

City of Riverside
Statement of Net Assets
June 30, 2007
(amounts expressed in thousands)

	Governmental	Business-type	
	Activities	Activities	Total
Assets			
Cash and investments	\$ 210,719	\$ 188,816	\$ 399,535
Receivables, net	69,821	53,772	123,593
Inventory	5,916	1,061	6,977
Nuclear material inventory	-	1,535	1,535
Prepaid items	8,728	6,433	15,161
Deferred charges	130,332	45,385	175,717
Internal balances	9,560	(9,560)	-
Land and improvements held for resale	40,090	-	40,090
Restricted assets:			
Cash and cash equivalents	-	86,260	86,260
Cash and investments at fiscal agent	313,648	79,569	393,217
Other	-	878	878
Capital leases receivable	26,165	-	26,165
Land and other capital assets not being depreciated	256,680	126,365	383,045
Capital assets (net of accumulated depreciation)	<u>535,856</u>	<u>821,941</u>	<u>1,357,797</u>
Total assets	<u>1,607,515</u>	<u>1,402,455</u>	<u>3,009,970</u>
Liabilities			
Accounts payable and other current liabilities	46,586	33,568	80,154
Accrued interest payable	10,205	2,781	12,986
Unearned revenue	3,456	1,524	4,980
Deposits	30,737	3,924	34,661
Current liabilities payable from restricted assets	-	181	181
Claims and judgments payable	27,989	-	27,989
Decommissioning liability	-	50,606	50,606
Noncurrent liabilities:			
Due within one year	23,400	28,507	51,907
Due in more than one year	<u>678,604</u>	<u>460,726</u>	<u>1,139,330</u>
Total liabilities	<u>820,977</u>	<u>581,817</u>	<u>1,402,794</u>
Net Assets			
Invested in capital assets, net of related debt	712,801	520,059	1,232,860
Restricted for:			
Expendable:			
Capital projects	379,942	-	379,942
Debt service	2,660	48,800	51,460
Public works	6,505	3,217	9,722
Low mod housing	25,196	-	25,196
Programs	-	5,596	5,596
Nonexpendable	1,315	-	1,315
Unrestricted	<u>(341,881)</u>	<u>242,966</u>	<u>(98,915)</u>
Total net assets	<u>\$ 786,538</u>	<u>\$ 820,638</u>	<u>\$ 1,607,176</u>

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

City of Riverside
Statement of Activities
For the fiscal year ended June 30,2007
(amounts expressed in thousands)

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business type Activities	Total
Governmental activities:								
General government	\$ 111,439	\$ (15,543)	\$ 10,245	\$ 6,550	\$ 1,375	\$ (77,726)		\$ (77,726)
Public safety	114,312	9,875	12,410	3,916	-	(107,861)		(107,861)
Highways and streets	22,556	3,194	30,563	65	7,879	12,757		12,757
Culture and recreation	28,016	2,474	8,302	1,570	1,303	(19,315)		(19,315)
Interest on long-term debt	26,378	-	-	-	-	(26,378)		(26,378)
Total governmental activities	<u>302,701</u>	<u>-</u>	<u>61,520</u>	<u>12,101</u>	<u>10,557</u>	<u>(218,523)</u>		<u>(218,523)</u>
Business type activities:								
Electric	232,346		278,888	-	9,781		\$ 56,323	56,323
Water	42,108		47,080	-	20,074		25,046	25,046
Sewer	29,510		24,057	-	5,036		(417)	(417)
Refuse	16,490		15,833	-	7		(650)	(650)
Airport	1,201		1,263	-	4,959		5,021	5,021
Transportation	2,831		302	1,939	209		(381)	(381)
Public parking	3,762		3,431	-	-		(331)	(331)
Total business type activities	<u>328,248</u>		<u>370,854</u>	<u>1,939</u>	<u>40,066</u>		<u>84,611</u>	<u>84,611</u>
Total	<u>\$ 630,949</u>		<u>\$ 432,374</u>	<u>\$ 14,040</u>	<u>\$ 50,623</u>		<u>(218,523)</u>	<u>(133,912)</u>

