

City of Riverside  
Statement of Net Position  
June 30, 2017  
(amounts expressed in thousands)

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash and investments	\$ 129,686	\$ 387,368	\$ 517,054
Receivables, net	87,705	57,824	145,529
Inventory	6,000	2,622	8,622
Prepaid items	2,623	31,355	33,978
Deposits	300	1,272	1,572
Internal balances	16,814	(16,814)	-
Restricted assets:			
Cash and cash equivalents	-	71,741	71,741
Cash and investments at fiscal agent	13,740	158,619	172,359
Other	-	990	990
Advances to Successor Agency Trust Fund	7,531	4,665	12,196
Land and improvements held for resale	3,272	-	3,272
Regulatory assets	-	9,933	9,933
Land and other capital assets not being depreciated	388,228	182,672	570,900
Capital assets (net of accumulated depreciation)	<u>968,050</u>	<u>1,651,335</u>	<u>2,619,385</u>
Total assets	<u>1,623,949</u>	<u>2,543,582</u>	<u>4,167,531</u>
<b>Deferred Outflows of Resources</b>			
Changes in derivative values	15,955	21,038	36,993
Charge on refunding	4,192	16,446	20,638
Pension contributions, changes in assumptions and differences in experience	<u>158,585</u>	<u>65,583</u>	<u>224,168</u>
Total deferred outflows of resources	<u>178,732</u>	<u>103,067</u>	<u>281,799</u>
<b>Liabilities</b>			
Accounts payable and other current liabilities	31,627	20,326	51,953
Accrued interest payable	2,652	14,990	17,642
Unearned revenue	2,164	1,440	3,604
Deposits	7,750	6,748	14,498
Derivative instruments	20,366	30,718	51,084
Decommissioning liability	-	64,674	64,674
Noncurrent liabilities:			
Due within one year	51,791	38,725	90,516
Due in more than one year	372,937	1,197,691	1,570,628
OPEB obligation	19,427	15,497	34,924
Net pension liability	<u>384,396</u>	<u>166,456</u>	<u>550,852</u>
Total liabilities	<u>893,110</u>	<u>1,557,265</u>	<u>2,450,375</u>
<b>Deferred Inflows of Resources</b>			
Regulatory charges	-	16,602	16,602
Pension contributions, changes in assumptions and differences in experience	<u>64,455</u>	<u>31,252</u>	<u>95,707</u>
Total deferred inflows of resources	<u>64,455</u>	<u>47,854</u>	<u>112,309</u>
<b>Net Position</b>			
Net investment in capital assets	1,102,409	702,844	1,805,253
Restricted for:			
Expendable:			
Capital projects	25,270	-	25,270
Debt service	-	57,220	57,220
Economic development	17,956	-	17,956
Landfill capping	-	1,738	1,738
Public works	16,220	-	16,220
Housing	43,830	-	43,830
Programs and regulatory requirements	-	34,612	34,612
Nonexpendable	1,577	-	1,577
Unrestricted	<u>(362,146)</u>	<u>245,116</u>	<u>(117,030)</u>
Total net position	<u>\$ 845,116</u>	<u>\$ 1,041,530</u>	<u>\$ 1,886,646</u>

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

City of Riverside  
Statement of Activities  
For the fiscal year ended June 30, 2017  
(amounts expressed in thousands)

