

CITY OF RIVERSIDE
STATEMENT OF NET POSITION
JUNE 30, 2023
(amounts expressed in thousands)

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments	\$ 435,813	\$ 436,977	\$ 872,790
Receivables, net of allowance for uncollectible	124,449	68,309	192,758
Leases receivable	9,213	102,048	111,261
Inventory	9,068	4,786	13,854
Prepaid items	2,026	17,397	19,423
Deposits	-	1,713	1,713
Other assets	-	2,925	2,925
Internal balances	(1,131)	1,131	-
Restricted assets:			
Cash and cash equivalents	-	145,412	145,412
Cash and investments	51,814	58,135	109,949
Benefit/Conservation Programs receivable	-	1,204	1,204
Regulatory assets	-	13,130	13,130
Derivative instruments	-	1,088	1,088
Land and improvements held for resale	2,601	-	2,601
Advances to Successor Agency Trust Fund	-	2,003	2,003
Capital assets:			
Capital assets, not depreciated	434,381	256,822	691,203
Capital assets, net of depreciation	906,232	1,701,477	2,607,709
Lease and subscription assets, net of amortization	2,766	638	3,404
Total assets	1,977,232	2,815,195	4,792,427
Deferred Outflows of Resources:			
Changes in derivative values	1,948	2,415	4,363
Deferred charge on refunding	1,886	12,867	14,753
Pension related items	186,736	59,595	246,331
OPEB related items	5,766	3,021	8,787
Total deferred outflows of resources	196,336	77,898	274,234
Liabilities:			
Current liabilities:			
Accounts payable and other current liabilities	40,177	36,997	77,174
Unearned revenue	61,973	1,085	63,058
Deposits	11,805	13,456	25,261
Accrued interest	1,716	14,164	15,880
Long-term obligations	21,446	52,686	74,132
Compensated absences	19,673	9,602	29,275
Claims and judgments	12,834	-	12,834
Landfill capping	-	559	559
Decommissioning liability	-	10,227	10,227
OPEB liability	1,113	812	1,925
Lease liability	379	226	605
SBITA liability	1,597	74	1,671
Non-current liabilities:			
Long-term obligations	468,285	1,302,924	1,771,209
Compensated absences	11,752	2,482	14,234
Claims and judgments	40,278	-	40,278
Landfill capping	-	8,866	8,866
Decommissioning liability	-	38,646	38,646
Regulatory liability	-	25,176	25,176
Derivative instruments	3,381	6,939	10,320
Net pension liability	230,991	66,107	297,098
OPEB liability	25,175	18,369	43,544
Lease liability	320	337	657
SBITA liability	333	12	345
Total liabilities	953,228	1,609,746	2,562,974
Deferred Inflows of Resources			
Change in derivative values	-	1,260	1,260
Deferred charges on refunding	-	585	585
Pension related items	8,746	6,103	14,849
OPEB related items	7,703	4,208	11,911
Lease related items	9,161	100,577	109,738
Total deferred inflows of resources	25,610	112,733	138,343
Net Position:			
Net investment in capital assets	1,198,815	790,844	1,989,659
Restricted - Expendable:			
Housing	41,780	-	41,780
Debt service	14,059	33,172	47,231
Public works	40,269	-	40,269
Capital projects	91,736	-	91,736
Landfill capping	-	2,500	2,500
Programs and regulatory requirements	-	60,966	60,966
Economic development	16,620	-	16,620
Unfunded accrued liability	32,695	-	32,695
Restricted - Nonexpendable:			
Permanent fund principal	1,642	-	1,642
Unrestricted/(deficit)	(242,886)	283,132	40,246
Total net position	\$ 1,194,730	\$ 1,170,614	\$ 2,365,344

CITY OF RIVERSIDE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)

