

**BASIC FINANCIAL STATEMENTS-  
FUND FINANCIAL STATEMENTS**





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**COUNTY OF RIVERSIDE**

Balance Sheet

Governmental Funds

June 30, 2016

(Dollars in Thousands)

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:	General	Transportation	Flood Control	Teeter Debt Service
Assets:				
Cash and investments (Note 4)	\$ 135,255	\$ 134,567	\$ 215,355	\$ -
Accounts receivable (Notes 1 and 6)	14,674	308	196	-
Interest receivable (Note 6)	2,002	115	272	30
Taxes receivable (Note 6)	9,772	12	1,047	52,114
Due from other governments (Note 6)	345,183	6,494	1,038	-
Due from other funds (Note 7)	9,355	542	-	35
Inventories	2,006	1,041	-	-
Prepaid items and deposits	-	2,600	365	-
Restricted cash and investments (Notes 4 and 5)	332,543	-	2,174	44,255
Advances to other funds (Note 7)	7,369	-	-	-
<b>Total assets</b>	<b>858,159</b>	<b>145,679</b>	<b>220,447</b>	<b>96,434</b>
Deferred outflows of resources	-	-	-	-
<b>Total assets and deferred outflows of resources</b>	<b>\$ 858,159</b>	<b>\$ 145,679</b>	<b>\$ 220,447</b>	<b>\$ 96,434</b>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:				
Liabilities:				
Accounts payable	\$ 28,234	\$ 33,980	\$ 10,380	\$ -
Salaries and benefits payable	99,724	3,040	1,375	-
Due to other governments	51,497	1	754	-
Due to other funds (Note 7)	3,247	260	68	7,927
Deposits payable	52	421	-	-
Advances from grantors and third parties (Note 12)	253,740	20,707	500	-
Teeter notes payable (Note 13)	-	-	-	88,507
Advances from other funds (Note 7)	-	-	-	-
<b>Total liabilities</b>	<b>436,494</b>	<b>58,409</b>	<b>13,077</b>	<b>96,434</b>
Deferred inflows of resources (Note 15)	50,155	-	1,047	-
Fund balances (Note 16):				
Nonspendable	2,369	3,654	366	-
Restricted	99,639	68,191	205,957	-
Committed	40,310	2,847	-	-
Assigned	11,870	12,578	-	-
Unassigned	217,322	-	-	-
<b>Total fund balances</b>	<b>371,510</b>	<b>87,270</b>	<b>206,323</b>	<b>-</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 858,159</b>	<b>\$ 145,679</b>	<b>\$ 220,447</b>	<b>\$ 96,434</b>

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

Public Facilities Improvements Capital Projects	Public Financing Authority	Other Governmental Funds	Total Governmental Funds	ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:
\$ 140,970	\$ -	\$ 144,207	\$ 770,354	Assets:
-	-	2,516	17,694	Cash and investments (Note 4)
132	3	121	2,675	Accounts receivable (Notes 1 and 6)
-	-	1,381	64,326	Interest receivable (Note 6)
-	-	11,114	363,829	Taxes receivable (Note 6)
6,634	-	667	17,233	Due from other governments (Note 6)
-	-	-	3,047	Due from other funds (Note 7)
-	-	1,004	3,969	Inventories
-	252,179	62,081	693,232	Prepaid items and deposits
-	-	-	7,369	Restricted cash and investments (Notes 4 and 5)
147,736	252,182	223,091	1,943,728	Advances to other funds (Note 7)
-	-	-	-	Total assets
\$ 147,736	\$ 252,182	\$ 223,091	\$ 1,943,728	Deferred outflows of resources
				Total assets and deferred outflows of resources
				LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:
				Liabilities:
\$ 9,667	\$ 19,582	\$ 6,078	\$ 107,921	Accounts payable
-	-	3,670	107,809	Salaries and benefits payable
-	-	856	53,108	Due to other governments
11	1,371	3,331	16,215	Due to other funds (Note 7)
-	-	383	856	Deposits payable
409	-	6,659	282,015	Advances from grantors and third parties (Note 12)
-	-	-	88,507	Teeter notes payable (Note 13)
4,000	-	-	4,000	Advances from other funds (Note 7)
14,087	20,953	20,977	660,431	Total liabilities
-	-	5	51,207	Deferred inflows of resources (Note 15)
				Fund balances (Note 16):
-	-	1,225	7,614	Nonspendable
119,441	231,229	168,868	893,325	Restricted
4,877	-	2,830	50,864	Committed
9,331	-	29,186	62,965	Assigned
-	-	-	217,322	Unassigned
133,649	231,229	202,109	1,232,090	Total fund balances
\$ 147,736	\$ 252,182	\$ 223,091	\$ 1,943,728	Total liabilities, deferred inflows of resources, and fund balances

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



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**COUNTY OF RIVERSIDE**

Reconciliation of the Balance Sheet of Governmental Funds to the  
Statement of Net Position  
June 30, 2016  
(Dollars in Thousands)

