

**City of Riverside**  
**Statement of Net Position**  
**June 30, 2015**  
(amounts expressed in thousands)

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash and investments	\$ 84,355	\$ 341,001	\$ 425,356
Receivables, net	109,170	56,509	165,679
Inventory	5,884	2,617	8,501
Prepaid items	663	25,024	25,687
Deposits	300	1,354	1,654
Internal balances	13,343	(13,343)	-
Restricted assets:			
Cash and cash equivalents	-	51,204	51,204
Cash and investments at fiscal agent	31,909	311,083	342,992
Other	-	4,054	4,054
Advances to Successor Agency Trust Fund	41,578	10,324	51,902
Land and improvements held for resale	4,841	-	4,841
Regulatory assets	-	19,225	19,225
Land and other capital assets not being depreciated	373,875	381,380	755,255
Capital assets (net of accumulated depreciation)	1,006,038	1,285,547	2,291,585
Total assets	<u>1,671,956</u>	<u>2,475,979</u>	<u>4,147,935</u>
<b>Deferred Outflows of Resources</b>			
Changes in derivative values	17,244	22,796	40,040
Charge on refunding	4,793	19,627	24,420
Pension contributions and differences in experience	44,314	20,161	64,475
Total deferred outflows of resources	<u>66,351</u>	<u>62,584</u>	<u>128,935</u>
<b>Liabilities</b>			
Accounts payable and other current liabilities	26,754	28,644	55,398
Accrued interest payable	3,347	11,693	15,040
Unearned revenue	5,543	1,289	6,832
Deposits	8,870	5,764	14,634
Derivative instruments	21,697	33,159	54,856
Decommissioning liability	-	73,287	73,287
Noncurrent liabilities:			
Due within one year	81,941	39,602	121,543
Due in more than one year	409,478	1,267,371	1,676,849
Net pension liability	275,584	125,376	400,960
Total liabilities	<u>833,214</u>	<u>1,586,185</u>	<u>2,419,399</u>
<b>Deferred Inflows of Resources</b>			
Regulatory charges	-	4,953	4,953
Net difference between projected and actual earnings on pension plan investments	79,414	36,130	115,544
Total deferred inflows of resources	<u>79,414</u>	<u>41,083</u>	<u>120,497</u>
<b>Net Position</b>			
Net investment in capital assets	1,126,220	626,166	1,752,386
Restricted for:			
Expendable:			
Capital projects	22,952	-	22,952
Debt service	-	52,348	52,348
Economic development	17,439	-	17,439
Landfill capping	-	650	650
Public works	17,798	-	17,798
Housing	46,033	-	46,033
Programs and regulatory requirements	-	22,662	22,662
Nonexpendable	1,625	-	1,625
Unrestricted	(406,388)	209,469	(196,919)
Total net position	<u>\$ 825,679</u>	<u>\$ 911,295</u>	<u>\$ 1,736,974</u>

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

City of Riverside  
Statement of Activities  
For the fiscal year ended June 30, 2015  
(amounts expressed in thousands)

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business type Activities	Total
Governmental activities:								
General government	\$ 26,587	\$ (15,915)	\$ 17,600	\$ 5,155	\$ 1,085	\$ 13,168		\$ 13,168
Public safety	154,123	8,121	7,256	4,876	242	(149,870)		(149,870)
Highways and streets	36,563	4,223	13,868	602	42,321	16,005		16,005
Culture and recreation	45,594	3,571	16,319	2,236	256	(30,354)		(30,354)
Interest on long-term debt	17,025	-	-	-	-	(17,025)		(17,025)
Total governmental activities	<u>279,892</u>	<u>-</u>	<u>55,043</u>	<u>12,869</u>	<u>43,904</u>	<u>(168,076)</u>		<u>(168,076)</u>
Business type activities:								
Electric	309,874		347,621	-	2,590	\$ 40,337		40,337
Water	62,792		66,051	-	4,017	7,276		7,276
Sewer	35,593		50,336	-	-	14,743		14,743
Refuse	20,007		21,360	-	-	1,353		1,353
Airport	1,809		1,260	-	-	(549)		(549)
Transportation	4,385		385	3,869	1,420	1,289		1,289
Public parking	5,604		4,609	-	-	(995)		(995)
Total business type activities	<u>440,064</u>		<u>491,622</u>	<u>3,869</u>	<u>8,027</u>	<u>63,454</u>		<u>63,454</u>
Total	<u>\$ 719,956</u>		<u>\$ 546,665</u>	<u>\$ 16,738</u>	<u>\$ 51,931</u>	<u>\$ (168,076)</u>	<u>\$ 63,454</u>	<u>\$ (104,622)</u>