	Program Revenues					Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Primary Government		Total
						Governmental Activities	Business-Type Activities	
Function/Programs								
Primary Government:								
Governmental Activities:								
General government	\$ 34,258	\$ (19,676)	\$ 14,046	\$ 50,198	\$ 997	\$ 50,659	\$ -	\$ 50,659
Public safety	239,744	13,218	14,963	7,618	-	(230,381)	-	(230,381)
Highways and streets	50,588	2,945	7,288	1,206	32,215	(12,824)	-	(12,824)
Culture and recreation	50,863	3,513	6,790	346	1,093	(46,147)	-	(46,147)
Interest on long-term debt and fiscal charges	18,598	-	-	-	-	(18,598)	-	(18,598)
Total governmental activities	394,051	-	43,087	59,368	34,305	(257,291)	-	(257,291)
Business-Type Activities:								
Electric	401,427	-	419,392	-	9,854	-	27,819	27,819
Water	76,475	-	78,703	-	4,149	-	6,377	6,377
Sewer	67,195	-	72,140	-	-	-	4,945	4,945
Airport	2,385	-	1,872	12	194	-	(307)	(307)
Refuse	32,777	-	31,477	-	-	-	(1,300)	(1,300)
Transportation	4,808	-	258	4,150	99	-	(301)	(301)
Public Parking	5,493	-	6,084	-	-	-	591	591
Civic Entertainment	27,698	-	18,158	212	1,187	-	(8,141)	(8,141)
Total business-type activities	618,258	-	628,084	4,374	15,483	-	29,683	29,683
Total primary government	\$ 1,012,309	\$ -	\$ 671,171	\$ 63,742	\$ 49,788	\$ (257,291)	\$ 29,683	\$ (227,608)
General Revenues:								
Taxes:								
Sales taxes						177,722	-	177,722
Property taxes						84,751	-	84,751
Utility users' taxes						34,963	-	34,963
Franchise taxes						6,422	-	6,422
Transient occupancy taxes						8,587	-	8,587
Intergovernmental, unrestricted						467	-	467
Rental and investment income						8,817	11,191	20,008
Miscellaneous						10,331	10,049	20,380
Transfers						25,421	(25,421)	-
Total general revenues and transfers						357,481	(4,181)	353,300
Change in net position						100,190	25,502	125,692
Net Position:								
Beginning of year						1,094,540	1,145,112	2,239,652
End of year						\$ 1,194,730	\$ 1,170,614	\$ 2,365,344

**CITY OF RIVERSIDE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023
(amounts expressed in thousands)**

	General Fund	Capital Outlay Fund	General Debt Service Fund	Non-Major Governmental Funds	Total Governmental Funds
Assets:					
Cash and investments	\$ 196,190	\$ 80,744	\$ 7,650	\$ 111,057	\$ 395,641
Cash and investments with fiscal agent	43,967	-	7,517	330	51,814
Receivables, net of allowance for uncollectible					
Interest	694	272	7	375	1,348
Property taxes	1,988	-	80	90	2,158
Sales taxes	30,918	-	-	-	30,918
Utility billed	2,320	-	-	-	2,320
Utility unbilled	945	-	-	-	945
Accounts	12,693	455	-	117	13,265
Intergovernmental	4,615	3,941	-	17,676	26,232
Notes	10	-	-	46,702	46,712
Leases receivable	9,213	-	-	-	9,213
Prepaid items	1,930	-	-	94	2,024
Due from other funds	1,666	-	-	-	1,666
Land and improvements held for resale	175	-	-	2,426	2,601
Total assets	\$ 307,324	\$ 85,412	\$ 15,254	\$ 178,867	\$ 586,857
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable	\$ 14,250	\$ 2,113	\$ 64	\$ 6,290	\$ 22,717
Accrued payroll	15,240	-	-	40	15,280
Retainage payable	6	79	-	621	706
Intergovernmental	139	-	-	5	144
Unearned revenue	-	265	-	61,708	61,973
Deposits	11,805	-	-	-	11,805
Due to other funds	-	-	-	1,021	1,021
Advances from other funds	-	-	1,131	-	1,131
Total liabilities	41,440	2,457	1,195	69,685	114,777
Deferred Inflows of Resources:					
Unavailable revenue	3,346	154	-	48,669	52,169
Lease related items	9,161	-	-	-	9,161
Total deferred inflows of resources	12,507	154	-	48,669	61,330
Fund Balances:					
Nonspendable:					
Inventories, prepaids, notes, and deposits	1,940	-	-	94	2,034
Land and improvements held for resale	175	-	-	-	175
Permanent fund principal	-	-	-	1,642	1,642
Restricted:					
Housing and redevelopment	-	-	-	11,252	11,252
Debt service	-	-	14,059	-	14,059
Transportation and public works	-	82,801	-	38,742	121,543
Other purposes	-	-	-	8,783	8,783
Unfunded accrued liability	32,695	-	-	-	32,695
Committed:					
Economic contingency	70,500	-	-	-	70,500
Other purposes	40,801	-	-	-	40,801
Assigned:					
General government	4,597	-	-	-	4,597
Public safety	5,914	-	-	-	5,914
Highways and streets	4,885	-	-	-	4,885
Culture and recreation	1,427	-	-	-	1,427
Continuing projects	18,743	-	-	-	18,743
Unassigned	71,700	-	-	-	71,700
Total fund balances	253,377	82,801	14,059	60,513	410,750
Total liabilities, deferred inflows of resources, and fund balances	\$ 307,324	\$ 85,412	\$ 15,254	\$ 178,867	\$ 586,857