Fund balances - total governmental funds (page 33) \$ 1,232,090

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. 4,482,236

Net other post employment benefits (OPEB) assets, net pension liabilities, and deferred outflows and deferred inflows of resources related to pensions are not current financial resources and, therefore, are not reported in the governmental funds. (1,349,042)

Under the modified accrual basis of accounting, revenue cannot be recognized until it is available to liquidate liabilities of the current period; under accrual accounting, revenue must be recognized as soon as earned, regardless of its availability. Any liability of earned but unavailable revenue must be eliminated in the government-wide financial statements. 29,492

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

Bonds payable	\$ 1,195,027	
Capital lease obligations	97,807	
Certificates of participation	108,937	
Loans payable	2,790	
Accrued interest payable	7,762	
Accreted interest payable	147,804	
Accrued remediation cost	1,862	
Compensated absences	<u>225,902</u>	(1,787,891)

Internal service funds are used by management to charge the costs of equipment, fleet management, printing, information technology, supply services, risk management, and temporary assistance to individual funds. Since internal service funds predominantly service governmental activities, the assets and liabilities of these funds are included as governmental activities in the statement of net position.

58,794

Net position of governmental activities (page 27) \$ 2,665,679

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

**COUNTY OF RIVERSIDE**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2016  
(Dollars in Thousands)

	General	Transportation	Flood Control	Teeter Debt Service
<b>REVENUES:</b>				
Taxes	\$ 279,945	\$ 8,100	\$ 49,792	\$ -
Licenses, permits, and franchise fees	19,100	2,985	-	-
Fines, forfeitures, and penalties	73,198	21	-	-
Use of money and property:				
Investment earnings	6,728	566	1,317	159
Rents and concessions	10,491	-	269	-
Aid from other governmental agencies:				
Federal	572,267	53,808	-	-
State	1,238,292	75,143	602	-
Other	97,888	10,351	-	-
Charges for services	465,333	37,648	4,869	-
Other revenue	20,069	964	11,850	295
Total revenues	<u>2,783,311</u>	<u>189,586</u>	<u>68,699</u>	<u>454</u>
<b>EXPENDITURES:</b>				
Current:				
General government	113,779	-	-	-
Public protection	1,256,765	5,975	-	-
Public ways and facilities	-	183,905	101,388	-
Health and sanitation	468,272	-	-	-
Public assistance	918,963	-	-	-
Education	669	-	-	-
Recreation and culture	325	-	-	-
Debt service:				
Principal	15,386	-	-	-
Interest	5,369	-	-	-
Cost of issuance	-	-	-	373
Capital outlay	11,829	-	-	-
Total expenditures	<u>2,791,357</u>	<u>189,880</u>	<u>101,388</u>	<u>373</u>
Excess (deficiency) of revenues over (under) expenditures	(8,046)	(294)	(32,689)	81
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	114,185	20,193	-	-
Transfers out	(141,847)	(3,781)	(1,299)	(81)
Issuance of refunding bonds	-	-	-	-
Premium on long-term debt	-	-	-	-
Redemption of refunded debt	-	-	-	-
Capital leases	11,829	-	-	-
Total other financing sources (uses)	<u>(15,833)</u>	<u>16,412</u>	<u>(1,299)</u>	<u>(81)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(23,879)	16,118	(33,988)	-
Fund balances, beginning of year, as previously reported	395,389	71,152	240,654	-
Adjustments to beginning fund balances (Note 3)	-	-	(343)	-
Fund balances, beginning of year, as restated	<u>395,389</u>	<u>71,152</u>	<u>240,311</u>	<u>-</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 371,510</u>	<u>\$ 87,270</u>	<u>\$ 206,323</u>	<u>\$ -</u>

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



Public Facilities Improvements Capital Projects	Public Financing Authority	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 60,302	\$ 398,139
-	-	697	22,782
-	-	1,130	74,349
703	676	1,587	11,736
352	-	40,583	51,695
-	-	60,889	686,964
24,673	-	6,634	1,345,344
29,264	-	25,662	163,165
38,455	-	39,672	585,977
2,030	-	14,726	49,934
<u>95,477</u>	<u>676</u>	<u>251,882</u>	<u>3,390,085</u>
78,792	-	26,762	219,333
-	-	8,381	1,271,121
224	-	13,914	299,431
-	-	1,750	470,022
-	-	65,000	983,963
-	-	19,334	20,003
-	-	23,907	24,232
-	-	53,565	68,951
-	-	38,722	44,091
-	-	522	895
-	70,574	10,397	92,800
<u>79,016</u>	<u>70,574</u>	<u>262,254</u>	<u>3,494,842</u>
16,461	(69,898)	(10,372)	(104,757)
21,052	-	194,805	350,235
(42,485)	(1,371)	(182,520)	(373,384)
-	-	72,825	72,825
-	-	7,612	7,612
-	-	(89,345)	(89,345)
-	-	-	11,829
<u>(21,433)</u>	<u>(1,371)</u>	<u>3,377</u>	<u>(20,228)</u>
(4,972)	(71,269)	(6,995)	(124,985)
138,621	302,498	208,607	1,356,921
-	-	497	154
<u>138,621</u>	<u>302,498</u>	<u>209,104</u>	<u>1,357,075</u>
<u>\$ 133,649</u>	<u>\$ 231,229</u>	<u>\$ 202,109</u>	<u>\$ 1,232,090</u>