General revenues:

Taxes:

Sales	59,437	-	59,437
Property	54,864	-	54,864
Utility users	28,076	-	28,076
Franchise	5,543	-	5,543
Transient occupancy tax	5,280	-	5,280
Intergovernmental, unrestricted	3,153	-	3,153
Investment income	3,233	5,319	8,552
Miscellaneous	12,395	7,652	20,047
Subtotal	171,981	12,971	184,952
Transfers, net	42,681	(42,681)	-
Total general revenues and transfers	214,662	(29,710)	184,952
Change in net position	46,586	33,744	80,330

Net position - beginning, as previously reported

Prior period adjustment (Note 18)	(421,829)	(167,498)	(589,327)
Net position - beginning, as restated	779,093	877,551	1,656,644
Net position - ending	<u>\$ 825,679</u>	<u>\$ 911,295</u>	<u>\$ 1,736,974</u>

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

City of Riverside  
 Balance Sheet  
 Governmental Funds  
 June 30, 2015  
 (amounts expressed in thousands)

Assets	General Fund	Capital Outlay	Other Governmental Funds	Total Governmental Funds
Cash and investments	\$ 46,747	\$ -	\$ 31,524	\$ 78,271
Cash and investments at fiscal agent	4,563	16,262	11,084	31,909
Receivables (net of allowance for uncollectibles)				
Interest	30	76	106	212
Property taxes	3,874	-	-	3,874
Sales tax	14,178	-	-	14,178
Utility billed	1,226	-	-	1,226
Accounts	7,607	-	219	7,826
Intergovernmental	3,202	34,784	6,550	44,536
Notes	-	-	36,594	36,594
Prepaid items	659	-	4	663
Deposits	300	-	-	300
Due from other funds	6,934	-	-	6,934
Advances to other funds	22,064	-	-	22,064
Advances to Successor Agency Trust Fund	619	-	35,277	35,896
Land & improvements held for resale	675	-	4,166	4,841
Total assets	\$ 112,678	\$ 51,122	\$ 125,524	\$ 289,324
<b>Liabilities</b>				
Accounts payable	\$ 8,328	\$ 2,631	\$ 1,296	\$ 12,255
Accrued payroll	11,697	-	38	11,735
Retainage payable	7	333	1,072	1,412
Intergovernmental	147	-	-	147
Unearned revenue	227	5,316	-	5,543
Deposits	8,867	-	3	8,870
Due to other funds	-	6,024	317	6,341
Advances from other funds	72	-	11,386	11,458
Total liabilities	29,345	14,304	14,112	57,761
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	3,682	18,205	38,001	59,888
Total deferred inflows of resources	3,682	18,205	38,001	59,888
<b>Fund Balances</b>				
Nonspendable:				
Inventories, prepaids and deposits	959	-	-	959
Advances	22,683	-	35,277	57,960
Permanent fund principal	-	-	1,625	1,625
Restricted for:				
Housing and redevelopment	675	-	8,999	9,674
Debt service	1,845	-	7,450	9,295
Transportation and public works	-	18,613	17,734	36,347
Other purposes	465	-	4,613	5,078
Assigned to:				
General government	1,241	-	-	1,241
Public safety	2,674	-	-	2,674
Highways and streets	410	-	-	410
Culture and recreation	966	-	-	966
Continuing projects	8,674	-	-	8,674
Unassigned	39,059	-	(2,287)	36,772
Total fund balances	79,651	18,613	73,411	171,675
Total liabilities, deferred inflows of resources, and fund balances	\$ 112,678	\$ 51,122	\$ 125,524	\$ 289,324

