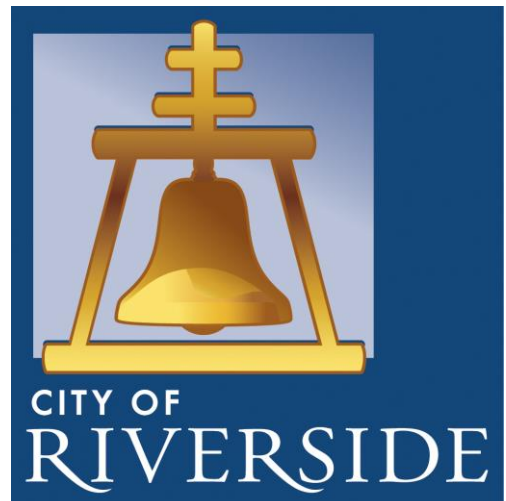


# BUDGET SUMMARY



# BUDGET SUMMARY

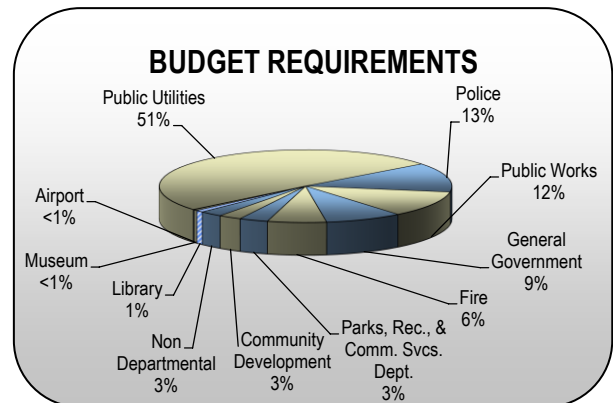
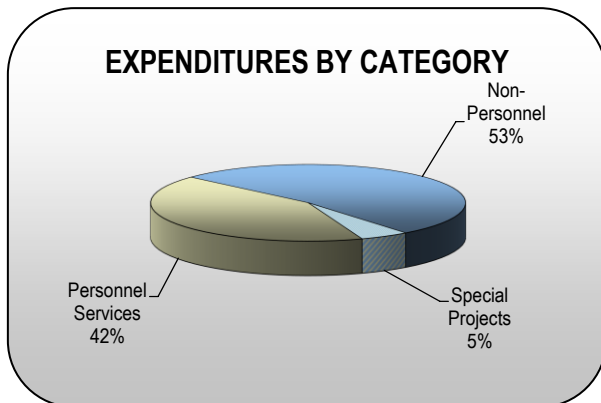
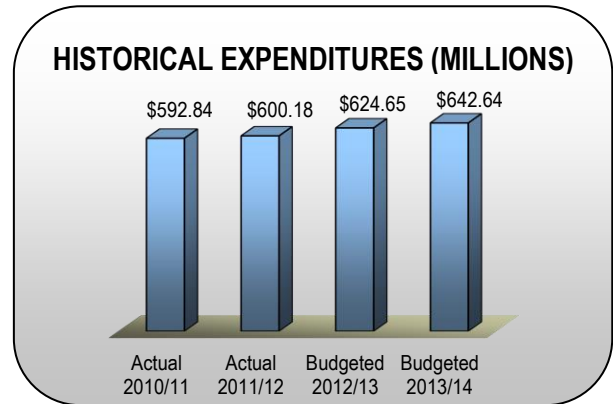
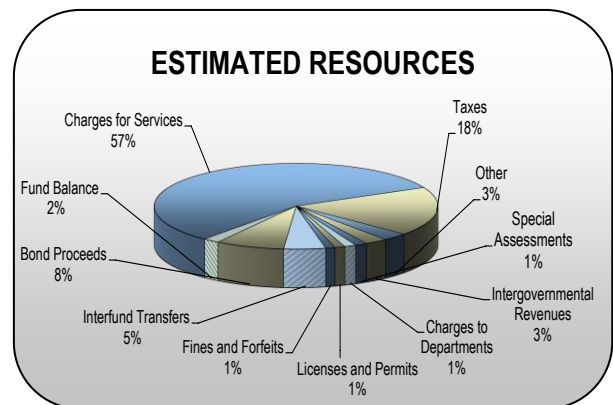
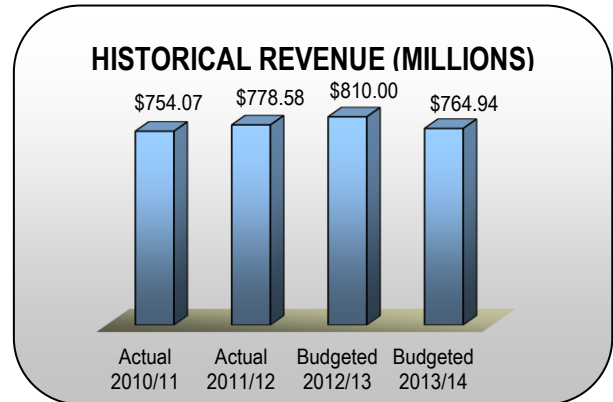
## Overview of the Annual Budget

The City's total combined Annual Budget for fiscal year 2013/14 amounts to \$894,182,525. This equates to a decrease of 23.32% versus the previous year's Budget, excluding interfund transfers and managed savings. The increase in the current operations, or operating, budget – the Citywide total Budget excluding debt service, capital projects, equipment purchases, charges to/from others, interfund transfers, and managed savings – is 2.88%.

Included in the \$894 million total Annual Budget amount are the City's Internal Service Funds and transfers to the General Fund from the Electric and Water Funds. These expenditures and transfers are found in the budget twice, because the revenue to the Internal Service Funds is a budgeted expenditure in the City's other funds and the interfund transfers are revenue to the General Fund that is then spent by the General Fund departments. When these two items are excluded from the total, the adjusted total Annual Budget amounts to \$826,690,935.

In this Section, the fund structure of the City's funds is described, significant changes between the current year's Annual Budget and the prior fiscal year are discussed, and other relevant information required to understand the Sections that follow is provided. Subsequently, each of the City's Major Funds, defined as any fund constituting more than 5.00% of the City's Annual Budget, is summarized and described. The City's major funds are:

- The General Fund
- The Electric Fund
- The Water Fund
- The Sewer Fund



## BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Charges for Services	451,583,086	484,618,309	486,747,773	507,386,206	4.24%
Taxes	178,984,068	173,674,744	163,723,475	164,750,292	0.63%
Intergovernmental Revenues	34,864,632	39,883,619	68,367,263	22,895,742	-66.51%
Special Assessments	12,087,691	11,812,147	11,432,573	12,153,950	6.31%
Fines and Forfeits	12,556,204	9,280,484	8,765,437	9,488,144	8.24%
Licenses and Permits	9,368,513	9,930,782	10,010,536	10,363,126	3.52%
Charges to Departments	7,581,487	11,936,687	12,430,282	11,895,890	-4.30%
Other	47,039,632	37,438,887	48,524,054	26,005,327	-46.41%
<b>Total Revenues</b>	<b>\$ 754,065,313</b>	<b>\$ 778,575,659</b>	<b>\$ 810,001,393</b>	<b>\$ 764,938,677</b>	<b>-5.56%</b>
Interfund Transfers			40,890,700	42,493,000	
Bond Proceeds			293,277,191	70,053,000	
Fund Balance			9,457,087	16,697,848	
<b>Total Resources</b>			<b>\$ 1,153,626,371</b>	<b>\$ 894,182,525</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Personnel Services	254,500,399	263,370,820	268,334,903	271,113,443	1.04%
Non-Personnel	307,190,447	307,529,017	322,982,231	339,071,643	4.98%
Special Projects	31,150,521	29,284,970	33,333,739	32,455,413	-2.63%
<b>Current Operations Budget</b>	<b>\$ 592,841,367</b>	<b>\$ 600,184,807</b>	<b>\$ 624,650,873</b>	<b>\$ 642,640,499</b>	<b>2.88%</b>
Equipment Outlay	4,584,491	5,084,310	4,317,124	4,784,793	10.83%
Debt Service	141,384,882	212,416,447	145,664,402	175,781,921	20.68%
Operating Grants	3,834,860	4,429,312	-	-	---
Capital Outlay & Grants	223,035,218	209,362,125	374,121,085	64,738,035	-82.70%
Charges From Others	103,046,862	105,235,631	100,584,634	105,847,910	5.23%
Charges To Others	(135,804,716)	(138,964,132)	(132,907,325)	(137,659,077)	3.58%
<b>Total Budget</b>	<b>\$ 932,922,964</b>	<b>\$ 997,748,500</b>	<b>\$ 1,116,430,793</b>	<b>\$ 856,134,081</b>	<b>-23.32%</b>
Interfund Transfers			40,890,700	42,493,000	
Managed Savings			(3,695,122)	(4,444,556)	
<b>Total Budget Requirements</b>			<b>\$ 1,153,626,371</b>	<b>\$ 894,182,525</b>	

### EXPENDITURE HISTORY BY ORGANIZATIONAL UNIT

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Riverside Public Utilities	270,816,879	276,448,927	310,153,851	325,692,400	5.01%
Police Department	79,125,975	84,499,531	82,050,209	83,919,207	2.28%
Public Works Department	63,356,272	67,278,264	74,815,191	74,103,398	-0.95%
General Government	53,420,727	53,959,227	54,159,309	54,903,064	1.37%
Fire Department	41,148,376	43,345,922	40,860,831	41,744,603	2.16%
Parks, Recreation, & Community Services Dept.	17,158,107	18,444,756	19,297,294	20,378,920	5.61%
Community Development Department	42,363,297	30,578,352	17,147,353	16,305,400	-4.91%
Non Departmental	17,239,440	17,216,981	16,003,718	16,263,676	1.62%
Riverside Public Library	5,267,860	5,542,018	5,559,892	5,601,646	0.75%
Riverside Metropolitan Museum	1,489,775	1,153,971	2,856,812	2,875,651	0.66%
Riverside Airport	1,454,659	1,716,805	1,746,413	852,534	-51.18%
<b>Current Operations Budget</b>	<b>\$ 592,841,367</b>	<b>\$ 600,184,754</b>	<b>\$ 624,650,873</b>	<b>\$ 642,640,499</b>	<b>2.88%</b>

# BUDGET SUMMARY

## Overview of the Annual Budget (Continued)

Additionally, due to their material nature to the City's operations, the Refuse Fund and the Airport Fund are also reported as Major Funds, though they comprise less than 5.00% of the City's Annual Budget. Similarly, the Capital Outlay Fund, though often more than 5.00% of the City's Annual Budget, is excluded because it is a capital projects fund.