REVENUES:

Taxes
Licenses, permits, and franchise fees
Fines, forfeitures, and penalties
Use of money and property:
Investment earnings
Rents and concessions
Aid from other governmental agencies:
Federal
State
Other
Charges for services
Other revenue
Total revenues

EXPENDITURES:

Current:

General government
Public protection
Public ways and facilities
Health and sanitation
Public assistance
Education
Recreation and culture

Debt service:

Principal
Interest
Cost of issuance

Capital outlay

Total expenditures
Excess (deficiency) of revenues over (under) expenditures

OTHER FINANCING SOURCES (USES):

Transfers in
Transfers out
Issuance of refunding bonds
Premium on long-term debt
Redemption of refunded debt
Capital leases
Total other financing sources (uses)

NET CHANGE IN FUND BALANCES

Fund balances, beginning of year, as previously reported
Adjustments to beginning fund balances (Note 3)
Fund balances, beginning of year, as restated
FUND BALANCES, END OF YEAR

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



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**COUNTY OF RIVERSIDE**  
 Reconciliation of the Statement of Revenues, Expenditures, and  
 Changes in Fund Balances of Governmental Funds to the  
 Statement of Activities  
 For the Fiscal Year Ended June 30, 2016  
 (Dollars in Thousands)

Net change in fund balances - total governmental funds (page 37) \$ (124,985)

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

Governmental funds report capital outlay and other capital projects 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.

Expenditures for capital assets	\$ 383,418	
Less loss on disposal of capital assets	(768)	
Less current year depreciation	<u>(183,824)</u>	198,826

Pension expense is not recorded on the governmental funds but is recognized on the statement of net position and Other Post Employment Benefit (OPEB) costs are expended in the governmental funds when paid but are recognized as a financial resource in the statement of net position. 55,238

Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Proceeds in excess of principal payments 47,809

Under the modified accrual basis of accounting, revenue cannot be recognized until it is available to liquidate liabilities of the current period; under accrual accounting, revenue must be recognized as soon as earned, regardless of its availability. Also, any liability of earned but unavailable revenue must be eliminated in the government-wide financial statements. (660)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in accrued interest	1,022	
Change in accreted interest	(17,970)	
Change in long-term compensated absences	<u>(10,654)</u>	(27,602)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net income (loss) of the internal service funds is reported with governmental activities. 29,333

Change in net position of governmental activities (page 29) \$ 177,959

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

**COUNTY OF RIVERSIDE**  
 Budgetary Comparison Statement  
 General Fund  
 For the Fiscal Year Ended June 30, 2016  
 (Dollars in Thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 280,250	\$ 277,739	\$ 279,945	\$ 2,206
Licenses, permits, and fees	17,498	17,526	19,100	1,574
Fines, forfeitures, and penalties	69,429	70,348	73,198	2,850
Use of money and property:				
Investment earnings	10,794	4,024	6,728	2,704
Rents and concessions	29,817	36,507	10,491	(26,016)
Aid from other governmental agencies:				
Federal	615,195	622,645	572,267	(50,378)
State	1,356,107	1,364,597	1,238,292	(126,305)
Other	94,097	94,097	97,888	3,791
Charges for services	540,130	485,237	465,333	(19,904)
Other revenue	98,170	62,128	20,069	(42,059)
Total revenues	3,111,487	3,034,848	2,783,311	(251,537)
<b>EXPENDITURES:</b>				
Current:				
General government:				
Salaries and employee benefits	98,076	98,875	93,944	(4,931)
Services and supplies	75,150	84,961	71,662	(13,299)
Other charges	96,178	59,505	7,989	(51,516)
Capital assets	3,698	3,671	626	(3,045)
Intrafund transfers	(56,988)	(58,575)	(60,442)	(1,867)
Appropriation for contingencies	35,515	13,448	-	(13,448)
Total general government	251,629	201,885	113,779	(88,106)
Public protection:				
Salaries and employee benefits	839,256	871,279	855,692	(15,587)
Services and supplies	389,958	381,556	355,381	(26,175)
Other charges	47,861	54,903	51,295	(3,608)
Capital assets	5,423	6,605	3,263	(3,342)
Intrafund transfers	(6,303)	(8,657)	(8,866)	(209)
Total public protection	1,276,195	1,305,686	1,256,765	(48,921)
Health and sanitation:				
Salaries and employee benefits	299,942	293,711	262,448	(31,263)
Services and supplies	128,285	130,205	116,092	(14,113)
Other charges	205,550	209,469	156,737	(52,732)
Capital assets	13,748	13,228	378	(12,850)
Intrafund transfers	(85,005)	(95,150)	(67,383)	27,767
Total health and sanitation	562,520	551,463	468,272	(83,191)

