

City of Riverside
Statement of Net Assets
June 30, 2012
(amounts expressed in thousands)

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 76,341	\$ 274,546	\$ 350,887
Receivables, net	107,482	60,100	167,582
Inventory	6,787	1,992	8,779
Nuclear material inventory	-	1,334	1,334
Prepaid items	320	16,532	16,852
Deposits	176	851	1,027
Deferred charges - other	113,414	40,161	153,575
Deferred charges - derivative instruments	24,326	37,760	62,086
Internal balances	12,908	(12,908)	-
Land and improvements held for resale	5,253	-	5,253
Restricted assets:			
Cash and cash equivalents	-	41,142	41,142
Cash and investments at fiscal agent	25,431	429,710	455,141
Other	-	954	954
Advances to Successor Agency	45,296	9,808	55,104
Nuclear fuel, at amortized cost	-	8,832	8,832
Land and other capital assets not being depreciated	348,726	192,636	541,362
Capital assets (net of accumulated depreciation)	923,079	1,212,329	2,135,408
Total assets	<u>1,689,539</u>	<u>2,315,779</u>	<u>4,005,318</u>
Liabilities			
Accounts payable and other current liabilities	22,988	34,358	57,346
Accrued interest payable	3,574	12,478	16,052
Deferred revenue	4,153	2,049	6,202
Deposits	24,826	3,873	28,699
Current liabilities payable from restricted assets	-	1,130	1,130
Derivative instruments	29,972	50,891	80,863
Decommissioning liability	-	71,709	71,709
Noncurrent liabilities:			
Due within one year	59,613	33,288	92,901
Due in more than one year	355,246	1,099,099	1,454,345
Total liabilities	<u>500,372</u>	<u>1,308,875</u>	<u>1,809,247</u>
Net Assets			
Invested in capital assets, net of related debt	1,066,855	666,919	1,733,774
Restricted for:			
Expendable:			
Capital projects	19,784	-	19,784
Debt service	-	45,714	45,714
Economic development	13,934	-	13,934
Landfill capping	-	2,295	2,295
Public works	12,692	-	12,692
Housing	45,869	-	45,869
Programs	-	6,914	6,914
Nonexpendable	1,539	-	1,539
Unrestricted	28,494	285,062	313,556
Total net assets	<u>\$ 1,189,167</u>	<u>\$ 1,006,904</u>	<u>\$ 2,196,071</u>

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

City of Riverside
Statement of Activities
For the fiscal year ended June 30, 2012
(amounts expressed in thousands)

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business type Activities	Total
Governmental activities:								
General government	\$ 48,731	\$ (11,782)	\$ 14,662	\$ 11,695	\$ 7,530	\$ (3,062)		\$ (3,062)
Public safety	148,605	6,270	7,837	8,213	2,335	(136,490)		(136,490)
Highways and streets	35,342	3,008	16,532	859	43,279	22,320		22,320
Culture and recreation	54,594	2,504	4,622	10,814	1,332	(40,330)		(40,330)
Interest on long-term debt	25,262	-	-	-	-	(25,262)		(25,262)
Total governmental activities	312,534	-	43,653	31,581	54,476	(182,824)		(182,824)
Business type activities:								
Electric	288,799		333,029	-	9,744		\$ 53,974	53,974
Water	56,715		65,206	-	7,627		16,118	16,118
Sewer	43,702		37,747	-	2,280		(3,675)	(3,675)
Refuse	19,979		19,588	-	-		(391)	(391)
Airport	2,646		1,524	-	174		(948)	(948)
Transportation	3,667		352	2,738	1,339		762	762
Public parking	4,984		4,803	-	-		(181)	(181)
Total business type activities	420,492		462,249	2,738	21,164		65,659	65,659
Total	\$ 733,026		\$ 505,902	\$ 34,319	\$ 75,640	(182,824)	65,659	(117,165)
General revenues:								
Taxes:								
Sales						47,701	-	47,701
Property						74,179	-	74,179
Utility users						27,320	-	27,320
Franchise						4,883	-	4,883
Other						2,995	-	2,995
Intergovernmental, unrestricted						351	-	351
Investment income						4,440	11,405	15,845
Miscellaneous						9,273	3,110	12,383
Subtotal						171,142	14,515	185,657
Transfers, net						40,679	(40,679)	-
Total general revenues and transfers						211,821	(26,164)	185,657
Extraordinary items:								
Transfer of assets and liabilities to Successor Agency						98,022	-	98,022
Transfer of assets from Successor Agency						56,522	-	56,522
Assumption of obligation						(4,927)	-	(4,927)
Change in net assets						178,614	39,495	218,109
Net assets - beginning						1,010,553	967,409	1,977,962
Net assets - ending						\$ 1,189,167	\$ 1,006,904	\$ 2,196,071

