

City of Riverside
Statement of Net Position
June 30, 2013
(amounts expressed in thousands)

Assets	Governmental	Business-type	Total
	Activities	Activities	
Cash and investments	\$ 55,519	\$ 286,806	\$ 342,325
Receivables, net	108,522	72,084	180,606
Inventory	6,690	1,857	8,547
Prepaid items	1,493	21,042	22,535
Deposits	-	853	853
Derivative instruments	1,026	-	1,026
Internal balances	14,064	(14,064)	-
Restricted assets:			
Cash and cash equivalents	-	52,455	52,455
Cash and investments at fiscal agent	24,789	331,787	356,576
Other	-	1,050	1,050
Advances to Successor Agency	45,997	10,134	56,131
Land and improvements held for resale	4,709	-	4,709
Regulatory assets	-	27,788	27,788
Net pension asset	106,096	22,575	128,671
Land and other capital assets not being depreciated	363,730	213,513	577,243
Capital assets (net of accumulated depreciation)	954,884	1,240,715	2,195,599
Total assets	<u>1,687,519</u>	<u>2,268,595</u>	<u>3,956,114</u>
Deferred Outflows of Resources			
Deferred changes in derivative values	14,364	19,808	34,172
Deferred charge on refunding	5,399	20,645	26,044
Total deferred outflows of resources	<u>19,763</u>	<u>40,453</u>	<u>60,216</u>
Liabilities			
Accounts payable and other current liabilities	33,039	32,096	65,135
Accrued interest payable	3,415	12,402	15,817
Unearned revenue	4,695	2,765	7,460
Deposits	10,861	4,130	14,991
Derivative instruments	19,339	31,613	50,952
Decommissioning liability	-	76,167	76,167
Noncurrent liabilities:			
Due within one year	79,893	76,300	156,193
Due in more than one year	372,828	1,053,983	1,426,811
Total liabilities	<u>524,070</u>	<u>1,289,456</u>	<u>1,813,526</u>
Deferred Inflows of Resources			
Deferred changes in derivative values	1,026	-	1,026
Deferred regulatory charges	-	10,000	10,000
Total deferred inflows of resources	<u>1,026</u>	<u>10,000</u>	<u>11,026</u>
Net Position			
Net investment in capital assets	1,083,485	609,691	1,693,176
Restricted for:			
Expendable:			
Capital projects	3,504	-	3,504
Debt service	-	55,359	55,359
Economic development	14,631	-	14,631
Landfill capping	-	1,185	1,185
Public works	14,986	-	14,986
Housing	46,150	-	46,150
Programs and regulatory requirements	-	12,524	12,524
Nonexpendable	1,441	-	1,441
Unrestricted	17,989	330,833	348,822
Total net position	<u>\$ 1,182,186</u>	<u>\$ 1,009,592</u>	<u>\$ 2,191,778</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, 2013
(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	\$ 54,808	\$ (12,442)	\$ 13,338	\$ 6,789	\$ 454	\$ (21,785)		\$ (21,785)
Public safety	147,652	6,296	7,793	10,071	4,110	(131,974)		(131,974)
Highways and streets	35,072	3,480	15,825	840	24,628	2,741		2,741
Culture and recreation	40,077	2,666	5,237	3,785	3,010	(30,711)		(30,711)
Interest on long-term debt	16,627	-	-	-	-	(16,627)		(16,627)
Total governmental activities	<u>294,236</u>	<u>-</u>	<u>42,193</u>	<u>21,485</u>	<u>32,202</u>	<u>(198,356)</u>		<u>(198,356)</u>
Business type activities:								
Electric	292,175		347,933	-	4,980	\$ 60,738		60,738
Water	58,768		68,489	-	4,282	14,003		14,003
Sewer	43,945		43,772	-	1,230	1,057		1,057
Refuse	20,581		20,829	-	-	248		248
Airport	2,029		1,396	-	762	129		129
Transportation	3,745		344	2,718	480	(203)		(203)
Public parking	5,051		4,777	-	-	(274)		(274)
Total business type activities	<u>426,294</u>		<u>487,540</u>	<u>2,718</u>	<u>11,734</u>	<u>75,698</u>		<u>75,698</u>
Total	<u>\$ 720,530</u>		<u>\$ 529,733</u>	<u>\$ 24,203</u>	<u>\$ 43,936</u>	<u>(198,356)</u>	<u>75,698</u>	<u>(122,658)</u>
General revenues:								
Taxes:								
Sales						50,222	-	50,222
Property						52,904	-	52,904
Utility users						28,206	-	28,206
Franchise						4,959	-	4,959
Other						3,703	-	3,703
Intergovernmental, unrestricted						337	-	337
Investment income						2,786	4,744	7,530
Miscellaneous						9,208	5,767	14,975
Subtotal						<u>152,325</u>	<u>10,511</u>	<u>162,836</u>
Transfers, net						<u>42,262</u>	<u>(42,262)</u>	<u>-</u>
Total general revenues and transfers						<u>194,587</u>	<u>(31,751)</u>	<u>162,836</u>
Extraordinary item - power plant closure						-	(41,259)	(41,259)
Change in net position						(3,769)	2,688	(1,081)
Net position - beginning, as restated						<u>1,185,955</u>	<u>1,006,904</u>	<u>2,192,859</u>
Net position - ending						<u>\$ 1,182,186</u>	<u>\$ 1,009,592</u>	<u>\$ 2,191,778</u>