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business type Activities	Total
Governmental activities:								
General government	\$ 45,110	\$ (17,189)	\$ 27,441	\$ 5,620	\$ 393	\$ 5,533	\$ -	\$ 5,533
Public safety	160,665	8,730	1,167	4,564	1,760	(161,904)	-	(161,904)
Highways and streets	38,585	4,752	5,930	8,965	5,224	(23,218)	-	(23,218)
Culture and recreation	48,806	3,707	22,802	225	240	(29,246)	-	(29,246)
Interest on long-term debt	16,028	-	-	-	-	(16,028)	-	(16,028)
Total governmental activities	<u>309,194</u>	<u>-</u>	<u>57,340</u>	<u>19,374</u>	<u>7,617</u>	<u>(224,863)</u>	<u>-</u>	<u>(224,863)</u>
Business type activities:								
Electric	317,335	-	366,066	-	19,684	-	68,415	68,415
Water	62,189	-	62,627	-	3,525	-	3,963	3,963
Sewer	38,305	-	59,735	-	-	-	21,430	21,430
Airport	1,998	-	1,578	-	161	-	(259)	(259)
Refuse	21,953	-	22,567	-	-	-	614	614
Transportation	4,221	-	359	3,751	781	-	670	670
Public parking	5,448	-	5,009	-	-	-	(439)	(439)
Total business type activities	<u>451,449</u>	<u>-</u>	<u>517,941</u>	<u>3,751</u>	<u>24,151</u>	<u>-</u>	<u>94,394</u>	<u>94,394</u>
Total	<u>\$ 760,643</u>	<u>-</u>	<u>\$ 575,281</u>	<u>\$ 23,125</u>	<u>\$ 31,768</u>	<u>\$ (224,863)</u>	<u>\$ 94,394</u>	<u>\$ (130,469)</u>
General revenues:								
Taxes:								
Sales						75,883	-	75,883
Property						59,526	-	59,526
Utility users						27,958	-	27,958
Franchise						4,814	-	4,814
Transient occupancy tax						6,622	-	6,622
Intergovernmental, unrestricted						145	-	145
Investment income						6,145	2,650	8,795
Miscellaneous						2,050	14,662	16,712
Subtotal						<u>183,143</u>	<u>17,312</u>	<u>200,455</u>
Transfers, net						<u>45,716</u>	<u>(45,716)</u>	<u>-</u>
Total general revenues and transfers						<u>228,859</u>	<u>(28,404)</u>	<u>200,455</u>
Change in net position						<u>3,996</u>	<u>65,990</u>	<u>69,986</u>
Net position - beginning						<u>841,120</u>	<u>975,540</u>	<u>1,816,660</u>
Net position - ending						<u>\$ 845,116</u>	<u>\$ 1,041,530</u>	<u>\$ 1,886,646</u>

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

**City of Riverside**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2017**  
 (amounts expressed in thousands)

<b>Assets</b>	<b>General Fund</b>	<b>Capital Outlay Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
Cash and investments	\$ 59,347	\$ 14,352	\$ 37,466	\$ 111,165
Cash and investments at fiscal agent	1,943	9	11,788	13,740
Receivables (net of allowance for uncollectibles)				
Interest	23	64	118	205
Property taxes	4,274	-	-	4,274
Sales tax	20,360	-	-	20,360
Utility billed	1,210	-	-	1,210
Accounts	6,525	2,858	60	9,443
Intergovernmental	4,050	6,398	3,861	14,309
Notes	1	-	37,244	37,245
Prepaid items	2,599	-	24	2,623
Deposits	300	-	-	300
Due from other funds	1,722	-	-	1,722
Advances to other funds	22,715	-	-	22,715
Advances to Successor Agency Trust Fund	554	-	6,977	7,531
Land & improvements held for resale	175	-	3,097	3,272
Total assets	<u>\$ 125,798</u>	<u>\$ 23,681</u>	<u>\$ 100,635</u>	<u>\$ 250,114</u>
<b>Liabilities</b>				
Accounts payable	\$ 9,291	\$ 627	\$ 941	\$ 10,859
Accrued payroll	19,072	-	-	19,072
Retainage payable	1	41	161	203
Intergovernmental	149	-	-	149
Unearned revenue	273	1,891	-	2,164
Deposits	7,750	-	-	7,750
Due to other funds	-	-	1,415	1,415
Advances from other funds	-	-	7,923	7,923
Total liabilities	<u>36,536</u>	<u>2,559</u>	<u>10,440</u>	<u>49,535</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	6,192	3,176	37,688	47,056
Total deferred inflows of resources	<u>6,192</u>	<u>3,176</u>	<u>37,688</u>	<u>47,056</u>
<b>Fund Balances</b>				
Nonspendable:				
Inventories, prepaids and deposits	2,899	-	24	2,923
Advances	23,269	-	-	23,269
Permanent fund principal	-	-	1,577	1,577
Restricted for:				
Housing and redevelopment	175	-	24,098	24,273
Debt service	1,884	-	6,455	8,339
Transportation and public works	-	17,946	16,232	34,178
Other purposes	592	-	4,145	4,737
Assigned to:				
General government	2,387	-	-	2,387
Public safety	2,357	-	-	2,357
Highways and streets	1,032	-	-	1,032
Culture and recreation	728	-	-	728
Continuing projects	8,464	-	-	8,464
Unassigned	39,283	-	(24)	39,259
Total fund balances	<u>83,070</u>	<u>17,946</u>	<u>52,507</u>	<u>153,523</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 125,798</u>	<u>\$ 23,681</u>	<u>\$ 100,635</u>	<u>\$ 250,114</u>