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

City of Riverside
Balance Sheet
Governmental Funds
June 30, 2012
(amounts expressed in thousands)

Assets	General Fund	Redevelopment Debt Service	Capital Outlay	Redevelopment Capital Projects	Other Governmental Funds	Total Governmental Funds
Cash and investments	\$ 47,677	\$ -	\$ -	\$ -	\$ 23,470	\$ 71,147
Cash and investments at fiscal agent	1,405	-	7,493	-	16,533	25,431
Receivables (net of allowance for uncollectibles)						
Interest	214	-	73	-	88	375
Property taxes	6,851	-	-	-	-	6,851
Sales tax	11,140	-	-	-	-	11,140
Utility billed	1,171	-	-	-	-	1,171
Accounts	10,034	-	823	-	373	11,230
Intergovernmental	3,375	-	36,737	-	4,901	45,013
Notes	1	-	-	-	31,386	31,387
Prepaid items	320	-	-	-	-	320
Deposits	-	-	176	-	-	176
Due from other funds	16,287	-	-	-	-	16,287
Advances to other funds	24,706	-	-	-	-	24,706
Advances to Successor Agency	693	-	-	-	39,142	39,835
Land & improvements held for resale	118	-	-	-	5,135	5,253
Total assets:	<u>\$ 123,992</u>	<u>\$ -</u>	<u>\$ 45,302</u>	<u>\$ -</u>	<u>\$ 121,028</u>	<u>\$ 290,322</u>
Liabilities and fund balances						
Liabilities:						
Accounts payable	\$ 5,454	\$ -	\$ 2,203	\$ -	\$ 935	\$ 8,592
Accrued payroll	11,036	-	-	-	27	11,063
Retainage payable	799	-	24	-	1,487	2,310
Intergovernmental	182	-	-	-	-	182
Deferred revenue	7,118	-	10,218	-	32,902	50,238
Deposits	24,804	-	-	-	22	24,826
Due to other funds	-	-	14,503	-	1,436	15,939
Advances from other funds	349	-	-	-	12,567	12,916
Total liabilities:	<u>49,742</u>	<u>-</u>	<u>26,948</u>	<u>-</u>	<u>49,376</u>	<u>126,066</u>
Fund balances:						
Nonspendable:						
Inventories, prepaids and noncurrent receivables	321	-	-	-	-	321
Advances	25,399	-	-	-	-	25,399
Permanent fund principal	-	-	-	-	1,539	1,539
Restricted for:						
Housing and redevelopment	118	-	-	-	26,911	27,029
Debt service	1,992	-	-	-	29,080	31,072
Transportation and public works	-	-	18,354	-	12,721	31,075
Other purposes	693	-	-	-	1,401	2,094
Assigned to:						
General government	3,129	-	-	-	-	3,129
Public safety	628	-	-	-	-	628
Highways and streets	508	-	-	-	-	508
Culture and recreation	877	-	-	-	-	877
Continuing projects	1,238	-	-	-	-	1,238
Unassigned	39,347	-	-	-	-	39,347
Total fund balances	<u>74,250</u>	<u>-</u>	<u>18,354</u>	<u>-</u>	<u>71,652</u>	<u>164,256</u>
Total liabilities and fund balances	<u>\$ 123,992</u>	<u>\$ -</u>	<u>\$ 45,302</u>	<u>\$ -</u>	<u>\$ 121,028</u>	<u>\$ 290,322</u>

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

CITY OF RIVERSIDE
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
June 30, 2012
(amounts expressed in thousands)