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

City of Riverside
Balance Sheet
Governmental Funds
June 30, 2013
(amounts expressed in thousands)

Assets	General Fund	Capital Outlay	Other Governmental Funds	Total Governmental Funds
Cash and investments	\$ 26,980	\$ -	\$ 24,330	\$ 51,310
Cash and investments at fiscal agent	4,116	5,756	14,917	24,789
Receivables (net of allowance for uncollectibles)				
Interest	49	94	133	276
Property taxes	6,909	-	-	6,909
Sales tax	12,065	-	-	12,065
Utility billed	1,173	-	-	1,173
Accounts	9,965	1,000	2	10,967
Intergovernmental	4,647	35,471	3,812	43,930
Notes	-	-	33,045	33,045
Prepaid items	1,491	-	2	1,493
Due from other funds	21,879	-	-	21,879
Advances to other funds	24,250	-	-	24,250
Advances to Successor Agency	680	-	39,739	40,419
Land & improvements held for resale	-	-	4,709	4,709
Total assets	<u>\$ 114,204</u>	<u>\$ 42,321</u>	<u>\$ 120,689</u>	<u>\$ 277,214</u>
Liabilities				
Accounts payable	\$ 7,710	\$ 8,043	\$ 3,163	\$ 18,916
Accrued payroll	10,878	-	25	10,903
Retainage payable	114	1,863	33	2,010
Intergovernmental	195	-	-	195
Unearned revenue	313	4,382	-	4,695
Deposits	10,841	-	20	10,861
Due to other funds	-	20,065	246	20,311
Advances from other funds	258	-	12,038	12,296
Total liabilities	<u>30,309</u>	<u>34,353</u>	<u>15,525</u>	<u>80,187</u>
Deferred Inflows of Resources				
Unavailable revenue	6,804	6,536	34,371	47,711
Total deferred inflows of resources	<u>6,804</u>	<u>6,536</u>	<u>34,371</u>	<u>47,711</u>
Fund Balances				
Nonspendable:				
Inventories, prepaids and noncurrent receivables	1,491	-	-	1,491
Advances	24,930	-	-	24,930
Permanent fund principal	-	-	1,441	1,441
Restricted for:				
Housing and redevelopment	-	-	26,410	26,410
Debt service	1,792	-	25,884	27,676
Transportation and public works	-	1,432	15,055	16,487
Other purposes	404	-	2,003	2,407
Assigned to:				
General government	2,300	-	-	2,300
Public safety	868	-	-	868
Highways and streets	1,216	-	-	1,216
Culture and recreation	1,671	-	-	1,671
Continuing projects	4,656	-	-	4,656
Unassigned	37,763	-	-	37,763
Total fund balances	<u>77,091</u>	<u>1,432</u>	<u>70,793</u>	<u>149,316</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 114,204</u>	<u>\$ 42,321</u>	<u>\$ 120,689</u>	<u>\$ 277,214</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 POSITION
June 30, 2013
(amounts expressed in thousands)**