See Notes to Financial Statements

**CITY OF RIVERSIDE
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023
(amounts expressed in thousands)**

Total fund balances - governmental funds	\$	410,750
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds		1,332,569
Lease and subscription assets, net of accumulated amortization, used in governmental activities and are not current financial resources and, therefore, are not reported as assets in the governmental funds		2,744
Deferred outflows on refunding charges are not available resources and, therefore, are not reported on the funds		1,886
Deferred outflows on pension related items		183,852
Deferred outflows on OPEB related items		5,578
Deferred inflows on pension related items		(8,450)
Deferred inflows on OPEB related items		(7,467)
Revenue not available to pay for current period expenditures are reported as unavailable revenue in the governmental funds		52,169
Accrued interest payable for the current portion of interest due on various debt issues has not been reported in the governmental funds		(1,716)
Long-term liabilities, as listed below, are not due and payable in the current period and, therefore, are not reported in the governmental funds		
General obligation bonds	(3,411)	
Pension obligation bonds	(317,126)	
Certificates of participation	(80,584)	
Lease revenue bonds	(65,093)	
Financed purchase	(18,799)	
Compensated absences	(30,960)	
Net pension liability	(227,792)	
OPEB liability	(25,145)	
Lease liability	(684)	
SBITA liability	(1,925)	(771,519)
	<u> </u>	
The City uses derivative instruments to hedge its exposure to changing interest rates through the uses of interest swaps. The following related items have been reflected in the Statement of Net Position:		
Net fair value of interest rate swaps	(3,381)	
Deferred amount related to the hedgeable portion of derivative instrument	1,948	(1,433)
	<u> </u>	
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.		<u>(4,233)</u>
Net position of governmental activities	\$	<u>1,194,730</u>

See Notes to Financial Statements

CITY OF RIVERSIDE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)

	<u>General Fund</u>	<u>Capital Outlay Fund</u>	<u>General Debt Service Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Taxes	\$ 310,520	\$ -	\$ 1,925	\$ -	\$ 312,445
Licenses and permits	12,446	-	-	3,448	15,894
Intergovernmental	2,720	14,853	-	77,832	95,405
Charges for services	16,393	-	-	1,585	17,978
Fines and forfeitures	1,131	-	-	-	1,131
Special assessments	305	542	1,238	5,999	8,084
Rental and investment income	4,632	668	265	2,489	8,054
Miscellaneous	4,345	249	-	1,446	6,040
Total revenues	352,492	16,312	3,428	92,799	465,031
Expenditures:					
Current:					
General government	16,703	-	-	10,560	27,263
Public safety	207,820	-	-	11,739	219,559
Highways and streets	21,274	-	-	1,050	22,324
Culture and recreation	36,259	-	-	3,232	39,491
Capital outlay	16,815	20,982	-	36,041	73,838
Debt service:					
Principal	2,103	-	29,788	93	31,984
Interest and fiscal charges	228	-	18,804	44	19,076
Total expenditures	301,202	20,982	48,592	62,759	433,535
Excess/(deficiency) of revenues over/(under) expenditures	51,290	(4,670)	(45,164)	30,040	31,496
Other Financing Sources/(Uses):					
Transfers in	67,229	38,115	48,128	1,784	155,256
Transfers out	(100,281)	(3,148)	(584)	(25,822)	(129,835)
Proceeds from sale of capital assets	4,228	-	-	7	4,235
Issuance of debt related to leases and subscriptions	3,693	-	-	12	3,705
Total other financing sources/(uses)	(25,131)	34,967	47,544	(24,019)	33,361
Net change in fund balances	26,159	30,297	2,380	6,021	64,857
Fund Balances:					
Beginning of year	227,218	52,504	11,679	54,492	345,893
End of year	\$ 253,377	\$ 82,801	\$ 14,059	\$ 60,513	\$ 410,750