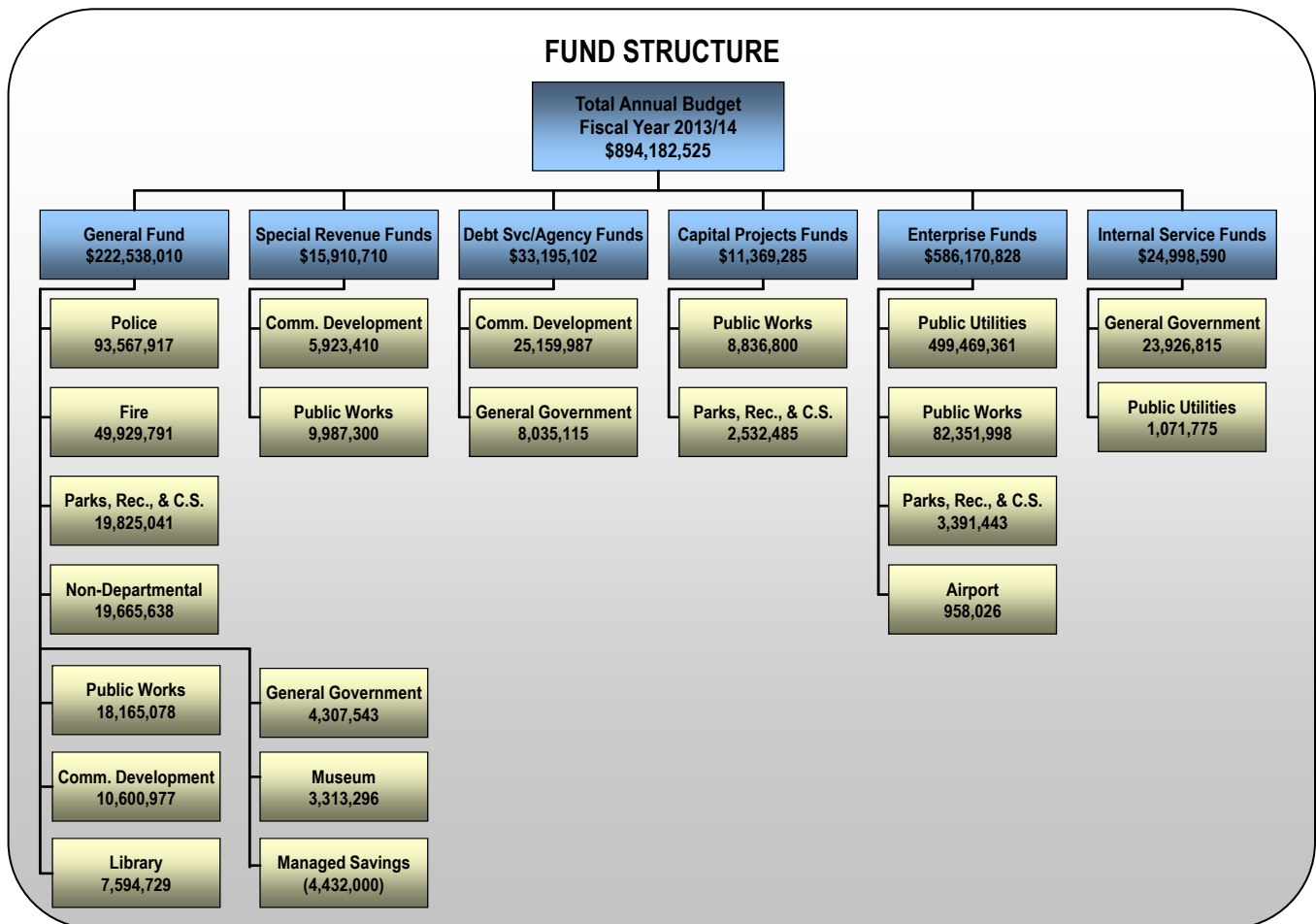
The term "General Government" is used to refer to a combination of all City Departments that are not public service Departments. These Departments include the Office of the Mayor, City Council, Office of the City Attorney, Office of the City Clerk, Office of the City Manager, and the Human Resources,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

Grant revenue and expenditures are not typically budgeted. However, historical actual expenditures shown for fiscal years 2010/11 and 2011/12 include grants and other supplemental appropriations.

## Fund Structure

The City organizes its resources into seven main fund categories: General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Enterprise Funds, Internal Service Funds, and Agency Funds. Within each category are multiple funds that each relate to a Department. Funds are categorized primarily for accounting purposes; therefore the Annual Budget typically discusses funds as they relate to Departments rather than categories. Below is a diagram illustrating the relationship between the seven fund categories and the City's various Departments. Each Department may have more than one fund within each category.

As can be seen from the following descriptions of fund categories, in many cases individual City Departments span multiple funds within a single category, or in some cases multiple categories. The reasons for this separation of activities are primarily of an accounting nature and can be reviewed in more detail in the City's CAFR.



## BUDGET SUMMARY

### **General Fund**

The General Fund is the City's primary operating fund where core City services such as police, fire, parks, recreation, and street maintenance are budgeted. The General Fund is described in more detail later in this Section.

### **Special Revenue Funds**

Special Revenue Funds are used to account for specific monies that are legally restricted for use for a particular purpose. Funds included in this category relate to City Departments as follows.

The Community Development Department's budget includes Special Revenue Funds, which are used to account for Federal grants received from the Department of Housing and Urban Development (HUD) to be used for the development of a viable urban community by providing decent housing, a suitable living environment, and expanding economic opportunities principally for persons of low and moderate incomes.

The Public Works Department's budget includes three Special Revenue Funds. These funds include the Special Gas Tax Fund, used to account for the construction and maintenance of City streets funded by the City's share of state gasoline taxes; the Air Quality Improvement Fund, used to account for qualified air pollution reduction programs funded by the South Coast Air Quality Management District; and the National Pollution Discharge Elimination System (NPDES) Fund, used to account for storm drain maintenance and inspection required for California storm water permits funded by a special assessment district of Riverside County.

A final fund included in this category is the Successor Agency Administration Fund. As a result of the dissolution of the Redevelopment Agency, this fund is being used to track administrative expenditures related to the Successor Agency.

### **Debt Service Funds**

Debt Service Funds are used to account for the accumulation of resources and payment of long-term debt obligations of the City and related entities. Funds in this category are the Debt Service Fund – General, used to account for debt service associated with certificates of participation issued by the Riverside Municipal Improvements Corporation or the Riverside Public

Financing Authority and certain other General Fund-related debt service.

### **Capital Projects Funds**

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by Enterprise Funds or the General Fund.

The Public Works Department's budget includes four Capital Projects Funds. These funds include the Storm Drain Fund, used to account for the acquisition, construction, and installation of storm drains in the City; the Capital Outlay Fund, used to account for the construction and installation of street and highway capital improvements; the Measure A Fund, used to account for transportation improvements funded by the 1/2% sales tax approved by Riverside County voters in 1988; and the Transportation Development Impact Fees Fund, used to account for transportation improvements funded by impact fees.

The Parks, Recreation, and Community Services Department's budget includes two Capital Projects Funds. These funds include the Local Park Special Capital Improvements Fund, used to account for capital projects to construct parks and recreation facilities funded by impact fees; and the Regional Park Special Capital Improvements Fund, used to account for capital projects to construct regional parks and recreation facilities funded by impact fees.

### **Enterprise Funds**

Enterprise Funds are used to account for activities that are financed and operated in a manner similar to private businesses. The City's intent is that the operational and capital costs of providing these services be recovered primarily through user fees and charges.

Riverside Public Utilities is budgeted in four Enterprise Funds. These funds include the Electric Fund, used to account for expenditures of the City's electric utility; the Electric Public Benefits Charge Fund, used to account for public benefits funds related to the City's electric utility; the Water Fund, used to account for expenditures of the City's water utility; and the Water Conservation and Reclamation Program Fund, used to account for public benefits funds related to the City's water utility. The Electric and Water Funds are described in more detail later in this Section.

## BUDGET SUMMARY

The Public Works Department's budget includes three Enterprise Funds. These funds include the Refuse Collection Fund, used to account for expenditures associated with the City's refuse collection services; the Sewer Service Fund, used to account for expenditures related to the City's sewer system; and the Public Parking fund, used to account for expenditures related to the various parking facilities operated by the City principally in downtown Riverside. The Refuse and Sewer Funds are described in more detail later in this Section.

The Parks, Recreation, and Community Services Department's budget includes an Enterprise Fund. The Special Transit fund is used to account for expenditures related to the City's fleet of minibuses, which are used to transport senior citizens and disabled persons.

Finally, the Riverside Airport is entirely budgeted in an Enterprise Fund. The Airport Fund is described in more detail later in this Section.

### **Internal Service Funds**

Internal Service Funds are used to account for the operational and capital cost of providing centralized services to City Departments. The costs of these services are recovered through the City's Cost Allocation Plan or other cost reimbursement methods. Funds in this category include the City's insurance-related funds, which are budgeted in the Human Resources Department and Finance Department. They are the Workers' Compensation Insurance Trust Fund, the Unemployment Insurance Trust Fund, and the Liability Insurance Trust Fund. Riverside Public Utilities' budget includes the Central Stores Fund, used to account for purchases; and the General Services Department's budget includes the Central Garage Fund, used to account for vehicle maintenance and motor pool functions.

### **Agency Funds**

Agency Funds are used to account for funds that held by the City as an agent for another entity.

A number of Agency Funds, budgeted in the Finance Department, are used to account for debt service payments for the various assessment districts (ADs) and community facilities districts (CFDs) located throughout the City.

The Community Development Department's budget also includes various Agency Funds, which are used to

account for financial obligations related to the Successor Agency to the City's former Redevelopment Agency.

### **Funds Not Budgeted**

There are certain City funds that do not appear in the budget and that have not been described in this Section, either because they are no longer active or because they are never budgeted in the Annual Budget. Funds in the second category include the Capital Projects Funds related to the City's assessment districts and CFDs, certain Public Works Capital Projects Funds, and certain Capital Projects Funds used to account for expenditures associated with bond or certificate of participation issues completed mid-year in prior budget years. Appropriations were or are made to these funds on an as-needed basis through supplemental appropriations approved by the City Council during the budget year.

### **Summary of Significant Budget Adjustments**

Detailed listings by department of significant budget adjustments can be found in Section I of the Annual Budget. This summary is intended as a high-level overview of significant structural changes to the budget or organization. Please refer to Section I for a detailed discussion of specific budgetary adjustments at the department level.

### **Fund Reorganizations**

Certain debt service agency funds have been retitled as Redevelopment Obligation Retirement Funds (RORF) but are still being used to account for expenditures associated with the Successor Agency to the Redevelopment Agency. There were no other material changes to the City's fund structure.

### **Department Reorganizations**

During fiscal year 2012/13 or effective at the beginning of fiscal year 2013/14, the following reorganizations occurred throughout the City. A reorganization can be defined as the transfer of a particular function from one department to another department or one fund to another fund that has no impact on the net Annual Budget.

1. The Housing Authority division of the Community Development Department was created and staffed with personnel transferred from the Housing division.
2. The Employee & Labor Relations division of the Human Resources Department was created and

## BUDGET SUMMARY

- staffed with personnel transferred from the Administration division.
3. The Traffic Signals Maintenance division of the Public Works Department was created and staffed with personnel from the Traffic Engineering division.
  4. The Fixed Base Operator function of the Airport was returned to a private contractor.