Total fund balances - governmental funds		\$149,316
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		1,315,401
The net pension asset is not an available resource and, therefore, is not reported in the funds.		104,651
Deferred refunding charges are not available resources and, therefore, are not reported in the funds.		5,399
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		47,711
Accrued interest payable for the current portion of interest due on various debt issues has not been reported in the governmental funds.		(3,415)
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	\$ (178,380)	
Certificates of participation payable	(159,015)	
Capital leases payable	(8,424)	
Loan payable	(28,652)	
Bond premiums	(2,383)	
Net OPEB obligation	(11,957)	
Compensated absences	(21,269)	
Judgment payable	(10,000)	
		(420,080)
The City uses derivative instruments to hedge its exposure to changing interest rate: 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	\$ (18,313)	
Deferred amount related to the hedgeable portion of the derivative instrumen	13,338	
		(4,975)
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.		(11,822)
Net position of governmental activities		<u>\$1,182,186</u>

City of Riverside
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the fiscal year ended June 30, 2013
(amounts expressed in thousands)

	General Fund	Capital Outlay	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 139,994	\$ -	\$ -	\$ 139,994
Licenses and permits	7,395	-	2,778	10,173
Intergovernmental	8,632	22,076	20,026	50,734
Charges for services	12,062	-	-	12,062
Fines and forfeitures	6,234	-	-	6,234
Special assessments	4,406	370	1,893	6,669
Rental and investment income	2,148	111	1,619	3,878
Miscellaneous	6,143	2,234	6,556	14,933
Total revenues	<u>187,014</u>	<u>24,791</u>	<u>32,872</u>	<u>244,677</u>
Expenditures				
Current:				
General government	11,841	-	3,872	15,713
Public safety	145,545	-	4,745	150,290
Highways and streets	16,294	-	-	16,294
Culture and recreation	32,450	-	164	32,614
Capital outlay	2,942	66,257	17,124	86,323
Debt service:				
Principal	41,451	-	3,555	45,006
Interest	6,781	-	8,335	15,116
Bond issuance costs	94	255	232	581
Payment to escrow account for advance refunding	-	-	3,521	3,521
Total expenditures	<u>257,398</u>	<u>66,512</u>	<u>41,548</u>	<u>365,458</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(70,384)</u>	<u>(41,721)</u>	<u>(8,676)</u>	<u>(120,781)</u>
Other financing sources (uses)				
Transfers in	44,115	-	12,457	56,572
Transfers out	(8,897)	(201)	(5,080)	(14,178)
Issuance of long term debt	30,940	25,000	41,240	97,180
Other financing source - bond premium	-	-	2,573	2,573
Capital lease proceeds	6,985	-	218	7,203
Sales of capital assets	82	-	-	82
Payment to escrow account for advance refunding	-	-	(43,591)	(43,591)
Total other financing sources and uses	<u>73,225</u>	<u>24,799</u>	<u>7,817</u>	<u>105,841</u>
Net change in fund balances	2,841	(16,922)	(859)	(14,940)
Fund balances - beginning	74,250	18,354	71,652	164,256
Fund balances - ending	<u>\$ 77,091</u>	<u>\$ 1,432</u>	<u>\$ 70,793</u>	<u>\$ 149,316</u>

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

**CITY OF RIVERSIDE
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the year ended June 30, 2013
(amounts expressed in thousands)**

Net change in fund balances-total governmental funds (\$14,940)