**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, 2023
(amounts expressed in thousands)**

Net change in fund balances - total governmental funds	\$	64,857	
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 costs of those assets is allocated over their estimated useful lives as depreciation and amortization expense.			
Capital outlay	\$	67,674	
Depreciation expense		(51,492)	
Lease and subscription amortization expense		(2,218)	
Gain/(Loss) on sale of capital assets		<u>(2,333)</u>	11,631
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Whereas, issuance of long-term debt is a current financial resource in the governmental funds, but the issuance increase long-term debt in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and deferral on loss of refunding when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities			
Issuance of long-term debt		(3,708)	
Principal repayments			
General obligation bonds		1,560	
Pension obligation bonds		16,600	
Certificates of participation		4,830	
Lease revenue bonds		3,384	
Financed purchase		3,495	
Lease liability		414	
SBITA liability		1,700	
Amortization of bond premium/discount		<u>491</u>	28,766
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.			
Changes in accrued interest		140	
Changes in compensated absences		(1,423)	
Changes in net pension liability and related deferred outflows and inflows of resources		(11,024)	
Changes in OPEB liability and related deferred outflows and inflows of resources		<u>(1,442)</u>	(13,749)
Revenues reported as unavailable revenue in the governmental funds and recognized in the Statement of Activities. These are included in the intergovernmental revenues in the governmental fund activity			
			(1,265)
Internal service funds are used by management to charge the costs of insurance, central purchasing and fleet management to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities			
			<u>9,950</u>
Change in net position of governmental activities			<u>\$ 100,190</u>

CITY OF RIVERSIDE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES, IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance to Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 284,923	\$ 306,594	\$ 310,520	\$ 3,926
Licenses and permits	10,628	11,128	12,446	1,318
Intergovernmental	1,441	1,441	2,720	1,279
Charges for services	15,177	15,104	16,393	1,289
Fines and forfeitures	1,894	1,894	1,131	(763)
Special assessments	542	542	305	(237)
Rental and investment income	2,946	2,946	4,632	1,686
Miscellaneous	805	1,680	4,345	2,665
Total revenues	318,356	341,329	352,492	11,163
Expenditures:				
General government:				
Mayor	1,107	1,191	1,110	81
Council	1,730	1,904	1,771	133
Manager	9,697	14,688	7,990	6,698
Attorney	6,710	7,343	6,646	697
Clerk	1,719	2,118	1,927	191
Community development	20,432	30,924	17,493	13,431
Human resources	4,810	5,623	4,734	889
General services	7,333	8,099	6,822	1,277
Finance	10,233	1,972	9,908	(7,936)
Innovation and technology	15,113	17,311	12,484	4,827
Subtotal	78,884	91,173	70,885	20,288
Allocated expenditures - General Government	(54,117)	(54,126)	(54,182)	56
Total general government	24,767	37,047	16,703	20,344
Public safety:				
Police	135,747	147,506	129,634	17,872
Fire	69,170	74,448	69,754	4,694
Animal regulation	3,442	4,407	4,595	(188)
Building and zoning inspection	3,992	4,335	3,837	498
Total public safety	212,351	230,696	207,820	22,876
Highways and streets	24,371	28,840	21,274	7,566
Culture and recreation:				
Library	8,516	9,933	8,191	1,742
Museum and cultural affairs	2,393	2,826	1,955	871
Parks, recreation and community services	24,857	28,951	26,113	2,838
Total culture and recreation	35,766	41,710	36,259	5,451
Capital outlay	3,357	22,143	16,815	5,328
Debt service:				
Principal	-	-	2,103	(2,103)
Interest and fiscal charges	-	-	228	(228)
Total expenditures	300,612	360,436	301,202	59,234
Other Financing Sources/(Uses):				
Transfers in	51,704	77,964	67,229	(10,735)
Transfers out	(70,618)	(111,754)	(100,281)	11,473
Proceeds from sale of capital assets	-	-	4,228	4,228
Issuance of debt related to leases and subscriptions	-	-	3,693	3,693
Total other financing sources/(uses)	(18,914)	(33,790)	(25,131)	8,659
Net change in fund balance	(1,170)	(52,897)	26,159	79,056
Fund Balance:				
Beginning of year	227,218	227,218	227,218	-
Ending of year	\$ 226,048	\$ 174,321	\$ 253,377	\$ 79,056

