

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 9 – CAPITAL ASSETS (Continued)

Depreciation expense was charged to the business-type functions as follows (in thousands):

Regional Medical Center	\$ 9,574
Waste Management	4,338
Housing Authority	1,734
County Service Areas	5
Flood Control	27
	<u>27</u>
Total depreciation expense – business-type functions	<u>\$ 15,678</u>

Capital Leases

	Governmental	Business Type
Land	\$ 5,780	\$ -
Construction in Progress	3,541	-
Structures and Improvements	56,129	-
Equipment	140,677	11,962
Less: Accumulated amortization	(94,849)	(5,680)
Total leased property, net	<u>\$ 111,278</u>	<u>\$ 6,282</u>

Discretely Presented Component Unit

Activity for the Riverside County Children and Families Commission for the year ended June 30, 2009 was as follows (in thousands):

	Balance July 1, 2008	Additions	Retirements	Balance June 30, 2009
Capital assets, being depreciated:				
Equipment	\$ 339	\$ -	\$ (89)	\$ 250
Total capital assets, being depreciated	<u>339</u>	<u>-</u>	<u>(89)</u>	<u>250</u>
Less accumulated depreciation for:				
Equipment	(261)	(36)	89	(208)
Total accumulated depreciation	<u>(261)</u>	<u>(36)</u>	<u>89</u>	<u>(208)</u>
Total capital assets, net	<u>\$ 78</u>	<u>\$ (36)</u>	<u>\$ -</u>	<u>\$ 42</u>

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 10 - LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS

Waste Management (Waste) has recorded \$87.9 million as landfill closure and post-closure care expense to date (based on the use of the estimated capacities of the landfill ranging from 30% to 100%). State and Federal laws and regulations require Waste to place a final cover on all active landfills when closed and to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. Waste will recognize the remaining estimated cost of \$31.9 million as the remaining estimated capacity of 18.2 million tons is filled. Waste expects all currently permitted landfill capacities to be filled by 2039. The total estimate of \$119.8 million is based on what it would cost to perform all closure and post-closure care costs at present value. Actual costs may be different due to inflation, changes in technology, or changes in regulations.

Cumulative expenses, percentage of landfill capacity used to date, and the estimated remaining landfill life by operating landfill are as follows (in thousands):

Facility Name (City)	Cumulative Expense	Capacity Used as of June 30, 2009 %	Estimated Years Remaining
Anza (Anza)	\$ 2,826	100.0	-
Badlands (Moreno Valley)	15,574	51.7	8
Blythe (Blythe)	2,459	31.9	31
Coachella (Coachella)	8,773	100.0	-
Desert Center (Desert Center)	757	69.1	3
Double Butte (Winchester)	10,064	100.0	-
Edom Hill (Cathedral City)	19,214	100.0	-
Highgrove (Riverside)	6,656	100.0	-
Lamb Canyon (Beaumont)	7,040	39.7	11
Mead Valley (Perris)	8,697	100.0	-
Mecca II (Mecca)	3,371	99.4	29
Oasis (Oasis)	2,494	71.2	25
	<u>\$ 87,925</u>		

Waste is required by State and Federal laws and regulations to make annual contributions to a trust fund to finance closure and post-closure care. Title 14 of the California Code of Regulations (CCR) requires solid waste landfill operators to demonstrate the availability of financial resources to conduct closure and post-closure maintenance activities.

In accordance with sections 18283 and 18290 of the CCR, the County has implemented Pledge of Revenue agreements between the County and the California Integrated Waste Management Board (CIWMB) for six active landfills and six closed landfills to demonstrate financial responsibility for post-closure maintenance costs. Waste has determined that the projected net revenues, after current operating costs, from tipping fees during the thirty-year period of post-closure care maintenance will, during each year of this period, be greater than the yearly monitoring and post-closure care maintenance costs for each landfill. It is agreed that the amount of these Pledge of Revenue agreements may increase or decrease to match any adjustments to the identified cost estimates, which is mutually agreed to by the Waste and the CIWMB. Waste complies with these requirements and investments of \$64.5 million are held for these purposes at June 30, 2009 and are classified as Restricted Assets in the Statement of Net Assets. Waste expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional post-closure requirements are determined (due to changes in technology or applicable laws or regulations) these costs may need to be covered by charges to future landfill users.

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 11 – OPERATING LEASES

The following is a year by year schedule of future minimum rental payments primarily for facilities leases. The schedule includes an average 4.5% per annum rental increase, principally for the General Fund, required under operating leases entered into by the County that have initial or remaining non-cancelable lease terms in excess of one year as of June 30, 2009 (in thousands):

<u>Year Ending June 30</u>	
2010	\$ 37,402
2011	30,287
2012	26,062
2013	19,874
2014	15,349
2015-2019	42,638
2020-2024	1,178
Total Minimum Payments	<u>\$ 172,790</u>

Rental expense was \$40.6 million principally in the General Fund for the year ended June 30, 2009.

NOTE 12 – SHORT TERM DEBT

Tax and Revenue Anticipation Notes (TRANS)

On July 1, 2008, the County issued \$315 million of tax exempt Tax and Revenue Anticipation Notes (TRANS), which were repaid June 30, 2009. The Notes were sold with a yield of 1.6%. This was to provide needed cash to cover the projected intra-period cash-flow deficits of the County's General Fund during the fiscal year July 1 through June 30.

Tax-Exempt Commercial Paper Notes (Teeter)

In December 1993, the County adopted the Teeter Plan, the alternative method for the distribution of secured property taxes and other assessments. In order to fulfill the requirements of the plan, the County obtained cash for the "buyout" of delinquent secured property taxes and the annual advance of current unpaid taxes to all entities that elected to participate in the Teeter Plan. The current financing takes place through the sale of Tax-Exempt Commercial Paper Notes (Teeter Notes). During FY 2008-09, the County retired \$98.8 million of the \$168.4 million principal amount outstanding at June 30, 2008. The County then issued \$116.4 million of Series B notes and Series C of \$80.6 million in notes, leaving an outstanding balance of \$266.6 million at June 30, 2009.