General revenues:		
Taxes:		
Sales		55,666
Property		106,114
Utility users		25,384
Franchise		5,031
Other		3,581
Intergovernmental, unrestricted		1,863
Grants and contributions not restricted to specific programs		29,743
Investment income		18,582
Miscellaneous		4,228
Subtotal		<u>250,192</u>
Transfers, net		<u>31,171</u>
Total general revenues, special items, and transfers		<u>281,363</u>
Change in net assets		<u>62,840</u>
Net assets - beginning - restated		<u>723,698</u>
Net assets - ending		<u>\$ 786,538</u>
		<u>\$ 820,638</u>
		<u>\$ 1,607,176</u>

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

City of Riverside
Balance Sheet
Governmental Funds
June 30, 2007
(amounts expressed in thousands)

Assets	General Fund	Redevelopment Debt Service	Capital Outlay	Redevelopment Capital Projects	Other Governmental Funds	Total Governmental Funds
Cash and investments	\$ 82,012	\$ 3,631	\$ 22,262	\$ 40,978	\$ 57,558	\$ 206,441
Cash and investments at fiscal agent	15,778	7,495	113,048	147,053	30,274	313,648
Receivables (net of allowance for uncollectibles)						
Interest	955	107	382	231	660	2,335
Property taxes	16,080	-	-	-	517	16,597
Sales tax	10,221	-	-	-	-	10,221
Utility billed	706	-	-	-	-	706
Accounts	4,140	787	1,651	115	4	6,697
Intergovernmental	6,585	-	4,633	180	3,726	15,124
Notes	70	-	-	3,933	13,839	17,842
Capital lease receivable	-	26,165	-	-	-	26,165
Prepaid items	691	-	-	-	1	692
Deposits	-	-	176	7,852	-	8,028
Due from other funds	7,435	-	-	4,122	-	11,557
Advances to other funds	31,626	-	-	-	-	31,626
Land & improvements held for resale	2,593	-	-	31,509	5,988	40,090
Total assets:	<u>\$ 178,892</u>	<u>\$ 38,185</u>	<u>\$ 142,152</u>	<u>\$ 235,973</u>	<u>\$ 112,567</u>	<u>\$ 707,769</u>
Liabilities and fund balances						
Liabilities:						
Accounts payable	\$ 8,064	\$ 763	\$ 2,384	\$ 14,949	\$ 2,094	\$ 28,254
Accrued payroll	11,457	-	-	-	15	11,472
Retainage payable	164	-	13	994	4,699	5,870
Intergovernmental	163	-	-	-	-	163
Unearned revenue	15,208	26,165	1,554	3,882	14,472	61,281
Deposits	30,727	-	-	-	10	30,737
Due to other funds	50	529	-	-	4,998	5,577
Advances from other funds	18,293	-	3,001	15,310	3,104	39,708
Total liabilities:	<u>84,126</u>	<u>27,457</u>	<u>6,952</u>	<u>35,135</u>	<u>29,392</u>	<u>183,062</u>
Fund balances:						
Reserved	50,631	10,728	28,586	39,846	29,221	159,012
Unreserved, designated for economic contingencies	34,000	-	-	-	-	34,000
Unreserved, designated for future operations						
General fund	7,288	-	-	-	-	7,288
Special revenue funds	-	-	-	-	7,714	7,714
Capital project funds	-	-	20,751	154,923	17,798	193,472
Unreserved, undesignated						
General fund	2,847	-	-	-	-	2,847
Special revenue funds	-	-	-	-	15,017	15,017
Capital project funds	-	-	85,863	6,069	13,425	105,357
Total fund balances	<u>94,766</u>	<u>10,728</u>	<u>135,200</u>	<u>200,838</u>	<u>83,175</u>	<u>524,707</u>
Total liabilities and fund balances	<u>\$ 178,892</u>	<u>\$ 38,185</u>	<u>\$ 142,152</u>	<u>\$ 235,973</u>	<u>\$ 112,567</u>	<u>\$ 707,769</u>

The notes to the 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 ASSETS
June 30, 2007
(amounts expressed in thousands)

