

City of Riverside  
Statement of Net Position  
June 30, 2018  
(amounts expressed in thousands)

Assets	Governmental	Business-type	Total
	Activities	Activities	
Cash and investments	\$ 166,980	\$ 405,930	\$ 572,910
Receivables, net	92,012	55,714	147,726
Inventory	6,284	2,842	9,126
Prepaid items	2,362	33,473	35,835
Deposits	-	1,586	1,586
Internal balances	(4,203)	4,203	-
Restricted assets:			
Cash and cash equivalents	-	58,928	58,928
Cash and investments at fiscal agent	14,278	121,850	136,128
Other	-	990	990
Advances to Successor Agency Trust Fund	3,327	4,227	7,554
Land and improvements held for resale	3,272	-	3,272
Regulatory assets	-	8,130	8,130
Derivative instruments	-	299	299
Land and other capital assets not being depreciated	411,916	218,971	630,887
Capital assets (net of accumulated depreciation)	893,883	1,695,804	2,589,687
Total assets	<u>1,590,111</u>	<u>2,612,947</u>	<u>4,203,058</u>
<b>Deferred Outflows of Resources</b>			
Changes in derivative values	10,286	12,561	22,847
Charge on refunding	3,894	15,160	19,054
Pension contributions, changes in assumptions and differences in experience	125,155	52,644	177,799
Hillwood note payable	-	4,424	4,424
Total deferred outflows of resources	<u>139,335</u>	<u>84,789</u>	<u>224,124</u>
<b>Liabilities</b>			
Accounts payable and other current liabilities	29,066	20,474	49,540
Accrued interest payable	2,416	14,331	16,747
Unearned revenue	455	1,397	1,852
Deposits	8,558	7,789	16,347
Regulatory liability	-	28	28
Derivative instruments	13,977	20,821	34,798
Decommissioning liability	-	60,577	60,577
Noncurrent liabilities:			
Due within one year	48,894	51,694	100,588
Due in more than one year	308,033	1,206,202	1,514,235
Net OPEB liability	20,579	16,207	36,786
Net pension liability	439,852	187,925	627,777
Total liabilities	<u>871,830</u>	<u>1,587,445</u>	<u>2,459,275</u>
<b>Deferred Inflows of Resources</b>			
Regulatory charges	-	17,199	17,199
Changes in derivative values	-	289	289
Pension contributions, changes in assumptions and differences in experience	15,133	12,161	27,294
OPEB contributions, changes in assumptions and differences in experience	904	555	1,459
Total deferred inflows of resources	<u>16,037</u>	<u>30,204</u>	<u>46,241</u>
<b>Net Position</b>			
Net investment in capital assets	1,093,896	800,227	1,894,123
Restricted for:			
Expendable:			
Capital projects	30,215	-	30,215
Debt service	2,720	44,019	46,739
Economic development	18,192	-	18,192
Landfill capping	-	1,118	1,118
Public works	17,039	-	17,039
Housing	42,519	-	42,519
Programs and regulatory requirements	-	35,580	35,580
Nonexpendable	1,498	-	1,498
Unrestricted	<u>(364,500)</u>	<u>199,143</u>	<u>(165,357)</u>
Total net position	<u>\$ 841,579</u>	<u>\$ 1,080,087</u>	<u>\$ 1,921,666</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, 2018  
(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	\$ 45,360	\$ (17,652)	\$ 24,605	\$ 6	\$ 257	\$ (2,840)	\$ -	\$ (2,840)
Public safety	216,772	9,158	1,880	14,127	4,220	(205,703)	-	(205,703)
Highways and streets	42,544	4,686	5,554	8,054	13,410	(20,212)	-	(20,212)
Culture and recreation	38,362	3,808	6,078	361	152	(35,579)	-	(35,579)
Interest on long-term debt	12,414	-	-	-	-	(12,414)	-	(12,414)
Total governmental activities	<u>355,452</u>	<u>-</u>	<u>38,117</u>	<u>22,548</u>	<u>18,039</u>	<u>(276,748)</u>	<u>-</u>	<u>(276,748)</u>
Business type activities:								
Electric	333,061	-	364,516	-	20,182	-	51,637	51,637
Water	68,281	-	66,828	-	4,181	-	2,728	2,728
Sewer	54,136	-	65,081	-	32	-	10,977	10,977
Civic Entertainment	19,995	-	16,393	-	875	-	(2,727)	(2,727)
Airport	2,179	-	1,562	-	841	-	224	224
Refuse	22,082	-	23,085	-	-	-	1,003	1,003
Transportation	4,782	-	441	3,374	846	-	(121)	(121)
Public parking	6,186	-	6,258	-	-	-	72	72
Total business type activities	<u>510,702</u>	<u>-</u>	<u>544,164</u>	<u>3,374</u>	<u>26,957</u>	<u>-</u>	<u>63,793</u>	<u>63,793</u>
Total	<u>\$ 866,154</u>	<u>-</u>	<u>\$ 582,281</u>	<u>\$ 25,922</u>	<u>\$ 44,996</u>	<u>\$ (276,748)</u>	<u>\$ 63,793</u>	<u>\$ (212,955)</u>
General revenues:								
Taxes:								
Sales						120,338	-	120,338
Property						63,515	-	63,515
Utility users						27,498	-	27,498
Franchise						4,972	-	4,972
Transient occupancy tax						6,793	-	6,793
Intergovernmental, unrestricted						172	-	172
Investment income						5,187	3,939	9,126
Miscellaneous						4,278	12,901	17,179
Subtotal						<u>232,753</u>	<u>16,840</u>	<u>249,593</u>
Transfers, net						41,459	(41,459)	-
Total general revenues and transfers						<u>274,212</u>	<u>(24,619)</u>	<u>249,593</u>
Change in net position						(2,536)	39,174	36,638
Net position - beginning, as previously stated						845,116	1,041,530	1,886,646
Prior period adjustment						(1,001)	(617)	(1,618)
Net position - beginning, as restated						<u>844,115</u>	<u>1,040,913</u>	<u>1,885,028</u>
Net position - ending						<u>\$ 841,579</u>	<u>\$ 1,080,087</u>	<u>\$ 1,921,666</u>