Short-term debt activity for the year ended June 30, 2009, was as follows (in thousands):

	Balance July 1, 2008	Additions	Reductions	Balance June 30, 2009
FY 2008-09 TRANS	\$ -	\$ 315,000	\$ (315,000)	\$ -
Teeter Notes	168,436	196,993	(98,800)	266,629
Total	<u>\$ 168,436</u>	<u>\$ 511,993</u>	<u>\$ (413,800)</u>	<u>\$ 266,629</u>

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 13 – LONG-TERM OBLIGATIONS

Long-term obligations of the County consist of capital lease obligations, bonds, notes, and other liabilities which are payable from the General, Debt Service, Enterprise, and Internal Service Funds. The calculated legal debt limit for the County is \$3.0 billion.

Capital Leases

Capital leases for governmental funds are recorded both as capital expenditures and as other financing sources at inception in the fund financial statements, with the liability and the asset recorded in the government-wide statement of net assets. Capital leases are secured by a pledge of the leased equipment.

See Note 9 (Capital Assets) for Assets under Capital Leases for related disclosure information by major asset class.

The following is a schedule by year of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments as of June 30, 2009 (in thousands):

<u>Year Ending June 30</u>	<u>Component Units</u>	<u>Others</u>	<u>Total Governmental Activities</u>	<u>Business- type Activities</u>
2010	\$ 2,792	\$ 28,072	\$ 30,864	\$ 5,099
2011	3,331	22,183	25,514	4,391
2012	3,340	14,946	18,286	3,241
2013	3,339	9,059	12,398	2,064
2014	3,336	5,906	9,243	313
2015-2019	16,681	10,243	26,924	-
2020-2024	12,484	879	13,362	-
2025-2029	6,417	493	6,910	-
2030-2034	3,974	-	3,974	-
Total minimum payments	55,694	91,781	147,475	15,108
Less amount representing interest	(19,603)	(10,261)	(29,864)	(1,080)
Present value of net minimum lease payments	\$ 36,091	\$ 81,520	\$ 117,611	\$ 14,028

The statement of net assets includes the Palm Desert Financing Authority capital lease of \$36.1 million for the construction and acquisition of certain public facilities within the County, including the Palm Desert Sheriff's Station, community centers, the Blythe County Administrative Center, an animal shelter and a clinic facility.

The following schedules provide details of all certificates of participation, bonds payable, and notes payable for the County of Riverside that are outstanding as of June 30, 2009 (in thousands):

Governmental Activities

<u>Type of indebtedness (purpose)</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2009</u>
<u>Certificates of Participation:</u>					
<u>CORAL</u>					
1985 Serial Certificates	12/01/08 – 12/01/15	Variable	\$5,400 - \$15,000	\$ 169,400	\$ 75,90
				169,400	75,90

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 13 – LONG-TERM OBLIGATIONS (Continued)

Type of indebtedness (purpose)	Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2009
<i>Certificates of Participation (Continued):</i>					
<u>CORAL</u>					
2005 A - Capital Improvement & Family Law Court Refunding:					
Serial Certificates	11/01/08 – 11/01/25	3.00% - 5.00%	\$325 - \$1,740	\$ 28,495	\$ 25,990
Term Certificate	11/01/26 – 11/01/33	5.00%	\$2,255 - \$1,955	9,905	9,905
Term Certificate	11/01/34 – 11/01/36	5.00%	\$2,040 - \$2,490	13,265	13,265
				<u>51,665</u>	<u>49,160</u>
<u>CORAL</u>					
2005 B - Historic Courthouse Refunding Project:					
Serial Certificates	11/01/08 – 11/01/25	3.00% - 5.00%	\$325 - \$1,740	18,835	17,235
Term Certificate	11/01/26 – 11/01/27	5.00%	\$1,860 - \$1,915	3,775	3,775
				<u>22,610</u>	<u>21,010</u>
<u>CORAL</u>					
1998 Larson Justice Center:					
Serial Certificates	12/01/08 – 12/01/12	4.30% - 4.75%	\$1,195 - \$1,550	18,185	5,790
Term Certificate	12/01/13 – 12/01/18	5.00%	\$1,625 - \$2,075	11,055	11,055
Term Certificate	12/01/19 – 12/01/21	5.00%	\$2,175 - \$2,400	6,860	6,860
				<u>36,100</u>	<u>23,705</u>
<u>CORAL</u>					
2001 CAC Annex:					
Serial Certificates	11/01/08 – 11/01/26	5.00% - 5.13%	\$705 - \$1,880	27,120	22,980
Term Certificate	11/01/27 – 11/01/30	5.13%	\$1,980 - \$2,295	8,540	8,540
Term Certificate	11/1/31	5.75%	\$2,415	2,415	2,415
				<u>38,075</u>	<u>33,935</u>
<u>CORAL</u>					
2006 Series A - Cap Imp Project:					
Serial Certificates	11/01/08 – 11/01/26	3.75% - 5.13%	\$585 - \$1,235	16,425	15,840
Term Certificate	11/01/27 – 11/01/31	4.75%	\$1,295 - \$1,560	7,130	7,130
Term Certificate	11/01/32 – 11/01/35	5.00%	\$1,635 - \$1,895	7,050	7,050
Term Certificate	11/01/36 – 11/01/37	4.63%	\$1,990 - \$2,080	4,070	4,070
				<u>34,675</u>	<u>34,090</u>
<u>CORAL</u>					
2003 A - Historic Court Project:					
Serial Certificates	11/01/08 – 11/01/18	3.00% - 5.00%	\$260 - \$400	4,125	3,335
Term Certificate	11/01/19 – 11/01/23	5.00%	\$420 - \$510	2,320	2,320
Term Certificate	11/01/24 – 11/01/28	5.00%	\$535 - \$650	2,955	2,955
Term Certificate	11/01/29 – 11/01/33	5.13%	\$720 - \$835	3,790	3,790
				<u>13,190</u>	<u>12,400</u>
<u>CORAL</u>					
2003 B –Capital Facilities Refunding:					
Serial Certificates	11/01/08 – 11/01/11	2.00% - 4.20%	\$300 - \$900	8,685	4,550
				<u>\$ 8,685</u>	<u>\$ 4,550</u>