Total fund balances - governmental funds \$164,256

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

Capital assets net of accumulated depreciation used in governmental activities that are not current financial resources and, therefore, are not reported in the funds. 1,268,494

Issuance costs from issuing debt are expenditures at the fund level but are deferred and subject to capitalization and amortization in the Statement of Net Assets. 3,212

Pension contributions were expenditures at the fund level but are deferred as a net pension asset and subject to capitalization and amortization in the Statement of Net Assets. 108,706

Revenues that do not meet the "availability" criteria for revenue recognition and therefore, are deferred in the funds. 46,085

Accrued interest payable for the current portion of interest due on various debt issues has not been reported in the governmental funds. (3,574)

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

Bonds payable	\$ (143,395)	
Certificates of participation payable	(202,020)	
Capital leases payable	(5,220)	
Loan payable	(4,000)	
Bond premiums	(875)	
Net OPEB obligation	(9,667)	
Compensated absences	(21,181)	
	(21,181)	(386,358)

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

Fair value of interest rate swap	\$ (29,972)	
Deferred amount related to the hedgeable portion of the derivative instrument	24,326	
	(5,646)	(5,646)

Internal service funds are used by management to charge the costs of insurance, centralized purchasing and fleet management to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Assets. (6,008)

Net assets of governmental activities \$1,189,167

City of Riverside
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the fiscal year ended June 30, 2012
(amounts expressed in thousands)

	General Fund	Redevelopment Debt Service	Capital Outlay	Redevelopment Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 129,303	\$ 27,258	\$ -	\$ -	\$ 32	\$ 156,593
Licenses and permits	7,119	-	-	-	2,173	9,292
Intergovernmental	9,168	-	31,774	170	25,506	66,618
Charges for services	11,770	-	-	-	4	11,774
Fines and forfeitures	6,293	-	-	-	-	6,293
Special assessments	4,509	-	352	-	1,415	6,276
Rental and investment income	2,662	1,659	446	1,333	1,995	8,095
Miscellaneous	4,725	-	1,462	276	4,148	10,611
Total revenues	175,549	28,917	34,034	1,779	35,273	275,552
Expenditures						
Current:						
General government	11,717	837	-	4,090	2,191	18,835
Public safety	147,086	-	-	-	3,792	150,878
Highways and streets	16,651	-	-	-	-	16,651
Culture and recreation	28,814	-	-	17,444	11,280	57,538
Capital outlay	1,140	-	33,187	15,811	25,344	75,482
Debt service:						
Principal	37,620	41,008	-	-	4,750	83,378
Interest	7,015	7,117	-	538	9,463	24,133
Bond issuance costs	169	-	-	-	-	169
Total expenditures	250,212	48,962	33,187	37,883	56,820	427,064
Excess (deficiency) of revenues over (under) expenditures	(74,663)	(20,045)	847	(36,104)	(21,547)	(151,512)
Other financing sources (uses)						
Transfers in	40,266	43,541	-	96,428	16,624	196,859
Transfers out	(83,292)	(20,094)	-	(41,799)	(11,120)	(156,305)
Issuance of long term debt	30,940	-	4,000	-	-	34,940
Sales of capital assets	156	-	-	-	-	156
Total other financing sources and uses	(11,930)	23,447	4,000	54,629	5,504	75,650
Extraordinary items						
Dissolution of Riverside Redevelopment Agency:						
Transfer of assets and liabilities to Successor Agency	-	(26,508)	-	(70,419)	(33,247)	(130,174)
Transfer of assets from Successor Agency	-	-	-	-	28,121	28,121
Assumption of obligation	-	-	-	-	(4,927)	(4,927)
Total extraordinary items	-	(26,508)	-	(70,419)	(10,053)	(106,980)
Net change in fund balances	(86,593)	(23,106)	4,847	(51,894)	(26,096)	(182,842)
Fund balances - beginning	160,843	23,106	13,507	51,894	97,748	347,098
Fund balances - ending	\$ 74,250	\$ -	\$ 18,354	\$ -	\$ 71,652	\$ 164,256

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

**CITY OF RIVERSIDE
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the year ended June 30, 2012
(amounts expressed in thousands)**

Net change in fund balances-total governmental funds (\$182,842)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period, as listed below:

Capital Asset additions	\$ 96,331	
Depreciation Expense	<u>(38,876)</u>	57,455

Revenues in the statement of activities that do not meet the "availability" criteria for revenue recognition and therefore are not reported as revenue in the funds. 34,509

The amortization of the net pension asset reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds. (3,333)

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

Principal repayments	83,378	
Other post-employment benefit liabilities	(2,209)	
Compensated absences	(492)	
Interest	(79)	
Premiums on the issuance of LTD	(667)	
Proceeds from LTD	<u>(34,940)</u>	44,991

Internal service funds are used by management to charge the costs of insurance, centralized purchasing and fleet management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. (362)

The difference between the extraordinary loss related to the transfer of assets and liabilities to the Successor Agency as reported in the fund financial statements and the extraordinary gain reported in the government-wide financial statements. 228,196

Change in net assets of governmental activities \$ 178,614

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

City of Riverside
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the year ended June 30, 2012
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget		Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final				Original	Final		
Revenues					Public safety:				
Taxes	\$ 128,121	\$ 128,121	\$ 129,303	\$ 1,182	Police	91,244	102,282	91,062	11,220
Licenses and permits	7,421	7,421	7,119	(302)	Fire	46,825	50,833	45,893	4,940
Intergovernmental	2,350	18,716	9,168	(9,548)	Animal regulation	3,416	3,518	3,479	39
Charges for services	11,182	11,220	11,770	550	Building and zoning inspection	2,343	2,343	2,133	210
Fines and forfeitures	8,794	8,794	6,293	(2,501)	Street lighting	4,478	4,478	4,519	(41)
Special assessments	4,525	4,536	4,509	(27)	Total public safety	<u>148,306</u>	<u>163,454</u>	<u>147,086</u>	<u>16,368</u>
Rental and investment income	1,580	1,580	2,662	1,082	Highways and streets	<u>18,176</u>	<u>20,441</u>	<u>16,651</u>	<u>3,790</u>
Miscellaneous	7,265	7,702	4,725	(2,977)	Culture and recreation	<u>27,405</u>	<u>32,069</u>	<u>28,814</u>	<u>3,255</u>
Total revenues	<u>171,238</u>	<u>188,090</u>	<u>175,549</u>	<u>(12,541)</u>	Capital Outlay	<u>153</u>	<u>2,202</u>	<u>1,140</u>	<u>1,062</u>
Expenditures					Debt service:				
General government:					Principal	6,930	37,705	37,620	85
Mayor	908	1,026	1,014	12	Interest	7,208	7,208	7,015	193
Council	1,252	1,316	1,187	129	Bond issuance costs	-	169	169	-
Manager	11,072	12,252	11,824	428	Total debt service	<u>14,138</u>	<u>45,082</u>	<u>44,804</u>	<u>278</u>
Attorney	3,923	4,029	4,031	(2)	Total expenditures	<u>211,239</u>	<u>273,427</u>	<u>250,212</u>	<u>23,215</u>
Clerk	1,291	1,712	1,314	398	Deficiency of revenue under expenditures	<u>(40,001)</u>	<u>(85,337)</u>	<u>(74,663)</u>	<u>10,674</u>
Community Development	8,190	8,401	7,681	720	Other financing sources (uses)				
Human Resources	2,765	3,005	2,571	434	Transfers in	39,936	39,791	40,266	475
General Services	7,293	8,269	7,354	915	Transfers out	-	(83,273)	(83,292)	(19)
Information System	13,981	16,164	12,032	4,132	Issuance of long term debt	-	30,940	30,940	-
Development	7,754	9,373	7,987	1,386	Sale of capital assets	65	65	156	91
Subtotal	58,429	65,547	56,995	8,552	Total other financing sources	<u>40,001</u>	<u>(12,477)</u>	<u>(11,930)</u>	<u>547</u>
Allocated expenditures	<u>(55,368)</u>	<u>(55,368)</u>	<u>(45,278)</u>	<u>(10,090)</u>	Net change in fund balances	-	(97,814)	(86,593)	11,221
Total general government	<u>3,061</u>	<u>10,179</u>	<u>11,717</u>	<u>(1,538)</u>	Fund balance, beginning	<u>160,843</u>	<u>160,843</u>	<u>160,843</u>	-
				continued	Fund balance, ending	<u>\$ 160,843</u>	<u>\$ 63,029</u>	<u>\$ 74,250</u>	<u>\$ 11,221</u>