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

City of Riverside  
Balance Sheet  
Governmental Funds  
June 30, 2018  
(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	\$ 84,142	\$ 18,643	\$ 40,411	\$ 143,196
Cash and investments at fiscal agent	18	2	14,258	14,278
Receivables (net of allowance for uncollectibles)				
Interest	193	82	154	429
Property taxes	3,876	-	213	4,089
Sales tax	23,854	-	-	23,854
Utility billed	1,226	-	-	1,226
Accounts	5,642	1,608	66	7,316
Intergovernmental	5,325	7,353	3,783	16,461
Notes	10	-	38,084	38,094
Prepaid items	1,947	-	415	2,362
Due from other funds	858	-	-	858
Advances to Successor Agency Trust Fund	-	-	3,327	3,327
Land & improvements held for resale	175	-	3,097	3,272
Total assets	<u>\$ 127,266</u>	<u>\$ 27,688</u>	<u>\$ 103,808</u>	<u>\$ 258,762</u>
<b>Liabilities</b>				
Accounts payable	\$ 7,463	\$ 986	\$ 2,126	\$ 10,575
Accrued payroll	16,442	-	5	16,447
Retainage payable	13	48	516	577
Intergovernmental	151	-	6	157
Unearned revenue	330	125	-	455
Deposits	8,558	-	-	8,558
Due to other funds	-	-	633	633
Advances from other funds	-	-	6,060	6,060
Total liabilities	<u>32,957</u>	<u>1,159</u>	<u>9,346</u>	<u>43,462</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	4,685	81	38,769	43,535
Total deferred inflows of resources	<u>4,685</u>	<u>81</u>	<u>38,769</u>	<u>43,535</u>
<b>Fund Balances</b>				
Nonspendable:				
Inventories, prepaids and deposits	1,947	-	30	1,977
Advances	-	-	3,327	3,327
Permanent fund principal	-	-	1,498	1,498
Restricted for:				
Housing and redevelopment	175	-	18,827	19,002
Debt service	2,037	-	11,509	13,546
Transportation and public works	-	26,448	17,051	43,499
Other purposes	779	-	3,451	4,230
Committed for:				
Economic contingency	53,800	-	-	53,800
Assigned to:				
General government	2,634	-	-	2,634
Public safety	1,959	-	-	1,959
Highways and streets	2,164	-	-	2,164
Culture and recreation	620	-	-	620
Continuing projects	15,865	-	-	15,865
Unassigned	7,644	-	-	7,644
Total fund balances	<u>89,624</u>	<u>26,448</u>	<u>55,693</u>	<u>171,765</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 127,266</u>	<u>\$ 27,688</u>	<u>\$ 103,808</u>	<u>\$ 258,762</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, 2018**  
**(amounts expressed in thousands)**