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

**City of Riverside**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Position**  
**June 30, 2017**  
**(amounts expressed in thousands)**

Total fund balances - governmental funds \$ 153,523

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets net of accumulated depreciation used in governmental activities that are not current financial resources and, therefore, are not reported in the funds. 1,348,644

Deferred refunding charges are not available resources and, therefore, are not reported in the funds. 4,192

Deferred amounts on pensions related to contributions after the measurement date 155,649

Deferred amounts on pensions related to the net difference between projected and actual earnings on pension plan investments (63,095)

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds. 47,056

Accrued interest payable for the current portion of interest due on various debt issues has not been reported in the governmental funds. (2,652)

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

Bonds	\$ (140,150)	
Certificates of participation	(155,350)	
Capital leases	(17,193)	
Loan payable	(41,325)	
Bond premiums	(2,975)	
OPEB obligation	(18,523)	
Net pension liability	(377,006)	
Compensated absences	(22,354)	
		(774,876)

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

Net fair value of interest rate swaps	\$ (20,366)	
Deferred amount related to the hedgeable portion of the derivative instrument	<u>15,955</u>	(4,411)

Internal service funds are used by management to charge the costs of insurance, centralized purchasing and fleet management to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position. (18,914)

Net position of governmental activities \$845,116

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

**City of Riverside**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the fiscal year ended June 30, 2017**  
**(amounts expressed in thousands)**

	General Fund	Capital Outlay Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Taxes	\$ 174,803	\$ -	\$ -	\$ 174,803
Licenses and permits	9,815	-	4,640	14,455
Intergovernmental	7,318	10,643	13,479	31,440
Charges for services	31,384	-	-	31,384
Fines and forfeitures	1,975	-	1	1,976
Special assessments	4,443	956	2,179	7,578
Rental and investment income	2,768	25	1,925	4,718
Miscellaneous	5,512	136	1,604	7,252
Total revenues	<u>238,018</u>	<u>11,760</u>	<u>23,828</u>	<u>273,606</u>
<b>Expenditures</b>				
Current:				
General government	16,451	-	4,199	20,650
Public safety	162,868	-	844	163,712
Highways and streets	17,504	-	-	17,504
Culture and recreation	40,440	-	203	40,643
Capital outlay	3,361	9,487	18,152	31,000
Debt service:				
Principal	44,225	-	28,475	72,700
Interest	5,209	-	10,906	16,115
Bond issuance costs	29	-	-	29
Total expenditures	<u>290,087</u>	<u>9,487</u>	<u>62,779</u>	<u>362,353</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(52,069)</u>	<u>2,273</u>	<u>(38,951)</u>	<u>(88,747)</u>
<b>Other financing sources (uses)</b>				
Transfers in	76,948	-	17,573	94,521
Transfers out	(13,497)	(3,000)	(32,308)	(48,805)
Issuance of long-term debt	-	-	31,578	31,578
Capital lease financings	2,109	-	-	2,109
Proceeds from the sale of capital assets	4,001	-	198	4,199
Total other financing sources (uses)	<u>69,561</u>	<u>(3,000)</u>	<u>17,041</u>	<u>83,602</u>
Net change in fund balances	17,492	(727)	(21,910)	(5,145)
Fund balances - beginning	65,578	18,673	74,417	158,668
Fund balances - ending	<u>\$ 83,070</u>	<u>\$ 17,946</u>	<u>\$ 52,507</u>	<u>\$ 153,523</u>

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

**City of Riverside**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the fiscal year ended June 30, 2017**  
**(amounts expressed in thousands)**

Net change in fund balances - total governmental funds \$ (5,145)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current year, depreciation exceeded capital asset additions, as listed below:

Capital asset additions	\$ 28,766	
Depreciation expense	<u>(47,650)</u>	(18,884)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net position. (3,025)

Revenues related to prior years that are available in the current fiscal year are reported as revenue in the governmental funds. In contrast, revenues that are earned but unavailable in the current year are deferred in the governmental funds. For government-wide reporting, revenue is recognized when earned, regardless of availability. The amount reflects the timing differences for revenue recognition. (4,151)

The issuance of long-term debt (e.g., bonds, leases, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds immediately report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items is listed below:

Principal repayments	\$ 72,700	
Net pension liability	(1,064)	
Net OPEB obligation	(1,480)	
Compensated absences	(361)	
Interest	888	
Issuance of long-term debt	<u>(37,405)</u>	33,278

Internal service funds are used by management to charge the costs of insurance, centralized purchasing and fleet management to individual funds. The net revenue (expense) of certain activities of internal service funds is reported with governmental activities. 1,923

Change in net position of governmental activities \$ 3,996

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

City of Riverside  
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
General Fund  
For the fiscal year ended June 30, 2017  
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget		Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final				Original	Final		
<b>Revenues</b>									
Taxes	\$ 166,691	\$ 176,691	\$ 174,803	\$ (1,888)	Public safety:				
Licenses and permits	9,825	9,825	9,815	(10)	Police	97,798	105,026	100,555	4,471
Intergovernmental	1,520	10,441	7,318	(3,123)	Fire	50,064	52,386	52,215	171
Charges for services	26,350	26,513	31,384	4,871	Animal regulation	3,409	3,511	3,128	383
Fines and forfeitures	1,737	1,737	1,975	238	Building and zoning inspection	2,481	2,356	2,408	(52)
Special assessments	4,504	4,504	4,443	(61)	Street lighting	4,494	4,494	4,562	(68)
Rental and investment income	4,024	4,024	2,768	(1,256)	Total public safety	158,246	167,773	162,868	4,905
Miscellaneous	2,585	4,261	5,512	1,251	Highways and streets	19,815	21,747	17,504	4,243
Total revenues	217,236	237,996	238,018	22	Culture and recreation			-	
					Library	7,554	8,534	8,076	458
<b>Expenditures</b>					Museum & cultural affairs	12,792	13,675	14,306	(631)
General government:					Parks, recreation & community services	17,640	20,361	18,058	2,303
Mayor	989	1,105	1,078	27	Total culture and recreation	37,986	42,570	40,440	2,130
Council	1,705	1,707	1,719	(12)	Capital outlay	227	7,979	3,361	4,618
Manager	6,378	6,253	6,379	(126)	Debt service:				
Attorney	5,415	5,908	4,689	1,219	Principal	13,620	44,765	44,225	540
Clerk	1,873	1,868	1,661	207	Interest	5,404	5,404	5,209	195
Community development	15,382	15,376	13,130	2,246	Bond issuance costs	190	190	29	161
Human resources	3,871	4,452	3,289	1,163	Total debt service	19,214	50,359	49,463	896
General services	21,290	21,411	21,798	(387)	Total expenditures	255,152	312,444	290,087	22,357
Finance	13,164	13,658	13,429	229	Deficiency of revenue under expenditures	(37,916)	(74,448)	(52,069)	22,379
Innovation & technology	11,562	12,243	11,002	1,241	<b>Other financing sources (uses)</b>				
Subtotal	81,629	83,981	78,174	5,807	Transfers in	45,075	44,902	76,948	32,046
Allocated expenditures	(61,965)	(61,965)	(61,723)	(242)	Transfers out	(13,648)	(13,648)	(13,497)	151
Total general government	19,664	22,016	16,451	5,565	Issuance of long-term debt	-	31,145	-	(31,145)
				continued	Capital lease financings	-	2,959	2,109	(850)
					Proceeds from the sale of capital assets	4,133	4,133	4,001	(132)
					Total other financing sources	35,560	69,491	69,561	70
					Net change in fund balance	(2,356)	(4,957)	17,492	22,449
					Fund balance, beginning	65,578	65,578	65,578	-
					Fund balance (deficit), ending	\$ 63,222	\$ 60,621	\$ 83,070	\$ 22,449

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

City of Riverside  
Statement of Net Position  
Proprietary Funds  
June 30, 2017  
(amounts expressed in thousands)