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

**COUNTY OF RIVERSIDE**  
 Budgetary Comparison Statement  
 General Fund (Continued)  
 For the Fiscal Year Ended June 30, 2016  
 (Dollars in Thousands)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Public assistance:				
Salaries and employee benefits	\$ 346,835	\$ 340,558	\$ 324,818	\$ (15,740)
Services and supplies	150,789	148,125	113,989	(34,136)
Other charges	506,332	505,601	478,950	(26,651)
Capital assets	1,090	2,027	1,610	(417)
Intrafund transfers	(240)	(240)	(404)	(164)
Total public assistance	1,004,806	996,071	918,963	(77,108)
Education:				
Salaries and employee benefits	338	334	334	-
Services and supplies	336	335	335	-
Total education	674	669	669	-
Recreation and culture:				
Salaries and employee benefits	126	127	115	(12)
Services and supplies	192	221	208	(13)
Other charges	3	3	2	(1)
Intrafund transfers	(1)	(1)	-	1
Total recreation and culture	320	350	325	(25)
Debt service:				
Principal	87,967	34,518	15,386	(19,132)
Interest	4,704	5,396	5,369	(27)
Total debt service	92,671	39,914	20,755	(19,159)
Capital outlay	-	-	11,829	11,829
Total expenditures	3,188,815	3,096,038	2,791,357	(304,681)
Excess (deficiency) of revenues over (under) expenditures	(77,328)	(61,190)	(8,046)	53,144
OTHER FINANCING SOURCES (USES):				
Transfers in	-	114,185	114,185	-
Transfers out	-	(141,847)	(141,847)	-
Capital leases	-	-	11,829	11,829
Total other financing sources (uses)	-	(27,662)	(15,833)	11,829
NET CHANGE IN FUND BALANCE	(77,328)	(88,852)	(23,879)	64,973
Fund balance, beginning of year	395,389	395,389	395,389	-
FUND BALANCE, END OF YEAR	\$ 318,061	\$ 306,537	\$ 371,510	\$ 64,973

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

**COUNTY OF RIVERSIDE**  
 Budgetary Comparison Statement  
 Transportation Special Revenue Fund  
 For the Fiscal Year Ended June 30, 2016  
 (Dollars in Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 7,945	\$ 7,945	\$ 8,100	\$ 155
Licenses, permits, and franchise fees	3,025	3,175	2,985	(190)
Fines, forfeitures, and penalties	21	21	21	-
Use of money and property:				
Investment earnings	155	155	566	411
Aid from other governmental agencies:				
Federal	41,116	41,116	53,808	12,692
State	52,886	52,886	75,143	22,257
Other	15,359	15,359	10,351	(5,008)
Charges for services	80,836	65,633	37,648	(27,985)
Other revenue	12,522	11,456	964	(10,492)
Total revenues	<u>213,865</u>	<u>197,746</u>	<u>189,586</u>	<u>(8,160)</u>
<b>EXPENDITURES:</b>				
Current:				
Public protection	7,555	7,909	5,975	(1,934)
Public ways and facilities	210,531	207,856	183,905	(23,951)
Total expenditures	<u>218,086</u>	<u>215,765</u>	<u>189,880</u>	<u>(25,885)</u>
Excess (deficiency) of revenues over (under) expenditures	(4,221)	(18,019)	(294)	17,725
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	20,193	20,193	-
Transfers out	-	(3,781)	(3,781)	-
Total other financing sources (uses)	<u>-</u>	<u>16,412</u>	<u>16,412</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(4,221)	(1,607)	16,118	17,725
Fund balance, beginning of year	71,152	71,152	71,152	-
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 66,931</u>	<u>\$ 69,545</u>	<u>\$ 87,270</u>	<u>\$ 17,725</u>