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

**CITY OF RIVERSIDE  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
June 30, 2015  
(amounts expressed in thousands)**

Total fund balances - governmental funds \$171,675

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

Capital assets net of accumulated depreciation used in governmental activities that are not current financial resources and, therefore, are not reported in the funds. 1,372,105

Deferred refunding charges are not available resources and, therefore, are not reported in the funds. 4,793

Deferred amounts on pensions related to contributions after the measurement date 43,426

Deferred amounts on pensions related to the net difference between projected and actual earnings on pension plan investments (77,824)

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds. 59,888

Accrued interest payable for the current portion of interest due on various debt issues has not been reported in the governmental funds. (3,347)

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	\$	(160,735)	
Certificates of participation payable		(186,370)	
Capital leases payable		(14,966)	
Loan payable		(45,574)	
Bond premiums		(3,269)	
Net OPEB obligation		(15,597)	
Net pension liability		(270,065)	
Compensated absences		(21,569)	
Judgment payable		(3,334)	
		(721,479)	(721,479)

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

Net fair value of interest rate swaps	\$	(21,697)	
Deferred amount related to the hedgeable portion of the derivative instrument		17,244	
		(4,453)	(4,453)

Internal service funds are used by management to charge the costs of insurance, centralized purchasing and fleet management to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position. (19,105)

Net position of governmental activities \$825,679

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

**City of Riverside**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the fiscal year ended June 30, 2015**  
**(amounts expressed in thousands)**

	<u>General Fund</u>	<u>Capital Outlay</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Taxes	\$ 153,200	\$ -	\$ -	\$ 153,200
Licenses and permits	8,490	10	2,668	11,168
Intergovernmental	10,454	18,913	20,525	49,892
Charges for services	24,737	-	-	24,737
Fines and forfeitures	3,957	-	-	3,957
Special assessments	4,480	303	1,974	6,757
Rental and investment income	2,854	291	1,967	5,112
Miscellaneous	5,180	112	1,647	6,939
Total revenues	<u>213,352</u>	<u>19,629</u>	<u>28,781</u>	<u>261,762</u>
<b>Expenditures</b>				
Current:				
General government	14,027	-	3,772	17,799
Public safety	156,648	-	1,012	157,660
Highways and streets	16,594	-	-	16,594
Culture and recreation	37,405	-	122	37,527
Capital outlay	4,899	36,672	18,489	60,060
Debt service:				
Principal	41,894	-	7,207	49,101
Interest	5,940	-	11,108	17,048
Bond issuance costs	172	-	-	172
Total expenditures	<u>277,579</u>	<u>36,672</u>	<u>41,710</u>	<u>355,961</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(64,227)</u>	<u>(17,043)</u>	<u>(12,929)</u>	<u>(94,199)</u>
<b>Other financing sources (uses)</b>				
Transfers in	45,410	-	16,100	61,510
Transfers out	(16,024)	(1,711)	(1,094)	(18,829)
Issuance of long term debt	30,940	-	-	30,940
Capital lease financings	4,450	-	-	4,450
Gain (loss) on retirement of capital assets	242	-	(356)	(114)
Total other financing sources and uses	<u>65,018</u>	<u>(1,711)</u>	<u>14,650</u>	<u>77,957</u>
Net change in fund balances	791	(18,754)	1,721	(16,242)
Fund balances - beginning	78,860	37,367	71,690	187,917
Fund balances - ending	<u>\$ 79,651</u>	<u>\$ 18,613</u>	<u>\$ 73,411</u>	<u>\$ 171,675</u>

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

**CITY OF RIVERSIDE  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES**

**For the year ended June 30, 2015**

**(amounts expressed in thousands)**

Net change in fund balances-total governmental funds (\$16,242)

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	\$ 60,129	
Depreciation expense	<u>(44,506)</u>	15,623

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net position.	3,775
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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.	15,589
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The issuance of long-term debt (e.g., bonds, leases, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds immediately report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items is listed below:

Principal repayments	\$ 49,101	
Net pension liability	9,763	
Judgment payments	3,333	
Net OPEB obligation	(1,830)	
Compensated absences	(132)	
Interest	296	
Issuance of long-term debt	<u>(35,390)</u>	25,141

Internal service funds are used by management to charge the costs of insurance, centralized purchasing and fleet management to individual funds. The net revenue (expense) of certain activities of internal service funds is reported with governmental activities.	<u>2,700</u>
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Change in net position of governmental activities	<u><u>\$ 46,586</u></u>
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The notes to basic financial statements are an integral part of this statement.