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 13 – LONG-TERM OBLIGATIONS (Continued)

Type of indebtedness (purpose)	Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2009
<u>Certificates of Participation (Continued):</u>					
<u>CORAL</u>					
1990 Monterey Avenue:					
Serial Certificate	11/01/08 – 11/01/20	Variable	\$200 - \$800	\$ 8,800	\$ 6,200
				<u>8,800</u>	<u>6,200</u>
<u>CORAL</u>					
2007 A & B Public Safety Communication and Refunding Projects:					
Series A	11/01/087 – 11/01/17	3.85% - 5.00%	\$1,560 - \$10,850	73,775	70,430
Series B	11/01/18 – 11/01/21	Auction Rate	\$1,825 - \$12,300	37,350	37,350
				<u>111,125</u>	<u>107,780</u>
<u>Court Financing Corporation</u>					
Bankruptcy Courthouse:					
Acquisition Project Term Certificate	11/01/08 – 11/01/27	7.50%	\$230 - \$1,420	16,120	11,885
				<u>16,120</u>	<u>11,885</u>
<u>District Court Financing Corporation</u>					
U.S. District Court Project:					
Term /Series 1999	6/14/20	7.59%	\$640 - \$844	2,165	2,165
Term /Series 1999	6/15/15	1.93%	Variable	17,635	8,474
Term /Series 2002	6/15/20	3.00%	Variable	925	660
				<u>20,725</u>	<u>11,299</u>
Total Certificates of Participation				\$ 531,170	\$ 391,914
Bonds Payable:					
<u>CORAL</u>					
2000 A Southwest Justice Center:					
Term Certificate	11/01/08 – 11/01/13	4.88% - 5.40%	\$1,585 - \$2,240	\$ 17,945	\$ 10,070
				<u>17,945</u>	<u>10,070</u>
<u>CORAL</u>					
2008 A Southwest Justice Center:					
Term Certificate	12/01/08 – 11/01/32	Variable	\$2,480 - \$6,410	78,895	78,895
				<u>78,895</u>	<u>78,895</u>
<u>CORAL</u>					
1997 B & C (Hospital):					
Term Bonds (Series C)	06/01/19	5.81%	\$1,733	1,733	1,733
				<u>1,733</u>	<u>1,733</u>
<u>RDA</u>					
2005 Tax Allocation Revenue Bonds	10/01/08 – 10/01/37	4.50% - 5.00%	\$1,995 - \$6,490	144,075	137,060
				<u>144,075</u>	<u>137,060</u>
<u>RDA</u>					
2004 A Tax Allocation Housing Bonds	10/01/08 – 10/01/37	4.75% - 5.00%	\$4,700 - \$16,015	38,225	38,225
				<u>38,225</u>	<u>38,225</u>
<u>RDA</u>					
2004 A-T Tax Allocation Housing Bonds	10/01/08 – 10/01/28	2.90% - 4.87%	\$1,800 - \$7,955	37,000	32,275
				<u>\$ 37,000</u>	<u>\$ 32,275</u>

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 13 – LONG-TERM OBLIGATIONS (Continued)

Type of indebtedness (purpose)	Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2009
<u>Bonds Payable (Continued):</u>					
<u>RDA</u>					
2005 Tax Allocation Housing/Refunding	10/01/08 – 10/01/33	3.00% - 4.50%	\$365 - \$4,120	\$ 18,245	\$ 16,755
				<u>18,245</u>	<u>16,755</u>
<u>RDA</u>					
2007 A Tax Allocation Refunding Bonds	10/01/08 – 09/1/34	3.00% - 4.50%	\$1,725 - \$6,450	89,990	88,265
				<u>89,990</u>	<u>88,265</u>
<u>Taxable Pension Obligation Bond</u>					
Pension Obligation Bonds (Series 2005-A)	8/15/08 – 8/15/35	4.91%	\$5,905 - \$5,530	400,000	378,525
				<u>400,000</u>	<u>378,525</u>
<u>RDA</u>					
2004 Tax Allocation Revenue Bonds	10/01/08 – 01/01/37	2.50% - 5.00%	\$2,705 - \$40,300	102,785	96,690
2007 Tax Allocation Revenue - Series A	10/01/08 – 01/01/37	3.50% - 4.37%	\$3,380 - \$8,925	169,720	163,510
2007 Tax Allocation Revenue - Series B	10/01/08 – 01/01/37	4.00% - 4.75%	\$645 - \$1,955	33,820	32,640
				<u>306,325</u>	<u>292,840</u>
<u>Inland Empire Tobacco Securitization Authority</u>					
Series 2007 A	06/01/17 – 06/01/21	4.625% - 5.0%		87,650	78,200
Series 2007 B	06/01/20 – 06/01/26	5.75%		53,758	53,758
Series 2007 C-1	06/01/26 – 06/01/36	6.625%		53,542	53,542
Series 2007 C-2	06/01/33 – 06/01/45	6.750%		29,653	29,653
Series 2007 D	06/01/32 – 06/01/57	7.00%		23,457	23,457
Series 2007 E	06/01/35 – 06/01/57	7.63%		18,948	18,948
Series 2007 F	06/01/42 – 06/01/57	8.00%		27,076	27,076
				<u>294,084</u>	<u>284,634</u>
Total Bonds Payable				<u>\$ 1,426,517</u>	<u>\$ 1,359,277</u>
<u>Loans Payable:</u>					
<u>RDA</u>					
2000 Loans Payable	01/01/08 – 01/01/15	3.50% - 7.00%	\$56 - \$956	\$ 1,329	\$ 1,504
<u>CORAL</u>					
2007 Monroe Park Building	12/5/2015	6.50%	\$122 - \$4,621	5,973	5,718
Total Loans Payable				<u>\$ 7,302</u>	<u>\$ 7,222</u>
<u>CORAL</u>					
2006 Capital Anticipation Notes	12/1/08 – 11/12/09	Pool Rate	\$6,000	\$ 6,000	\$ 6,000
Total Notes Payable				<u>\$ 6,000</u>	<u>\$ 6,000</u>
Total Governmental Activities				<u>\$ 1,970,989</u>	<u>\$ 1,764,413</u>