See Notes to Financial Statements

**CITY OF RIVERSIDE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023
(amounts expressed in thousands)**

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds	Governmental Activities - Internal Service Funds
	Electric	Water	Sewer	Non-Major Enterprise Funds		
Assets:						
Current assets:						
Cash and investments	\$ 247,831	\$ 49,191	\$ 112,833	\$ 27,122	\$ 436,977	\$ 40,172
Receivables, net of allowance for uncollectible						
Interest	1,033	343	396	123	1,895	140
Utility billed	17,783	4,478	5,207	2,176	29,644	-
Utility unbilled	13,617	3,406	2,414	1,102	20,539	-
Accounts	5,810	1,621	367	1,346	9,144	125
Property taxes	-	-	-	1	1	-
Intergovernmental	50	1,514	2,170	3,352	7,086	286
Leases receivable	1,359	1,001	27	474	2,861	-
Inventory	1,464	-	3,233	89	4,786	9,068
Prepaid items	5,421	212	17	83	5,733	2
Deposits	1,413	-	-	300	1,713	-
Other current assets	-	300	-	-	300	-
Restricted assets:						
Cash and cash equivalents						
Rate stabilization cash and cash equivalents	-	-	1,000	-	1,000	-
Other restricted cash and cash equivalents	73,946	12,478	-	2,500	88,924	-
Benefit/Conservation Programs receivable	1,070	134	-	-	1,204	-
Total current assets	370,797	74,678	127,664	38,668	611,807	49,793
Noncurrent assets:						
Restricted assets:						
Cash and cash equivalents at fiscal agent	-	55,488	-	-	55,488	-
Cash and investments at fiscal agent	58,135	-	-	-	58,135	-
Leases receivable	10,407	84,385	-	4,395	99,187	-
Prepaid items noncurrent	11,664	-	-	-	11,664	-
Other noncurrent assets	-	2,625	-	-	2,625	-
Advances to other funds	-	-	1,131	-	1,131	-
Regulatory assets	1,573	1,404	1,129	9,024	13,130	-
Derivative instruments	-	-	-	1,088	1,088	-
Advances to Successor Agency Trust Fund	2,003	-	-	-	2,003	-
Capital assets, net of accumulated depreciation	784,916	513,313	516,610	143,460	1,958,299	8,043
Lease and subscription assets, net of amortization	405	28	23	182	638	22
Total noncurrent assets	869,103	657,243	518,893	158,149	2,203,388	8,065
Total assets	1,239,900	731,921	646,557	196,817	2,815,195	57,858
Deferred Outflows of Resources:						
Changes in derivative values	1,571	-	-	844	2,415	-
Deferred charge on refunding	7,530	4,758	-	579	12,867	-
Pension related items	34,931	11,588	7,892	5,184	59,595	2,884
OPEB related items	1,592	644	417	368	3,021	188
Total deferred outflows of resources	45,624	16,990	8,309	6,975	77,898	3,072