City of Riverside  
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
General Fund  
For the year ended June 30, 2015  
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget		Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final				Original	Final		
<b>Revenues</b>									
Taxes	\$ 148,744	\$ 148,744	\$ 153,200	\$ 4,456	Public safety:				
Licenses and permits	8,421	8,421	8,490	69	Police	88,370	97,204	95,916	1,288
Intergovernmental	1,418	13,886	10,454	(3,432)	Fire	48,309	51,757	51,146	611
Charges for services	17,575	21,953	24,737	2,784	Animal regulation	3,395	3,395	3,179	216
Fines and forfeitures	5,006	5,006	3,957	(1,049)	Building and zoning inspection	1,893	1,896	1,920	(24)
Special assessments	4,570	4,570	4,480	(90)	Street lighting	4,525	4,529	4,487	42
Rental and investment income	3,170	3,170	2,854	(316)	Total public safety	146,492	158,781	156,648	2,133
Miscellaneous	5,650	7,804	5,180	(2,624)	Highways and streets	18,369	20,213	16,594	3,619
Total revenues	194,554	213,554	213,352	(202)	Culture and recreation				
					Library	7,262	8,111	7,561	550
					Museum & cultural affairs	11,412	11,753	12,331	(578)
					Parks, recreation & community services	16,460	19,555	17,513	2,042
					Total culture and recreation	35,134	39,419	37,405	2,014
					Capital outlay	168	10,286	4,899	5,387
<b>Expenditures</b>					Debt service:				
General government:					Principal	11,057	41,997	41,894	103
Mayor	940	1,003	966	37	Interest	6,233	6,061	5,940	121
Council	1,450	1,451	1,354	97	Bond issuance costs	-	172	172	-
Manager	7,272	11,655	12,122	(467)	Total debt service	17,290	48,230	48,006	224
Attorney	5,370	5,832	5,249	583	Total expenditures	227,655	295,975	277,579	18,396
Clerk	1,161	1,236	1,268	(32)	Deficiency of revenue under expenditures	(33,101)	(82,421)	(64,227)	18,194
Community development	11,387	12,315	11,286	1,029	<b>Other financing sources (uses)</b>				
Human resources	3,357	3,534	3,113	421	Transfers in	45,413	45,410	45,410	-
General services	12,323	13,813	12,396	1,417	Transfers out	(15,366)	(17,059)	(16,024)	1,035
Finance	12,661	12,810	12,378	432	Issuance of long term debt	-	30,940	30,940	-
Innovation & technology	11,693	12,809	11,185	1,624	Capital lease proceeds	-	4,450	4,450	-
Subtotal	67,614	76,458	71,317	5,141	Sale of capital assets	90	90	242	152
Allocated expenditures	(57,412)	(57,412)	(57,290)	(122)	Total other financing sources	30,137	63,831	65,018	1,187
Total general government	10,202	19,046	14,027	5,019	Net change in fund balance	(2,964)	(18,590)	791	19,381
				continued	Fund balance, beginning	78,860	78,860	78,860	-
					Fund balance, ending	\$ 75,896	\$ 60,270	\$ 79,651	\$ 19,381

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

City of Riverside  
Statement of Net Position  
Proprietary Funds  
June 30, 2015  
(amounts expressed in thousands)