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

Citywide staffing decreased by 210.74 full time equivalents. This is primarily due to the deletion of various vacant unfunded positions, which were deleted to better reflect a more realistic picture of the actual workforce in place. Additional staffing authorizations were kept to a minimum; however, certain additional staffing requests were approved, the majority of which facilitate addressing identified City Council priorities. Each department's summary in Section I outlines the reasons for the increases or decreases in personnel.

The budget was decreased primarily due to the reduction of bond proceeds due to the inclusion of the primary appropriation for the Water Quality Control Plant Expansion Project in the fiscal year 2012/13 budget, along with reduced grants budgeted for transportation capital projects due to the multi-year nature of these revenues and projects. Each department's summary in Section I outlines the reasons for significant increases or decreases in expenditures.

The Final Budget Adjustments letter included in Section A following the transmittal letter discusses last minute additions to the budget. These minor administrative adjustments do not have a material impact on the budget as a whole, though the budget numbers presented in the City Manager's Budget Message may be slightly different than the final budget numbers presented in the Annual Budget.

### **Interfund Transfers**

Throughout the Annual Budget reference is made to interfund transfers. An interfund transfer is a transfer of funds from one City fund to another City fund. These transfers appear as a resource in the fund receiving the transfer and as a budget requirement in the fund that is sending the transfer. While this does result in the revenue and expenditure being "double counted" in the Annual Budget, this presentation provides a truer picture of the actual expenditures for the City's Enterprise Funds, from

which the transferred funds originate. Transfers for fiscal year 2013/14 are budgeted at \$35,790,500 from the Electric Fund to the General Fund and \$6,702,500 from the Water Fund to the General Fund. Both transfers are made as authorized by City Charter Section 1204(f) and Section 1204.1.

### **Outstanding Debt**

As discussed in the City's Debt Management Policy, found in the Guide to the Budget Section, the City's legal debt limit is set by State of California Statute at 15% of the City's adjusted assessed valuation. Of the \$1.67 billion in debt currently outstanding, only \$15.3 million is supported by tax revenues (the Measure G Fire Facility Projects Bonds) and is therefore subject to the legal debt limit. The City's assessed valuation for the current fiscal year is \$16.4 billion, resulting in a debt limit of \$615.5 million and a current ratio of debt to assessed value of 2.49%. The remaining outstanding debt detailed in the table on the facing page is supported by other specific revenue streams and is not subject to the legal debt limit. Excluded are minor debts such as capital leases.

During fiscal year 2012/13, several debt transactions were completed. The General Fund entered into a private placement financing totaling \$41.6 million to finance the construction of the Convention Center. The General Fund issued Refunding Pension Bond Anticipation Notes totaling \$31.0 million. The General Fund entered into a capital lease financing totaling \$2.2 million for implementation of an enhanced VOIP phone system and to purchase public safety mobile computers. Lastly, General Fund Certificates of Participation for Riverside Public Financing Authority (RPFA) projects were refunded totaling \$41.2 million.

Bond proceeds totaling \$70.0 million are included in the Electric Fund, Water Fund, and Sewer Fund portions of the Annual Budget that relate to various debt issues. These funds are reflected as a resource in the various revenue tables but are not included in revenue to avoid skewing historical comparisons, as bond proceeds are not included in historical revenues.

# BUDGET SUMMARY

## LEGAL DEBT LIMIT CALCULATION

	As of June 30, 2013
Fiscal Year 2012/13 Assessed Valuation	16,415,172,000
Conversion Percentage	25.00%
Adjusted Assessed Valuation for Calculation Purposes	4,103,793,000
Debt Limit Percentage	15.00%
<b>Legal Debt Limit</b>	<b>\$ 615,568,950</b>
Less: Outstanding General Obligation Debt Payable from Property Taxes Measure G Fire Facility Projects Bonds	15,314,000
<b>Remaining Debt Capacity</b>	<b>\$ 600,254,950</b>
Ratio of Debt to Legal Debt Limit	2.49%
Debt per Capita (2013 Population Estimate of 311,955)	\$49.09

## SUMMARY OF CITYWIDE DEBT OBLIGATIONS

Debt Issue	Budgeted Fund	Year of Issuance	Year of Final Maturity	Total Issue Size	Outstanding Principal 6/30/2013	2012/13 Principal	2012/13 Interest
<b>General Obligation</b>							
Measure G Fire Facility Projects Bonds	General Fund	2004	2024	20,000,000	15,135,000	780,000	736,758
<b>Pension Obligation</b>							
Pension Obligation Bonds (2004)	General Fund	2004	2023	89,540,000	70,370,000	3,565,000	4,285,668
Pension Obligation Bonds (2005) Series A	General Fund	2005	2020	30,000,000	20,695,000	1,910,000	1,071,008
Pension Obligation Refunding Bond Anticipation Notes	General Fund	2012	N/A	30,940,000	30,940,000	-	232,050
<b>Certificates of Participation</b>							
Galleria Mall Improvements	General Fund	2006	2036	19,945,000	19,055,000	455,000	871,841
Riverside Renaissance Projects Refunding	General Fund	2008	2037	128,300,000	119,300,000	3,100,000	4,089,033
Recovery Zone Facility Hotel Project (Hyatt)	General Fund	2010	2040	20,660,000	20,660,000	-	1,076,538
<b>Lease Revenue Bonds</b>							
Lease Revenue Refunding Bonds Series A	General Fund	2012	2033	41,240,000	41,240,000	-	1,271,769
<b>Capital Leases</b>							
Fire Department and Public Works Department Vehicles	General Fund	2011	2016	2,000,000	1,230,738	389,580	39,460
VOIP Phone System	General Fund	2012	2022	1,650,000	1,576,441	93,194	19,635
Mobile Data Computers	General Fund	2012	2015	561,923	561,923	-	-
Police Department Helicopter	General Fund	2013	2019	1,348,316	1,348,316	-	-
Various Vehicles Software, and Hardware	General Fund	2013	2019	3,642,934	3,642,934	-	-
<b>Interfund Loans</b>							
WiFi Network Startup Costs Interfund Loan	General Fund	2010	2015	425,000	257,901	91,091	3,909
Utilities Plaza Purchase Interfund Loan	General Fund	2012	2028	4,469,221	4,179,276	289,945	50,055
<b>Private Placement Financings</b>							
Ryan Bonaminio Park Loan	General Fund	2012	2021	4,000,000	3,652,253	347,747	119,368
Convention Center Expansion Loan	General Fund	2012	2034	41,650,000	41,650,000	-	-
<b>Total General Fund</b>					<b>395,494,782</b>	<b>11,021,557</b>	<b>13,867,092</b>
<b>Local Park Impact Fee Fund</b>							
Riverside Renaissance Debt Service Interfund Loan #1	Park Fund	2010	2018	3,460,000	3,460,000	154,622	40,484
Riverside Renaissance Debt Service Interfund Loan #2	Park Fund	2011	2018	3,402,000	3,402,000	74,164	38,933
<b>Total Local Park Impact Fee Fund</b>					<b>6,862,000</b>	<b>228,786</b>	<b>79,417</b>