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

City of Riverside
Statement of Net Assets
Proprietary Funds
June 30, 3012
(amounts expressed in thousands)

Assets	Business-type Activities - Enterprise Funds					Governmental Activities-Internal Service Funds
	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	
Current assets:						
Cash and investments	\$ 187,541	\$ 63,927	\$ 17,137	\$ 5,941	\$ 274,546	\$ 5,194
Receivables (net allowances for uncollectibles)						
Interest	825	280	98	28	1,231	34
Utility billed	16,904	4,261	2,109	983	24,257	-
Utility unbilled	13,139	3,423	1,409	599	18,570	-
Accounts	8,041	3,968	566	335	12,910	69
Intergovernmental	475	453	1,185	1,019	3,132	212
Nuclear materials inventory	1,992	-	-	-	1,992	-
Inventory	-	-	1,334	-	1,334	6,787
Prepaid items	16,507	23	2	-	16,532	-
Deposits	851	-	-	-	851	-
Due from other funds	2,277	976	-	-	3,253	-
Restricted assets:						
Cash and cash equivalents	4,221	2,294	-	2,295	8,810	-
Public benefit programs receivable	834	120	-	-	954	-
Total current assets	253,607	79,725	23,840	11,200	368,372	12,296
Non-current assets:						
Restricted assets:						
Cash and cash equivalents	19,808	5,764	6,760	-	32,332	-
Cash and investments at fiscal agent	238,254	41,810	143,049	6,597	429,710	-
Advances to other funds	-	-	7,946	-	7,946	5,489
Advances to Successor Agency	5,558	-	4,250	-	9,808	5,461
Deferred charges - other	18,836	7,209	4,537	9,579	40,161	1,497
Deferred charges - derivative instruments	30,922	6,838	-	-	37,760	-
Capital assets:						
Nuclear fuel, at amortized cost	8,832	-	-	-	8,832	-
Land	7,654	10,996	2,698	13,576	34,924	-
Intangible assets, non-depreciable	9,821	6,307	-	-	16,128	-
Improvements, non-depreciable	14,641	-	-	-	14,641	-
Intangible assets, depreciable	292	353	-	-	645	-
Accumulated depreciation - intangible assets, depreciable	(5)	(141)	-	-	(146)	-
Buildings	21,450	18,209	190,416	16,533	246,608	1,488
Accumulated depreciation - buildings	(5,524)	(4,336)	(88,488)	(4,582)	(102,930)	(241)
Improvements other than buildings	882,340	510,374	84,096	23,994	1,500,804	-
Accumulated depreciation - improvements other than buildings	(291,836)	(145,933)	(14,708)	(6,402)	(458,879)	-
Machinery and equipment	26,240	12,989	10,020	17,817	67,066	9,580
Accumulated depreciation - machinery and equipment	(13,675)	(9,835)	(5,638)	(11,691)	(40,839)	(8,160)
Construction in progress	43,205	10,692	50,759	22,287	126,943	644
Total non-current assets	1,016,813	471,296	395,697	87,708	1,971,514	15,758
Total assets	1,270,420	551,021	419,537	98,908	2,339,886	28,054

Continued

City of Riverside
Statement of Net Assets
Proprietary Funds
June 30, 3012
(amounts expressed in thousands)