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 13 – LONG-TERM OBLIGATIONS (Continued)

Type of indebtedness (purpose)	Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2009
Business-Type Activities					
Bonds Payable:					
<u>Regional Medical Center</u>					
1993 A & B (Hospital):					
Term Bonds (Series A)	06/01/10 – 06/01/12	6.38%	\$12,230 - \$13,870	\$ 134,535	\$ 39,125
Term Bonds (Series B)	06/01/13 – 06/01/14	6.75%	\$7,050 - \$7,475	14,525	14,525
Loss on Defeasance (net)				-	(1,156)
				<u>149,060</u>	<u>52,494</u>
<u>Regional Medical Center</u>					
1997 A (Hospital): Serial Capital					
Cap Apprec. Bonds (net of future cap apprec \$130,470)	06/01/13 – 06/01/26	5.70% - 6.01%	\$1,081 - \$4,981	41,170	41,170
				<u>41,170</u>	<u>41,170</u>
<u>Regional Med Center 1997</u>					
Serial Bonds (Series B)	06/01/08 – 06/01/13	4.38% - 5.70%	\$330 - \$455	4,785	1,695
Term Bonds (Series B)	06/01/14 – 06/01/19	5.00% - 5.70%	\$475 - \$11,475	63,935	63,935
Term Bonds (Series C)	6/1/2019	6.25%	\$3,265	3,265	3,265
Less: Sheriff's Part (Series C)				(1,733)	(1,733)
Bond Discount				-	(1)
Loss on Defeasance (net)				-	(1,761)
				<u>70,252</u>	<u>65,400</u>
<u>Housing Authority</u>					
1998 Series A:					
Term Bonds	12/01/08 – 12/01/18	6.85%	\$100 - \$200	1,625	1,520
Deferred Charges				-	(625)
				<u>1,625</u>	<u>895</u>
Total Bonds Payable				\$ 262,107	\$ 159,959
Total Business-Type Activities				\$ 262,107	\$ 159,959
Discretely Presented Component Unit					
Bonds Payable:					
<u>Palm Desert Financing Authority</u>					
2003 Lease Rev Bonds Series A:					
Serial Certificates	05/01/08 – 05/01/23	2.25% - 4.70%	\$585 - \$995	\$ 13,270	\$ 10,740
Term Certificate	05/01/24 – 05/01/27	4.750%	\$1,035 - \$715	3,975	3,975
Term Certificate	05/01/28 – 05/01/33	4.750%	\$750 - \$950	1,815	1,815
Term Certificate	05/01/28 – 05/01/33	5.000%	\$750 - \$950	3,250	3,250
Bond Discount				-	(185)
				<u>22,310</u>	<u>19,595</u>
2008 Lease Rev Bonds Series A:					
Serial Certificates	05/01/10 – 05/01/18	4.00% - 5.50%	\$1,935 - \$6,200	43,845	43,845
Term Certificate	05/01/19 – 05/01/22	6.000%	\$6,540 - \$7,790	28,600	28,600
Bond Discount				-	(586)
				<u>72,445</u>	<u>71,859</u>
Total Bonds Payable				\$ 94,755	\$ 91,454
Total Discretely Presented Component Unit				\$ 94,755	\$ 91,454

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 13 – LONG-TERM OBLIGATIONS (Continued)

As of June 30, 2009, annual debt service requirements of governmental activities to maturity are as follows (in thousands):

Governmental Year ending June 30	Loans Payable		Certificates of Participation	
	Principal	Interest	Principal	Interest
2010	\$ 235	\$ 527	\$ 17,127	\$ 23,428
2011	254	508	18,464	22,030
2012	273	489	26,242	20,154
2013	296	466	28,216	18,158
2014	319	826	29,616	16,678
2015-2029	5,635	21	127,094	51,187
2020-2024	210	-	65,785	25,386
2025-2029	0	-	36,195	15,235
2030-2034	0	-	28,280	6,997
2035-2039	-	-	14,895	1,300
Total	\$ 7,222	\$ 2,837	\$ 391,914	\$ 200,553

Governmental Year ending June 30	Bonds Payable		Other Long-term Liabilities	
	Principal	Interest	Principal	Interest
2010	\$ 21,980	\$ 54,802	\$ -	\$ -
2011	81,478	56,611	-	-
2012	32,995	52,671	-	-
2013	35,650	45,207	-	-
2014	26,880	41,615	1,500	-
2015-2029	220,718	222,591	-	-
2020-2024	260,095	167,578	-	-
2025-2029	178,475	109,153	-	-
2030-2034	203,865	65,353	-	-
2035-2039	198,007	21,388	-	-
2040-2044	-	-	-	-
2045-2049	29,653	1,945	-	-
2050-2054	-	-	-	-
2055-2057	69,481	4,671	-	-
Total	\$ 1,359,277	\$ 843,585	\$ 1,500	\$ -

Governmental Year ending June 30	Notes Payable	
	Principal	Interest
2010	\$ 6,000	\$ 74
Total	\$ 6,000	\$ 74

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 13 – LONG-TERM OBLIGATIONS (Continued)

As of June 30, 2009, annual debt service requirements of business-type activities to maturity are as follows (in thousands):