Business-type Activities - Enterprise Funds

Assets	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities-Internal Service Funds
Current assets:						
Cash and investments	\$ 227,425	\$ 83,864	\$ 23,698	\$ 6,014	\$ 341,001	\$ 6,084
Receivables (net allowances for uncollectibles)						
Interest	885	311	50	26	1,272	28
Utility billed	15,434	3,312	2,875	1,127	22,748	-
Utility unbilled	15,050	2,696	1,940	719	20,405	-
Accounts	3,937	1,055	401	1,210	6,603	256
Intergovernmental	2	1,269	698	179	2,148	440
Other	-	3,333	-	-	3,333	-
Inventory	1,202	-	1,415	-	2,617	5,884
Prepaid items	19,973	2	2	-	19,977	-
Deposits	1,354	-	-	-	1,354	-
Due from other funds	610	261	-	-	871	-
Restricted assets:						
Cash and cash equivalents:						
Rate stabilization cash and cash equivalents	-	-	7,785	-	7,785	-
Other restricted cash and cash equivalents	36,706	6,063	-	650	43,419	-
Public benefit programs receivable	1,012	3,042	-	-	4,054	-
Total current assets	323,590	105,208	38,864	9,925	477,587	12,692
Non-current assets:						
Restricted assets:						
Cash and investments at fiscal agent	144,686	-	166,397	-	311,083	-
Regulatory assets	10,822	580	1,730	6,093	19,225	-
Prepaid items - non-current	5,047	-	-	-	5,047	-
Advances to other funds	-	-	6,977	-	6,977	5,677
Advances to Successor Agency Trust Fund	5,850	-	4,474	-	10,324	5,682
Capital assets:						
Land	8,786	20,484	2,737	19,180	51,187	458
Intangible assets, non-depreciable	10,651	10,841	-	-	21,492	-
Intangible assets, depreciable	13,864	385	119	-	14,368	201
Accumulated depreciation - intangible assets, depreciable	(302)	(278)	(18)	-	(598)	(3)
Buildings	23,828	18,358	192,768	35,903	270,857	4,065
Accumulated depreciation - buildings	(6,946)	(5,435)	(102,624)	(6,416)	(121,421)	(357)
Improvements other than buildings	876,641	573,656	103,175	28,258	1,581,730	1,308
Accumulated depreciation - improvements other than buildings	(291,459)	(174,143)	(18,624)	(9,265)	(493,491)	(169)
Machinery and equipment	38,934	13,218	13,807	22,348	88,307	10,277
Accumulated depreciation - machinery and equipment	(20,192)	(11,757)	(7,398)	(14,858)	(54,205)	(7,972)
Construction in progress	48,604	12,028	247,727	342	308,701	-
Total non-current assets	868,814	457,937	611,247	81,585	2,019,583	19,167
Total assets	1,192,404	563,145	650,111	91,510	2,497,170	31,859
<b>Deferred Outflows of Resources</b>						
Changes in derivative values	18,788	4,008	-	-	22,796	-
Charge on refunding	11,937	7,690	-	-	19,627	-
Pension contributions and differences in experience	11,541	4,186	2,716	1,718	20,161	887
Total deferred outflows of resources	42,266	15,884	2,716	1,718	62,584	887