Total fund balances - governmental funds \$524,707

Amounts reported for governmental activities in the Statement of Net Assets 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. 788,346

Issuance costs from issuing debt are expenditures at the fund level but are deferred and subject to capitalization and amortization in the Statement of Net Assets. 9,021

Pension contributions were expenditures at the fund level but are deferred as a net pension asset and subject to capitalization and amortization in the Statement of Net Assets. 119,668

Revenues that do not meet the "availability" criteria for revenue recognition and therefore, are deferred in the funds. 57,825

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

Bonds Payable	\$ (451,949)	
Accrued Interest Payable	(10,205)	
Certificates of Participation Payable	(192,874)	
Notes Payable	(9,759)	
Capital Leases Payable	(4,929)	
Bond Premiums	(8,431)	
Compensated Absences	(33,488)	
	(711,635)	(711,635)

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 Assets. (1,394)

Net assets of governmental activities \$786,538

City of Riverside

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the fiscal year ended June 30, 2007

(amounts expressed in thousands)

	General Fund	Redevelopment Debt Service	Capital Outlay	Redevelopment Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 135,390	\$ 39,811	\$ -	\$ -	\$ 15,930	\$ 191,131
Licenses and permits	7,821	-	-	-	5,163	12,984
Intergovernmental	12,069	200	21,434	242	13,989	47,934
Charges for services	11,903	-	-	-	11	11,914
Fines and forfeitures	2,559	-	-	-	219	2,778
Special assessments	3,963	-	1,784	-	423	6,170
Rental and investment income	6,827	3,820	3,112	3,925	4,903	22,587
Miscellaneous	3,184	393	417	74	2,096	6,164
Total revenues	<u>183,716</u>	<u>44,224</u>	<u>26,747</u>	<u>4,241</u>	<u>42,734</u>	<u>301,662</u>
Expenditures						
Current:						
General government	32,883	3,194	728	9,764	4,844	51,413
Public Safety	153,226	-	-	-	-	153,226
Highways and Streets	20,760	-	-	-	-	20,760
Culture and Recreation	27,090	-	-	-	9,359	36,449
Capital Outlay	-	-	50,668	28,964	37,438	117,070
Debt service:						
Principal	5,826	5,559	-	-	660	12,045
Interest	11,786	7,856	-	-	1,688	21,330
Bond issuance costs	-	805	-	-	1,746	2,551
Total expenditures	<u>251,571</u>	<u>17,414</u>	<u>51,396</u>	<u>38,728</u>	<u>55,735</u>	<u>414,844</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(67,855)</u>	<u>26,810</u>	<u>(24,649)</u>	<u>(34,487)</u>	<u>(13,001)</u>	<u>(113,182)</u>
Other financing sources (uses):						
Transfers in	32,656	11,673	28	45,782	2,562	92,701
Transfers out	(1,922)	(45,782)	-	(9,214)	(4,612)	(61,530)
Issuance of bonds	-	1,390	122,276	154,880	16,644	295,190
Premiums on bonds issued	-	2,024	186	2,213	32	4,455
Sales of capital assets	397	-	288	(760)	616	541
Total other financing sources and uses	<u>31,131</u>	<u>(30,695)</u>	<u>122,778</u>	<u>192,901</u>	<u>15,242</u>	<u>331,357</u>
Net Change in fund balances	<u>(36,724)</u>	<u>(3,885)</u>	<u>98,129</u>	<u>158,414</u>	<u>2,241</u>	<u>218,175</u>
Fund balances -- beginning, as restated	<u>131,490</u>	<u>14,613</u>	<u>37,071</u>	<u>42,424</u>	<u>80,934</u>	<u>306,532</u>
Fund balances -- ending	<u>\$ 94,766</u>	<u>\$ 10,728</u>	<u>\$ 135,200</u>	<u>\$ 200,838</u>	<u>\$ 83,175</u>	<u>\$ 524,707</u>

The notes to the 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 year ended June 30, 2007
(amounts expressed in thousands)