Business-type Activities - Enterprise Funds							Governmental Activities-Internal Service Funds
Assets	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds		
<b>Current assets:</b>							
Cash and investments	\$ 255,496	\$ 63,503	\$ 61,941	\$ 6,428	\$ 387,368	\$	18,521
Receivables (net allowances for uncollectibles)							
Interest	891	231	218	30	1,370		43
Utility billed	14,604	3,606	3,050	1,038	22,298		-
Utility unbilled	16,411	3,329	2,295	774	22,809		-
Accounts	4,415	1,504	415	1,767	8,101		23
Intergovernmental	2	1,670	772	802	3,246		593
Inventory	1,097	-	1,525	-	2,622		6,000
Prepaid items	22,234	164	30	-	22,428		-
Deposits	1,272	-	-	-	1,272		-
Due from other funds	183	78	-	-	261		-
<b>Restricted assets:</b>							
Cash and cash equivalents:							
Rate stabilization cash and cash equivalents	-	-	14,500	-	14,500		-
Other restricted cash and cash equivalents	47,133	8,370	-	1,738	57,241		-
Public benefit programs receivable	927	63	-	-	990		-
Total current assets	<u>364,665</u>	<u>82,518</u>	<u>84,746</u>	<u>12,577</u>	<u>544,506</u>		<u>25,180</u>
<b>Non-current assets:</b>							
<b>Restricted assets:</b>							
Cash and investments at fiscal agent	82,941	2,283	73,395	-	158,619		-
Regulatory assets	3,056	-	1,596	5,281	9,933		-
Prepaid items - non-current	8,927	-	-	-	8,927		-
Advances to other funds	-	-	4,986	-	4,986		3,538
Advances to Successor Agency Trust Fund	4,665	-	-	-	4,665		-
<b>Capital assets:</b>							
Land	37,845	20,484	2,737	19,180	80,246		458
Intangible assets, non-depreciable	10,651	10,841	-	-	21,492		-
Intangible assets, depreciable	20,950	3,528	119	-	24,597		219
Accumulated depreciation - intangible assets, depreciable	(3,808)	(820)	(42)	-	(4,670)		(88)
Buildings	61,054	19,662	490,365	35,903	606,984		4,065
Accumulated depreciation - buildings	(9,004)	(6,216)	(112,743)	(7,884)	(135,847)		(597)
Improvements other than buildings	920,657	602,935	143,134	29,253	1,695,979		1,315
Accumulated depreciation - improvements other than buildings	(341,187)	(198,705)	(21,535)	(11,361)	(572,788)		(369)
Machinery and equipment	41,774	14,847	16,418	23,578	96,617		11,307
Accumulated depreciation - machinery and equipment	(21,776)	(12,556)	(8,375)	(16,830)	(59,537)		(8,676)
Construction in progress	51,636	13,973	15,161	164	80,934		-
Total non-current assets	<u>868,381</u>	<u>470,256</u>	<u>605,216</u>	<u>77,284</u>	<u>2,021,137</u>		<u>11,172</u>
Total assets	<u>1,233,046</u>	<u>552,774</u>	<u>689,962</u>	<u>89,861</u>	<u>2,565,643</u>		<u>36,352</u>
<b>Deferred Outflows of Resources</b>							
Changes in derivative values	17,157	3,881	-	-	21,038		-
Charge on refunding	9,772	6,674	-	-	16,446		-
Pension contributions, changes in assumptions and differences in experience	38,247	13,542	8,490	5,304	65,583		2,936
Total deferred outflows of resources	<u>65,176</u>	<u>24,097</u>	<u>8,490</u>	<u>5,304</u>	<u>103,067</u>		<u>2,936</u>

Continued

City of Riverside  
Statement of Net Position  
Proprietary Funds  
June 30, 2017  
(amounts expressed in thousands)