Total fund balances - governmental funds \$ 171,765

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. 1,298,494

Deferred refunding charges are not available resources and, therefore, are not reported in the funds. 3,894

Deferred amounts on pensions related to contributions after the measurement date 122,805

Deferred amounts on pensions related to the net difference between projected and actual earnings on pension plan investments (14,638)

Deferred amounts on OPEB related to the net difference between projected and actual earnings on pension plan investments (868)

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds. 43,535

Accrued interest payable for the current portion of interest due on various debt issues has not been reported in the governmental funds. (2,416)

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

Bonds	\$ (105,097)	
Certificates of participation	(149,705)	
Capital leases	(25,647)	
Loan payable	(1,746)	
Bond premiums	(2,766)	
Net OPEB liability	(19,629)	
Net pension liability	(431,488)	
Compensated absences	(24,553)	
		(760,631)

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	\$ (13,977)	
Deferred amount related to the hedgeable portion of the derivative instrument	10,286	
		(3,691)

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. (16,670)

Net position of governmental activities \$841,579

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, 2018**  
**(amounts expressed in thousands)**

	<u>General Fund</u>	<u>Capital Outlay Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Taxes	\$ 223,116	\$ -	\$ -	\$ 223,116
Licenses and permits	10,015	-	2,427	12,442
Intergovernmental	10,513	11,989	19,952	42,454
Charges for services	17,438	-	-	17,438
Fines and forfeitures	3,699	-	18	3,717
Special assessments	402	504	6,207	7,113
Rental and investment income	2,318	112	1,016	3,446
Miscellaneous	3,815	2,883	2,018	8,716
Total revenues	<u>271,316</u>	<u>15,488</u>	<u>31,638</u>	<u>318,442</u>
<b>Expenditures</b>				
Current:				
General government	15,635	-	5,500	21,135
Public safety	184,608	-	6,308	190,916
Highways and streets	18,643	-	564	19,207
Culture and recreation	29,136	-	246	29,382
Capital outlay	2,646	10,299	20,559	33,504
Debt service:				
Principal	-	-	21,904	21,904
Interest	-	-	12,746	12,746
Bond issuance costs	14	-	10	24
Total expenditures	<u>250,682</u>	<u>10,299</u>	<u>67,837</u>	<u>328,818</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20,634</u>	<u>5,189</u>	<u>(36,199)</u>	<u>(10,376)</u>
<b>Other financing sources (uses)</b>				
Transfers in	59,332	6,312	37,130	102,774
Transfers out	(50,738)	(3,004)	(12,279)	(66,021)
Issuance of long-term debt	-	-	14,500	14,500
Proceeds from the sale of capital assets	422	5	34	461
Total other financing sources (uses)	<u>9,016</u>	<u>3,313</u>	<u>39,385</u>	<u>51,714</u>
Net change in fund balances	29,650	8,502	3,186	41,338
Fund balances - beginning, as previously stated	83,070	17,946	52,507	153,523
Prior period adjustment	(23,096)	-	-	(23,096)
Fund balances - ending	<u>\$ 89,624</u>	<u>\$ 26,448</u>	<u>\$ 55,693</u>	<u>\$ 171,765</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, 2018**  
**(amounts expressed in thousands)**

Net change in fund balances - total governmental funds \$ 41,338

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	\$ 40,035	
Depreciation expense	<u>(46,848)</u>	(6,813)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net position. (1,699)

The net effect of transferring assets and liabilities for the establishment of the Civic Entertainment Fund (294)