**BUDGET SUMMARY****SUMMARY OF CITYWIDE DEBT OBLIGATIONS – CONTINUED**

Debt Issue	Budgeted Fund	Year of Issuance	Year of Final Maturity	Total Issue Size	Outstanding Principal 6/30/2013	2012/13 Principal	2012/13 Interest
<b>Electric Utility</b>							
Electric Revenue Bonds (2003)	Electric Fund	2003	2013	75,405,000	6,880,000	8,535,000	550,775
Electric Revenue Bonds (2004) Series A	Electric Fund	2004	2014	27,500,000	6,340,000	3,505,000	423,100
Electric Revenue Refunding Bonds (2008) Series A	Electric Fund	2008	2029	84,515,000	84,515,000	-	2,629,262
Electric Revenue Refunding Bonds (2008) Series C	Electric Fund	2008	2035	57,325,000	53,750,000	1,375,000	1,733,164
Electric Revenue Bonds (2008) Series D	Electric Fund	2008	2038	209,740,000	209,740,000	-	10,246,400
Electric Revenue Bonds (2009) Series A	Electric Fund	2009	2018	34,920,000	21,075,000	3,260,000	1,004,300
Electric Revenue Bonds (2010) Series A	Electric Fund	2010	2040	133,290,000	133,290,000	-	6,479,481
Electric Revenue Bonds (2010) Series B	Electric Fund	2010	2019	7,090,000	7,090,000	-	307,050
Electric Revenue Bonds (2011) Series A	Electric Fund	2011	2036	56,450,000	53,750,000	1,375,000	2,081,528
Clearwater Plant Acquisition Loan (City of Corona)	Electric Fund	2011	2015	45,568,916	42,660,233	1,480,387	2,342,098
Electric Fund Vehicles Capital Leases	Electric Fund	Various	Various	Various	2,550,140	402,456	39,346
<b>Total Electric Fund</b>					<b>621,640,373</b>	<b>19,932,843</b>	<b>27,836,503</b>
<b>Water Utility</b>							
Water Revenue Bonds (2001)	Water Fund	2001	2013	20,000,000	-	1,000,000	32,725
Water Revenue Bonds (2008) Series B	Water Fund	2008	2038	58,235,000	58,235,000	-	2,830,350
Water Revenue Bonds (2010) Series A	Water Fund	2009	2020	31,895,000	24,715,000	3,380,000	1,207,350
Water Revenue Bonds (2009) Series B	Water Fund	2009	2039	67,790,000	67,790,000	-	2,717,377
Water Revenue Bonds (2011) Series A	Water Fund	2011	2035	59,000,000	57,375,000	825,000	1,889,817
<b>Total Water Fund</b>					<b>208,115,000</b>	<b>5,205,000</b>	<b>8,677,619</b>
<b>Sewer Utility</b>							
Headworks Project Loan	Sewer Fund	2000	2019	7,956,419	2,695,494	422,393	54,994
Cogeneration Project Loan	Sewer Fund	2003	2021	5,374,978	2,478,856	282,199	57,275
Sewer Revenue Bonds (2009) Series A	Sewer Fund	2009	2016	36,835,000	30,075,000	6,760,000	1,495,350
Sewer Revenue Bonds (2009) Series B	Sewer Fund	2009	2039	204,075,000	204,075,000	-	9,216,748
<b>Total Sewer Fund</b>					<b>239,324,350</b>	<b>7,464,592</b>	<b>10,824,367</b>
<b>Parking Fund</b>							
Parking Garages 1 & 2 Interfund Loan #1	Parking Fund	2007	2013	3,000,000	23,990	363,658	4,342
Parking Garages 1 & 2 Interfund Loan #2	Parking Fund	2008	2018	942,006	566,867	113,381	7,619
Fox Entertainment Plaza Loan	Parking Fund	2010	2032	25,000,000	22,962,543	838,362	908,343
<b>Total Parking Fund</b>					<b>23,553,400</b>	<b>1,315,401</b>	<b>920,304</b>
<b>RDA Successor Agency</b>							
RPFA Multiple Project Area TABs (1991)	Redev. Funds	1991	2018	13,285,000	100,000	15,000	9,200
Univ. Corridor/Sycamore Canyon TABs Series A	Redev. Funds	1999	2027	17,025,000	11,935,000	520,000	592,535
Univ. Corridor/Sycamore Canyon TABs Series B	Redev. Funds	1999	2027	6,055,000	4,345,000	180,000	247,700
Casa Blanca TABs	Redev. Funds	1999	2025	20,395,000	12,995,000	715,000	644,018
California Housing Financing Authority Loan	Redev. Funds	2002	2012	1,000,000	-	326,818	24,874
Downtown/Airport TABs	Redev. Funds	2003	2034	40,435,000	28,330,000	1,500,000	1,433,725
California Tower Lease Revenue Bonds Series A	Redev. Funds	2003	2024	26,255,000	18,835,000	970,000	910,208
California Tower Lease Revenue Bonds Series B	Redev. Funds	2003	2024	4,810,000	3,170,000	190,000	173,279
Arlington Tax Allocation Bonds Series A	Redev. Funds	2004	2034	4,550,000	4,225,000	45,000	197,960
Arlington Tax Allocation Bonds Series B	Redev. Funds	2004	2024	2,975,000	2,140,000	125,000	121,138
Multiple Project Area Housing TABs	Redev. Funds	2004	2034	24,115,000	19,155,000	715,000	870,171
ERAF Loan Program Through CSCDA	Redev. Funds	2005	2015	1,465,000	355,000	165,000	27,046
Olivehood Property Assembly Interfund Loan	Redev. Funds	2007	- - -	3,678,991	4,391,860	-	-
RPFA Multiple Project Area TABs (2007) Series A	Redev. Funds	2007	2037	8,340,000	8,240,000	20,000	360,031
RPFA Multiple Project Area TABs (2007) Series B	Redev. Funds	2007	2028	14,850,000	12,960,000	420,000	751,563
RPFA Multiple Project Area TABs (2007) Series C	Redev. Funds	2007	2037	89,205,000	87,650,000	520,000	4,286,225
RPFA Multiple Project Area TABs (2007) Series D	Redev. Funds	2007	2032	43,875,000	36,335,000	1,475,000	2,125,477
Municipal Auditorium Renovations Interfund Loan	Redev. Funds	2008	- - -	727,818	329,072	-	-
3615-3653 Main Street Acquisition Interfund Loan	Redev. Funds	2009	- - -	4,280,000	4,122,786	-	-
HUD Section 108 Refunding Loan - University Village	Redev. Funds	2009	2015	2,260,000	1,125,000	320,000	52,948
3225 Market Street Acquisition Interfund Loan	Redev. Funds	2010	- - -	1,200,000	1,125,454	-	-
HUD Section 108 Refunding Loan - Mission Village	Redev. Funds	2011	2018	2,695,000	2,145,000	285,000	52,848
Reid Park Acquisition Interfund Loan	Redev. Funds	2011	- - -	720,000	743,936	-	-
Riverside Golf Course Acquisition Interfund Loan	Redev. Funds	2011	- - -	4,837,500	4,998,319	-	-
<b>Total RDA Successor Agency</b>					<b>269,751,427</b>	<b>8,506,818</b>	<b>12,880,945</b>
<b>Housing Authority</b>							
3836-3844 Second Street Acquisition Interfund Loan	Housing Funds	2012	2015	458,151	458,151	-	5,131
<b>Total Housing Authority</b>					<b>458,151</b>	<b>-</b>	<b>5,131</b>
<b>Assessment District &amp; Community Facilities District</b>							
Sycamore Canyon Business Park No. 1 Bonds	Asmt. Funds	1992	2012	4,416,947	-	420,000	17,850
Highlander CFD 90-1 Refunding Bonds	Asmt. Funds	2001	2015	14,325,000	3,860,000	1,155,000	244,063
RPFA Refunding Bonds Series A	Asmt. Funds	2001	2016	16,730,000	3,875,000	865,000	198,485
RPFA Refunding Bonds Series B	Asmt. Funds	2001	2016	1,620,000	540,000	120,000	33,261
Riverwalk Business Center Assessment District Bonds	Asmt. Funds	2005	2029	3,755,000	3,035,000	105,000	184,365
Sycamore Canyon Business Park CFD 92-1 Bonds	Asmt. Funds	2005	2034	9,700,000	8,375,000	210,000	433,096
Hunter Park Assessment District Bonds	Asmt. Funds	2006	2036	15,269,906	13,650,000	295,000	700,753
Riverwalk Assessment District Refunding Bonds	Asmt. Funds	2011	2026	7,805,000	7,385,000	420,000	311,306
Auto Center Assessment District Refunding Bonds	Asmt. Funds	2012	2024	4,050,000	3,795,000	255,000	160,458
Riverwalk Vista CFD 2006-1	Asmt. Funds	2013	2043	4,415,000	4,415,000	-	-
<b>Total Assessment District &amp; Community Facilities District</b>					<b>48,930,000</b>	<b>3,845,000</b>	<b>2,283,637</b>
<b>Total Debt</b>					<b>\$1,814,129,483</b>	<b>\$ 57,519,997</b>	<b>\$ 77,375,015</b>

NOTE: "TABs" refers to Tax Allocation Bonds.

# BUDGET SUMMARY – GENERAL FUND

## Overview of the General Fund

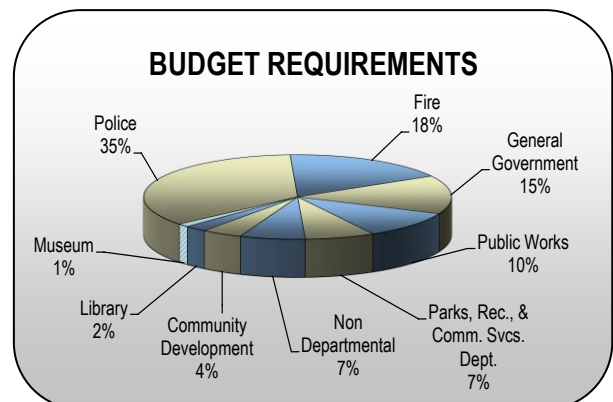
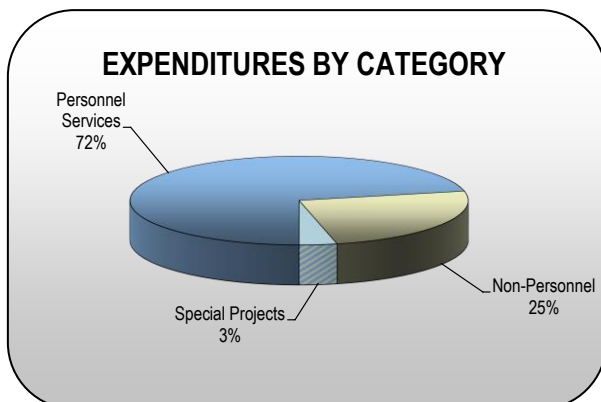
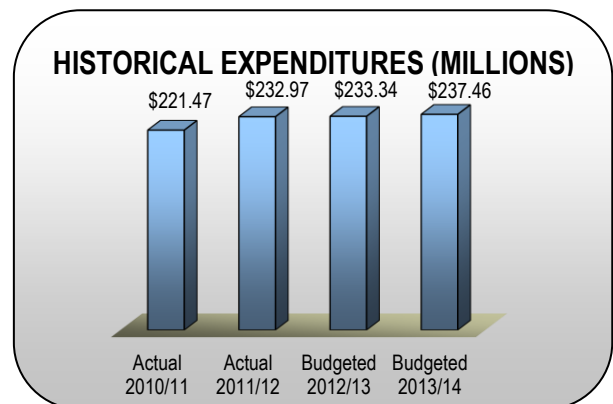
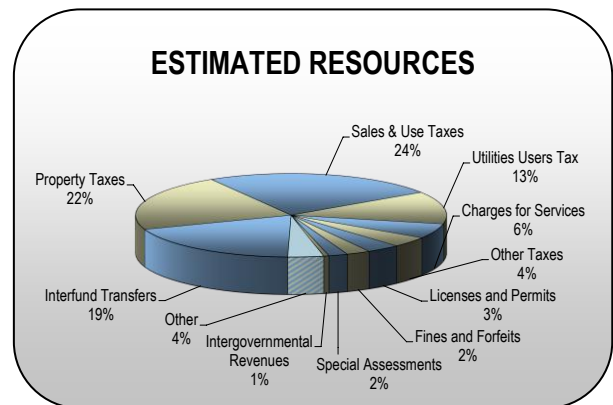
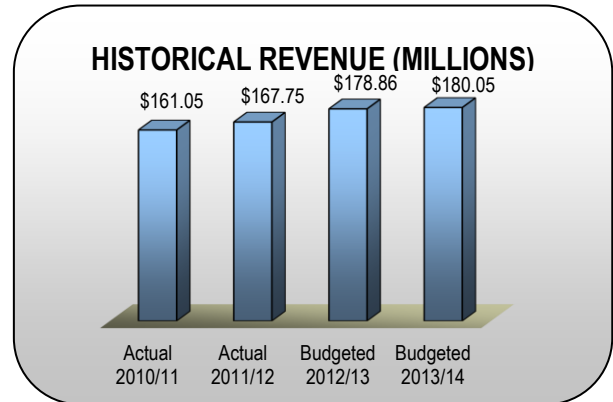
The City's General Fund budget for fiscal year 2012/13 amounts to \$222,538,010, including managed savings. This equates to an increase of 0.83% versus the previous year's Annual Budget. The increase in the current operations budget is 1.77%.

Core city services such as police, fire, parks, recreation, and street maintenance are budgeted in the General Fund. Therefore, the General Fund's growth can be more closely tied to the growth of the City and the economic activity within the City than the Annual Budget as a whole. The General Fund budget increase this year reflects the current economic conditions while cautiously increasing the City's investment in public safety, transportation, economic development, and other critical needs as outlined in the City Manager's Budget Message.

## General Fund Revenue Sources

The General Fund is supported by a diverse set of revenue sources. Included are tax revenues, fees charged for services, licenses and permits, and other more minor sources. In the pages that follow, each of the major General Fund revenue sources is described with information about historical trends, current budgeted revenues, and forecast methodology.

An important part of the overall General Fund financial picture is interfund transfers. The General Fund will receive \$42.5 million from the Electric and Water Funds, which is a transfer of certain operating revenues as authorized by the City Charter.