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

**COUNTY OF RIVERSIDE**  
 Budgetary Comparison Statement  
 Flood Control Special Revenue Fund  
 For the Fiscal Year Ended June 30, 2016  
 (Dollars in Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 47,910	\$ 47,910	\$ 49,792	\$ 1,882
Use of money and property:				
Investment earnings	798	798	1,317	519
Rents and concessions	104	104	269	165
Aid from other governmental agencies:				
State	577	577	602	25
Charges for services	3,857	3,857	4,869	1,012
Other revenue	31,877	31,877	11,850	(20,027)
Total revenues	<u>85,123</u>	<u>85,123</u>	<u>68,699</u>	<u>(16,424)</u>
<b>EXPENDITURES:</b>				
Current:				
Public ways and facilities	170,042	169,753	101,388	(68,365)
Total expenditures	<u>170,042</u>	<u>169,753</u>	<u>101,388</u>	<u>(68,365)</u>
Excess (deficiency) of revenues over (under) expenditures	(84,919)	(84,630)	(32,689)	51,941
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	(1,299)	(1,299)	-
Total other financing sources (uses)	<u>-</u>	<u>(1,299)</u>	<u>(1,299)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(84,919)	(85,929)	(33,988)	51,941
Fund balance, beginning of year, as previously reported	240,654	240,654	240,654	-
Adjustments to beginning fund balance	-	-	(343)	(343)
Fund balance, beginning of year, as restated	<u>240,654</u>	<u>240,654</u>	<u>240,311</u>	<u>(343)</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 155,735</u>	<u>\$ 154,725</u>	<u>\$ 206,323</u>	<u>\$ 51,598</u>

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

**COUNTY OF RIVERSIDE**

Statement of Net Position

Proprietary Funds

June 30, 2016

(Dollars in Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities
	Riverside University Health Systems - Medical Center	Waste Resources	Housing Authority	Other	Total	Internal Service Funds
<b>ASSETS:</b>						
Current assets:						
Cash and investments (Note 4)	\$ 95,754	\$ 77,735	\$ 5,248	\$ 2,165	\$ 180,902	\$ 236,039
Accounts receivable - net (Notes 1 and 6)	47,814	5,537	303	232	53,886	5,913
Interest receivable (Note 6)	-	182	-	11	193	236
Taxes receivable (Note 6)	-	-	-	12	12	-
Due from other governments (Note 6)	141,882	178	1,450	10	143,520	814
Due from other funds (Note 7)	247	-	-	2	249	276
Advances to other funds (Note 7)	-	26,163	-	-	26,163	-
Inventories	8,091	260	-	-	8,351	2,999
Land held for sale	-	-	39,494	-	39,494	-
Prepaid items and deposits	4,400	-	-	-	4,400	341
Restricted cash and investments (Notes 4 and 5)	36,414	69,538	18,555	3,109	127,616	-
Total current assets	<u>334,602</u>	<u>179,593</u>	<u>65,050</u>	<u>5,541</u>	<u>584,786</u>	<u>246,618</u>
Noncurrent assets:						
Loans receivable (Note 6)	-	5,000	87,638	-	92,638	-
Capital assets (Note 8):						
Nondepreciable assets	52,962	29,547	4,060	-	86,569	979
Depreciable assets	151,885	56,720	7,548	13	216,166	85,303
Total noncurrent assets	<u>204,847</u>	<u>91,267</u>	<u>99,246</u>	<u>13</u>	<u>395,373</u>	<u>86,282</u>
Total assets	<u>539,449</u>	<u>270,860</u>	<u>164,296</u>	<u>5,554</u>	<u>980,159</u>	<u>332,900</u>
DEFERRED OUTFLOWS OF RESOURCES (Note 15)	59,241	5,796	2,681	317	68,035	27,447
<b>LIABILITIES:</b>						
Current liabilities:						
Accounts payable	18,145	2,784	699	3,235	24,863	28,190
Salaries and benefits payable	18,821	1,116	-	53	19,990	7,466
Due to other governments	157,950	15	-	2	157,967	57
Due to other funds (Note 7)	1,310	-	-	3	1,313	230
Interest payable	244	-	3	-	247	-
Deposits payable	-	38	-	59	97	-
Other liabilities	28,405	636	2,074	121	31,236	1,062
Accreted interest payable (Note 14)	231	-	-	-	231	-
Accrued closure and post-closure costs (Notes 10 and 23)	-	799	-	-	799	-
Accrued remediation costs (Note 23)	-	805	-	-	805	-
Compensated absences (Notes 1 and 14)	16,516	1,186	220	13	17,935	11,509
Capital lease obligations (Note 14)	1,763	-	-	-	1,763	18,557
Bonds payable (Note 14)	13,635	-	175	-	13,810	-
Estimated claims liabilities (Notes 14 and 17)	-	-	-	-	-	43,073
Total current liabilities	<u>257,020</u>	<u>7,379</u>	<u>3,171</u>	<u>3,486</u>	<u>271,056</u>	<u>110,144</u>
Noncurrent liabilities:						
Compensated absences (Note 2)	8,135	1,779	1,976	92	11,982	3,710
Advances from other funds (Note 7)	22,163	-	1,527	-	23,690	5,842
Accreted interest payable (Note 14)	69,257	-	-	-	69,257	-
Accrued closure and post-closure care costs (Note 10)	-	79,132	-	-	79,132	-
Accrued remediation costs (Note 10 and 23)	-	39,439	-	-	39,439	-
Capital lease obligations (Notes 1 and 2)	5,675	-	-	-	5,675	43,746
Bonds payable (Note 14)	92,228	-	390	-	92,618	-
Estimated claims liabilities (Notes 14 and 17)	-	-	-	-	-	134,908
OPEB obligation, net (Notes 14 and 22)	-	116	-	-	116	-
Net pension liability (Note 20)	186,747	22,978	7,675	1,391	218,791	88,576
Other long-term liabilities (Note 14)	-	-	6,795	-	6,795	-
Total noncurrent liabilities	<u>384,205</u>	<u>143,444</u>	<u>18,363</u>	<u>1,483</u>	<u>547,495</u>	<u>276,782</u>
Total liabilities	<u>641,225</u>	<u>150,823</u>	<u>21,534</u>	<u>4,969</u>	<u>818,551</u>	<u>386,926</u>
DEFERRED INFLOWS OF RESOURCES (Note 15)	54,075	12,932	2,225	268	69,500	25,747
<b>NET POSITION:</b>						
Net investment in capital assets	21,814	86,267	4,812	13	112,906	23,979
Restricted for debt service	36,220	-	-	-	36,220	-
Restricted for health and sanitation	-	10,969	-	-	10,969	-
Restricted other	193	-	1,859	-	2,052	-
Unrestricted	(154,837)	15,665	136,547	621	(2,004)	(76,305)
Total net position	<u>\$ (96,610)</u>	<u>\$ 112,901</u>	<u>\$ 143,218</u>	<u>\$ 634</u>	<u>160,143</u>	<u>\$ (52,326)</u>
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds					(111,120)	
Net position of business-type activities					<u>\$ 49,023</u>	