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. (3,521)

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	\$ 21,904	
Net pension liability	(38,869)	
Net OPEB liability	(1,013)	
Compensated absences	(2,199)	
Interest	849	
Issuance of long-term debt	<u>(14,500)</u>	(33,828)

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. 2,281

Change in net position of governmental activities \$ (2,536)

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, 2018  
(amounts expressed in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>				
Taxes	\$ 174,538	\$ 219,992	\$ 223,116	\$ 3,124
Licenses and permits	10,500	10,454	10,015	(439)
Intergovernmental	1,525	10,971	10,513	(458)
Charges for services	26,923	16,440	17,438	998
Fines and forfeitures	1,745	1,414	3,699	2,285
Special assessments	4,494	495	402	(93)
Rental and investment income	4,172	4,208	2,318	(1,890)
Miscellaneous	2,583	3,859	3,815	(44)
Total revenues	<u>226,480</u>	<u>267,833</u>	<u>271,316</u>	<u>3,483</u>
<b>Expenditures</b>				
Current:				
General government	17,209	31,831	15,635	16,196
Public safety	176,797	191,684	184,608	7,076
Highways and streets	19,056	21,079	18,643	2,436
Culture and recreation	44,330	33,071	29,136	3,935
Capital outlay	227	6,017	2,646	3,371
Debt service:				
Bond issuance costs	195	-	14	(14)
Total expenditures	<u>257,814</u>	<u>283,682</u>	<u>250,682</u>	<u>33,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(31,334)</u>	<u>(15,849)</u>	<u>20,634</u>	<u>36,483</u>
<b>Other financing sources (uses)</b>				
Transfers in	46,143	83,114	59,332	(23,782)
Transfers out	(12,784)	(65,461)	(50,738)	14,723
Issuance of long-term debt			-	
Proceeds from the sale of capital assets	885	3,618	422	(3,196)
Total other financing sources (uses)	<u>34,244</u>	<u>21,271</u>	<u>9,016</u>	<u>(12,255)</u>
Net change in fund balances	2,910	5,422	29,650	24,228
Fund balances - beginning, as previously stated	83,070	83,070	83,070	-
Prior period adjustment	(23,096)	(23,096)	(23,096)	-
Fund balances - ending	<u>\$ 62,884</u>	<u>\$ 65,396</u>	<u>\$ 89,624</u>	<u>\$ 24,228</u>

City of Riverside  
Statement of Net Position  
Proprietary Funds  
June 30, 2018  
(amounts expressed in thousands)