## GENERAL FUND – BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Sales & Use Taxes	44,156,744	47,701,207	51,079,000	54,218,000	6.15%
Property Taxes	44,988,566	46,385,452	48,765,758	48,905,753	0.29%
Utilities Users Tax	26,690,556	27,319,492	28,397,050	28,043,000	-1.25%
Charges for Services	10,653,041	11,770,612	11,758,858	12,796,884	8.83%
Other Taxes	7,669,615	7,878,638	9,011,000	8,977,500	-0.37%
Licenses and Permits	6,716,591	7,118,659	7,456,234	7,735,760	3.75%
Fines and Forfeits	5,241,454	6,293,396	4,955,437	5,516,144	11.31%
Special Assessments	3,954,169	4,508,543	4,749,395	4,401,416	-7.33%
Intergovernmental Revenues	1,846,292	1,262,517	1,220,000	1,195,000	-2.05%
Other	9,134,189	7,508,237	11,467,203	8,255,553	-28.01%
<b>Total Revenues</b>	<b>\$ 161,051,217</b>	<b>\$ 167,746,753</b>	<b>\$ 178,859,935</b>	<b>\$ 180,045,010</b>	<b>0.66%</b>
Interfund Transfers			40,890,700	42,493,000	
Fund Balance			964,276	-	
<b>Total Resources</b>			<b>\$ 220,714,911</b>	<b>\$ 222,538,010</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Personnel Services	161,980,372	167,993,118	168,343,945	170,111,040	1.05%
Non-Personnel	50,501,936	56,237,398	56,665,628	58,819,592	3.80%
Special Projects	8,986,988	8,742,664	8,325,853	8,531,916	2.47%
<b>Current Operations Budget</b>	<b>\$ 221,469,296</b>	<b>\$ 232,973,180</b>	<b>\$ 233,335,426</b>	<b>\$ 237,462,548</b>	<b>1.77%</b>
Equipment Outlay	1,737,294	2,514,961	440,639	190,208	-56.83%
Debt Service	44,341,001	44,890,138	15,050,494	15,846,148	5.29%
Operating Grants	3,524,108	3,800,160	-	-	---
Capital Outlay & Grants	3,104,231	4,597,104	386,890	368,390	-4.78%
Charges From Others	48,294,440	50,012,528	58,039,073	59,286,240	2.15%
Charges To Others	(81,377,207)	(81,999,826)	(82,842,489)	(86,183,524)	4.03%
<b>Total Budget</b>	<b>\$ 241,093,163</b>	<b>\$ 256,788,245</b>	<b>\$ 224,410,033</b>	<b>\$ 226,970,010</b>	<b>1.14%</b>
Interfund Transfers			-	-	
Managed Savings			(3,695,122)	(4,432,000)	
<b>Total Budget Requirements</b>			<b>\$ 220,714,911</b>	<b>\$ 222,538,010</b>	

### EXPENDITURE HISTORY BY ORGANIZATIONAL UNIT

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Police Department	79,125,975	84,499,532	82,050,209	83,919,207	2.28%
Fire Department	41,148,376	43,345,922	40,860,831	41,744,603	2.16%
General Government	31,786,497	35,480,690	34,524,111	34,921,108	1.15%
Public Works Department	19,472,754	21,288,100	24,415,536	24,599,300	0.75%
Parks, Recreation, & Community Services Dept.	14,554,473	15,753,769	16,434,246	17,394,597	5.84%
Non Departmental	17,239,440	17,216,981	16,003,718	16,263,676	1.62%
Community Development Department	11,384,146	8,692,194	10,630,071	10,142,760	-4.58%
Riverside Public Library	5,267,860	5,542,020	5,559,892	5,601,646	0.75%
Riverside Metropolitan Museum	1,489,775	1,153,972	2,856,812	2,875,651	0.66%
<b>Current Operations Budget</b>	<b>\$ 221,469,296</b>	<b>\$ 232,973,180</b>	<b>\$ 233,335,426</b>	<b>\$ 237,462,548</b>	<b>1.77%</b>

# BUDGET SUMMARY – GENERAL FUND

## Sales and Use Taxes

Sales and Use Taxes are imposed on retail transactions, usually at the point of sale. They are collected and remitted to the California State Board of Equalization, which administers the program. In Riverside County, Sales Tax is assessed at the rate of 7.75% of the transaction value. Included in this rate are one percentage point for local sales tax, 0.5 percentage point for Measure “A” transportation programs, and 0.5 percentage point for Local Public Safety Augmentation (LPSA). The Board of Equalization distributes Sales Tax monies on the basis of point of sale data, while Use Tax monies are allocated from various dollar pools at County or State levels based on taxable sales for the defined areas. The LPSA monies are distributed via the County of Riverside to cities based on their proportionate share of property tax losses due to the State’s Educational Revenue Augmentation Fund (ERAF) shifts.

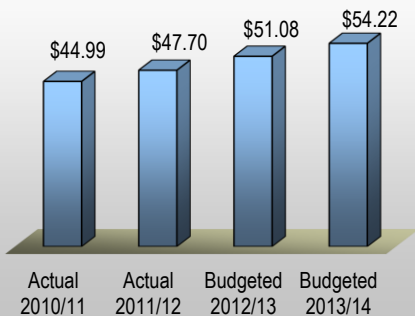
Sales and Use Tax revenues are one of the two largest revenue sources for the General Fund, representing 24.36% of total estimated revenues in fiscal year 2013/14. Following the downturn in the economy beginning in 2007, sales tax revenues declined sharply. Recent years have seen a steadily increasing trend, which is anticipated to continue. For fiscal year 2013/14, budgeted Sales and Use Tax revenues are estimated to increase from the prior year’s budgeted revenues based on forecast data prepared by outside expert consultants and validated by the City staff. The budgeted amount of \$54.22 million represents an increase of 6.15%.

## Property Taxes

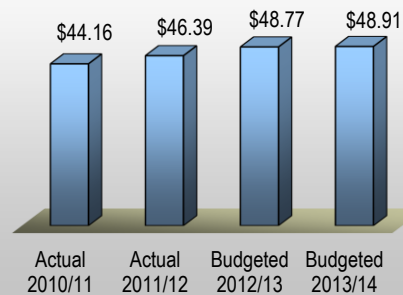
Property taxes are levied at one percent of assessed value, as established in 1978 by California’s Proposition 13. The County of Riverside administers the property tax program and the City of Riverside receives approximately 12% of the receipts generated by property taxes levied within the City limits. The balance of the assessment received is allocated between various schools, Riverside County, and the Successor Agency.

Property Tax revenues are one of the two largest revenue sources for the General Fund, representing 21.98% of total estimated revenues in fiscal year 2013/14. Property Tax revenues have fallen slightly in recent years as a result of the depressed housing market in Southern California. Due to the City’s older housing stock, new retail and commercial construction, annexations, and higher assessed values for properties as they are sold (Proposition 13 also limits annual increases in assessed value so that properties are often assessed considerably below actual value until resold), decreases have not been as high as those seen in surrounding communities. For fiscal year 2013/14, budgeted Property Tax revenues are estimated to increase slightly versus the previous fiscal year based on forecast data prepared by outside expert consultants and validated by City staff. The budgeted amount of \$48.91 million represents an increase of 0.29%.

**HISTORICAL SALES & USE TAX REVENUE**  
(MILLIONS)



**HISTORICAL PROPERTY TAX REVENUE**  
(MILLIONS)



# GENERAL FUND – BUDGET SUMMARY

## Utility Users Taxes

Utility Users Taxes are imposed on telephone, electrical, gas, water, and cable television services within the City limits at a rate of 6.5 percent of taxable services.

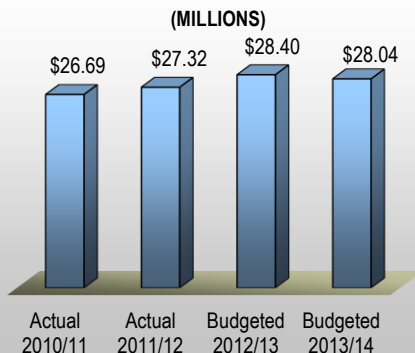
Utility Users Tax revenues represent 12.60% of total estimated General Fund revenues in fiscal year 2013/14. These revenues are largely predictable and increase at a steady and measurable rate as the customer base of the City's utilities increases. For fiscal year 2013/14, budgeted Utility Users Tax revenues have also been adjusted to reflect growing competition in the cable television market. The budgeted amount of \$28.04 million represents a decrease of 1.25%.

## Charges for Services

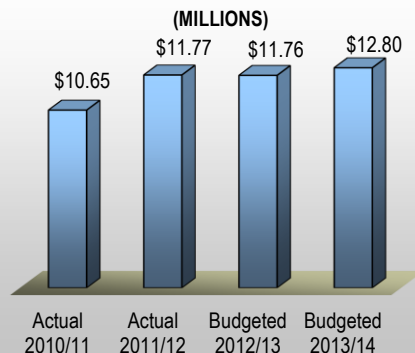
The City has developed service fees that are designed to recover a specified portion of the service cost. This is referred to as the recovery level and is established by the City Council. The primary revenue source in this category is fees for processing various development-related applications.

Charges for Services revenue represents 5.75% of total estimated General Fund revenues in fiscal year 2013/14. Revenue from many Charges for Services remains relatively steady and increases each year with the growth in the City's population and inflation. Certain Charges for Services, however, are tied to the construction industry and are thus more closely tied to current economic trends. For fiscal year 2013/14, budgeted Charges for Services are estimated to increase primarily as a result of an anticipated gradual reversal of the decline in the housing market. The budgeted amount of \$12.80 million represents an increase of 8.83%.

**HISTORICAL UTILITY USERS TAX REVENUE**



**HISTORICAL CHARGES FOR SVCS. REVENUE**



# BUDGET SUMMARY – GENERAL FUND

## Licenses and Permits

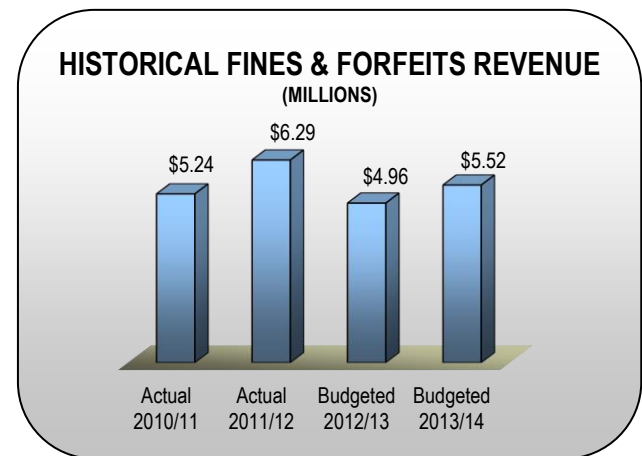
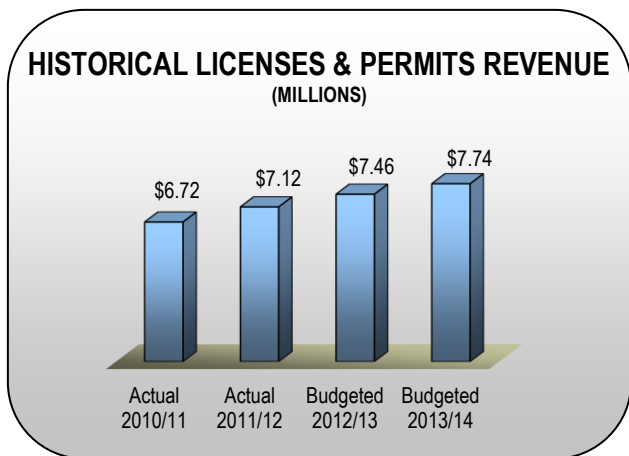
Licenses and permits generate revenue from a wide variety of activity, ranging from business and animal licenses, to building-related permits. The most significant revenue sources are Business Licenses and Building Permit Fees. Business Licenses are required for all establishments conducting business within the City limits and are renewed annually. License fees are based on gross sales, the type of business, and the number of employees. Building Permits are issued by the City and required for various types of construction within the City limits.