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



**COUNTY OF RIVERSIDE**  
Statement of Revenues, Expenses, and Changes in Net Position  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2016  
(Dollars in Thousands)

	Business-type Activities - Enterprise Funds					Governmental
	Riverside University					Internal
	Health Systems - Medical Center	Waste Resources	Housing Authority	Other	Total	Service Funds
<b>OPERATING REVENUES:</b>						
Net patient revenue (Notes 1 and 18)	\$ 415,335	\$ -	\$ -	\$ -	\$ 415,335	\$ -
Charges for services	42,426	73,734	1,848	2,130	120,138	315,043
Other revenue	53,905	1,702	85,271	175	141,053	42,442
Total operating revenues	<u>511,666</u>	<u>75,436</u>	<u>87,119</u>	<u>2,305</u>	<u>676,526</u>	<u>357,485</u>
<b>OPERATING EXPENSES:</b>						
Cost of materials used	-	213	-	-	213	1,527
Personnel services	279,010	17,910	11,515	999	309,434	112,285
Communications	2,825	248	108	2	3,183	8,874
Insurance	7,695	535	-	1	8,231	19,516
Maintenance of building and equipment	16,718	5,226	2,790	59	24,793	31,212
Insurance claims	-	41	-	-	41	156,078
Supplies	57,288	1,398	-	17	58,703	37,558
Purchased services	80,282	3,627	499	1,382	85,790	24,036
Depreciation and amortization	19,189	6,029	1,265	6	26,489	15,280
Rents and leases of equipment	3,696	2,179	-	9	5,884	53,692
Public assistance	-	5	70,179	-	70,184	-
Utilities	4,410	268	474	94	5,246	2,669
Remediation costs	-	554	-	-	554	-
Other	11,909	35,060	1,223	41	48,233	5,151
Total operating expenses	<u>483,022</u>	<u>73,293</u>	<u>88,053</u>	<u>2,610</u>	<u>646,978</u>	<u>467,878</u>
Operating income (loss)	<u>28,644</u>	<u>2,143</u>	<u>(934)</u>	<u>(305)</u>	<u>29,548</u>	<u>(110,393)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>						
Investment income	519	1,352	796	52	2,719	1,213
Interest expense	(10,381)	-	(113)	-	(10,494)	(3,236)
Gain (loss) on disposal of capital assets	-	101	-	-	101	1,007
Total nonoperating revenues (expenses)	<u>(9,862)</u>	<u>1,453</u>	<u>683</u>	<u>52</u>	<u>(7,674)</u>	<u>(1,016)</u>
Income (loss) before capital contributions and transfers	18,782	3,596	(251)	(253)	21,874	(111,409)
Capital contributions	1,867	-	367	-	2,234	123,577
Transfers in (Note 7)	26,500	-	-	-	26,500	4,999
Transfers out (Note 7)	(3,522)	(277)	(202)	(21)	(4,022)	(4,328)
Change in net position before extraordinary item	<u>43,627</u>	<u>3,319</u>	<u>(86)</u>	<u>(274)</u>	<u>46,586</u>	<u>12,839</u>
Extraordinary item	-	-	2,803	-	2,803	-
<b>CHANGE IN NET POSITION</b>	<u>43,627</u>	<u>3,319</u>	<u>(2,889)</u>	<u>(274)</u>	<u>43,783</u>	<u>12,839</u>
Net position, beginning of the year, as previously reported	(132,754)	110,145	145,715	908		(61,697)
Adjustments to beginning net position (Note 3)	(7,483)	(563)	392	-		(3,468)
Net position, beginning of the year, as restated	<u>(140,237)</u>	<u>109,582</u>	<u>146,107</u>	<u>908</u>		<u>(65,165)</u>
NET POSITION, END OF YEAR	<u>\$ (96,610)</u>	<u>\$ 112,901</u>	<u>\$ 143,218</u>	<u>\$ 634</u>		<u>\$ (52,326)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					(16,494)	
Change in net position of business-type activities					<u>\$ 27,289</u>	