Business-type Activities - Enterprise Funds

Liabilities	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities-Internal Service Funds
Current liabilities:						
Accounts payable	13,055	3,331	2,269	2,821	21,476	755
Accrued payroll	5,460	1,808	1,424	891	9,583	580
Retainage payable	287	319	116	832	1,554	-
Unearned revenue	-	-	-	2,049	2,049	-
Deposits	3,148	724	-	1	3,873	-
Due to other funds	-	-	-	348	348	3,253
Capital leases - current	402	-	-	7	409	-
Water stock acquisitions - current	-	150	-	-	150	-
Landfill capping - current	-	-	-	200	200	-
Notes payable - current	1,481	-	705	838	3,024	-
Claims and judgements - current	-	-	-	-	-	11,750
Current liabilities payable from restricted assets:						
Revenue bonds	18,050	4,695	6,760	-	29,505	-
Accrued interest	6,100	1,858	4,520	-	12,478	-
Other payables	1,035	95	-	-	1,130	-
Total current liabilities	49,018	12,980	15,794	7,987	85,779	16,338
Non-current liabilities:						
Revenue bonds	572,192	203,729	236,313	-	1,012,234	-
Notes payable	42,660	-	5,174	22,963	70,797	-
Capital leases	901	-	-	22	923	-
Advances from other funds	12,003	5,164	3,304	3,288	23,759	1,466
Decommissioning liability	71,709	-	-	-	71,709	-
Derivative instruments	38,123	12,768	-	-	50,891	-
Claims and judgements	-	-	-	-	-	15,792
Water stock acquisitions	-	797	-	-	797	-
Landfill capping	-	-	-	6,495	6,495	-
Other payables	3,999	1,644	1,135	2,820	9,598	466
Total non-current liabilities	741,587	224,102	245,926	35,588	1,247,203	17,724
Total liabilities	790,605	237,082	261,720	43,575	1,332,982	34,062
Net Assets						
Invested in capital assets, net of related debt	236,789	243,997	133,757	52,376	666,919	3,311
Restricted for debt service	19,808	5,764	20,142	-	45,714	-
Restricted for landfill capping	-	-	-	2,295	2,295	-
Restricted for programs	4,020	2,319	575	-	6,914	-
Unrestricted	219,198	61,859	3,343	662	285,062	(9,319)
Total net assets	\$ 479,815	\$ 313,939	\$ 157,817	\$ 55,333	\$ 1,006,904	\$ (6,008)

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

City of Riverside
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the fiscal year ended June 30, 2012
(amounts expressed in thousands)

Business-type Activities - Enterprise Funds							Governmental Activities-Internal Service Funds
	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds		
Operating revenues:							
Charges for services	\$ 333,029	\$ 65,206	\$ 37,747	\$ 26,267	\$ 462,249	\$ 20,466	
Operating expenses:							
Personnel services	38,400	12,635	10,029	8,464	69,528	3,897	
Contractual services	6,821	2,314	975	5,177	15,287	228	
Maintenance and operation	172,340	8,471	8,901	6,901	196,613	1,867	
General	12,593	11,523	6,156	4,282	34,554	1,939	
Materials and supplies	792	756	3,114	1,490	6,152	378	
Claims/Insurance	1,244	682	457	343	2,726	12,264	
Depreciation and amortization	27,482	11,824	6,600	3,581	49,487	718	
Total operating expenses	<u>259,672</u>	<u>48,205</u>	<u>36,232</u>	<u>30,238</u>	<u>374,347</u>	<u>21,291</u>	
Operating income (loss)	<u>73,357</u>	<u>17,001</u>	<u>1,515</u>	<u>(3,971)</u>	<u>87,902</u>	<u>(825)</u>	
Non-operating revenues (expenses):							
Operating grants	-	-	-	2,738	2,738	-	
Interest income	6,196	1,428	3,717	64	11,405	278	
Other	3,058	918	28	(899)	3,105	300	
Gain (loss) on retirement of capital assets	487	187	(3)	5	676	(10)	
Capital improvement fees	-	-	1,098	-	1,098	-	
Interest expense and fiscal charges	(29,127)	(8,510)	(7,470)	(1,038)	(46,145)	(105)	
Total non-operating revenues (expenses)	<u>(19,386)</u>	<u>(5,977)</u>	<u>(2,630)</u>	<u>870</u>	<u>(27,123)</u>	<u>463</u>	
Income before capital contributions and transfers	53,971	11,024	(1,115)	(3,101)	60,779	(362)	
Cash capital contributions	7,425	6,892	1,185	1,513	17,015	-	
Noncash capital contributions	1,832	548	-	-	2,380	-	
Transfers out	(33,533)	(6,258)	-	(888)	(40,679)	-	
Change in net assets	29,695	12,206	70	(2,476)	39,495	(362)	
Total net assets - beginning	450,120	301,733	157,747	57,809	967,409	(5,646)	
Total net assets - ending	<u>\$ 479,815</u>	<u>\$ 313,939</u>	<u>\$ 157,817</u>	<u>\$ 55,333</u>	<u>\$ 1,006,904</u>	<u>\$ (6,008)</u>	