**CITY OF RIVERSIDE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023
(amounts expressed in thousands)**

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds	Governmental Activities - Internal Service Funds
	Electric	Water	Sewer	Non-Major Enterprise Funds		
Liabilities:						
Current liabilities:						
Accounts payable	17,617	2,564	3,862	7,856	31,899	1,233
Accrued payroll	1,202	405	257	206	2,070	96
Retainage payable	765	944	155	163	2,027	-
Unearned revenue	314	52	-	719	1,085	-
Deposits	11,734	1,034	6	682	13,456	-
Accrued interest	5,083	2,609	6,427	45	14,164	-
Due to other funds	-	-	-	-	-	645
Benefit/Conservation Programs payable	866	135	-	-	1,001	-
Long-term obligations	22,633	11,476	12,480	6,097	52,686	455
Compensated absences	5,589	1,958	1,400	655	9,602	339
Claims and judgments	-	-	-	-	-	12,834
Landfill capping	-	-	-	559	559	-
Decommissioning liability	10,227	-	-	-	10,227	-
OPEB liability	417	171	120	104	812	48
Lease liability	137	5	5	79	226	5
SBITA liability	42	15	11	6	74	4
Total current liabilities	76,626	21,368	24,723	17,171	139,888	15,659
Noncurrent liabilities:						
Long-term obligations	590,602	290,760	348,423	73,139	1,302,924	4,263
Compensated absences	1,889	527	45	21	2,482	126
Claims and judgments	-	-	-	-	-	40,278
Landfill capping	-	-	-	8,866	8,866	-
Decommissioning liability	38,646	-	-	-	38,646	-
Regulatory liability	4,675	4,357	16,102	42	25,176	-
Derivative instruments	4,097	1,377	-	1,465	6,939	-
Net pension liability	38,748	12,854	8,754	5,751	66,107	3,199
OPEB liability	9,420	3,872	2,721	2,356	18,369	1,095
Lease liability	225	7	6	99	337	10
SBITA liability	7	2	2	1	12	1
Total noncurrent liabilities	688,309	313,756	376,053	91,740	1,469,858	48,972
Total liabilities	764,935	335,124	400,776	108,911	1,609,746	64,631
Deferred Inflows of Resources:						
Change in derivative values	-	196	-	1,064	1,260	-
Deferred charges on refunding	-	-	585	-	585	-
Pension related items	3,577	1,187	808	531	6,103	296
OPEB related items	2,266	889	539	514	4,208	236
Lease related items	11,394	84,102	27	5,054	100,577	-
Total deferred inflows of resources	17,237	86,374	1,959	7,163	112,733	532
Net position:						
Net investment in capital assets	254,990	295,560	167,469	72,825	790,844	8,045
Restricted net position:						
Debt service	19,332	8,933	4,907	-	33,172	-
Landfill capping	-	-	-	2,500	2,500	-
Regulatory requirements	25,502	-	2,590	-	28,092	-
Public Benefit Programs	29,329	-	-	-	29,329	-
Water Conservation Program	-	3,545	-	-	3,545	-
Unrestricted/(deficit)	174,199	19,375	77,165	12,393	283,132	(12,278)
Total net position	\$ 503,352	\$ 327,413	\$ 252,131	\$ 87,718	\$ 1,170,614	\$ (4,233)

See Notes to Financial Statements

CITY OF RIVERSIDE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds	Governmental Activities - Internal Service Funds
	Electric	Water	Sewer	Non-Major Enterprise Funds		
Operating Revenues:						
Charges for services	\$ 419,392	\$ 78,703	\$ 72,140	\$ 57,849	\$ 628,084	\$ 31,564
Total operating revenues	419,392	78,703	72,140	57,849	628,084	31,564
Operating Expenses:						
Personnel services	56,311	18,412	12,868	10,349	97,940	5,376
Contractual services	7,408	2,373	1,142	17,710	28,633	885
Maintenance and operation	260,039	11,546	12,178	12,782	296,545	3,441
General	10,919	15,155	4,407	20,059	50,540	7,630
Materials and supplies	1,157	927	6,104	2,171	10,359	184
Claims/Insurance	3,415	986	1,400	711	6,512	4,198
Depreciation	38,189	16,367	15,034	5,884	75,474	936
Amortization	214	20	77	650	961	10
Total operating expenses	377,652	65,786	53,210	70,316	566,964	22,660
Operating income/(loss)	41,740	12,917	18,930	(12,467)	61,120	8,904
Nonoperating Revenues/(Expenses):						
Grant subsidies	-	-	-	4,374	4,374	-
Interest revenue	5,952	3,613	1,409	217	11,191	763
Interest expense and fiscal charges	(23,775)	(10,689)	(13,985)	(2,845)	(51,294)	(153)
Capital improvement fees	-	-	374	-	374	-
Other	5,387	3,170	(364)	299	8,492	146
Gain/(loss) on disposal of capital assets	957	119	93	14	1,183	51
Total nonoperating revenues/(expenses)	(11,479)	(3,787)	(12,473)	2,059	(25,680)	807
Income/(loss) before contributions and operating transfers	30,261	9,130	6,457	(10,408)	35,440	9,711
Capital contributions	9,854	4,149	-	1,480	15,483	239
Transfers in	-	-	-	25,075	25,075	-
Transfers out	(42,326)	(8,170)	-	-	(50,496)	-
Change in net position	(2,211)	5,109	6,457	16,147	25,502	9,950
Net Position:						
Beginning of year	505,563	322,304	245,674	71,571	1,145,112	(14,183)
End of year	\$ 503,352	\$ 327,413	\$ 252,131	\$ 87,718	\$ 1,170,614	\$ (4,233)