<b>Business-type Activities - Enterprise Funds</b>						
<b>Liabilities</b>	<b>Electric</b>	<b>Water</b>	<b>Sewer</b>	<b>Other Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Governmental Activities-Internal Service Funds</b>
<b>Current liabilities:</b>						
Accounts payable	11,497	2,667	4,273	1,307	19,744	1,344
Retainage payable	162	193	227	-	582	-
Unearned revenue	51	185	3	1,201	1,440	-
Deposits	5,996	752	-	-	6,748	-
Due to other funds	-	-	-	307	307	261
Capital leases - current	806	210	-	-	1,016	-
Water stock acquisitions - current	-	150	-	-	150	-
Notes payable - current	-	837	774	1,014	2,625	-
Landfill capping - current	-	-	-	250	250	-
Claims and judgments - current	-	-	-	-	-	10,765
Compensated absences - current	4,177	1,394	976	517	7,064	302
<b>Current liabilities payable from restricted assets:</b>						
Revenue bonds	13,795	5,415	8,410	-	27,620	-
Decommissioning liability	8,607	-	-	-	8,607	-
Accrued interest	5,215	1,619	8,156	-	14,990	-
<b>Total current liabilities</b>	<b>50,306</b>	<b>13,422</b>	<b>22,819</b>	<b>4,596</b>	<b>91,143</b>	<b>12,672</b>
<b>Non-current liabilities:</b>						
Revenue bonds	547,122	184,949	420,654	-	1,152,725	-
Notes payable	-	12,927	1,446	18,257	32,630	-
Capital leases	3,098	2,095	-	-	5,193	-
Advances from other funds	12,312	4,439	2,821	2,182	21,754	1,562
Decommissioning liability	56,067	-	-	-	56,067	-
Derivative instruments	22,525	8,193	-	-	30,718	-
Claims and judgments	-	-	-	-	-	34,180
Water stock acquisitions	-	788	-	-	788	-
Landfill capping	-	-	-	5,140	5,140	-
Compensated absences	808	288	78	41	1,215	134
OPEB obligation	7,905	3,266	2,320	2,006	15,497	904
Net pension liability	96,193	34,465	21,980	13,818	166,456	7,390
<b>Total non-current liabilities</b>	<b>746,030</b>	<b>251,410</b>	<b>449,299</b>	<b>41,444</b>	<b>1,488,183</b>	<b>44,170</b>
<b>Total liabilities</b>	<b>796,336</b>	<b>264,832</b>	<b>472,118</b>	<b>46,040</b>	<b>1,579,326</b>	<b>56,842</b>
<b>Deferred Inflows of Resources</b>						
Regulatory charges	-	111	16,491	-	16,602	-
Pension contributions, changes in assumptions and differences in experience	17,685	6,510	4,312	2,745	31,252	1,360
<b>Total deferred inflows of resources</b>	<b>17,685</b>	<b>6,621</b>	<b>20,803</b>	<b>2,745</b>	<b>47,854</b>	<b>1,360</b>
<b>Net Position</b>						
Net investment in capital assets	229,432	269,789	150,891	52,732	702,844	7,634
Restricted for debt service	16,510	6,068	34,642	-	57,220	-
Restricted for landfill capping	-	-	-	1,738	1,738	-
Restricted for programs and regulatory requirements	31,217	2,011	1,384	-	34,612	-
Unrestricted	207,042	27,550	18,614	(8,090)	245,116	(26,548)
<b>Total net position (deficit)</b>	<b>\$ 484,201</b>	<b>\$ 305,418</b>	<b>\$ 205,531</b>	<b>\$ 46,380</b>	<b>\$ 1,041,530</b>	<b>\$ (18,914)</b>

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

**City of Riverside**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the fiscal year ended June 30, 2017**  
**(amounts expressed in thousands)**

	<b>Business-type Activities - Enterprise Funds</b>					<b>Governmental</b>
	<b>Electric</b>	<b>Water</b>	<b>Sewer</b>	<b>Other Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Activities-Internal Service Funds</b>
Operating revenues:						
Charges for services	\$ 366,066	\$ 62,627	\$ 59,735	\$ 29,513	\$ 517,941	\$ 24,381
Operating expenses:						
Personnel services	46,931	12,890	9,673	8,907	78,401	4,517
Contractual services	6,971	1,909	1,154	6,354	16,388	1,474
Maintenance and operation	190,626	8,857	8,891	7,284	215,658	2,615
General	13,061	14,409	5,683	4,533	37,686	2,444
Materials and supplies	865	744	3,260	1,462	6,331	303
Claims/Insurance	899	397	1,260	258	2,814	10,231
Depreciation and amortization	32,642	14,320	7,734	3,959	58,655	915
Total operating expenses	<u>291,995</u>	<u>53,526</u>	<u>37,655</u>	<u>32,757</u>	<u>415,933</u>	<u>22,499</u>
Operating income (loss)	<u>74,071</u>	<u>9,101</u>	<u>22,080</u>	<u>(3,244)</u>	<u>102,008</u>	<u>1,882</u>
Non-operating revenues (expenses):						
Operating grants	-	-	-	3,751	3,751	-
Interest income	1,809	17	798	26	2,650	76
Other	7,174	1,838	831	1,370	11,213	5
Gain (loss) on retirement of capital assets	420	61	(28)	(309)	144	29
Capital improvement fees	-	-	3,305	-	3,305	-
Interest expense and fiscal charges	(25,340)	(8,663)	(650)	(863)	(35,516)	(69)
Total non-operating revenues (expenses)	<u>(15,937)</u>	<u>(6,747)</u>	<u>4,256</u>	<u>3,975</u>	<u>(14,453)</u>	<u>41</u>
Income (loss) before capital contributions and transfers	58,134	2,354	26,336	731	87,555	1,923
Cash capital contributions	2,367	3,313	-	887	6,567	-
Noncash capital contributions	17,317	212	-	55	17,584	-
Transfers in	-	-	-	825	825	-
Transfers out	(39,230)	(5,673)	(900)	(738)	(46,541)	-
Change in net position	38,588	206	25,436	1,760	65,990	1,923
Net position (deficit) - beginning	445,613	305,212	180,095	44,620	975,540	(20,837)
Net position (deficit) - ending	<u>\$ 484,201</u>	<u>\$ 305,418</u>	<u>\$ 205,531</u>	<u>\$ 46,380</u>	<u>\$ 1,041,530</u>	<u>\$ (18,914)</u>