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

**COUNTY OF RIVERSIDE**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2016**  
**(Dollars in Thousands)**

	Business-type Activities - Enterprise Funds					Governmental
	Riverside University Health Systems - Medical Center	Waste Resources	Housing Authority	Other	Total	Internal Service Funds
Cash flows from operating activities						
Cash receipts from customers / other funds	\$ 447,690	\$ 74,734	\$ 86,749	\$ 2,339	\$ 611,512	\$ 360,518
Cash paid to suppliers for goods and services	(110,315)	(52,140)	(75,184)	(1,603)	(239,242)	(328,968)
Cash paid to employees for services	(280,189)	(18,443)	(11,047)	(1,020)	(310,699)	(114,113)
Net cash provided by (used in) operating activities	<u>57,186</u>	<u>4,151</u>	<u>518</u>	<u>(284)</u>	<u>61,571</u>	<u>(82,563)</u>
Cash flows from noncapital financing activities						
Advances to (from) other funds	(3,693)	3,693	(73)	-	(73)	2,000
Transfers received	26,500	-	-	-	26,500	4,999
Transfers paid	(3,522)	(277)	(202)	(21)	(4,022)	(4,328)
Net cash provided by (used in) noncapital financing activities	<u>19,285</u>	<u>3,416</u>	<u>(275)</u>	<u>(21)</u>	<u>22,405</u>	<u>2,671</u>
Cash flows from capital and related financing activities						
Proceeds from sale of capital assets	-	101	-	1	102	1,109
Acquisition and construction of capital assets	(28,890)	(5,550)	(1,180)	-	(35,620)	(5,142)
Principal paid on capital leases	(2,142)	-	-	-	(2,142)	(13,570)
Capital contributions	1,867	-	367	-	2,234	123,577
Principal paid on bonds payable	(9,952)	-	(165)	-	(10,117)	-
Interest paid on long-term debt	(10,378)	-	(45)	-	(10,423)	(3,236)
Net cash provided by (used in) capital and related financing activities	<u>(49,495)</u>	<u>(5,449)</u>	<u>(1,023)</u>	<u>1</u>	<u>(55,966)</u>	<u>102,738</u>
Cash flows from investing activities						
Loans made to others	-	-	(2,278)	-	(2,278)	-
Investment Income	519	1,235	796	46	2,596	1,067
Net cash provided by (used in) investing activities	<u>519</u>	<u>1,235</u>	<u>(1,482)</u>	<u>46</u>	<u>318</u>	<u>1,067</u>
Net increase (decrease) in cash and cash equivalents	27,495	3,353	(2,262)	(258)	28,328	23,913
Cash and cash equivalents, beginning of year	104,673	143,920	26,065	5,532	280,190	212,126
Cash and cash equivalents, end of year	<u>\$ 132,168</u>	<u>\$ 147,273</u>	<u>\$ 23,803</u>	<u>\$ 5,274</u>	<u>\$ 308,518</u>	<u>\$ 236,039</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position						
Cash and investments per Statement of Net Position	\$ 95,754	\$ 77,735	\$ 5,248	\$ 2,165	\$ 180,902	\$ 236,039
Restricted cash and investments per Statement of Net Position	36,414	69,538	18,555	3,109	127,616	-
Total cash and cash equivalents per Statement of Net Position	<u>\$ 132,168</u>	<u>\$ 147,273</u>	<u>\$ 23,803</u>	<u>\$ 5,274</u>	<u>\$ 308,518</u>	<u>\$ 236,039</u>

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

**COUNTY OF RIVERSIDE**  
Statement of Cash Flows  
Proprietary Funds (Continued)  
For the Fiscal Year Ended June 30, 2016  
(Dollars in Thousands)