<b>Business-type Activities - Enterprise Funds</b>						
<b>Assets</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 assets:</b>						
Cash and investments	\$ 257,155	\$ 47,464	\$ 89,376	\$ 11,935	\$ 405,930	\$ 23,784
Receivables (net allowances for uncollectibles)						
Interest	1,016	191	296	45	1,548	75
Utility billed	13,903	3,510	3,615	1,100	22,128	-
Utility unbilled	14,858	3,180	2,407	784	21,229	-
Accounts	4,011	1,276	153	2,919	8,359	50
Intergovernmental	27	875	1,194	354	2,450	418
Other	-	-	-	-	-	-
Inventory	1,097	-	1,693	52	2,842	6,284
Prepaid items	21,774	238	11	319	22,342	-
Deposits	1,286	-	-	300	1,586	-
Due from other funds	305	131	-	-	436	-
<b>Restricted assets:</b>						
Cash and cash equivalents:						
Rate stabilization cash and cash equivalents	-	-	1,000	-	1,000	-
Other restricted cash and cash equivalents	48,359	8,451	-	1,118	57,928	-
Public benefit programs receivable	881	109	-	-	990	-
<b>Total current assets</b>	<b>364,672</b>	<b>65,425</b>	<b>99,745</b>	<b>18,926</b>	<b>548,768</b>	<b>30,611</b>
<b>Non-current assets:</b>						
<b>Restricted assets:</b>						
Cash and investments at fiscal agent	69,047	2,315	50,488	-	121,850	-
Regulatory assets	1,731	-	1,525	4,874	8,130	-
Derivative instruments	-	-	-	299	299	-
Prepaid items - non-current	11,131	-	-	-	11,131	-
Advances to other funds	-	-	3,992	-	3,992	2,403
Advances to Successor Agency Trust Fund	4,227	-	-	-	4,227	-
<b>Capital assets:</b>						
Land	52,111	20,841	2,768	19,180	94,900	458
Intangible assets, non-depreciable	10,651	10,841	-	-	21,492	-
Intangible assets, depreciable	21,472	4,022	119	-	25,613	219
Accumulated depreciation - intangible assets, depreciable	(6,104)	(1,463)	(54)	-	(7,621)	(132)
Buildings	62,375	19,962	496,939	35,925	615,201	4,092
Accumulated depreciation - buildings	(10,260)	(6,622)	(123,448)	(8,612)	(148,942)	(718)
Improvements other than buildings	944,199	624,203	152,190	74,503	1,795,095	1,315
Accumulated depreciation - improvements other than buildings	(366,866)	(211,105)	(23,365)	(16,094)	(617,430)	(470)
Machinery and equipment	44,027	14,803	16,398	22,861	98,089	11,265
Accumulated depreciation - machinery and equipment	(24,826)	(12,986)	(9,179)	(17,210)	(64,201)	(8,977)
Construction in progress	54,475	23,969	23,836	299	102,579	253
<b>Total non-current assets</b>	<b>867,390</b>	<b>488,780</b>	<b>592,209</b>	<b>116,025</b>	<b>2,064,404</b>	<b>9,708</b>
<b>Total assets</b>	<b>1,232,062</b>	<b>554,205</b>	<b>691,954</b>	<b>134,951</b>	<b>2,613,172</b>	<b>40,319</b>
<b>Deferred Outflows of Resources</b>						
Changes in derivative values	10,692	1,869	-	-	12,561	-
Charge on refunding	8,997	6,163	-	-	15,160	-
Pension contributions, changes in assumptions and differences in experience	30,596	10,882	6,866	4,300	52,644	2,350
Hillwood note payable	-	4,424	-	-	4,424	-
<b>Total deferred outflows of resources</b>	<b>50,285</b>	<b>23,338</b>	<b>6,866</b>	<b>4,300</b>	<b>84,789</b>	<b>2,350</b>

