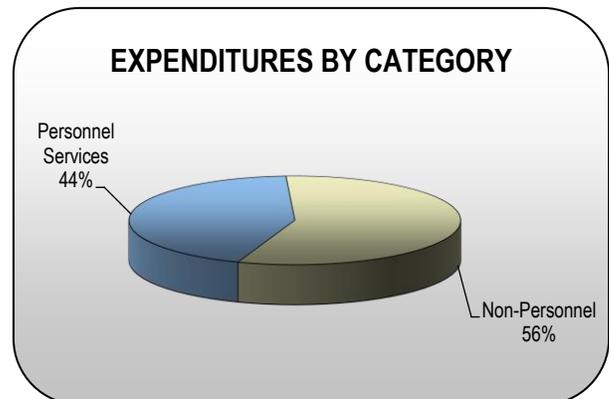
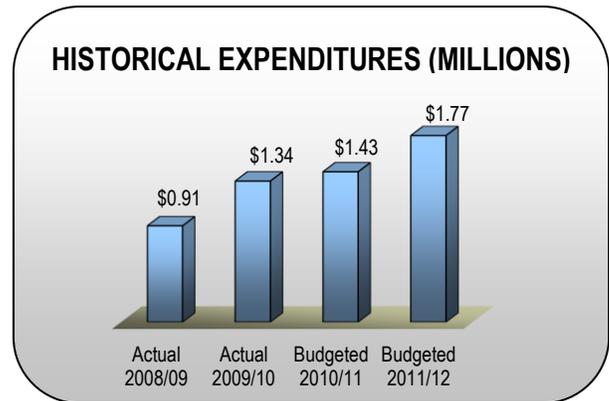
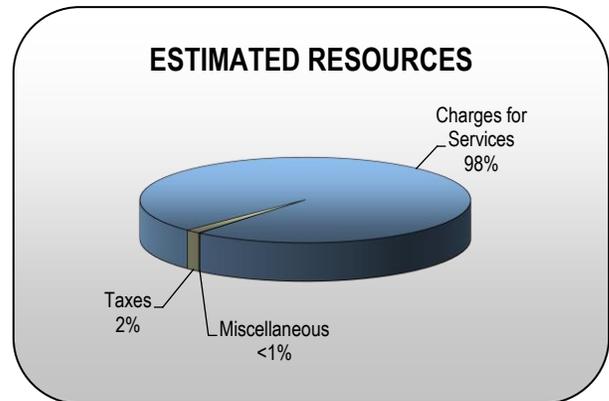
The City's Airport Fund budget for fiscal year 2011/12 amounts to \$2,037,242. This equates to an increase of 13.42% versus the previous year's Annual Budget. The increase in the current operations budget is 24.08% and primarily related to the Airport taking over the Fixed Base Operator formerly operated by a private party and increasing fuel sales.

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 sales and 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 \$1.75 million represents an increase of 5.70%, primarily related to the Fixed Base Operator operation.



## AIRPORT FUND – BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Taxes	102,760	106,100	25,000	25,000	0.00%
Charges for Services	1,232,364	1,316,676	1,658,469	1,752,984	5.70%
Miscellaneous	-	3,998	2,500	5,000	100.00%
<b>Total Revenues</b>	<b>\$ 1,335,124</b>	<b>\$ 1,426,774</b>	<b>\$ 1,685,969</b>	<b>\$ 1,782,984</b>	<b>5.75%</b>
Interfund Transfers			-	-	
Fund Balance			110,253	254,258	
<b>Total Resources</b>	<b>\$ 1,335,124</b>	<b>\$ 1,426,774</b>	<b>\$ 1,796,222</b>	<b>\$ 2,037,242</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2008/09	Actual 2009/10	Budgeted 2010/11	Budgeted 2011/12	Change
Personnel Services	567,102	600,292	789,730	771,402	-2.32%
Non-Personnel	347,011	738,608	636,771	998,665	56.83%
Special Projects	-	-	-	-	---
<b>Current Operations Budget</b>	<b>\$ 914,113</b>	<b>\$ 1,338,900</b>	<b>\$ 1,426,501</b>	<b>\$ 1,770,067</b>	<b>24.08%</b>
Equipment Outlay	-	14,875	2,000	2,000	0.00%
Debt Service	779,360	20,179	18,221	14,695	-19.35%
Operating Grants	(1,659)	-	-	-	---
Capital Outlay & Grants	815,320	471,288	25,000	25,000	0.00%
Charges From Others	148,608	192,455	324,500	225,480	-30.51%
Charges To Others	-	-	-	-	---
<b>Total Budget</b>	<b>\$ 2,655,742</b>	<b>\$ 2,037,697</b>	<b>\$ 1,796,222</b>	<b>\$ 2,037,242</b>	<b>13.42%</b>
Interfund Transfers			-	-	
<b>Total Budget Requirements</b>	<b>\$ 2,655,742</b>	<b>\$ 2,037,697</b>	<b>\$ 1,796,222</b>	<b>\$ 2,037,242</b>	

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