Net change in fund balances-total governmental funds \$218,175

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. This is the amount by which capital outlays exceeded depreciation in the current period, as listed below:

Capital Asset additions	\$ 158,436	
Depreciation Expense	<u>(19,817)</u>	138,619

Revenues in the statement of activities that do not meet the "availability" criteria for revenue recognition and therefore are not reported as revenue in the funds. 6,005

The amortization of the net pension asset reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds. (651)

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 assets. Also, governmental funds immediately report the effect of issuance costs, 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	12,045	
Deferred Charges	5,152	
Compensated Absences	(2,475)	
Interest	(6,990)	
Premiums on the issuance of LTD	(4,455)	
Proceeds from LTD	<u>(295,190)</u>	(291,913)

Internal service funds are used by management to charge the costs of insurance, centralized purchasing and fleet management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. (7,395)

Change in net assets of governmental activities \$ 62,840

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

City of Riverside
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the year ended June 30, 2007
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget		Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final				Original	Final		
Revenues									
Taxes	\$ 141,917	\$ 141,917	\$ 135,390	\$ (6,527)	Public safety:				
Licenses and permits	8,402	8,402	7,821	(581)	Police	87,760	90,681	86,197	4,484
Intergovernmental	13,001	18,921	12,069	(6,852)	Fire	63,642	64,572	57,049	7,523
Charges for services	11,116	11,441	11,903	462	Animal regulation	2,967	3,534	2,670	864
Fines and forfeitures	2,355	4,639	2,559	(2,080)	Building and zoning inspection	4,043	4,043	3,243	800
Special assessments	3,905	3,905	3,963	58	Street lighting	4,069	4,069	4,067	2
Rental and investment income	3,197	4,389	6,827	2,438	Total public safety	162,481	166,899	153,226	13,673
Miscellaneous	1,814	3,961	3,184	(777)	Highways and streets	18,911	24,594	20,760	3,834
Total revenues	185,707	197,575	183,716	(13,859)	Culture and recreation	31,922	33,600	27,090	6,510
Expenditures					Debt service:				
General government:					Principal	4,560	5,826	5,826	0
Mayor	574	574	527	47	Interest	10,956	11,042	11,786	(744)
Council	130	130	0	130	Total debt service	15,516	16,868	17,612	(744)
Manager	16,137	17,540	15,502	2,038	Total expenditures	274,579	323,379	251,571	71,808
Attorney	78	78	60	18	Deficiency of revenue under expenditures	(88,872)	(125,804)	(67,855)	57,949
Clerk	184	344	180	164	Other financing sources (uses)				
Community Development	11,736	12,127	10,716	1,411	Transfers in	31,321	31,399	32,656	1,257
Human Resources	4,542	4,640	3,828	812	Transfers out	(1,572)	(1,922)	(1,922)	0
General Services	29,210	32,583	18,049	14,534	Sale of capital assets	100	100	397	297
Information System	14,809	14,841	14,348	493	Total other financing sources	29,849	29,577	31,131	1,554
Development	4,661	34,873	6,195	28,678	Net change in fund balances	(59,023)	(96,227)	(36,724)	59,503
Subtotal	82,061	117,730	69,405	48,325	Fund balance, beginning	131,490	131,490	131,490	0
Allocated expenditures	(36,312)	(36,312)	(36,522)	210	Fund balance, ending	\$ 72,467	\$ 35,263	\$ 94,766	\$ 59,503
Total general government	45,749	81,418	32,883	48,535					

continued

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

City of Riverside
Statement of Net Assets
Proprietary Funds
June 30, 2007
(amounts expressed in thousands)