Continued



City of Riverside  
Statement of Net Position  
Proprietary Funds  
June 30, 2018  
(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	11,618	3,388	1,835	2,184	19,025	1,277
Accrued payroll	201	76	45	33	355	20
Retainage payable	223	433	423	15	1,094	13
Unearned revenue	61	64	3	1,269	1,397	-
Deposits	6,397	813	-	579	7,789	-
Due to other funds	-	-	-	225	225	436
Capital leases - current	824	211	-	533	1,568	-
Water stock acquisitions - current	-	150	-	-	150	-
Notes payable - current	-	1,202	788	2,920	4,910	-
Landfill capping - current	-	-	-	250	250	-
Claims and judgments - current	-	-	-	-	-	9,872
Compensated absences - current	4,547	1,506	1,110	508	7,671	377
<b>Current liabilities payable from restricted assets:</b>						
Revenue bonds	14,445	5,635	13,515	-	33,595	-
Pension obligation bonds	2,018	728	462	342	3,550	145
Decommissioning liability	5,457	-	-	-	5,457	-
Accrued interest	4,846	1,542	7,943	-	14,331	-
Total current liabilities	<u>50,637</u>	<u>15,748</u>	<u>26,124</u>	<u>8,858</u>	<u>101,367</u>	<u>12,140</u>
<b>Non-current liabilities:</b>						
Revenue bonds	520,894	178,998	406,377	-	1,106,269	-
Pension obligation bonds	8,400	3,028	1,924	1,422	14,774	604
Notes payable	-	20,322	659	52,692	73,673	-
Capital leases	2,274	1,884	-	1,095	5,253	-
Advances from other funds	-	-	-	-	-	335
Decommissioning liability	55,120	-	-	-	55,120	-
Regulatory liability	-	-	-	28	28	-
Derivative instruments	15,228	5,593	-	-	20,821	-
Claims and judgments	-	-	-	-	-	36,360
Water stock acquisitions	-	788	-	-	788	-
Landfill capping	-	-	-	4,520	4,520	-
Compensated absences	521	344	41	19	925	55
Net OPEB liability	8,283	3,410	2,417	2,097	16,207	950
Net pension liability	108,886	38,880	24,675	15,484	187,925	8,364
Total non-current liabilities	<u>719,606</u>	<u>253,247</u>	<u>436,093</u>	<u>77,357</u>	<u>1,486,303</u>	<u>46,668</u>
Total liabilities	<u>770,243</u>	<u>268,995</u>	<u>462,217</u>	<u>86,215</u>	<u>1,587,670</u>	<u>58,808</u>
<b>Deferred Inflows of Resources</b>						
Regulatory charges	-	773	16,426	-	17,199	-
Change in derivative values	-	-	-	289	289	-
Pension contributions, changes in assumptions and differences in experience	6,396	2,585	1,915	1,265	12,161	495
OPEB contributions, changes in assumptions and differences in experience	296	112	76	71	555	36
Total deferred inflows of resources	<u>6,692</u>	<u>3,470</u>	<u>18,417</u>	<u>1,625</u>	<u>30,204</u>	<u>531</u>
<b>Net Position</b>						
Net investment in capital assets	267,230	291,562	148,839	92,596	800,227	7,305
Restricted for debt service	16,691	6,186	21,142	-	44,019	-
Restricted for landfill capping	-	-	-	1,118	1,118	-
Restricted for programs and regulatory requirements	32,215	1,981	1,384	-	35,580	-
Unrestricted	189,276	5,349	46,821	(42,303)	199,143	(23,975)
Total net position (deficit)	<u>\$ 505,412</u>	<u>\$ 305,078</u>	<u>\$ 218,186</u>	<u>\$ 51,411</u>	<u>\$ 1,080,087</u>	<u>\$ (16,670)</u>