**CITY OF RIVERSIDE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

	Business-Type Activities - Enterprise Funds				Total Enterprise Funds	Governmental Activities - Internal Service Funds
	Electric	Water	Sewer	Non-Major Enterprise Funds		
Cash Flows from Operating Activities:						
Cash received from customers and users	\$ 430,913	\$ 79,617	\$ 73,549	\$ 59,056	\$ 643,135	\$ -
Cash received from interfund services provided	-	-	-	-	-	31,702
Cash paid to suppliers for goods or services	(290,354)	(31,432)	(23,691)	(54,628)	(400,105)	(43,183)
Cash paid to employees for services	(56,730)	(18,778)	(13,086)	(10,387)	(98,981)	(5,441)
Net cash provided/(used) by operating activities	83,829	29,407	36,772	(5,959)	144,049	(16,922)
Cash Flows from Non-Capital Financing Activities:						
Transfers in	-	-	-	25,075	25,075	-
Transfers out	(42,326)	(8,170)	-	-	(50,496)	-
Payment made to other funds	-	-	-	-	-	606
Payment receipt from advances to other funds	451	-	311	-	762	-
Debt service payment on pension obligation bonds	(4,232)	(1,363)	(849)	(567)	(7,011)	(290)
Other non-operating receipts	5,140	484	(364)	411	5,671	146
Grant subsidies	-	-	-	5,900	5,900	-
Net cash provided/(used) by non-capital financing activities	(40,967)	(9,049)	(902)	30,819	(20,099)	462
Cash Flows from Capital and Related Financing Activities:						
Purchase of capital assets	(27,183)	(20,181)	(6,898)	(3,306)	(57,568)	(1,189)
Proceeds from sales of capital assets	5,673	130	100	14	5,917	51
Proceeds from revenue bonds, including premium	-	63,596	-	-	63,596	-
Principal paid on long-term obligations	(17,124)	(7,148)	(9,770)	(5,228)	(39,270)	-
Interest paid on long-term obligations	(26,149)	(10,074)	(16,087)	(2,903)	(55,213)	(154)
Bond issuance costs	-	(582)	-	-	(582)	-
Capital improvement fees	-	-	308	-	308	-
Contributions	4,951	2,932	-	1,480	9,363	-
Lease and subscription payments	(215)	(20)	(78)	(88)	(401)	(16)
Net cash provided/(used) by capital and related financing activities	(60,047)	28,653	(32,425)	(10,031)	(73,850)	(1,308)
Cash Flows from Investing Activities:						
Proceeds/(purchase) from/(of) investment securities	(4,350)	-	-	-	(4,350)	-
Interest from investments	5,582	3,517	1,238	133	10,470	738
Net cash provided/(used) by investing activities	1,232	3,517	1,238	133	6,120	738
Net increase/(decrease) in cash and cash equivalents	(15,953)	52,528	4,683	14,962	56,220	(17,030)
Cash and cash equivalents at beginning of year (excluding \$53,785 in restricted investments for Electric)	337,730	64,629	109,150	14,660	526,169	57,202
Cash and cash equivalents at end of year (excluding \$58,135 restricted investments for Electric)	\$ 321,777	\$ 117,157	\$ 113,833	\$ 29,622	\$ 582,389	\$ 40,172