Licenses and Permits revenue represents 3.48% of total estimated General Fund revenues in fiscal year 2013/14. Revenue from some Licenses and Permits remains relatively steady and increases each year with the growth in the City's population and inflation. Other Licenses and Permits, however, are tied to the construction industry and are thus more closely tied to current economic trends. For fiscal year 2013/14, budgeted Licenses and Permits revenues are estimated to increase primarily as a result of an anticipated gradual reversal of the decline in the housing market. The budgeted amount of \$7.74 million represents an increase of 3.75%.

## Fines and Forfeits

Fines and Forfeits revenue is generated primarily by fines paid to the City for violations of the municipal code or for traffic violations.

Fines and Forfeits revenue represents 2.48% of total estimated General Fund revenues in fiscal year 2013/14. Revenue from most Fines & Forfeits sources remains relatively steady and increases each year with the growth in the City's population and inflation. With the implementation mid-year in fiscal year 2006/07 of the City's Photo Red Light Enforcement Program, however, there was a significant increase in Fines and Forfeits revenue for fiscal year 2007/08. These revenues are designated for traffic safety-related expenditures and offset expenditures budgeted in the Public Works Department budget for that purpose. For fiscal year 2013/14, budgeted Fines and Forfeits revenues are estimated to increase primarily as a result of an increase in administrative civil penalties. The budgeted amount of \$5.52 million represents a decrease of 11.31%.



# GENERAL FUND – BUDGET SUMMARY

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# BUDGET SUMMARY – ELECTRIC FUND

## Overview of the Electric Fund

The City's Electric Fund budget for fiscal year 2012/13 amounts to \$415,993,697. This equates to an increase of 12.70% versus the previous year's Annual Budget. This increase is primarily attributable to capital projects that were budgeted in fiscal year 2013/14 at a higher level than fiscal year 2012/13. The increase in the current operations budget is 6.24%.

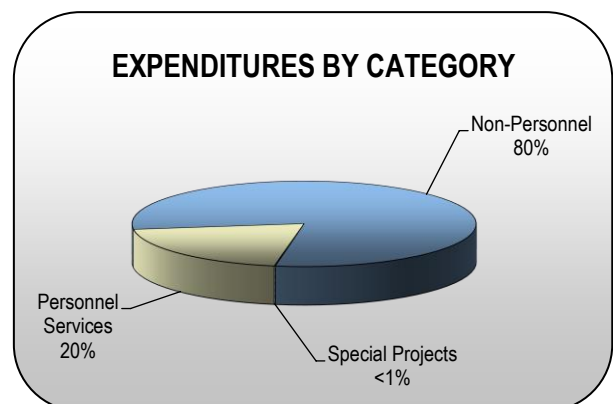
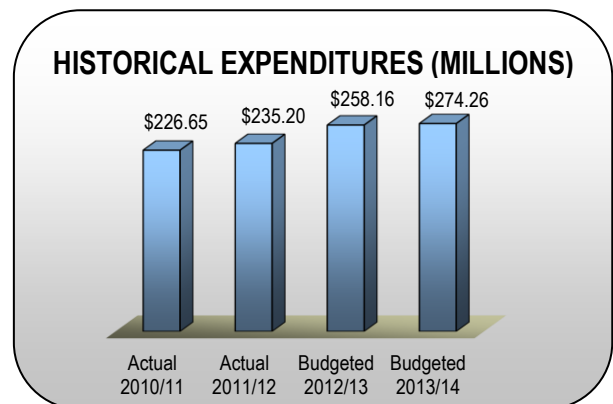
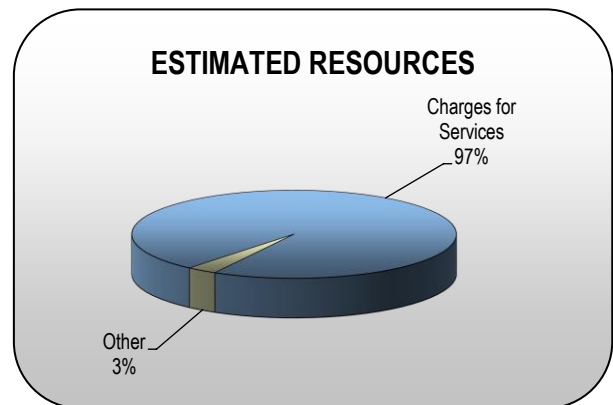
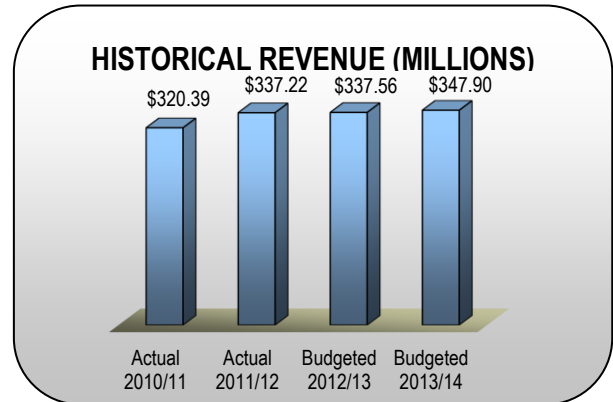
The operating and capital expenditures of the Electric Utility component of Riverside Public Utilities are budgeted in the Electric Fund. In addition to offering lower residential rates than its competitors, Riverside Public Utilities also bolsters economic development within the City by offering discounted commercial rates to large power users and high tech companies. Expenditures in the Electric Fund range from personnel operating the City's power plants to capital expenditures to construct new transmission lines as the City grows.

## Electric Fund Revenue Sources

The Electric Fund is supported almost exclusively by Charges for Services. These charges include charges for residential and commercial electricity usage by the Utility's customers as well as other miscellaneous items. As an Enterprise Fund, capital and operational cost are recovered through charges for services. Rate increases may be necessary due to increased costs or inflation.

Growth in Electric Fund Charges for Services is primarily tied to growth in the customer base of the Utility, rates, and/or electricity demand. Riverside Public Utilities prepares revenue projections based upon an analysis of various statistics and trends. The results of this analysis are included in the Annual Budget. The budgeted amount of \$337.40 million represents an increase of 4.03%.

An important part of the overall Electric Fund financial picture is interfund transfers. The Electric Fund will transfer \$35.79 million out to the General Fund, which is a transfer of certain operating revenues as authorized by the City Charter. These funds are used by the City to augment the provisioning of core city services such as police, fire, parks, and street maintenance.





## ELECTRIC FUND – BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Charges for Services	305,654,990	325,339,015	324,328,000	337,402,800	4.03%
Other	14,736,496	11,881,641	13,235,919	10,501,220	-20.66%
<b>Total Revenues</b>	<b>\$ 320,391,486</b>	<b>\$ 337,220,656</b>	<b>\$ 337,563,919</b>	<b>\$ 347,904,020</b>	<b>3.06%</b>
Interfund Transfers			-	-	
Bond Proceeds			33,834,000	62,100,000	
Fund Balance			-	5,989,677	
<b>Total Resources</b>			<b>\$ 371,397,919</b>	<b>\$ 415,993,697</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Personnel Services	45,250,782	48,606,312	52,276,156	53,339,089	2.03%
Non-Personnel	181,144,060	186,390,231	205,593,489	220,635,306	7.32%
Special Projects	259,343	202,403	286,133	286,133	0.00%
<b>Current Operations Budget</b>	<b>\$ 226,654,185</b>	<b>\$ 235,198,946</b>	<b>\$ 258,155,778</b>	<b>\$ 274,260,528</b>	<b>6.24%</b>
Equipment Outlay	690,469	666,399	815,800	770,045	-5.61%
Debt Service	43,989,511	55,439,104	49,364,000	83,338,000	68.82%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	49,463,210	42,422,668	38,258,000	35,316,000	-7.69%
Charges From Others	11,227,830	11,334,289	11,992,310	13,100,161	9.24%
Charges To Others	(23,282,785)	(23,227,141)	(23,900,091)	(26,581,537)	11.22%
<b>Total Budget</b>	<b>\$ 308,742,420</b>	<b>\$ 321,834,265</b>	<b>\$ 334,685,797</b>	<b>\$ 380,203,197</b>	<b>13.60%</b>
Interfund Transfers			34,423,500	35,790,500	
<b>Total Budget Requirements</b>			<b>\$ 369,109,297</b>	<b>\$ 415,993,697</b>	

# BUDGET SUMMARY – WATER FUND

## Overview of the Water Fund

The City's Water Fund budget for fiscal year 2013/14 amounts to \$69,418,787. This equates to a decrease of 28.32% from the previous year's Annual Budget. This increase is primarily attributable to a decrease in capital expenditures versus the prior year's budget. The increase in the current operations budget is 0.98%.

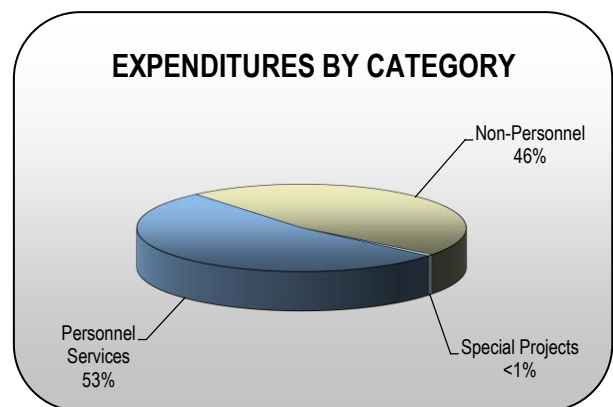
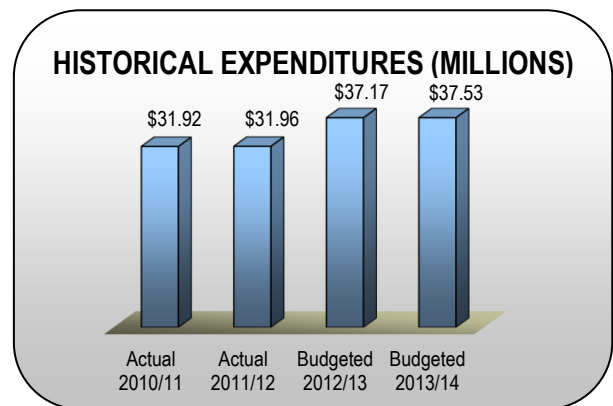
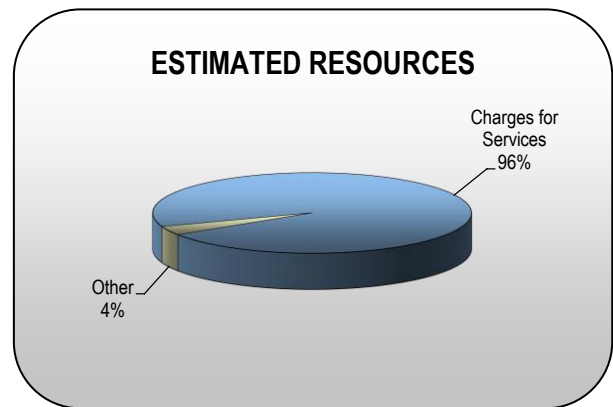
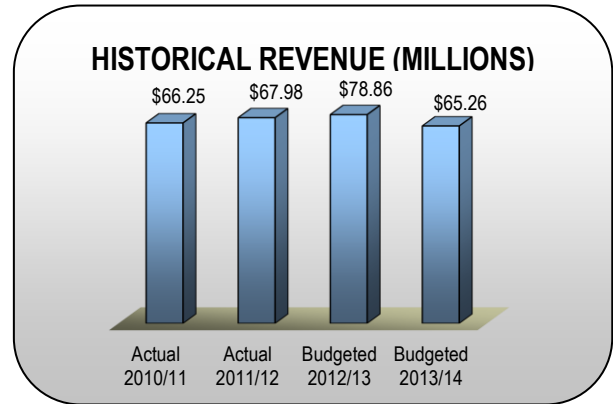
The operating and capital expenditures of the Water Utility component of Riverside Public Utilities are budgeted in the Water Fund. Expenditures in the Water Fund range from personnel maintaining water lines to capital expenditures to construct new water lines as the City grows.