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, 2018**  
**(amounts expressed in thousands)**

	<b>Business-type Activities - Enterprise Funds</b>					<b>Governmental Activities-Internal Service Funds</b>
	<b>Electric</b>	<b>Water</b>	<b>Sewer</b>	<b>Other Enterprise Funds</b>	<b>Total Enterprise Funds</b>	
Operating revenues:						
Charges for services	\$ 364,516	\$ 66,828	\$ 65,081	\$ 47,739	\$ 544,164	\$ 24,773
Operating expenses:						
Personnel services	57,626	17,027	11,903	10,198	96,754	5,596
Contractual services	7,333	2,828	1,721	12,969	24,851	656
Maintenance and operation	197,496	9,633	8,567	7,856	223,552	2,740
General	10,958	14,268	4,591	15,396	45,213	3,056
Materials and supplies	1,027	777	3,876	1,412	7,092	265
Claims/Insurance	907	399	855	423	2,584	14,733
Depreciation and amortization	33,585	14,914	13,621	4,916	67,036	1,091
Total operating expenses	<u>308,932</u>	<u>59,846</u>	<u>45,134</u>	<u>53,170</u>	<u>467,082</u>	<u>28,137</u>
Operating income (loss)	<u>55,584</u>	<u>6,982</u>	<u>19,947</u>	<u>(5,431)</u>	<u>77,082</u>	<u>(3,364)</u>
Non-operating revenues (expenses):						
Operating grants	-	-	-	3,374	3,374	-
Interest income	2,567	250	1,071	51	3,939	150
Other	6,829	2,803	21	1,157	10,810	434
Gain (loss) on retirement of capital assets	579	177	(12)	(236)	508	97
Capital improvement fees	-	-	1,583	-	1,583	-
Interest expense and fiscal charges	(24,129)	(8,435)	(9,002)	(2,054)	(43,620)	(36)
Total non-operating revenues (expenses)	<u>(14,154)</u>	<u>(5,205)</u>	<u>(6,339)</u>	<u>2,292</u>	<u>(23,406)</u>	<u>645</u>
Income (loss) before capital contributions and transfers	41,430	1,777	13,608	(3,139)	53,676	(2,719)
Cash capital contributions	3,170	2,975	32	2,562	8,739	-
Noncash capital contributions	17,012	1,206	-	-	18,218	-
Transfers in	-	-	-	10,436	10,436	5,000
Transfers out	(40,073)	(6,173)	(900)	(4,749)	(51,895)	-
Change in net position	21,539	(215)	12,740	5,110	39,174	2,281
Net position (deficit) - beginning	484,201	305,418	205,531	46,380	1,041,530	(18,914)
Prior period adjustment	(328)	(125)	(85)	(79)	(617)	(37)
Net position - beginning	<u>483,873</u>	<u>305,293</u>	<u>205,446</u>	<u>46,301</u>	<u>1,040,913</u>	<u>(18,951)</u>
Net position (deficit) - ending	<u>\$ 505,412</u>	<u>\$ 305,078</u>	<u>\$ 218,186</u>	<u>\$ 51,411</u>	<u>\$ 1,080,087</u>	<u>\$ (16,670)</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, 2018  
(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	\$ 366,925	\$ 67,434	\$ 64,244	\$ 46,963	\$ 545,566	\$ 24,921
Cash paid to employees for services	(66,007)	(23,789)	(9,751)	(8,923)	(108,470)	(3,553)
Cash paid to other suppliers of goods or services	(204,412)	(16,731)	(22,001)	(37,808)	(280,952)	(21,788)
Other receipts	6,829	1,566	27	1,582	10,004	434
Net cash provided by operating activities	103,335	28,480	32,519	1,814	166,148	14
Cash flows from noncapital financing activities:						
Transfers in	-	-	-	10,142	10,142	5,000
Transfers out	(40,073)	(6,173)	(900)	(4,749)	(51,895)	-
Operating grants	-	-	-	3,374	3,374	-
Receipts (payments) on interfund advances	316	(53)	994	(82)	1,175	969
Payments on pension obligation bonds	(1,894)	(683)	(435)	(418)	(3,430)	(137)
Net cash (used) provided by noncapital financing activities	(41,651)	(6,909)	(341)	8,267	(40,634)	5,832
Cash flows from capital and related financing activities:						
Purchase of capital assets	(27,460)	(27,824)	(15,106)	(2,978)	(73,368)	(762)
Proceeds from the sale of capital assets	671	177	-	92	940	97
Principal payment on bond defeasance	(11,005)	-	-	-	(11,005)	-
Principal paid on long-term obligations	(14,602)	(5,626)	(9,945)	(2,852)	(33,025)	-
Interest paid on long-term obligations	(25,894)	(8,320)	(18,707)	(2,054)	(54,975)	(36)
Capital improvement fees	-	-	1,583	-	1,583	-
Capital lease proceeds	-	-	-	-	-	-
Contributions	3,154	3,806	32	2,562	9,554	-
Net cash (used) for capital and related financing activities	(75,136)	(37,787)	(42,143)	(5,230)	(160,296)	(701)
Cash flows from investing activities:						
Sale and (purchase) of investments	13,895	-	(78)	(15)	13,802	(32)
Interest from investments	2,442	290	1,071	51	3,854	150
Net cash provided by investing activities	16,337	290	993	36	17,656	118
Net change in cash and cash equivalents	2,885	(15,926)	(8,972)	4,887	(17,126)	5,263
Cash and cash equivalents, beginning (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
Cash and cash equivalents, ending (including \$48,359 for Electric, \$10,766 for Water, \$51,488 for Sewer and \$1,118 for Other Enterprise Funds in restricted accounts.)						
	\$ 305,514	\$ 58,230	\$ 140,864	\$ 13,053	\$ 517,661	\$ 23,784