**CITY OF RIVERSIDE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Electric	Water	Sewer	Non-Major Enterprise Funds	Total Enterprise Funds	
Reconciliation of Operating Income to Net Cash Provided/(Used) by Operating Activities:						
Operating income/(loss)	\$ 41,740	\$ 12,917	\$ 18,930	\$ (12,467)	\$ 61,120	\$ 8,904
Adjustments to Reconcile Operating Income/(Loss) Net Cash Provided/(Used) by Operating Activities:						
Depreciation	38,189	16,367	15,034	5,884	75,474	936
Amortization	214	20	77	650	961	10
(Increase)/decrease in utility billed receivable	9,137	1,782	1,504	1,282	13,705	-
(Increase)/decrease in utility unbilled receivable	2,985	243	113	(49)	3,292	-
(Increase)/decrease in accounts receivable	732	(146)	1,135	1,472	3,193	-
(Increase)/decrease in property tax receivable	-	-	-	20	20	-
(Increase)/decrease in intergovernmental receivable	(20)	106	(1,345)	(89)	(1,348)	129
(Increase)/decrease in inventory	(979)	-	(113)	(10)	(1,102)	(871)
(Increase)/decrease in prepaid items	679	(13)	12	(45)	633	-
(Increase)/decrease in deposits	(79)	-	-	6	(73)	-
(Increase)/decrease in Benefit/Conservation Programs receivable	415	38	-	-	453	-
Increase/(decrease) in accounts payable	(3,494)	(928)	1,606	(410)	(3,226)	(287)
Increase/(decrease) in accrued payroll	192	28	43	53	316	19
Increase/(decrease) in retainage payable	164	403	37	(334)	270	(6)
Increase/(decrease) in unearned revenue	(1,097)	(1,093)	-	(1,461)	(3,651)	-
Increase/(decrease) in deposits payable	(154)	12	-	34	(108)	-
Increase/(decrease) in Benefit/Conservation Programs payable	242	64	-	-	306	-
Increase/(decrease) in compensated absences	278	(88)	(31)	70	229	8
Increase/(decrease) in claims and judgments	-	-	-	-	-	(25,678)
Increase/(decrease) in landfill capping liability	-	-	-	(396)	(396)	-
Increase/(decrease) in decommissioning liability	(4,438)	-	-	-	(4,438)	-
Changes in net pension liability/(asset) and related deferred inflows/(outflows) of resources	(1,308)	(472)	(328)	(269)	(2,377)	(130)
Changes in OPEB liability and related deferred inflows/(outflows) of resources	431	167	98	100	796	44
Total adjustments	42,089	16,490	17,842	6,508	82,929	(25,826)
Net cash provided/(used) by operating activities	\$ 83,829	\$ 29,407	\$ 36,772	\$ (5,959)	\$ 144,049	\$ (16,922)
Non-Cash Investing, Capital, and Financing Activities:						
Capital contributions - capital assets	\$ 4,903	\$ 1,218	\$ -	\$ -	\$ 6,121	\$ -
Payment on note payable offset by rent credit	-	1,974	-	-	1,974	-
Increase (decrease) in fair value of investments	(529)	-	-	-	(529)	-

**CITY OF RIVERSIDE
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023
(amounts expressed in thousands)**

	<u>Private-Purpose Trust Fund</u>	<u>Successor Agency Trust Fund</u>	<u>Custodial Fund</u>
Assets:			
Cash and investments	\$ 33,194	\$	2,307
Cash and investments with fiscal agent	4,112		7,531
Receivables, net of allowance for uncollectible			
Interest	108		5
Property taxes	-		150
Accounts	507		-
Intergovernmental	795		-
Notes	1,758		-
Direct financing receivable	5,245		-
Leases receivable	618		-
Deposits	2		-
Land and improvements held for resale	5,359		-
Capital assets:			
Capital assets, not depreciated	185		-
Total assets	51,883		9,993
Liabilities:			
Current liabilities:			
Accounts payable	26		-
Accrued interest	2,312		-
Long-term obligations	12,874		-
Due to bond holders	-		9,838
Noncurrent liabilities:			
Advances from City	2,003		-
Long-term obligations	157,476		-
Total liabilities	174,691		9,838
Deferred Inflows of Resources:			
Deferred charges on refunding	588		-
Lease related items	608		-
Total deferred inflows of resources	1,196		-
Net Position:			
Restricted for other governments	(124,004)		155
Total net position	\$ (124,004)	\$	155

**CITY OF RIVERSIDE
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

	<u>Private-Purpose Trust Fund</u>		<u>Successor Agency Trust Fund</u>	<u>Custodial Fund</u>
Additions:				
Property taxes	\$	18,673	\$	-
Special assessments		-		4,645
Rental and investment income		715		93
Miscellaneous		105		327
Total additions		19,493		5,065
Deductions:				
Professional services and other deductions		3,231		4,436
Redevelopment projects		122		-
Principal		-		2,615
Interest and fiscal charges		5,899		1,856
Total deductions		9,252		8,907
Changes in Net Position		10,241		(3,842)
Net Position:				
Beginning of year, as previously stated		(134,245)		13,834
Prior period adjustment		-		(9,837)
Beginning of year, as restated		(134,245)		3,997
End of year	\$	(124,004)	\$	155