	Business-type Activities - Enterprise Funds					Governmental
	Riverside University					Internal
	Health Systems - Medical Center	Waste Resources	Housing Authority	Other	Total	Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities						
Operating income (loss)	\$ 28,644	\$ 2,143	\$ (934)	\$ (305)	\$ 29,548	\$ (110,393)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Depreciation and amortization	19,189	6,029	1,265	6	26,489	15,280
Decrease (Increase) accounts receivable	9,288	(579)	(258)	35	8,486	3,480
Decrease (Increase) taxes receivable	-	-	-	(1)	(1)	-
Decrease (Increase) due from other funds	1,646	-	-	-	1,646	(159)
Decrease (Increase) due from other governments	(74,910)	(123)	(112)	-	(75,145)	(288)
Decrease (Increase) inventories	(172)	(11)	-	-	(183)	(85)
Decrease (Increase) prepaid items and deposits	(527)	-	-	-	(527)	(8)
Increase (Decrease) accounts payable	1,164	63	(4)	52	1,275	(695)
Increase (Decrease) due to other funds	879	(2,137)	(35)	1	(1,292)	63
Increase (Decrease) due to other governments	44,896	(5)	-	2	44,893	-
Increase (Decrease) deposits payable	-	-	-	2	2	-
Increase (Decrease) accrued closure costs	-	(827)	-	-	(827)	-
Increase (Decrease) accrued remediation costs	-	554	-	-	554	-
Increase (Decrease) other liabilities	28,268	12	128	(55)	28,353	(6,959)
Increase (Decrease) estimated claims liability	-	-	-	-	-	19,029
Increase (Decrease) net pension liability	28,520	3,371	1,409	206	33,506	13,210
Increase (Decrease) deferred pensions	(36,218)	(4,087)	(1,515)	(218)	(42,038)	(16,479)
Increase (Decrease) service concession arrangement	-	(435)	-	-	(435)	-
Increase (Decrease) salaries and benefits payable	2,947	204	-	(23)	3,128	934
Increase (Decrease) compensated absences	3,572	3	574	14	4,163	507
Increase (Decrease) OPEB obligation, net	-	(24)	-	-	(24)	-
Net cash provided by (used in) operating activities	<u>\$ 57,186</u>	<u>\$ 4,151</u>	<u>\$ 518</u>	<u>\$ (284)</u>	<u>\$ 61,571</u>	<u>\$ (82,563)</u>
Noncash investing, capital, and financing activities:						
Capital lease obligations	<u>\$ 3,702</u>				<u>\$ 3,702</u>	<u>\$ 29,820</u>

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

**COUNTY OF RIVERSIDE**  
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2016  
(Dollars in Thousands)

	Pension Trust	Investment Trust	Private- Purpose Trust	Agency Funds
<b>ASSETS:</b>				
Cash and investments (Note 4)	\$ -	\$ -	\$ 109,026	\$ 302,921
Federal agency	-	3,264,196	-	-
Cash and cash equivalents	390	424,228	-	-
Mutual funds	31,556	-	-	-
Commercial paper	-	407,938	-	-
Municipal bonds	-	229,017	-	-
Bond - U.S. Treasury	-	303,531	-	-
Local agency obligation	-	213	-	-
Accounts receivable	177	3,861	916	388
Interest receivable	-	5,644	72	141
Taxes receivable	-	-	-	33,114
Due from other governments	-	-	2,813	-
Land held for sale	-	-	25,480	-
Total assets	<u>32,123</u>	<u>4,638,628</u>	<u>138,307</u>	<u>336,564</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
Deferred charge on refunding	-	-	6,457	-
<b>LIABILITIES:</b>				
Accounts payable	-	-	11,285	191,628
Due to other governments	-	-	3	144,936
Note payable	-	-	744,318	-
Interest payable	-	-	8,941	-
Accreted interest payable	-	-	10,261	-
Other long-term liabilities	-	-	1,039	-
Total liabilities	<u>-</u>	<u>-</u>	<u>775,847</u>	<u>\$ 336,564</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Deferred inflows of resources	-	-	2,042	
<b>NET POSITION:</b>				
Held in trust for pension benefits, external pool participants, and other purposes	<u>\$ 32,123</u>	<u>\$ 4,638,628</u>	<u>\$ (633,125)</u>	

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

**COUNTY OF RIVERSIDE**  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Fiscal Year Ended June 30, 2016  
(Dollars in Thousands)

	Pension Trust	Investment Trust	Private- Purpose Trust
<b>ADDITIONS:</b>			
Employer contributions	\$ 639	\$ -	\$ -
Employee contributions	1,514	-	-
Contributions to pooled investments	-	26,773,837	-
Contributions to private-purpose trust	-	-	44,294
Investment income	205	-	(7,871)
Total additions	<u>2,358</u>	<u>26,773,837</u>	<u>36,423</u>
<b>DEDUCTIONS:</b>			
Distributions from pooled investments	-	26,437,164	-
Distributions from private-purpose trust	-	-	48,424
Administrative and other expenses	2,028	-	-
Total deductions	<u>2,028</u>	<u>26,437,164</u>	<u>48,424</u>
Change in net position	330	336,673	(12,001)
Net position held in trust, beginning of the year	<u>31,793</u>	<u>4,301,955</u>	<u>(621,124)</u>
Net position held in trust, end of the year	<u>\$ 32,123</u>	<u>\$ 4,638,628</u>	<u>\$ (633,125)</u>

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



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