Continued

City of Riverside  
Proprietary Funds  
Statement of Cash Flows  
For the fiscal year ended June 30, 2018  
(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 (used) provided by operating activities:						
Operating income (loss)	\$ 55,584	\$ 6,982	\$ 19,947	\$ (5,431)	\$ 77,082	\$ (3,364)
Other nonoperating items	6,829	1,566	21	1,157	9,573	434
Adjustments to reconcile operating income (loss) to net cash (used) provided by operating activities:						
Depreciation and amortization	33,585	14,914	13,621	4,916	67,036	1,091
Changes in assets, liabilities and deferred inflows/outflows of resources:						
Utility billed receivable	701	96	(565)	(62)	170	-
Utility unbilled receivable	1,553	149	(112)	(10)	1,580	-
Accounts receivable	420	228	262	(1,152)	(242)	(27)
Intergovernmental receivable	(25)	238	(422)	448	239	175
Inventory	-	-	(168)	(52)	(220)	(284)
Prepaid and deposit items	(1,758)	(74)	19	(619)	(2,432)	-
Benefit programs receivable	46	(46)	-	-	-	-
Regulatory assets	-	-	71	407	478	-
Derivative instruments	-	-	-	(299)	(299)	-
Accounts payable	307	710	(2,438)	877	(544)	(67)
Accrued payroll	201	76	45	33	355	20
Retainage payable	61	240	196	15	512	13
Other payables	93	47	97	37	274	(4)
Deposits payable	401	61	-	579	1,041	-
Regulatory liability	-	-	-	28	28	-
Landfill capping	-	-	-	(620)	(620)	-
Claims and judgments	-	-	-	-	-	1,287
Change in derivative values	-	-	-	289	289	-
Net pension liability and related changes in deferred outflows and inflows of resources	9,056	3,149	1,913	1,182	15,300	694
Net OPEB liability and related changes in deferred outflows and inflows of resources	378	144	97	91	710	46
Deferred regulatory charges	-	-	(65)	-	(65)	-
Decommissioning liability	(4,097)	-	-	-	(4,097)	-
Net cash provided by operating activities	<u>\$ 103,335</u>	<u>\$ 28,480</u>	<u>\$ 32,519</u>	<u>\$ 1,814</u>	<u>\$ 166,148</u>	<u>\$ 14</u>
Schedule of noncash financing and investing activities:						
Capital contributions	\$ 17,012	\$ 1,206	\$ -	\$ -	\$ 18,218	\$ -
Capital assets - transfer from governmental activities	-	-	-	39,487	39,487	-
Loss on retirement of capital assets	-	-	(12)	(236)	(248)	-
Payment on note payable including interest offset by rent credit	-	1,237	-	-	1,237	-
Well relocation with note payable	-	4,100	-	-	4,100	-
Note payable and derivative swap - transfer from governmental activities	-	-	-	(39,193)	(39,193)	-
Decrease in fair value of investments	(79)	-	-	-	(79)	-

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, 2018**  
 (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	\$ 35,445	\$ 3,309
Cash and investments at fiscal agent	12,214	4,688
Receivables:		
Interest	110	10
Accounts	143	-
Notes	2,670	-
Direct financing lease receivable	15,150	-
Deposits	2	-
Property tax receivables	-	81
Land and improvements held for resale	9,275	-
Capital assets:		
Land	185	-
Total assets	<u>75,194</u>	<u>8,088</u>
<b>Liabilities</b>		
Accounts payable	39	1
Accrued interest	3,860	-
Advances from other funds	7,554	-
Bonds payable	207,359	-
Pension obligation bonds payable	554	-
Notes payable	4,338	-
Held for bond holders	-	8,087
Total liabilities	<u>223,704</u>	<u>8,088</u>
<b>Deferred Inflows of Resources</b>		
Deferred charge on refunding	1,148	-
Total deferred inflows of resources	<u>1,148</u>	<u>-</u>
<b>Net Position/(Deficit)</b>		
Held by Successor Agency	(149,658)	-
Total net position/(deficit)	<u>\$ (149,658)</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, 2018**  
**(amounts expressed in thousands)**

	<b>Successor Agency Private-Purpose Trust Fund</b>
	<u>                    </u>
<b>Additions</b>	
Property tax revenue	\$ 24,230
Rental and investment income	641
Miscellaneous	69
Total additions	<u>24,940</u>
<b>Deductions</b>	
Professional services and other deductions	2,560
Redevelopment projects	1,015
Interest expense	9,497
Total deductions	<u>13,072</u>
Change in Net Position/(Deficit)	11,868
Net position/(deficit) - beginning	<u>(161,526)</u>
Net position/(deficit) - ending	<u><u>\$ (149,658)</u></u>

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