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

City of Riverside  
Proprietary Funds  
Statement of Cash Flows  
For the fiscal year ended June 30, 2017  
(amounts expressed in thousands)

	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities- Internal Service Funds
Cash flows from operating activities:						
Cash received from customers and users	\$ 366,039	\$ 62,443	\$ 58,934	\$ 28,753	\$ 516,169	\$ 23,818
Cash paid to employees for services	(55,359)	(19,945)	(9,609)	(8,754)	(93,667)	(2,805)
Cash paid to other suppliers of goods or services	(212,409)	(18,232)	(21,541)	(19,932)	(272,114)	(17,377)
Other receipts	7,174	794	916	1,776	10,660	5
Net cash provided by operating activities	105,445	25,060	28,700	1,843	161,048	3,641
Cash flows from noncapital financing activities:						
Transfers in	-	-	-	825	825	-
Transfers out	(39,230)	(5,673)	(900)	(738)	(46,541)	-
Operating grants	-	-	-	3,751	3,751	-
Receipts on interfund advances	683	101	1,044	100	1,928	5,394
Payments on interfund advances	(712)	(306)	-	(276)	(1,294)	(1,021)
Net cash (used) provided by noncapital financing activities	(39,259)	(5,878)	144	3,662	(41,331)	4,373
Cash flows from capital and related financing activities:						
Purchase of capital assets	(27,999)	(18,634)	(28,604)	(2,213)	(77,450)	(1,493)
Proceeds from the sale of capital assets	426	92	-	19	537	29
Principal paid on long-term obligations	(14,109)	(5,180)	(9,577)	(976)	(29,842)	-
Interest paid on long-term obligations	(26,274)	(8,522)	(18,978)	(863)	(54,637)	(69)
Capital improvement fees	-	-	3,305	-	3,305	-
Capital lease proceeds	-	2,305	-	-	2,305	-
Capital contributions	2,285	2,913	-	887	6,085	-
Net cash (used) for capital and related financing activities	(65,671)	(27,026)	(53,854)	(3,146)	(149,697)	(1,533)
Cash flows from investing activities:						
Sale and (purchase) of investments	9,452	-	(95)	(13)	9,344	(10)
Interest from investments	1,568	(32)	798	26	2,360	76
Net cash (used) provided by investing activities	11,020	(32)	703	13	11,704	66
Net change in cash and cash equivalents	11,535	(7,876)	(24,307)	2,372	(18,276)	6,547
Cash and cash equivalents, beginning (including \$41,847 for Electric, \$8,491 for Water, \$128,379 for Sewer and \$413 for Other Enterprise Funds in restricted accounts.)						
	291,094	82,032	174,143	5,794	553,063	11,974
Cash and cash equivalents, ending (including \$47,133 for Electric, \$10,653 for Water, \$87,895 for Sewer and \$1,738 for Other Enterprise Funds in restricted accounts.)						
	\$ 302,629	\$ 74,156	\$ 149,836	\$ 8,166	\$ 534,787	\$ 18,521

Continued

City of Riverside  
Proprietary Funds  
Statement of Cash Flows  
For the fiscal year ended June 30, 2017  
(amounts expressed in thousands)