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	\$ 79,698	
Depreciation expense	<u>(39,731)</u>	39,967

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net position.		6,940
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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.		1,626
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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.		(4,054)
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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	\$ 45,006	
Debt refunding	47,112	
Judgment	(10,000)	
Other post-employment benefit liabilities	(2,290)	
Compensated absences	(89)	
Interest	(277)	
Premiums on the issuance of long-term debt	(2,573)	
Proceeds from long-term debt	<u>(104,383)</u>	(27,494)

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.		<u>(5,814)</u>
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Change in net position of governmental activities		<u><u>\$ (3,769)</u></u>
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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, 2013
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget		Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final				Original	Final		
Revenues									
Taxes	\$ 137,263	\$ 137,263	\$ 139,994	\$ 2,731	Public safety:	81,038	92,651	88,643	4,008
Licenses and permits	7,456	7,456	7,395	(61)	Police	43,524	46,799	46,787	12
Intergovernmental	1,220	16,412	8,632	(7,780)	Fire	3,366	3,467	3,418	49
Charges for services	11,749	11,836	12,062	226	Animal regulation	2,271	2,271	2,124	147
Fines and forfeitures	4,955	4,955	6,234	1,279	Building and zoning inspection	4,511	4,511	4,573	(62)
Special assessments	4,749	4,893	4,406	(487)	Street lighting	134,710	149,699	145,545	4,154
Rental and investment income	1,783	1,783	2,148	365	Total public safety	18,952	20,472	16,294	4,178
Miscellaneous	9,445	10,156	6,143	(4,013)	Highways and streets	31,433	35,775	32,450	3,325
Total revenues	178,620	194,754	187,014	(7,740)	Culture and recreation	153	4,481	2,942	1,539
Expenditures					Capital Outlay	8,006	41,896	41,451	445
General government:					Debt service:	7,044	7,184	6,781	403
Mayor	849	1,068	1,019	49	Principal	-	168	94	74
Council	1,330	1,337	1,231	106	Interest	15,050	49,248	48,326	922
Manager	7,276	7,467	6,959	508	Bond issuance costs	210,805	277,271	257,398	19,873
Attorney	3,826	3,996	3,993	3	Total debt service	(32,185)	(82,517)	(70,384)	12,133
Clerk	1,157	1,417	1,285	132	Total expenditures				
Community Development	10,273	10,861	9,570	1,291	Deficiency of revenue under expenditures				
Human Resources	2,881	3,309	2,697	612	Other financing sources (uses)				
General Services	8,172	9,269	7,692	1,577	Transfers in	40,891	41,340	44,115	2,775
Finance	7,474	7,529	7,375	154	Transfers out	(9,910)	(10,060)	(8,897)	1,163
Information System	10,818	14,892	11,686	3,206	Issuance of long term debt	-	32,590	30,940	(1,650)
Subtotal	54,056	61,145	53,507	7,638	Capital lease proceeds	-	6,985	6,985	-
Allocated expenditures	(43,549)	(43,549)	(41,666)	(1,883)	Sale of capital assets	240	240	82	(158)
Total general government	10,507	17,596	11,841	5,755	Total other financing sources	31,221	71,095	73,225	2,130
				continued	Net change in fund balances	(964)	(11,422)	2,841	14,263
					Fund balance, beginning	74,250	74,250	74,250	-
					Fund balance, ending	\$ 73,286	\$ 62,828	\$ 77,091	\$ 14,263