Business-type Activities - Enterprise Funds

Assets	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities-Internal Service Funds
Current assets:						
Cash and investments	\$ 105,388	\$ 40,127	\$ 34,002	\$ 9,299	\$ 188,816	\$ 4,278
Receivables (net allowances for uncollectibles)					-	
Interest	1,311	399	185	111	2,006	246
Utility billed	13,492	2,558	596	548	17,194	-
Utility unbilled	14,238	2,732	817	644	18,431	-
Accounts	7,964	1,390	1,066	395	10,815	32
Intergovernmental	295	448	-	4,583	5,326	21
Nuclear materials inventory	1,535	-	-	-	1,535	-
Inventory	-	-	1,061	-	1,061	5,916
Prepaid items	6,430	2	1	-	6,433	8
Due from other funds	50	-	-	-	50	-
Restricted assets:						
Cash and cash equivalents	63,749	15,148	4,127	3,236	86,260	-
Cash and investments at fiscal agent	71,519	8,050	-	-	79,569	-
Public benefit programs receivable	766	-	-	-	766	-
Conservation & reclamation programs receivable	-	112	-	-	112	-
Total current assets	286,737	70,966	41,855	18,816	418,374	10,501
Non-current assets:						
Advances to other funds	3,669	20	22,104	-	25,793	17,079
Deferred charges	27,670	6,841	3,828	7,046	45,385	1,643
Capital assets:						
Land	7,049	9,892	2,698	10,774	30,413	-
Buildings	15,287	14,799	180,254	22,050	232,390	1,488
Accumulated depreciation-buildings	(3,635)	(2,857)	(65,719)	(3,024)	(75,235)	(92)
Improvements other than buildings	621,436	339,087	48,059	7,178	1,015,760	-
Accumulated depreciation-improvements other than buildings	(250,370)	(105,030)	(8,919)	(3,328)	(367,647)	-
Machinery and equipment	17,769	9,741	7,027	13,594	48,131	10,122
Accumulated depreciation-machinery and equipment	(12,132)	(6,303)	(4,676)	(8,348)	(31,459)	(7,328)
Construction in progress	57,308	27,067	713	10,864	95,952	-
Total non-current assets	484,051	293,257	185,369	56,806	1,019,483	22,912
Total assets	770,788	364,223	227,224	75,622	1,437,857	33,413

continued

City of Riverside
Statement of Net Assets
Proprietary Funds
June 30, 2007
(amounts expressed in thousands)

Business-type Activities - Enterprise funds

Liabilities	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities-Internal Service Funds
Current Liabilities:						
Accounts payable	12,098	3,901	2,044	1,097	19,140	809
Accrued payroll	5,942	1,959	1,472	1,022	10,395	592
Retainage payable	3,508	423	94	-	4,025	-
Intergovernmental	8	-	-	-	8	-
Claims and judgments	-	-	-	-	-	27,989
Unearned revenue	-	112	210	1,202	1,524	-
Deposits	2,580	1,343	-	1	3,924	-
Due to other funds	-	-	-	2,898	2,898	3,132
Capital leases-current	-	-	42	17	59	-
Water stock acquisitions-current	-	150	-	-	150	-
Landfill capping - current	-	-	-	300	300	-
Current liabilities payable from restricted assets:						
Revenue bonds	19,460	4,355	3,515	-	27,330	-
Accrued interest	1,851	318	612	-	2,781	-
Other payables	180	-	-	-	180	-
Total current liabilities	45,627	12,561	7,989	6,537	72,714	32,522
Non-current liabilities:						
Revenue bonds	334,751	90,745	21,506	-	447,002	-
Arbitrage payable	927	416	-	-	1,343	-
Notes payable	-	-	9,211	-	9,211	-
Capital leases	-	-	28	166	194	-
Advances from other funds	13,390	5,761	3,685	9,669	32,505	2,285
Decommissioning liability	50,606	-	-	-	50,606	-
Water stock acquisitions	-	823	-	-	823	-
Landfill capping	-	-	-	2,821	2,821	-
Total non-current liabilities	399,674	97,745	34,430	12,656	544,505	2,285
Total liabilities	445,301	110,306	42,419	19,193	617,219	34,807
Net Assets						
Invested in capital assets, net of related debt	132,605	193,589	169,293	22,061	517,548	4,190
Restricted for debt service	46,830	12,525	5,978	-	65,333	-
Restricted for other purposes	-	-	-	3,217	3,217	-
Restricted for programs	8,344	853	-	-	9,197	-
Unrestricted	137,708	46,950	9,534	31,151	225,343	(5,584)
Total net assets	\$ 325,487	\$ 253,917	\$ 184,805	\$ 56,429	\$ 820,638	\$ (1,394)