Business-type Year ending June 30	Bonds Payable		Other Long-term Liabilities	
	Principal	Interest	Principal	Interest
2010	\$ 12,735	\$ 11,982	\$ -	\$ -
2011	13,555	11,469	-	-
2012	14,430	10,921	-	-
2013	10,674	10,301	-	-
2014	10,930	9,814	-	-
2015-2029	72,055	40,811	6,795	-
2020-2024	22,024	24,360	-	-
2025-2029	7,099	3,129	-	-
Total Requirements	163,502	122,788	\$ 6,795	\$ -
Bond Discount/Premium, net	(1)	-		
Deferred Charges (Housing)	(625)	-		
Loss on Defeasance (net)	(2,917)	-		
Total	\$ 159,959	\$ 122,788		

Discretely Presented Component Unit Year ending June 30	Bonds Payable	
	Principal	Interest
2010	\$ 2,530	\$ 4,797
2011	5,030	4,702
2012	5,250	4,484
2013	5,485	4,254
2014	5,750	3,989
2015-2029	33,355	15,317
2020-2024	26,820	5,326
2025-2029	4,470	1,468
2030-2034	3,535	444
Total Requirements	92,225	44,781
Bond Discount/Premium, net	(771)	-
Total	\$ 91,454	\$ 44,781

Accreted Interest Payable

The following is a summary of the changes in accreted interest payable for the year ended June 30, 2009 (in thousands):

	Balance June 30, 2008	Additions	Reductions	Balance June 30, 2009
<u>Governmental Activities:</u>				
<u>Certificates of Participation:</u>				
Court Financing (US District Court Project)	\$ 2,087	\$ 352	\$ -	\$ 2,439
<u>Bonds:</u>				
Inland Empire Tobacco Securitization Authority	12,500	13,513	-	26,013
Total governmental-type activities	<u>\$ 14,587</u>	<u>\$ 13,865</u>	<u>\$ -</u>	<u>\$ 28,452</u>
<u>Business-type Activities:</u>				
<u>Lease Revenue Bonds:</u>				
Regional Medical Center (1997A Hosp)	\$ 38,849	\$ 4,847	\$ -	\$ 43,696
Total business-type activities	<u>\$ 38,849</u>	<u>\$ 4,847</u>	<u>\$ -</u>	<u>\$ 43,696</u>

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 13 – LONG-TERM OBLIGATIONS (Continued)

Accreted Interest Payable (Continued)

The accreted interest payable balances at June 30, 2009 represent accreted interest on the U.S. District Court Project, the 2007 Inland Empire Tobacco Securitization Authority Bonds, and the 1997 A Hospital Serial Capital Appreciation Bonds. The original issues were \$2.2 million for the U.S. District Court Project, \$294.1 million for the 2007 Inland Empire Tobacco Securitization Authority Bonds, and \$41.2 million for the 1997 A Hospital Serial Capital Appreciation Bonds. The total accreted value on the bonds and certificates upon maturity will be \$7.2 million for the U.S. District Court Project, \$171.6 million for the 1997 A Hospital Serial Capital Appreciation Bonds, and \$3.5 billion for the 2007 Inland Empire Tobacco Securitization Authority Bonds. The County is under no obligation to make payments of accreted value of or redemption premiums, if any, or interest on the Series 2007 Bonds.

The increases of \$13.9 million and \$4.8 million represent current year's accretion for governmental activities and business activities respectively. Accumulated accretion is \$43.7 million at June 30, 2009.

The U.S. District Court Financing and the Inland Empire Tobacco Securitization Authority account for the remainder of \$28.5 million. The un-accreted balances at June 30, 2009 are \$86.8 million for the 1997-A Hospital (RCRMC) project, \$5.0 million for the U.S. District Court, and \$3.5 billion for the Tobacco Securitization Authority Capital Appreciation Bonds.

Bonds, Certificates of Participation/ Refunding

In December 2008, CORAL issued \$78.9 Demand Leasehold Revenue Refunding Bonds Series 2008A to provide funds to refund and redeem the entire \$76.3 million Leasehold Revenue Bonds, adjustable rate series 2000B; to pay the premium for a surety policy to provide the reserve requirement for the series 2008A bonds; and to pay the costs of issuance of the series 2008A Bonds. The reacquisition price exceeded the net carrying amount of the old debt by \$2.6 million. This amount is being netted against the new debt and amortized over the new debt's life. The transaction resulted in an economic loss of \$1.6 million and an addition of \$3.9 million in future debt service payments. The amount of the defeased debt outstanding at June 30, 2009, was \$76.3 million.

Defeasance of Debt

In April 2007, the Redevelopment Agency (RDA) issued \$89.9 million in Tax Allocation Refunding Bonds to provide proceeds that were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2001 Tax Allocation Bond for \$87.9 million. As a result, the refunding portion of the 2001 Tax Allocation Bond is considered to be defeased and the liability has been removed from the government activities column of the Statement of Net Assets. At June 30, 2009, \$86.4 million in 2001 Tax Allocation Bonds held in trust were considered to be defeased and outstanding.

In August 2007, CORAL issued \$111.1 million of Certificates of Participation Bonds, 2007 Series A – *Fixed Rate Certificates* (\$73.7 million), and 2007 Series B – *Auction Rate Certificates* (\$37.5 million). A portion of the proceeds from the sale of the certificates were used to refund \$24.2 million of the 1997 Lease Refunding Certificates of Participation. The advance refunding resulted in a loss on refunding of \$206.5 thousand. Accordingly, the refunded certificates have been eliminated and the advance refunding certificates have been included in the financial statements. The amount of the defeased debt outstanding at June 30, 2009 was \$22.8 million.

In April 2005, CORAL issued \$22.6 million of Certificates of Participation, Series B (2005 Series B – *Historic Courthouse Refunding*). The proceeds from the sale of the certificates were used to advance refund \$21.1 million of the Historic Courthouse Certificates of Participation. Accordingly, the refunded certificates have been eliminated and the advance refunding certificates have been included in the financial statements. The amount of the defeased debt outstanding at June 30, 2009, was \$2.6 million.