Continued

City of Riverside  
Statement of Net Position  
Proprietary Funds  
June 30, 2015  
(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	8,089	3,117	154	936	12,296	1,073
Accrued payroll	1,627	536	320	261	2,744	132
Retainage payable	241	113	-	14	368	-
Unearned revenue	468	4	3	814	1,289	-
Deposits	4,512	445	-	807	5,764	-
Due to other funds	-	-	-	593	593	871
Capital leases - current	507	-	-	-	507	-
Water stock acquisitions - current	-	150	-	-	150	-
Notes payable - current	-	843	745	940	2,528	-
Landfill capping - current	-	-	-	200	200	-
Claims and judgments - current	-	-	-	-	-	12,928
Compensated absences - current	4,379	1,479	1,062	552	7,472	278
Current liabilities payable from restricted assets:						
Revenue bonds	15,825	5,260	7,660	-	28,745	-
Decommissioning liability	5,714	-	-	-	5,714	-
Accrued interest	5,623	1,751	4,319	-	11,693	-
Accounts payable	9,414	530	3,292	-	13,236	-
Total current liabilities	56,399	14,228	17,555	5,117	93,299	15,282
Non-current liabilities:						
Revenue bonds	576,066	196,419	438,404	-	1,210,889	-
Notes payable	-	11,470	2,980	20,247	34,697	-
Capital leases	1,213	-	-	-	1,213	-
Advances from other funds	10,719	4,612	2,950	2,317	20,598	2,662
Decommissioning liability	67,573	-	-	-	67,573	-
Derivative instruments	24,298	8,861	-	-	33,159	-
Claims and judgments	-	-	-	-	-	25,867
Water stock acquisitions	-	791	-	-	791	-
Landfill capping	-	-	-	5,722	5,722	-
Compensated absences	578	309	55	30	972	168
OPEB obligation	6,617	2,787	1,982	1,686	13,072	764
Net pension liability	71,773	26,032	16,889	10,682	125,376	5,518
Other payables	15	-	-	-	15	-
Total non-current liabilities	758,852	251,281	463,260	40,684	1,514,077	34,979
Total liabilities	815,251	265,509	480,815	45,801	1,607,376	50,261
<b>Deferred Inflows of Resources</b>						
Regulatory charges	-	3,333	1,620	-	4,953	-
Net difference between projected and actual earnings on pension plan investments	20,683	7,501	4,867	3,079	36,130	1,590
Total deferred inflows of resources	20,683	10,834	6,487	3,079	41,083	1,590
<b>Net Position</b>						
Net investment in capital assets	190,271	252,615	128,135	55,145	626,166	7,808
Restricted for debt service	18,358	6,063	27,927	-	52,348	-
Restricted for landfill capping	-	-	-	650	650	-
Restricted for programs and regulatory requirements	18,987	2,484	1,191	-	22,662	-
Unrestricted	171,120	41,524	8,272	(11,447)	209,469	(26,913)
Total net position	\$ 398,736	\$ 302,686	\$ 165,525	\$ 44,348	\$ 911,295	\$ (19,105)

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

City of Riverside  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
For the fiscal year ended June 30, 2015  
(amounts expressed in thousands)

**Business-type Activities - Enterprise Funds**

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities-Internal Service Funds</u>
Operating revenues:						
Charges for services	\$ 347,621	\$ 66,051	\$ 50,336	\$ 27,614	\$ 491,622	\$ 23,705
Operating expenses:						
Personnel services	38,628	11,958	8,806	8,310	67,702	3,927
Contractual services	5,904	2,424	1,878	5,763	15,969	325
Maintenance and operation	198,670	10,308	7,505	7,301	223,784	2,135
General	10,848	15,370	5,065	4,119	35,402	1,317
Materials and supplies	852	876	3,498	1,324	6,550	72
Claims/Insurance	969	418	386	204	1,977	13,004
Depreciation and amortization	29,328	13,088	6,856	3,849	53,121	880
Total operating expenses	<u>285,199</u>	<u>54,442</u>	<u>33,994</u>	<u>30,870</u>	<u>404,505</u>	<u>21,660</u>
Operating income (loss)	<u>62,422</u>	<u>11,609</u>	<u>16,342</u>	<u>(3,256)</u>	<u>87,117</u>	<u>2,045</u>
Non-operating revenues (expenses):						
Operating grants	-	-	-	3,869	3,869	-
Interest income	3,821	750	684	65	5,320	165
Other	3,670	830	71	1,068	5,639	-
Gain (loss) on retirement of capital assets	343	79	(19)	(22)	381	(24)
Capital improvement fees	-	-	1,843	-	1,843	-
Interest expense and fiscal charges	(24,949)	(8,350)	(1,579)	(893)	(35,771)	(86)
Total non-operating revenues (expenses)	<u>(17,115)</u>	<u>(6,691)</u>	<u>1,000</u>	<u>4,087</u>	<u>(18,719)</u>	<u>55</u>
Income (loss) before capital contributions and transfers	45,307	4,918	17,342	831	68,398	2,100
Cash capital contributions	2,139	2,853	-	1,420	6,412	600
Noncash capital contributions	451	1,164	-	-	1,615	-
Transfers in	-	3,333	-	-	3,333	-
Transfers out	(38,178)	(7,098)	-	(738)	(46,014)	-
Change in net position	9,719	5,170	17,342	1,513	33,744	2,700
Net position - beginning, as previously reported	483,975	332,730	170,983	57,361	1,045,049	(14,002)
Prior period adjustment	(94,958)	(35,214)	(22,800)	(14,526)	(167,498)	(7,803)
Net position - beginning, as restated	<u>389,017</u>	<u>297,516</u>	<u>148,183</u>	<u>42,835</u>	<u>877,551</u>	<u>(21,805)</u>
Net position - ending	<u>\$ 398,736</u>	<u>\$ 302,686</u>	<u>\$ 165,525</u>	<u>\$ 44,348</u>	<u>\$ 911,295</u>	<u>\$ (19,105)</u>