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

City of Riverside
Statement of Net Position
Proprietary Funds
June 30, 2013
(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	\$ 197,823	\$ 73,081	\$ 12,197	\$ 3,705	\$ 286,806	\$ 4,209
Receivables (net allowances for uncollectibles)						
Interest	1,089	384	87	25	1,585	47
Utility billed	16,953	4,479	2,456	1,033	24,921	-
Utility unbilled	14,917	3,476	1,597	699	20,689	-
Accounts	6,987	1,507	150	1,897	10,541	50
Intergovernmental	2,098	776	659	815	4,348	60
Other	-	3,330	-	-	3,330	-
Inventory	507	-	1,350	-	1,857	6,690
Prepaid items	21,016	19	7	-	21,042	-
Deposits	853	-	-	-	853	-
Due from other funds	1,765	756	-	-	2,521	-
Restricted assets:						
Cash and cash equivalents:						
Rate stabilization cash and cash equivalents	-	-	6,935	-	6,935	-
Other restricted cash and cash equivalents	25,591	7,708	11,036	1,185	45,520	-
Public benefit programs receivable	922	128	-	-	1,050	-
Total current assets	290,521	95,644	36,474	9,359	431,998	11,056
Non-current assets:						
Restricted assets:						
Cash and investments at fiscal agent	211,072	25,072	95,643	-	331,787	-
Regulatory assets	18,281	1,523	1,079	6,905	27,788	-
Other receivables	-	6,670	-	-	6,670	-
Advances to other funds	-	-	7,581	-	7,581	4,767
Advances to Successor Agency	5,742	-	4,392	-	10,134	5,578
Net pension asset	11,954	5,143	3,290	2,188	22,575	1,445
Capital assets:						
Land	7,683	10,996	2,698	21,259	42,636	-
Intangible assets, non-depreciable	10,651	10,841	-	-	21,492	-
Intangible assets, depreciable	292	353	-	-	645	-
Accumulated depreciation - intangible assets, depreciable	(63)	(184)	-	-	(247)	-
Buildings	22,009	18,192	191,523	35,508	267,232	2,084
Accumulated depreciation - buildings	(5,976)	(4,684)	(93,185)	(4,959)	(108,804)	(294)
Improvements other than buildings	822,335	526,924	99,122	26,886	1,475,267	-
Accumulated depreciation - improvements other than buildings	(246,691)	(152,663)	(15,818)	(7,263)	(422,435)	-
Machinery and equipment	30,786	12,930	10,745	20,065	74,526	9,583
Accumulated depreciation - machinery and equipment	(15,481)	(10,602)	(6,202)	(13,184)	(45,469)	(8,160)
Construction in progress	53,502	10,175	85,093	615	149,385	-
Total non-current assets	926,096	460,686	385,961	88,020	1,860,763	15,003
Total assets	1,216,617	556,330	422,435	97,379	2,292,761	26,059
Deferred Outflows of Resources						
Deferred changes in derivative values	17,371	2,437	-	-	19,808	-
Deferred charge on refunding	11,917	8,728	-	-	20,645	-
Total deferred outflows of resources	29,288	11,165	-	-	40,453	-