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 13 – LONG-TERM OBLIGATIONS (Continued)

Single Family and Multi-Family Mortgage Revenue Bonds

Single Family Mortgage Revenue Bonds have been issued to provide funds to purchase mortgage loans secured by first trust deeds on newly constructed single-family residences. The purpose of this program is to provide low interest rate home mortgage loans to persons who are unable to qualify for conventional mortgages at market rates. Multi-Family Mortgage Revenue Bonds are issued to provide permanent financing for apartment projects located in the County to be partially occupied by persons of low or moderate income.

A total of \$68.5 million of Mortgage Revenue Bonds has been issued and \$64.6 million is outstanding as of June 30, 2009. These bonds do not constitute an indebtedness of the County. The bonds are payable solely from payments made on and secured by a pledge of the acquired mortgage loans and certain funds and other monies held for the benefit of the bondholders pursuant to the bond indentures.

In the opinion of the County officials, these bonds are not payable from any revenues or assets of the County, and neither the full faith and credit nor the taxing authority of the County, the State, or any political subdivision thereof is obligated to the payment of the principal or interest on the bonds. Accordingly, no liability has been recorded in the basic financial statements.

Special Assessment Bonds

Various special districts in the County reporting entity have issued special assessment bonds, totaling \$160.1 million at June 30, 2009, to provide financing or improvements benefiting certain property owners. Special assessment bonds consist of Community Facilities District Bonds and Assessment District Bonds. The County, including its special districts, is not liable for the payment of principal or interest on the bonds, which are obligations solely of the benefited property owners. Certain debt service transactions relating to certain special assessment bonds are accounted for in the Agency Funds.

The County is not obligated and does not expect to advance any available funds from the County General Fund to the Community Facilities Districts or the Assessment Districts for any current or future delinquent debt service obligations. The County Special Districts continue to use all means available to bring current any delinquent special assessment taxes, including workouts, settlement agreements, and foreclosure actions when necessary.

The Riverside County Flood Control and Water Conservation District (Flood Control) has issued special assessment bonds, totaling \$3.7 million as of June 30, 2009, for the construction of flood control facilities. The bonds are to be repaid through special assessment revenue and are not considered obligations of Flood Control. In accordance with bond covenants, Flood Control has established a reserve for potential delinquencies. If a delinquency occurs in the payment of any assessment installment, Flood Control has the duty to transfer the amount of such delinquent installment from the Reserve Fund into the Redemption Fund assessment installment. Flood Control's liability to advance funds for bond redemption in the event of delinquent assessment installments is limited to the reserves established.

State Appellate Court Financing

In November 1997, the Public Finance Authority of the County of Riverside issued \$13.5 million of Lease Revenue Bonds for the State of California Court of Appeal Fourth Appellate District, Division Two Project. The State of California executed a lease coincident with the term of the financing and those lease payments are the sole security for the financing. The State is the ultimate obligor under the terms of the financing and neither the County nor the Authority will have any ongoing payment obligation. The State has committed to indemnify the County in the Lease.

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 13 – LONG-TERM OBLIGATIONS (Continued)

Interest Rate Swap

Objective and Terms: As a means to lower financing costs and to reduce the risks associated with the fluctuation in market interest rates, the County entered into an amended and restated interest rate swap in connection with the Southwest Justice Center Series 2008A Leasehold Revenue Bonds (Bonds) in the amount of \$76.3 million. The intention of the swap was to effectively change the variable interest rate on the bonds to a synthetic fixed-rate of 5.2%. The Bonds and the related swap agreement mature on November 1, 2032, and the swap's notional amount of \$76.3 million approximately matches the \$78.9 million variable-rate bonds. The swap was effective at the same time the bonds were issued on May 24, 2000 and was amended and restated as of December 10, 2008.

Starting in fiscal year 2014-15, the notional value of the swap and the principal amount of the associated debt will decline. Under the amended and restated swap agreement, the County paid Citigroup Financial Products, Inc., (Citigroup) a fixed payment rate of 5.2%. As of December 2003, the "Alternative Floating Rate Option" was used to calculate interest paid to the County. The "Alternate Floating Rate Option" means a per annum rate, not to exceed the maximum interest rate payable on the Bonds, expressed as a decimal, equal to 64.0% of the monthly London Interbank Offered Rate (LIBOR) in effect for each Alternative Floating Rate Reset Date in the relevant calculation period. Conversely, the Bond variable-rate coupons have historically been similar to the Bond Market Association Municipal Swap Index (BMA).

Fair Value: The swap had a negative fair value of \$24.1 million as of June 30, 2009. The fair value is the market price quoted by Citigroup on June, 30 2009.

Credit Risks: The swap counterparty was rated A+ by Moody's and A+ by Standard & Poor's as of June 30, 2009. The swap agreement specifies that if the long-term senior unsecured debt rating of Citigroup is withdrawn, suspended or falls below A- (Standard & Poor) or A3 (Moody's), a collateral agreement will be executed within 30 days or the fair value of the swaps will be fully collateralized by the counterparty.

Basis Risks: As of June 30, 2009, the County's rate was 64.0% of LIBOR, or .2%, whereas Municipal Swap Index was .3%. The synthetic rate on the bonds at June 30, 2009 was 5.4%.

Swap Payment and Associated Debt: Using rates as of June 30, 2009, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rates remain the same for their term, were as follows, (in thousands):

Fiscal Year Ending June 30	Variable Rate Bonds		Net Swap Payments	Total Interest
	Principal	Interest		
2010	\$ -	\$ 1,099	\$ 2,835	\$ 3,934
2011	-	1,099	2,835	3,934
2012	-	1,099	2,835	3,934
2013	-	1,099	2,835	3,934
2014	-	1,099	2,834	3,933
2015-2019	14,260	5,175	13,350	18,525
2020-2024	19,025	4,054	10,460	14,514
2025-2029	24,715	2,562	6,611	9,173
2030 - 2033	18,300	678	1,745	2,423
	<u>\$ 76,300</u>	<u>\$ 17,964</u>	<u>\$ 46,340</u>	<u>\$ 64,304</u>

As rates vary, variable-rate bond interest payments and net swap payments will vary.