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

City of Riverside
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2012
(amounts expressed in thousands)

	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities- Internal Service Funds
Cash flows from operating activities:						
Cash received from customers and users	\$ 329,608	\$ 64,610	\$ 35,399	\$ 25,909	\$ 455,526	\$ 24,038
Cash paid to employees for services	(38,731)	(12,562)	(9,369)	(8,091)	(68,753)	(3,689)
Cash paid to other suppliers of goods or services	(187,592)	(22,783)	(19,091)	(16,276)	(245,742)	(19,918)
Other receipts	3,058	918	28	920	4,924	301
Net cash provided (used) by operating activities	<u>106,343</u>	<u>30,183</u>	<u>6,967</u>	<u>2,462</u>	<u>145,955</u>	<u>732</u>
Cash flows from noncapital financing activities:						
Transfers out	(33,533)	(6,258)	-	(888)	(40,679)	-
Operating grants	-	-	-	2,819	2,819	-
Intra-equity property acquisition	-	(976)	-	-	(976)	-
Advances from interfund receivables	-	-	-	326	326	-
Payments on interfund receivables	(378)	(163)	6,243	(508)	5,194	(39)
Advances to other funds	1,918	-	(104)	-	1,814	963
Net cash provided (used) by noncapital financing activities	<u>(31,993)</u>	<u>(7,397)</u>	<u>6,139</u>	<u>1,749</u>	<u>(31,502)</u>	<u>924</u>
Cash flows from capital and related financing activities:						
Purchase of capital assets	(41,752)	(27,794)	(34,247)	(12,114)	(115,907)	(949)
Purchase of nuclear fuel	(4,908)	-	-	-	(4,908)	-
Proceeds from the sale of capital assets	554	208	-	10	772	-
Principal paid on long-term obligations	(26,611)	(4,545)	(1,464)	(807)	(33,427)	-
Interest paid on long-term obligations	(30,764)	(9,273)	(7,470)	(1,038)	(48,545)	(105)
Capital improvement fees	-	-	1,098	-	1,098	-
Capital contributions	6,818	4,810	-	1,513	13,141	-
Net cash (used) for capital and related financing activities	<u>(96,663)</u>	<u>(36,594)</u>	<u>(42,083)</u>	<u>(12,436)</u>	<u>(187,776)</u>	<u>(1,054)</u>
Cash flows from investing activities:						
Sale/(purchase) of investments	(60)	149	-	-	89	-
Income from investments	6,840	1,583	3,679	107	12,209	356
Net cash provided by investing activities	<u>6,780</u>	<u>1,732</u>	<u>3,679</u>	<u>107</u>	<u>12,298</u>	<u>356</u>
Net change in cash and cash equivalents	<u>(15,533)</u>	<u>(12,076)</u>	<u>(25,298)</u>	<u>(8,118)</u>	<u>(61,025)</u>	<u>958</u>
Cash and cash equivalents, beginning (including \$198,600 for Electric, \$68,532 for Water, \$174,524 for Sewer and \$17,794 for Other Enterprise Funds in restricted accounts.)						
	<u>367,505</u>	<u>125,336</u>	<u>192,244</u>	<u>22,951</u>	<u>708,036</u>	<u>4,236</u>
Cash and cash equivalents, ending (including \$164,431 for Electric, \$49,333 for Water, \$149,809 for Sewer and \$8,892 for Other Enterprise Funds in restricted accounts.)						
	<u>\$ 351,972</u>	<u>\$ 113,260</u>	<u>\$ 166,946</u>	<u>\$ 14,833</u>	<u>\$ 647,011</u>	<u>\$ 5,194</u>

continued

City of Riverside
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2012
(amounts expressed in thousands)