Continued

City of Riverside
Statement of Net Position
Proprietary Funds
June 30, 2013
(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	15,917	2,298	8,798	1,354	28,367	925
Accrued payroll	1,122	385	297	176	1,980	90
Retainage payable	190	28	1,531	-	1,749	-
Unearned revenue	-	-	-	2,765	2,765	-
Deposits	3,371	758	-	1	4,130	-
Due to other funds	-	-	-	1,303	1,303	2,786
Capital leases - current	637	-	-	7	644	-
Water stock acquisitions - current	-	150	-	-	150	-
Notes payable - current	35,248	-	718	871	36,837	-
Landfill capping - current	-	-	-	200	200	-
Claims and judgments - current	-	-	-	-	-	19,337
Compensated absences - current	3,598	1,281	1,017	493	6,389	249
Current liabilities payable from restricted assets:						
Revenue bonds	20,685	4,360	7,035	-	32,080	-
Accrued interest	5,970	1,845	4,587	-	12,402	-
Total current liabilities	86,738	11,105	23,983	7,170	128,996	23,387
Non-current liabilities:						
Revenue bonds	562,934	207,643	229,182	-	999,759	-
Notes payable	7,413	-	4,456	22,092	33,961	-
Capital leases	1,913	-	-	1	1,914	-
Advances from other funds	11,781	5,069	3,243	2,770	22,863	1,439
Decommissioning liability	76,167	-	-	-	76,167	-
Derivative instruments	23,729	7,884	-	-	31,613	-
Claims and judgments	-	-	-	-	-	12,232
Water stock acquisitions	-	794	-	-	794	-
Landfill capping	-	-	-	6,257	6,257	-
Compensated absences	761	198	105	185	1,249	243
Other postemployment benefits	4,928	2,103	1,476	1,273	9,780	580
Other payables	269	-	-	-	269	-
Total non-current liabilities	689,895	223,691	238,462	32,578	1,184,626	14,494
Total liabilities	776,633	234,796	262,445	39,748	1,313,622	37,881
Deferred Inflows of Resources						
Deferred regulatory charges	-	10,000	-	-	10,000	-
Total deferred inflows of resources	-	10,000	-	-	10,000	-
Net Position						
Net investment in capital assets	201,765	244,937	107,033	55,956	609,691	3,213
Restricted for debt service	16,354	5,479	33,526	-	55,359	-
Restricted for landfill capping	-	-	-	1,185	1,185	-
Restricted for programs and regulatory requirements	9,457	2,287	780	-	12,524	-
Unrestricted	241,696	69,996	18,651	490	330,833	(15,035)
Total net position	\$ 469,272	\$ 322,699	\$ 159,990	\$ 57,631	\$ 1,009,592	\$ (11,822)

The notes to the 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, 2013
(amounts expressed in thousands)