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

City of Riverside
Statement of Revenues, Expenses, and Changes in fund Net Assets
Proprietary Funds
For the fiscal year ended June 30, 2007
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds	
	Electric	Water	Sewer	Other Enterprise Funds		Total Enterprise Funds
Operating revenues:						
Charges for services	\$ 278,888	\$ 47,080	\$ 24,057	\$ 20,829	\$ 370,854	\$ 14,148
Operating expenses:						
Personal services	17,274	7,528	8,406	6,055	39,263	3,122
Contractual services	4,370	2,137	780	4,444	11,731	130
Maintenance and operation	158,230	9,007	7,349	6,139	180,725	1,445
General	16,110	10,293	3,839	4,164	34,406	2,030
Materials and supplies	529	658	1,955	842	3,984	380
Insurance	395	233	276	193	1,097	14,859
Depreciation and amortization	20,836	7,783	5,333	2,137	36,089	819
Total operating expenses	217,744	37,639	27,938	23,974	307,295	22,785
Operating income (loss)	61,144	9,441	(3,881)	(3,145)	63,559	(8,637)
Nonoperating revenues (expenses):						
Operating grants	-	-	-	1,939	1,939	-
Interest income	11,118	2,931	2,439	500	16,988	1,283
Other	1,351	1,062	16	738	3,167	48
Gain (loss) on retirement of capital assets	485	(74)	(38)	(42)	331	(10)
Capital improvement fees	-	-	5,014	-	5,014	-
Interest expense and fiscal charges	(14,602)	(4,469)	(1,572)	(310)	(20,953)	(79)
Total non-operating revenues (expenses)	(1,648)	(550)	5,859	2,825	6,486	1,242
Income before capital contributions and transfers	59,496	8,891	1,978	(320)	70,045	(7,395)
Capital contributions	9,781	20,074	22	5,175	35,052	-
Transfers in	-	-	-	150	150	-
Transfers out	(27,393)	(3,928)	-	-	(31,321)	-
Change in net assets	41,884	25,037	2,000	5,005	73,926	(7,395)
Total net assets -- beginning	283,603	228,880	182,805	51,424	746,712	6,001
Total net assets -- ending	\$ 325,487	\$ 253,917	\$ 184,805	\$ 56,429	\$ 820,638	\$ (1,394)

City of Riverside
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2007
(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	\$ 271,148	\$ 48,527	\$ 23,181	\$ 20,559	\$ 363,415	\$ 14,519
Cash paid to employees for services	(16,591)	(7,681)	(8,366)	(6,004)	(38,642)	(3,175)
Cash paid to other suppliers of goods or services	(174,648)	(21,510)	(13,904)	(15,620)	(225,682)	(11,508)
Other receipts	1,351	1,062	23	738	3,174	51
Net cash provided (used) by operating activities	81,260	20,398	934	(327)	102,265	(113)
Cash flows from noncapital financing activities:						
Transfers in	-	-	-	150	150	-
Transfers out	(27,393)	(3,928)	-	-	(31,321)	-
Operating grants	-	-	-	2,765	2,765	-
Advances from interfund receivables	-	-	-	5,912	5,912	-
Payments on interfund receivables	-	8	12,710	-	12,718	-
Advances to other funds	(144)	(62)	(2,044)	(1,229)	(3,479)	(16,771)
Net cash provided (used) by noncapital financing activities	(27,537)	(3,982)	10,666	7,598	(13,255)	(16,771)
Cash flows from capital and related financing activities:						
Purchase of capital assets	(43,733)	(25,469)	(11,974)	(8,220)	(89,396)	(1,457)
Purchase of nuclear fuel	(632)	-	-	-	(632)	-
Proceeds from the sale of capital assets	555	103	4	-	662	-
Principal paid on long-term obligations	(18,815)	(4,305)	(3,959)	(20)	(27,099)	-
Interest paid on long-term obligations	(14,656)	(3,445)	(1,687)	(310)	(20,098)	(79)
Capital improvement fees	-	-	5,014	-	5,014	-
Capital contributions	6,263	5,611	22	819	12,715	-
Net cash used for capital and related financing activities	(71,018)	(27,505)	(12,580)	(7,731)	(118,834)	(1,536)
Cash flows from investing activities:						
Purchase of investments	(5,371)	(4)	-	-	(5,375)	-
Income from investments	12,051	3,276	2,702	544	18,573	1,310
Net cash provided by investing activities	6,680	3,272	2,702	544	13,198	1,310
Net change in cash and cash equivalents	(10,615)	(7,817)	1,722	84	(16,626)	(17,110)
Cash and cash equivalents, ending (including \$69,801 for Electric, \$29,327 for Water and \$3,993 for Sewer in restricted accounts)						
	169,169	63,092	36,407	12,451	281,119	21,388
Cash and cash equivalents, ending (including \$53,166 for Electric, \$15,148 for Water and \$4,127 for Sewer in restricted accounts)						
	\$ 158,554	\$ 55,275	\$ 38,129	\$ 12,535	\$ 264,493	\$ 4,278