Termination Risks: The County retains the right to terminate the swaps. If the swaps are terminated, the variable rate Bonds would no longer carry synthetic fixed-interest rates. Also, if at the time of termination the swaps had negative fair values, the County would be liable to Citigroup for a payment equal to the swaps' fair values.

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 13 – LONG-TERM OBLIGATIONS (Continued)

Changes in long-term liabilities

The following is a summary of long-term liabilities transactions for the year ended June 30, 2009 (in thousands):

	Balance June 30, 2008	New Additions	Payments / Reclass	Balance June 30, 2009	Amounts Due Within One Year
<u>Governmental activities:</u>					
Debt long-term liabilities:					
Bonds payable***	\$ 1,086,397	\$ 78,895	\$ 193,985	\$ 1,359,277	\$ 21,980
Capital lease obligations	105,317	37,401	(25,107)	117,611	26,330
Certificates of participation	408,024	-	(16,110)	391,914	17,127
Loans payable***	304,809	-	(297,587)	7,222	235
Notes payable	6,000	-	-	6,000	6,000
Total debt long-term liabilities	1,910,547	116,296	(144,819)	1,882,024	71,672
Other long-term liabilities:					
Accreted interest payable	14,587	13,865	-	28,452	-
Compensated absences*	137,770	7,602	(453)	144,919	84,789
Estimated claims liabilities	135,321	50,340	(68,381)	117,280	33,062
Accrued remediation costs	-	2,793	-	2,793	472
Other long-term liabilities (a)	1,500	-	-	1,500	-
Total other long-term liabilities	289,178	74,600	(68,834)	294,944	118,323
Total governmental activities – long-term liabilities	\$ 2,199,725	\$ 190,896	\$ (213,653)	\$ 2,176,968	\$ 189,995
<u>Business-type activities:</u>					
Debt long-term liabilities:					
Bonds payable, net of un-amortized discount and losses**	\$ 170,814	\$ -	\$ (10,855)	\$ 159,959	\$ 12,735
Capital lease (RCRMC)	16,124	2,059	(4,155)	14,028	4,597
Total debt long-term liabilities	186,938	2,059	(15,010)	173,987	17,332
Other long-term liabilities:					
Accreted interest payable	38,849	4,847	-	43,696	-
Accrued closure and post-closure	48,174	2,377	(905)	49,646	4,262
Compensated absences*	18,657	208	(367)	18,498	11,340
Accrued remediation costs	20,282	446	-	20,728	1,218
Other long-term liabilities (b)	6,795	-	-	6,795	-
Total other long-term liabilities	132,757	7,878	(1,272)	139,363	16,820
Total business-type activities – long-term liabilities	\$ 319,695	\$ 9,937	\$ (16,282)	\$ 313,350	\$ 34,152
<u>Discretely Presented Component Unit</u>					
Debt long-term liabilities:					
Bonds payable	\$ 20,173	\$ 71,829	\$ (548)	\$ 91,454	\$ 2,530
Other long-term liabilities:					
Compensated absences*	216	37	-	253	149
Total discretely presented component unit – long-term liabilities	\$ 20,389	\$ 71,866	\$ (548)	\$ 91,707	\$ 2,679

* Obligations for compensated absences have been paid from the fund associated with the obligation.

** The reduction in bonds payable amount of \$10.9 million includes a bond discount amortization of \$1.0 thousand, deferred charges of \$624.9 thousand, and losses on bond defeasance of \$2.9 million during fiscal year 2008-09.

*** Outstanding RDA Tax Allocation Bonds of \$297.4 million were reported as loans payable in previous years and were reclassified to Bonds Payable in fiscal year 2008-09.

(a) Fleet & Purchasing (ISF) has \$1.5 million in "Other long-term liabilities" (Governmental) for a Note Payable authorized by the Board.

(b) The Housing Authority (Business-type activity) has two notes payable, totaling \$6.8 million, under "Other long-term liabilities."

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 13 – LONG-TERM OBLIGATIONS (Continued)

Disclosure of Pledged Revenues

Inland Empire Tobacco Securitization Authority, a blended component unit of the County, issued \$294.1 million of tobacco asset-backed bonds. The bonds are solely secured by pledging a portion of County Tobacco Assets*** made payable to the County pursuant to agreements with the State and other parties. The portion of revenues that will be used to pay the debt service are (i) the County Tobacco Assets to the extent consisting of or relating to amounts due to the County after the first \$10.0 million has been paid to the County in each year beginning on January 1, 2008 and ending on December 31, 2020, (ii) the County Tobacco Assets to the extent consisting of or relating to amounts due to the County after the first \$11.5 million has been paid to the County in each year beginning on January 1, 2021 and ending on December 31, 2026, (iii) the County Tobacco Assets to the extent consisting of or relating to amounts due to the County from and after January 1, 2027, and (iv) the County Tobacco Assets to the extent consisting of or relating to the applicable percentage of a lump sum payment of 21.7% to the County and 78.3% to the Tobacco Securitization Authority for Calendar year 2008. During the fiscal year ended June 30, 2009, \$18.7 million was received by the Tobacco Authority; \$10.0 million, or 53.5%, was distributed to the County per the above agreement, leaving \$8.7 million, or 46.5%, of the specific tobacco settlement revenues were pledged (see page 139). The County is under no obligation to make payments of the principal or accreted value of or redemption premiums, if any, or interest on the Series 2007 bonds in the event that revenues are insufficient for the payment thereof.