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

City of Riverside  
Proprietary Funds  
Statement of Cash Flows  
For the fiscal year ended June 30, 2015  
(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	\$ 349,091	\$ 63,708	\$ 49,659	\$ 27,445	\$ 489,903	\$ 23,115
Cash paid to employees for services	(51,518)	(18,639)	(9,215)	(8,460)	(87,832)	(486)
Cash paid to other suppliers of goods or services	(195,652)	(24,356)	(23,379)	(20,077)	(263,464)	(17,724)
Other receipts	4,033	832	(1,100)	1,474	5,239	-
Net cash (used) provided by operating activities	105,954	21,545	15,965	382	143,846	4,905
Cash flows from noncapital financing activities:						
Transfers in	-	3,333	-	-	3,333	-
Transfers out	(38,178)	(7,098)	-	(738)	(46,014)	-
Operating grants	-	-	-	3,869	3,869	-
Receipts on interfund advances	303	131	268	460	1,162	64
Outflows on interfund advances	(565)	(243)	(156)	(222)	(1,186)	(404)
Advances to other funds	-	-	-	-	-	-
Net cash (used) provided by noncapital financing activities	(38,440)	(3,877)	112	3,369	(38,836)	(340)
Cash flows from capital and related financing activities:						
Proceeds from the sale of revenue bonds, including premium	-	-	-	-	-	-
Deposit to escrow account for advance refunding	-	-	-	-	-	-
Issuance costs	-	-	-	-	-	-
Purchase of capital assets	(37,987)	(23,288)	(60,687)	(3,954)	(125,916)	(2,335)
Proceeds from the sale of capital assets	343	148	(19)	-	472	(24)
Proceeds from long-term obligations	-	-	200,030	-	200,030	-
Principal paid on long-term obligations	(15,632)	(5,017)	(57,354)	(905)	(78,908)	-
Interest paid on long-term obligations	(27,101)	(8,685)	(1,699)	(893)	(38,378)	(86)
Capital improvement fees	-	-	1,843	-	1,843	-
Capital contributions	2,509	3,132	-	1,420	7,061	600
Bond issuance costs	-	-	23,572	-	23,572	-
Net cash (used) for capital and related financing activities	(77,868)	(33,710)	105,686	(4,332)	(10,224)	(1,845)
Cash flows from investing activities:						
Purchase of investments	2,808	-	3	14	2,825	16
Income from investments	4,015	867	684	65	5,631	165
Net cash (used) provided by investing activities	6,823	867	687	79	8,456	181
Net change in cash and cash equivalents	(3,531)	(15,175)	122,450	(502)	103,242	2,901
Cash and cash equivalents, beginning (including \$110,127 for Electric, \$18,921 for Water, \$56,636 for Sewer and \$901 for Other Enterprise Funds in restricted accounts.)						
	321,056	105,102	75,430	7,166	508,754	3,183
Cash and cash equivalents, ending (including \$90,101 for Electric, \$6,063 for Water, \$174,182 for Sewer and \$650 for Other Enterprise Funds in restricted accounts.)						
	\$ 317,525	\$ 89,927	\$ 197,880	\$ 6,664	\$ 611,996	\$ 6,084

Continued

City of Riverside  
Proprietary Funds  
Statement of Cash Flows  
For the fiscal year ended June 30, 2015  
(amounts expressed in thousands)