## Water Fund Revenue Sources

The Water Fund is supported almost exclusively by Charges for Services. These charges include residential and commercial water usage by the Utility's customers as well as other miscellaneous items. As an Enterprise Fund, capital and operational cost are recovered through charges for services. Rate increases may be necessary due to increased costs or inflation.

Growth in Water Fund Charges for Services is primarily tied to growth in the customer base of the Utility, rates, and/or water demand. Riverside Public Utilities prepares revenue projections based upon an analysis of various statistics and trends. The results of this analysis are included in the Annual Budget. The budgeted amount of \$62.91 million represents a decrease of 2.62%.

An important part of the overall Water Fund financial picture is interfund transfers. The Water Fund will transfer \$6.70 million out to the General Fund, which is a transfer of certain operating revenues as authorized by the City Charter. These funds are used by the City to augment the provisioning of core city services such as police, fire, parks, and street maintenance.



## WATER FUND – BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Charges for Services	60,279,016	64,338,998	61,306,200	62,911,450	2.62%
Other	5,971,808	3,645,884	17,549,670	2,344,650	-86.64%
<b>Total Revenues</b>	<b>\$ 66,250,824</b>	<b>\$ 67,984,882</b>	<b>\$ 78,855,870</b>	<b>\$ 65,256,100</b>	<b>-17.25%</b>
Interfund Transfers			-	-	
Bond Proceeds			17,209,000	3,528,000	
Fund Balance			781,258	634,687	
<b>Total Resources</b>			<b>\$ 96,846,128</b>	<b>\$ 69,418,787</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Personnel Services	17,355,175	17,688,477	19,622,735	19,918,915	1.51%
Non-Personnel	14,429,091	14,212,001	17,305,681	17,371,908	0.38%
Special Projects	140,581	57,025	240,000	240,000	0.00%
<b>Current Operations Budget</b>	<b>\$ 31,924,847</b>	<b>\$ 31,957,503</b>	<b>\$ 37,168,416</b>	<b>\$ 37,530,823</b>	<b>0.98%</b>
Equipment Outlay	655,115	-	28,676	228,600	697.18%
Debt Service	13,623,431	13,135,169	14,165,000	13,409,000	-5.34%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	29,301,868	27,690,494	36,204,500	7,945,000	-78.06%
Charges From Others	9,337,181	8,859,074	9,961,336	10,825,864	8.68%
Charges To Others	(5,956,924)	(5,429,864)	(7,149,000)	(7,223,000)	1.04%
<b>Total Budget</b>	<b>\$ 78,885,518</b>	<b>\$ 76,212,376</b>	<b>\$ 90,378,928</b>	<b>\$ 62,716,287</b>	<b>-30.61%</b>
Interfund Transfers			6,467,200	6,702,500	
<b>Total Budget Requirements</b>			<b>\$ 96,846,128</b>	<b>\$ 69,418,787</b>	

# BUDGET SUMMARY – SEWER FUND

## Overview of the Sewer Fund

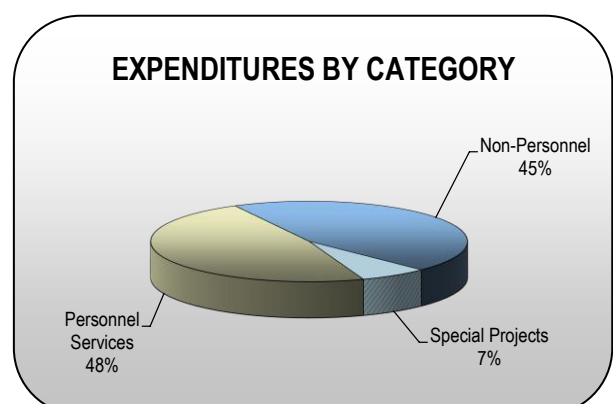
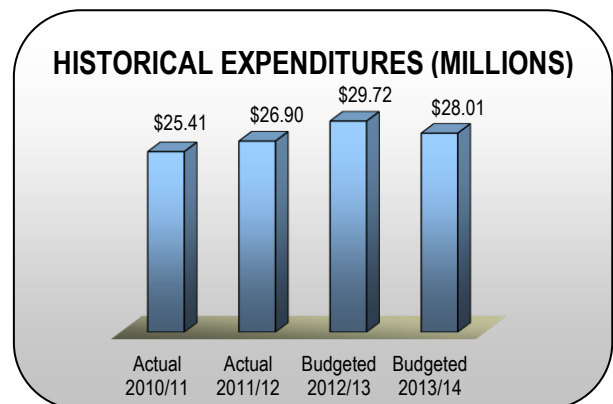
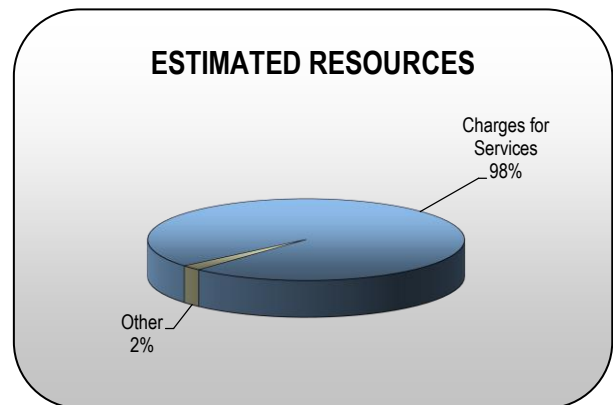
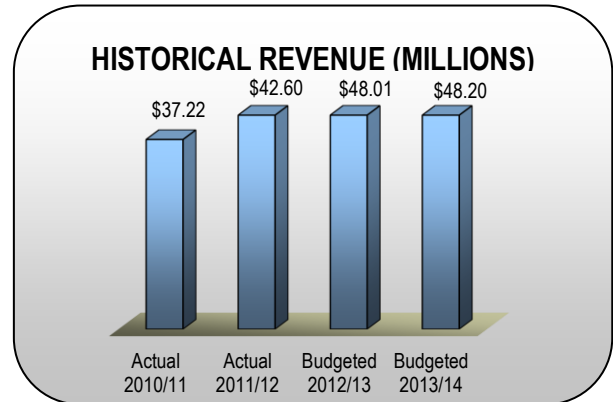
The City's Sewer Fund budget for fiscal year 2013/14 amounts to \$53,387,518. This equates to a decrease of 81.02% versus the previous year's Annual Budget. The decrease is primarily attributable to a significant reduction in capital projects budgeted in fiscal year 2013/14. The decrease in the current operations budget is 5.74%.

The operating and capital expenditures related to the City's sewer system and treatment plant are budgeted in the Sewer Fund. Expenditures in the Sewer Funds include the cost of constructing and maintaining sewer lines and facilities and well as the operational costs associated with the City's Water Quality Control Plant, which serves the residential and commercial sewer needs within the City as well as the Jurupa, Rubidoux, and Edgemont Community Service Districts.

## Sewer Funds Revenue Sources

The Sewer Fund is supported almost exclusively by Charges for Services. These charges include residential and commercial sewer usage charges and other miscellaneous items. As an Enterprise Fund, capital and operational cost are recovered through charges for services. Rate increases may be necessary due to increased costs or inflation.

Growth in Sewer Fund Charges for Services is primarily tied to growth in the customer base, rates, and/or demand. The Public Works Department prepares revenue projections based upon an analysis of various statistics and trends. The results of this analysis are included in the Annual Budget. The budgeted amount of \$47.20 million represents an increase of 6.70% and reflects an ongoing multi-year rate increase.



## SEWER FUND – BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Charges for Services	33,346,778	38,848,631	44,235,751	47,201,514	6.70%
Other	3,873,399	3,748,222	3,777,080	1,002,500	-73.46%
<b>Total Revenues</b>	<b>\$ 37,220,177</b>	<b>\$ 42,596,853</b>	<b>\$ 48,012,831</b>	<b>\$ 48,204,014</b>	<b>0.40%</b>
Interfund Transfers			-	-	
Bond Proceeds			231,234,191	4,425,000	
Fund Balance			2,039,317	758,504	
<b>Total Resources</b>			<b>\$ 281,286,339</b>	<b>\$ 53,387,518</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Personnel Services	12,115,459	12,971,342	13,653,002	13,391,977	-1.91%
Non-Personnel	11,667,692	12,279,231	14,027,575	12,680,379	-9.60%
Special Projects	1,630,674	1,651,873	2,040,215	1,941,291	-4.85%
<b>Current Operations Budget</b>	<b>\$ 25,413,825</b>	<b>\$ 26,902,446</b>	<b>\$ 29,720,792</b>	<b>\$ 28,013,647</b>	<b>-5.74%</b>
Equipment Outlay	117,009	43,398	157,775	52,500	-66.72%
Debt Service	9,084,688	8,261,911	18,515,180	18,516,132	0.01%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	26,461,713	32,182,781	231,253,391	4,443,000	-98.08%
Charges From Others	4,851,178	5,421,886	5,522,028	5,331,414	-3.45%
Charges To Others	(3,062,940)	(3,106,959)	(3,882,827)	(2,969,175)	-23.53%
<b>Total Budget</b>	<b>\$ 62,865,473</b>	<b>\$ 69,705,463</b>	<b>\$ 281,286,339</b>	<b>\$ 53,387,518</b>	<b>-81.02%</b>
Interfund Transfers			-	-	
<b>Total Budget Requirements</b>			<b>\$ 281,286,339</b>	<b>\$ 53,387,518</b>	

# BUDGET SUMMARY – REFUSE FUND

## Overview of the Refuse Fund

The City's Refuse Fund budget for fiscal year 2013/14 amounts to \$21,473,367. This equates to a decrease of 2.18% versus the previous year's Annual Budget. The increase in the current operations budget is 2.63%.