Business-type Activities - Enterprise Funds						
	Electric	Water	Sewer	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities-Internal Service Funds
Operating revenues:						
Charges for services	\$ 347,933	\$ 68,489	\$ 43,772	\$ 27,346	\$ 487,540	\$ 21,239
Operating expenses:						
Personnel services	38,261	11,871	10,322	8,357	68,811	3,866
Contractual services	6,630	2,507	1,634	5,404	16,175	121
Maintenance and operation	177,461	8,771	7,375	6,942	200,549	2,405
General	11,055	12,617	6,806	4,345	34,823	1,963
Materials and supplies	941	795	3,400	1,321	6,457	211
Claims/Insurance	1,476	632	462	363	2,933	17,907
Depreciation and amortization	28,728	12,698	6,788	3,576	51,790	545
Total operating expenses	<u>264,552</u>	<u>49,891</u>	<u>36,787</u>	<u>30,308</u>	<u>381,538</u>	<u>27,018</u>
Operating income (loss)	<u>83,381</u>	<u>18,598</u>	<u>6,985</u>	<u>(2,962)</u>	<u>106,002</u>	<u>(5,779)</u>
Non-operating revenues (expenses):						
Operating grants	-	-	-	2,718	2,718	-
Interest income	3,060	503	1,172	9	4,744	249
Other	3,487	609	(56)	949	4,989	(14)
Gain (loss) on retirement of capital assets	584	191	(295)	(52)	428	4
Capital improvement fees	-	-	1,065	-	1,065	-
Interest expense and fiscal charges	(27,623)	(8,877)	(6,863)	(1,043)	(44,406)	(142)
Total non-operating revenues (expenses)	<u>(20,492)</u>	<u>(7,574)</u>	<u>(4,977)</u>	<u>2,581</u>	<u>(30,462)</u>	<u>97</u>
Income before capital contributions and transfers	62,889	11,024	2,008	(381)	75,540	(5,682)
Cash capital contributions	3,557	4,097	165	1,242	9,061	-
Noncash capital contributions	1,423	185	-	-	1,608	-
Transfers in	33	33	-	2,277	2,343	-
Transfers out	(37,186)	(6,579)	-	(840)	(44,605)	(132)
Extraordinary item - power plant closure	(41,259)	-	-	-	(41,259)	-
Change in net position	<u>(10,543)</u>	<u>8,760</u>	<u>2,173</u>	<u>2,298</u>	<u>2,688</u>	<u>(5,814)</u>
Total net position - beginning	479,815	313,939	157,817	55,333	1,006,904	(6,008)
Total net position - ending	<u>\$ 469,272</u>	<u>\$ 322,699</u>	<u>\$ 159,990</u>	<u>\$ 57,631</u>	<u>\$ 1,009,592</u>	<u>\$ (11,822)</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, 2013
(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	\$ 341,417	\$ 67,918	\$ 44,179	\$ 26,014	\$ 479,528	\$ 21,410
Cash paid to employees for services	(37,180)	(11,369)	(8,337)	(8,043)	(64,929)	(4,159)
Cash paid to other suppliers of goods or services	(205,555)	(26,742)	(13,990)	(22,191)	(268,478)	(18,322)
Payments related to extraordinary item	(3,707)	-	-	-	(3,707)	-
Other receipts	3,520	642	110	4,147	8,419	(14)
Net cash provided (used) by operating activities	<u>98,495</u>	<u>30,449</u>	<u>21,962</u>	<u>(73)</u>	<u>150,833</u>	<u>(1,085)</u>
Cash flows from noncapital financing activities:						
Transfers out	(37,186)	(6,579)	-	2,277	(41,488)	-
Intra-equity property acquisition	-	220	-	-	220	-
Advances from interfund receivables	-	-	-	441	441	(4)
Payments on interfund receivables	(437)	(187)	223	(4)	(405)	(132)
Advances to other funds	512	-	(61)	-	451	638
Net cash (used) provided by noncapital financing activities	<u>(37,111)</u>	<u>(6,546)</u>	<u>162</u>	<u>1,874</u>	<u>(41,621)</u>	<u>502</u>
Cash flows from capital and related financing activities:						
Purchase of capital assets	(35,498)	(24,934)	(51,905)	(10,619)	(122,956)	(446)
Proceeds from the sale of capital assets	646	270	-	3	919	4
Principal paid on long-term obligations	(19,942)	(5,207)	(6,806)	(859)	(32,814)	-
Interest paid on long-term obligations	(28,812)	(8,926)	(6,796)	(1,027)	(45,561)	(142)
Capital improvement fees	-	-	1,065	-	1,065	-
Capital contributions	4,193	6,561	-	762	11,516	-
Net cash (used) for capital and related financing activities	<u>(79,413)</u>	<u>(32,236)</u>	<u>(64,442)</u>	<u>(11,740)</u>	<u>(187,831)</u>	<u>(584)</u>
Cash flows from investing activities:						
Purchase (sales) of investments	(1,549)	535	-	-	(1,014)	-
Income (Loss) from investments	2,691	399	1,183	(4)	4,269	182
Net cash provided (used) by investing activities	<u>1,142</u>	<u>934</u>	<u>1,183</u>	<u>(4)</u>	<u>3,255</u>	<u>182</u>
Net change in cash and cash equivalents	(16,887)	(7,399)	(41,135)	(9,943)	(75,364)	(985)
Cash and cash equivalents, beginning (including \$164,431 for Electric, \$49,333 for Water, \$143,049 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>
Cash and cash equivalents, ending (including \$137,262 for Electric, \$32,780 for Water, \$113,614 for Sewer and \$1,185 for Other Enterprise Funds in restricted accounts.)						
	<u>\$ 335,085</u>	<u>\$ 105,861</u>	<u>\$ 125,811</u>	<u>\$ 4,890</u>	<u>\$ 571,647</u>	<u>\$ 4,209</u>