						continued
	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities- Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating Income (loss)	\$ 73,357	\$ 17,001	\$ 1,515	\$ (3,971)	\$ 87,902	\$ (825)
Other receipts	3,058	918	1,213	920	6,109	301
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation and amortization	27,482	11,824	6,600	3,581	49,487	718
Amortization of pension costs	356	153	98	66	673	134
Amortization (burn) of nuclear fuel	954	-	-	-	954	-
(Increase) in utility billed receivables	(3,209)	(1,136)	(2,348)	-	(6,693)	-
(Increase) in utility unbilled receivables	(153)	(118)	-	(421)	(692)	-
(Increase) decrease in accounts receivable	1,211	612	-	72	1,895	(132)
(Increase) decrease in intergovernmental receivables	(414)	5	-	(9)	(418)	-
(Increase) in prepaid items	(4,698)	(21)	(2)	-	(4,721)	-
(Increase) in nuclear materials inventory	(87)	-	-	-	(87)	-
(Increase) decrease in inventory	-	-	(150)	-	(150)	647
Increase (decrease) in accounts payable	3,129	189	(521)	2,137	4,934	(164)
Increase in accrued payroll	331	73	250	45	699	47
Increase in retainage payable	137	213	-	-	350	-
Increase in other payable	1,034	424	312	262	2,032	20
Increase in deposits	115	46	-	-	161	-
(Decrease) in due to other funds	-	-	-	-	-	(942)
Increase in claims and judgments	-	-	-	-	-	928
Increase in decommissioning liability	3,740	-	-	-	3,740	-
(Decrease) in landfill capping	-	-	-	(220)	(220)	-
Net cash provided by operating activities	<u>\$ 106,343</u>	<u>\$ 30,183</u>	<u>\$ 6,967</u>	<u>\$ 2,462</u>	<u>\$ 145,955</u>	<u>\$ 732</u>
Schedule of noncash financing and investing activities:						
Capital contributions	\$ 1,832	\$ 548	\$ -	\$ -	\$ 2,380	\$ -
Increase (decrease) in fair value of investments	\$ 136	\$ -	\$ -	\$ -	\$ 136	\$ -

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

City of Riverside
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012
 (amounts expressed in thousands)

	Successor Agency Private-Purpose Trust Fund	Agency Fund
Assets		
Cash and investments	\$ 46,485	\$ 7,515
Cash and investments at fiscal agent	31,188	6,569
Receivables:		
Interest	144	28
Accounts	58	-
Notes	21,957	-
Capital lease receivable	22,545	-
Deposits	132	-
Property tax receivables	-	406
Deferred charges	5,215	-
Land & improvements held for resale	15,036	-
Capital assets:		
Land	185	-
Equipment	6	-
Accumulated depreciation - equipment	(6)	-
Total assets	<u>\$ 142,945</u>	<u>\$ 14,518</u>
Liabilities		
Accounts payable	\$ 3,362	\$ -
Retainage payable	1,174	-
Accrued interest	5,174	-
Advances from City of Riverside	55,104	-
Bonds payable	264,385	-
Notes payable	7,189	-
Loan payable	1,100	-
Held for bond holders	-	14,518
Total liabilities	<u>\$ 337,488</u>	<u>\$ 14,518</u>
Net Assets/(Deficit)		
Held by Successor Agency	\$ (194,543)	-
Total net assets/(deficit)	<u>\$ (194,543)</u>	<u>\$ -</u>

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

City of Riverside
Statement of Changes in Net Assets
Fiduciary Fund - Private-Purpose Trust Fund
For the fiscal year ended June 30, 2012
(amounts expressed in thousands)

	Successor Agency Private-Purpose Trust Fund
	<hr/>
Additions	
Property tax revenue	\$ 17,273
Rental and investment income	1,168
Miscellaneous	168
Total additions	<hr/> 18,609
Deductions	
Professional services and other deductions	1,259
Market value adjustment to land held for resale	45,113
Redevelopment projects	11,056
Interest expense	6,107
Total deductions	<hr/> 63,535
Extraordinary items	
Transfer of assets and liabilities from the former Riverside Redevelopment Agency	(98,022)
Transfer of assets to the City of Riverside	(56,522)
Transfer of obligation to the City of Riverside	4,927
Total extraordinary items	<hr/> (149,617)
Change in Net Assets	(194,543)
Net Assets/(Deficit) - beginning	-
Net Assets/(Deficit) - ending	<hr/> \$ (194,543)

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