						Continued
	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities- Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating Income (loss)	\$ 74,071	\$ 9,101	\$ 22,080	\$ (3,244)	\$ 102,008	\$ 1,882
Other receipts	7,174	794	831	1,370	10,169	5
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation and amortization	32,642	14,320	7,734	3,959	58,655	915
Changes in assets, liabilities and deferred inflows/outflows of resources:						
Utility billed receivable	(225)	(385)	(143)	(11)	(764)	-
Utility unbilled receivable	(502)	(281)	(233)	(27)	(1,043)	-
Accounts receivable	(225)	816	(322)	(360)	(91)	(2)
Intergovernmental receivable	-	(772)	(103)	(494)	(1,369)	(561)
Inventory	-	-	4	-	4	(86)
Prepaid and deposit items	(2,775)	4	(29)	-	(2,800)	-
Benefit programs receivable	(30)	39	-	-	9	-
Regulatory assets	-	-	150	406	556	-
Accounts payable	(1,687)	638	(1,160)	475	(1,734)	(224)
Retainage payable	47	160	(108)	-	99	-
Other payables	465	499	117	99	1,180	55
Deposits payable	956	213	-	-	1,169	-
Landfill capping	-	-	-	(296)	(296)	-
Claims and judgments	-	-	-	-	-	1,676
Net pension liability and related changes in deferred outflows and inflows of resources	(247)	(86)	(53)	(34)	(420)	(19)
Deferred regulatory charges	-	-	(65)	-	(65)	-
Decommissioning liability	(4,219)	-	-	-	(4,219)	-
Net cash provided by operating activities	<u>\$ 105,445</u>	<u>\$ 25,060</u>	<u>\$ 28,700</u>	<u>\$ 1,843</u>	<u>\$ 161,048</u>	<u>\$ 3,641</u>
Schedule of noncash financing and investing activities:						
Capital Contributions - capital assets	\$ 17,317	\$ 212	\$ -	\$ 55	\$ 17,584	\$ -
Payment on note payable including interest offset by rent credit	-	1,044	-	-	1,044	-
Loss on retirement of capital assets	-	-	(28)	(328)	(356)	-
Borrowing under capital lease	902	-	-	-	902	-
Proceeds of refunding debt	-	-	-	-	-	-

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

**City of Riverside**  
**Statement of Net Position/(Deficit)**  
**Fiduciary Funds**  
**June 30, 2017**  
**(amounts expressed in thousands)**

	<b>Successor Agency Private-Purpose Trust Fund</b>	<b>Agency Fund</b>
	<u>                    </u>	<u>                    </u>
<b>Assets</b>		
Cash and investments	\$ 34,428	\$ 3,181
Cash and investments at fiscal agent	13,236	5,068
Receivables:		
Interest	113	8
Accounts	109	-
Notes	3,164	-
Direct financing lease receivable	16,675	-
Deposits	2	-
Property tax receivables	-	34
Land and improvements held for resale	9,899	-
Capital assets:		
Land	185	-
Equipment	6	-
Accumulated depreciation - equipment	(6)	-
Total assets	<u>77,811</u>	<u>8,291</u>
<b>Liabilities</b>		
Accounts payable	10	-
Accrued interest	3,995	-
Advances from other funds	12,196	-
Bonds payable	217,147	-
Notes payable	4,728	-
Held for bond holders	-	8,291
Total liabilities	<u>238,076</u>	<u>8,291</u>
<b>Deferred Inflows of Resources</b>		
Deferred charge on refunding	1,261	-
Total deferred inflows of resources	<u>1,261</u>	<u>-</u>
<b>Net Position/(Deficit)</b>		
Held by Successor Agency	(161,526)	-
Total net position/(deficit)	<u>\$ (161,526)</u>	<u>\$ -</u>

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

**City of Riverside**  
**Statement of Changes in Net Position/(Deficit)**  
**Fiduciary Fund - Private-Purpose Trust Fund**  
**For the fiscal year ended June 30, 2017**  
**(amounts expressed in thousands)**

	<b>Successor Agency Private-Purpose Trust Fund</b>
	<u>                    </u>
<b>Additions</b>	
Property tax revenue	\$ 30,019
Miscellaneous	222
Total additions	<u>30,241</u>
<b>Deductions</b>	
Professional services and other deductions	1,861
Redevelopment projects	464
Interest expense	11,433
Total deductions	<u>13,758</u>
Change in Net Position/(Deficit)	16,483
Net position/(deficit) - beginning	<u>(178,009)</u>
Net position/(deficit) - ending	<u>\$ (161,526)</u>

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