continued

City of Riverside
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2013
(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)	\$ 83,381	\$ 18,598	\$ 6,985	\$ (2,962)	\$ 106,002	\$ (5,779)
Other receipts (disbursements)	3,520	642	110	4,323	8,595	(14)
Payments related to extraordinary item	(3,707)	-	-	-	(3,707)	-
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation and amortization	28,728	12,698	6,788	3,576	51,790	545
Amortization of net pension asset	426	184	118	79	807	45
Other regulatory assets	(1,487)	-	-	-	(1,487)	-
(Increase) in utility billed receivables	(49)	(218)	-	-	(267)	-
(Increase) in utility unbilled receivables	(1,778)	(53)	-	-	(1,831)	-
(Increase) decrease in accounts receivable	674	(18)	407	(1,390)	(327)	171
(Increase) in intergovernmental receivables	(1,623)	(323)	-	(118)	(2,064)	-
Decrease in due from other funds	512	220	-	-	732	-
(Increase) decrease in prepaid items	(4,509)	4	(5)	-	(4,510)	-
(Increase) decrease in inventory	(507)	-	(16)	-	(523)	97
(Increase) in regulatory assets	(11,779)	-	-	-	(11,779)	-
Increase (decrease) in accounts payable	2,862	(1,033)	5,708	(3,578)	3,959	176
Increase (decrease) in accrued payroll	(44)	5	1,526	(564)	923	(463)
Increase (decrease) in retainage payable	(97)	(291)	-	-	(388)	-
Increase (decrease) in other payables	(709)	-	341	799	431	578
Increase in deposits	223	34	-	-	257	-
(Decrease) in due to other funds	-	-	-	-	-	(467)
Increase in claims and judgments	-	-	-	-	-	4,026
Increase in decommissioning liability	4,458	-	-	-	4,458	-
(Decrease) in landfill capping	-	-	-	(238)	(238)	-
Net cash provided (used) by operating activities	\$ 98,495	\$ 30,449	\$ 21,962	\$ (73)	\$ 150,833	\$ (1,085)
Schedule of noncash investing, capital and financing activities:						
Capital contributions - capital assets	\$ 1,423	\$ 185	\$ -	\$ -	\$ 1,608	\$ -
Borrowing under capital lease	1,659	-	-	-	1,659	-
(Decrease) in fair value of investments	(2,947)	-	-	-	(2,947)	-
Loss on power plant closure	(37,552)	-	-	-	(37,552)	-

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

City of Riverside
Statement of Net Position/(Deficit)
Fiduciary Funds
June 30, 2013
(amounts expressed in thousands)

	Successor Agency Private-Purpose Trust Fund	Agency Fund
Assets		
Cash and investments	\$ 25,999	\$ 6,688
Cash and investments at fiscal agent	29,700	6,778
Receivables:		
Interest	93	33
Accounts	202	24
Notes	22,467	-
Capital lease receivable	21,575	-
Deposits	2	-
Property tax receivables	-	124
Land & improvements held for resale	15,035	-
Capital assets:		
Land	185	-
Equipment	6	-
Accumulated depreciation - equipment	(6)	-
Total assets	115,258	13,647
Liabilities		
Accounts payable	1,477	-
Retainage payable	1,307	-
Accrued interest	5,052	-
Advances from City of Riverside	56,131	-
Bonds payable	256,222	-
Notes payable	6,257	-
Held for bond holders	-	13,647
Total liabilities	326,446	13,647
Deferred Inflows of Resources		
Deferred charge on refunding	318	-
Total deferred inflows of resources	318	-
Net Position/(Deficit)		
Held by Successor Agency	(211,506)	-
Total net position/(deficit)	\$ (211,506)	\$ -

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, 2013
(amounts expressed in thousands)

	Successor Agency Private-Purpose Trust Fund
	<u> </u>
Additions	
Property tax revenue	\$ 28,227
Rental and investment income	2,683
Miscellaneous	404
Total additions	<u>31,314</u>
Deductions	
Professional services and other deductions	2,785
Funds remitted to the county	18,641
Redevelopment projects	7,315
Interest expense	14,321
Total deductions	<u>43,062</u>
Change in Net Position/(Deficit)	(11,748)
Net position/(deficit) - beginning, as restated	<u>(199,758)</u>
Net position/(deficit) - ending	<u>\$ (211,506)</u>

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