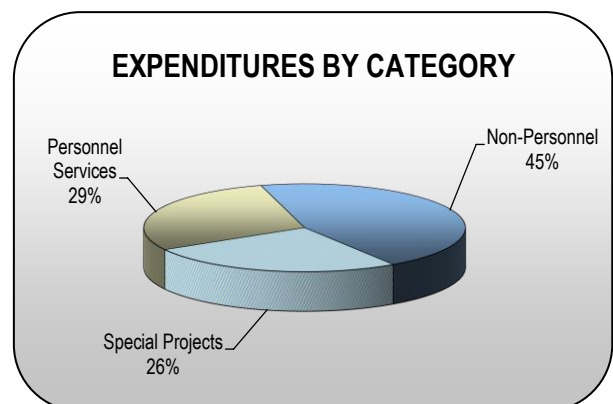
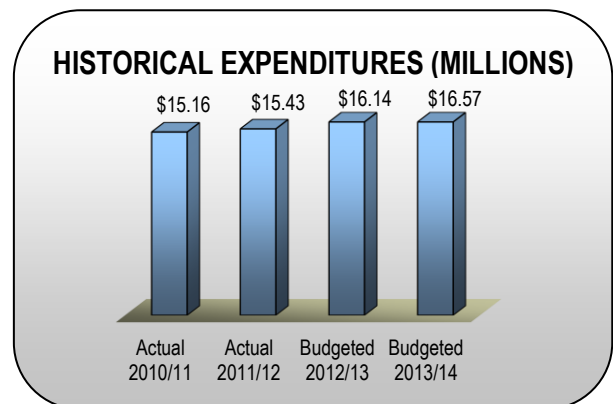
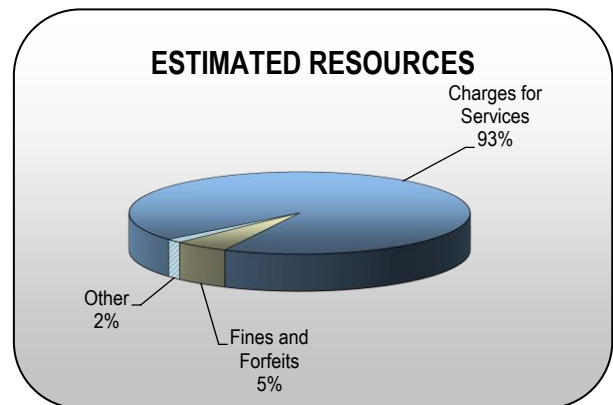
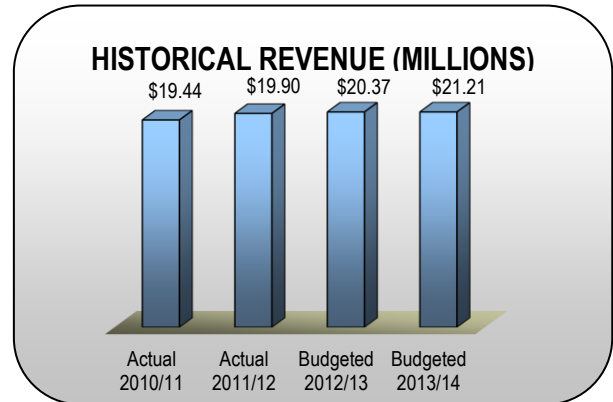
The operating and capital expenditures related to the City's refuse collection services are budgeted in the Refuse Fund. The City provides approximately 70 percent of residential service, with the remainder provided by private companies. Commercial refuse service is provided solely by the private sector.

## Refuse Fund Revenue Sources

The Refuse Fund is supported almost exclusively by Charges for Services. These charges include residential refuse collection charges and other miscellaneous items. As an Enterprise Fund, capital and operational cost are recovered through charges for services. Rate increases may be necessary due to increased costs or inflation.

Growth in Refuse Fund Charges for Services is primarily tied to growth in the customer base, rates, and/or demand. The Public Works Department prepares revenue projections based upon analysis of various statistics and trends. The results of this analysis are included in the Annual Budget. The budgeted amount of \$19.74 million represents an increase of 3.93%.

Additionally, a small amount of revenue is received by the Refuse Fund related to parking tickets issued for violations of no parking zones on street sweeping days. These revenues offset interfund charges from the Public Parking Fund related to enforcement of the no parking zones.



## REFUSE FUND – BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Charges for Services	18,055,910	18,591,388	18,994,845	19,741,514	3.93%
Fines and Forfeits	1,077,932	996,364	1,060,000	954,000	-10.00%
Other	306,131	308,751	315,000	515,673	63.71%
<b>Total Revenues</b>	<b>\$ 19,439,973</b>	<b>\$ 19,896,503</b>	<b>\$ 20,369,845</b>	<b>\$ 21,211,187</b>	<b>4.13%</b>
Interfund Transfers			-	-	
Fund Balance			1,582,822	262,180	
<b>Total Resources</b>			<b>\$ 21,952,667</b>	<b>\$ 21,473,367</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Personnel Services	4,387,579	4,616,748	4,707,869	4,879,632	3.65%
Non-Personnel	6,687,340	6,806,918	7,297,729	7,376,532	1.08%
Special Projects	4,088,905	4,002,067	4,135,743	4,309,436	4.20%
<b>Current Operations Budget</b>	<b>\$ 15,163,824</b>	<b>\$ 15,425,733</b>	<b>\$ 16,141,341</b>	<b>\$ 16,565,600</b>	<b>2.63%</b>
Equipment Outlay	63,181	645,155	1,535,890	1,533,398	-0.16%
Debt Service	70,613	73,007	84,421	85,112	0.82%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	164,781	219,616	353,500	281,300	-20.42%
Charges From Others	3,438,768	3,778,509	4,267,511	3,431,622	-19.59%
Charges To Others	(473,061)	(452,801)	(429,996)	(423,665)	-1.47%
<b>Total Budget</b>	<b>\$ 18,428,106</b>	<b>\$ 19,689,219</b>	<b>\$ 21,952,667</b>	<b>\$ 21,473,367</b>	<b>-2.18%</b>
Interfund Transfers			-	-	
<b>Total Budget Requirements</b>			<b>\$ 21,952,667</b>	<b>\$ 21,473,367</b>	

# BUDGET SUMMARY – AIRPORT FUND

## Overview of the Airport Fund

The City's Airport Fund budget for fiscal year 2013/14 amounts to \$958,026. This equates to a decrease of 50.48% versus the previous year's Annual Budget. The decrease in the current operations budget is 51.18% and primarily related to the Airport reducing costs by returning the Fixed Based Operator function to a private contractor.

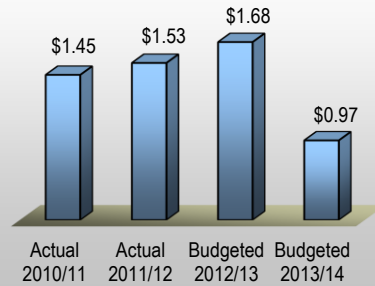
The operating and capital expenditures of the Riverside Airport are budgeted in the Airport Fund. The Riverside Airport serves the needs of local business jets, cargo aircraft, police and military helicopters, and private pilots and leases open space for short-term projects. Expenditures in the Airport Fund range from maintaining the terminal building to capital expenditures to reconstruct or expand the airfield.

## Airport Fund Revenue Sources

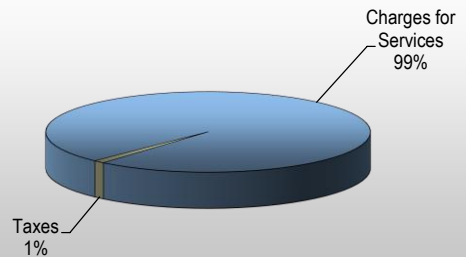
The Airport Fund is supported almost exclusively by Charges for Services. These charges include leases, fuel sales and flowage charges, and landing fees. As an Enterprise Fund, capital and operational cost are recovered through charges for services. Rate increases may be necessary due to increased costs or inflation.

Growth in Airport Fund Charges for Services is primarily tied to growth in the customer base of the Airport and/or the number of leased facilities on the Airport. The Riverside Airport projects revenue based upon an analysis of historical trends, which in recent years have been slightly negative. Additional reduced revenues for fiscal year 2013/14 are a result of lower fuel sales related to the return of the Fixed Based Operator function to a private contractor. The results of this analysis are included in the Annual Budget. The budgeted amount of \$962,900 represents a decrease of 42.24%.

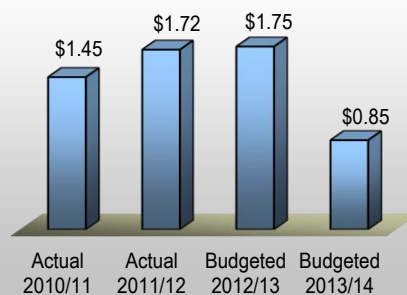
### HISTORICAL REVENUE (MILLIONS)



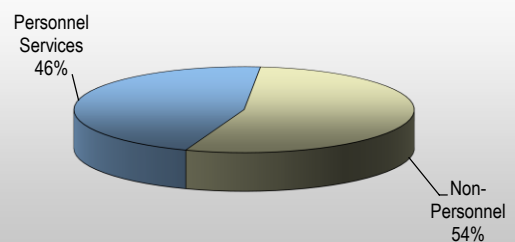
### ESTIMATED RESOURCES



### HISTORICAL EXPENDITURES (MILLIONS)



### EXPENDITURES BY CATEGORY





## AIRPORT FUND – BUDGET SUMMARY

### REVENUE HISTORY BY REVENUE CATEGORY

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Taxes	95,586	-	11,000	11,000	0.00%
Charges for Services	1,341,733	1,523,965	1,667,155	962,900	-42.24%
Miscellaneous	9,324	8,770	5,000	-	---
<b>Total Revenues</b>	<b>\$ 1,446,643</b>	<b>\$ 1,532,735</b>	<b>\$ 1,683,155</b>	<b>\$ 973,900</b>	<b>-42.14%</b>
Interfund Transfers			-	-	
Fund Balance			251,461	-	
<b>Total Resources</b>			<b>\$ 1,934,616</b>	<b>\$ 973,900</b>	

### EXPENDITURE HISTORY BY BUDGET CATEGORY

	Actual 2010/11	Actual 2011/12	Budgeted 2012/13	Budgeted 2013/14	Change
Personnel Services	711,131	755,673	802,994	565,609	-29.56%
Non-Personnel	743,531	961,132	943,419	286,925	-69.59%
Special Projects	-	-	-	-	---
<b>Current Operations Budget</b>	<b>\$ 1,454,662</b>	<b>\$ 1,716,805</b>	<b>\$ 1,746,413</b>	<b>\$ 852,534</b>	<b>-51.18%</b>
Equipment Outlay	-	193	2,000	-	---
Debt Service	14,530	16,773	15,480	15,607	0.82%
Operating Grants	-	-	-	-	---
Capital Outlay & Grants	93,573	64,104	25,000	-	---
Charges From Others	223,957	225,480	145,723	102,441	-29.70%
Charges To Others	-	-	-	-	---
<b>Total Budget</b>	<b>\$ 1,786,722</b>	<b>\$ 2,023,355</b>	<b>\$ 1,934,616</b>	<b>\$ 970,582</b>	<b>-49.83%</b>
Interfund Transfers			-	-	
Managed Savings			-	(12,556)	
<b>Total Budget Requirements</b>			<b>\$ 1,934,616</b>	<b>\$ 958,026</b>	

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