	Continued					
	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities- Internal Service Funds
Reconciliation of operating income (loss) to net cash (used) provided by operating activities:						
Operating Income (loss)	\$ 62,422	\$ 11,609	\$ 16,342	\$ (3,256)	\$ 87,117	\$ 2,045
Other receipts	4,033	832	71	1,068	6,004	-
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization	29,328	13,088	6,856	3,443	52,715	880
Changes in assets, liabilities and deferred inflows/outflows of resources:						
Utility billed receivable	2,200	1,164	(200)	(86)	3,078	-
Utility unbilled receivable	(319)	651	(218)	4	118	-
Accounts receivable	(450)	(2,640)	(267)	7	(3,350)	(202)
Intergovernmental receivable	383	(1,028)	8	(94)	(731)	(388)
Inventory	-	-	(87)	-	(87)	(65)
Prepaid and deposit items	(32)	7	13	-	(12)	-
Regulatory assets	6,106	-	(702)	406	5,810	-
Accounts payable	4,896	(1,512)	(4,976)	(96)	(1,688)	(735)
Accrued payroll	335	-	15	65	415	32
Retainage payable	-	-	-	(6)	(6)	(71)
Other payables	521	805	188	(1,242)	272	(21)
Deposits payable	667	(490)	-	807	984	-
Landfill capping	-	-	-	(250)	(250)	-
Claims and judgments	-	-	-	-	-	3,628
Decommissioning liability	(2,012)	-	-	-	(2,012)	-
Net pension liability and related changes in deferred outflows and inflows of resources	(2,593)	(941)	(609)	(388)	(4,531)	(198)
Deferred regulatory charges	469	-	(469)	-	-	-
Net cash (used) provided by operating activities	<u>\$ 105,954</u>	<u>\$ 21,545</u>	<u>\$ 15,965</u>	<u>\$ 382</u>	<u>\$ 143,846</u>	<u>\$ 4,905</u>
Schedule of noncash financing and investing activities:						
Capital Contributions - capital assets	\$ 451	\$ 1,164	\$ -	\$ -	\$ 1,615	\$ -
Increase in fair value of investments	(1,067)	-	-	-	(1,067)	-
Land purchase with note payable	-	2,980	-	-	2,980	-

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

**City of Riverside**  
**Statement of Net Position/(Deficit)**  
**Fiduciary Funds**  
**June 30, 2015**  
**(amounts expressed in thousands)**

	<b>Successor Agency Private-Purpose Trust Fund</b>	<b>Agency Fund</b>
<b>Assets</b>		
Cash and investments	\$ 28,552	\$ 2,935
Cash and investments at fiscal agent	13,593	3,633
Receivables:		
Interest	79	9
Accounts	51	-
Notes	21,738	-
Direct financing lease receivable	19,340	-
Deposits	2	-
Property tax receivables	-	47
Land & improvements held for resale	14,252	-
Capital assets:		
Land	185	-
Equipment	6	-
Accumulated depreciation - equipment	(6)	-
Total assets	<u>97,792</u>	<u>6,624</u>
<b>Liabilities</b>		
Accounts payable	955	-
Retainage payable	16	-
Accrued interest	4,222	-
Advances from other funds	51,902	-
Bonds payable	235,559	-
Notes payable	4,902	-
Held for bond holders	-	6,624
Total liabilities	<u>297,556</u>	<u>6,624</u>
<b>Deferred Inflows of Resources</b>		
Deferred charge on refunding	1,494	-
Total deferred inflows of resources	<u>1,494</u>	<u>-</u>
<b>Net Position/(Deficit)</b>		
Held by Successor Agency	(201,258)	-
Total net position/(deficit)	<u>\$ (201,258)</u>	<u>\$ -</u>

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

**City of Riverside**  
**Statement of Changes in Net Position/(Deficit)**  
**Fiduciary Fund - Private-Purpose Trust Fund**  
**For the fiscal year ended June 30, 2015**  
**(amounts expressed in thousands)**

	<b>Successor Agency Private-Purpose Trust Fund</b>
<b>Additions</b>	
Property tax revenue	\$ 24,143
Rental and investment income	857
Miscellaneous	390
Total additions	<u>25,390</u>
<b>Deductions</b>	
Professional services and other deductions	3,317
Redevelopment projects	5,034
Interest expense	12,693
Total deductions	<u>21,044</u>
<b>Change in Net Position/(Deficit)</b>	4,346
Net position/(deficit) - beginning	(205,604)
Net position/(deficit) - ending	<u><u>\$ (201,258)</u></u>

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