continued

City of Riverside
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2007
(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 (used) by operating activities:						
Operating Income (loss)	\$ 61,144	\$ 9,441	\$ (3,881)	\$ (3,145)	\$ 63,559	\$ (8,637)
Other receipts	1,351	1,062	16	738	3,167	32
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation and amortization	20,836	7,783	5,333	2,137	36,089	819
Amortization of pension costs	87	38	24	14	163	9
Amortization (burn) of nuclear fuel	4,456	-	-	-	4,456	-
(Increase) in utility billed receivables	(1,249)	(840)	(41)	(96)	(2,226)	-
(Increase) in utility unbilled receivables	(1,687)	(178)	(18)	(12)	(1,895)	-
(Increase) decrease in accounts receivable	(5,256)	2,128	(890)	(189)	(4,207)	(21)
(Increase) decrease in intergovernmental receivables	603	(342)	73	29	363	412
(Increase) decrease in prepaid items	121	366	2	-	489	(1)
(Increase) in nuclear materials inventory	-	-	(508)	-	(508)	-
(Increase) decrease in inventory	(160)	-	-	-	(160)	1,227
Increase (decrease) in accounts payable	-	-	-	479	479	(595)
Increase (decrease) in accrued payroll	(3,059)	1,110	726	35	(1,188)	(62)
Increase (decrease) in retainage payable	596	(191)	16	-	421	-
Increase in intergovernmental receivables	165	79	75	-	319	-
Increase (decrease) in deferred revenue	(64)	-	-	6	(58)	-
Increase (decrease) in deposits	-	(1)	7	-	6	-
(Decrease) in due to other funds	(151)	(57)	-	-	(208)	(1,301)
Increase in claims and judgments	-	-	-	-	-	8,005
Increase in decommissioning liability	3,527	-	-	-	3,527	-
(Decrease) in landfill capping	-	-	-	(323)	(323)	-
Net cash provided by operating activities	<u>\$ 81,260</u>	<u>\$ 20,398</u>	<u>\$ 934</u>	<u>\$ (327)</u>	<u>\$ 102,265</u>	<u>\$ (113)</u>
Schedule of noncash financing and investing activities:						
Contribution in aid	<u>\$ 3,518</u>	<u>\$ 14,462</u>	<u>\$ 22</u>	<u>\$ 49</u>	<u>\$ 18,051</u>	<u>\$ -</u>

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

City of Riverside
Statement of Fiduciary Net Assets
Fiduciary Fund
June 30, 2007
(amounts expressed in thousands)

	<u>Agency Funds</u>
Assets:	
Cash and investments	\$ 11,187
Cash and investments at fiscal agent	9,161
Interest receivable	108
Property tax receivables	<u>418</u>
Total assets	<u><u>\$ 20,874</u></u>
Liabilities:	
Accounts payable	\$ 11
Held for bond holders	<u>20,863</u>
Total liabilities	<u><u>\$ 20,874</u></u>

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