Redevelopment Agency has pledged a portion of future tax increment revenues and a portion of investment earnings to repay the Agency's long-term debt. The Agency's long-term debt is payable solely from the tax increment and a portion of investment earnings in the Agency's project areas. Total principal and interest remaining on the bonds is \$1.1 billion, payable through fiscal year 2038. During the fiscal year ended June 30, 2009, \$81.2 million was received from tax increment and investment earnings combined. Of this amount, principal and interest paid were \$11.5 million and \$28.7 million respectively, or 0.5% of the specific revenues pledged.

The Housing Authority 1998 bonds are secured by an agreement with the City of Corona, which has pledged to pay \$218.0 thousand to the Housing Authority each year until the bonds are redeemed in their entirety on December 1, 2018. The bond indenture requires the Housing Authority to remit the entire \$218.0 thousand received each year to the bond trustee to pay for the bond's annual debt service payments, which in fiscal year 2009 were \$105.0 thousand (principal) and \$117.7 thousand (interest).

The Housing Authority reports the \$218.0 thousand received each year as revenue. In fiscal year 2009, the \$218.0 thousand represented about 0.3% of the total revenues of the Housing Authority. MBIA Insurance Corporation has issued a surety bond in lieu of a cash funded reserve. The outstanding balance as of June 30, 2009, before applying the deferred charge, was \$1.5 million.

*** Tobacco settlement revenue required to be paid to the State of California under the Master Settlement Agreement entered into by participating cigarette manufacturers, 46 states, California, and six other U.S. jurisdictions, in November 1988 in settlement of certain cigarette smoking-related litigation.



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COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 14 – FUND BALANCES

Fund balances that are not available for appropriation or are not considered “expendable available financial resources” are reserved. Unreserved fund balances that have been earmarked by the Board for a specified purpose are considered designated. Such reserved and designated fund balances at June 30, 2009 are as follows (in thousands):

	Major Funds			
	General Fund	Public Facilities Improvements	Redevelopment Capital Projects	Total Major Governmental Funds
<u>Reserved:</u>				
Encumbrances	\$ 1,700	\$ 1,516	\$ 129,743	\$ 132,959
Imprest cash	370	1	-	371
Inventories	2,132	-	-	2,132
Receivables	-	-	-	-
Advances	-	-	-	-
Program operations	82,598	19,745	-	102,343
Construction	-	517,169	-	517,169
Notes receivable	-	-	6,364	6,364
General	350	-	-	350
Debt service	326	-	-	326
Land held for resale	-	-	53,520	53,520
Capital outlay	-	-	-	-
Prepays	3,720	-	-	3,720
Total reserved fund balances	91,196	538,431	189,627	819,254
<u>Unreserved:</u>				
Unreserved, designated:				
Strategic planning	98,501	-	-	98,501
Probation	2,608	-	-	2,608
Program operations	64,072	-	116,076	180,148
Capital projects and programs	38,640	-	-	38,640
Total unreserved, designated fund balances	203,821	-	116,076	319,897
Total unreserved, undesignated fund balances	77,104	-	-	77,104
Total fund balances	\$ 372,121	\$ 538,431	\$ 305,703	\$ 1,216,255

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 14 – FUND BALANCES (Continued)

Nonmajor Funds						
Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Government	Total Governmental Funds	Reserved:
\$ 24,476	\$ -	\$ 924	\$ -	\$ 25,400	\$ 158,359	Encumbrances
117	-	-	-	117	488	Imprest cash
907	-	-	-	907	3,039	Inventories
957	146	-	-	1,103	1,103	Receivables
2,300	-	-	-	2,300	2,300	Advances
30,194	-	-	370	30,564	132,907	Program operations
1,712	-	74,499	-	76,211	593,380	Construction
31,570	-	-	-	31,570	37,934	Notes receivable
51	41,308	17,505	-	58,864	59,214	General
-	106,114	-	-	106,114	106,440	Debt service
26,515	-	-	-	26,515	80,035	Land held for resale
-	-	169	-	169	169	Capital outlay
1,919	-	11,117	-	13,036	16,756	Prepays
120,718	147,568	104,214	370	372,870	1,192,124	Total reserved fund balances
						Unreserved:
						Unreserved, designated:
-	-	-	-	-	98,501	Strategic planning
-	-	-	-	-	2,608	Probation
57,815	-	3	-	57,818	237,966	Program operations
-	-	6,930	-	6,930	45,570	Capital projects and programs
57,815	-	6,933	-	64,748	384,645	Total unreserved, designated fund balances
348,912	-	-	-	348,912	426,016	Total unreserved, undesignated fund balances
<u>\$ 527,445</u>	<u>\$ 147,568</u>	<u>\$ 111,147</u>	<u>\$ 370</u>	<u>\$ 786,530</u>	<u>\$ 2,002,785</u>	Total fund balances

Net Assets. The government-wide statement of net assets reports \$824.1 million of restricted net assets for governmental activities, of which \$302.0 million is restricted by enabling legislation.

See Note 1 for information regarding the reserves for encumbrances and inventories. The general reserve was established under the provisions of Government Code Section 29086 for "dry period" financing, which is that period before the property tax apportionment is received by a fund. The County also issues Tax and Revenue Anticipation Notes to finance the General Fund's "dry period."

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 15 – RISK MANAGEMENT

The County is self-insured for general liability, medical malpractice, and workers' compensation claims. The County records estimated liabilities for general liability, medical malpractice, and workers' compensation claims filed or estimated to be filed for incidents that have occurred. Estimated liability accruals include those incidents that are reported as well as an amount for those incidents that occurred but are unreported (IBNR) at fiscal year end. The funding of these estimates is based on actuarial experience and projections. The County fully self-insures short-term disability and unemployment insurance. Life insurance and long-term disability programs are fully insured. Depending on the plan, group health, dental, and vision may be either self-insured or fully insured.

The County supplements its self-insurance for general liability, medical malpractice, and workers' compensation with catastrophic excess insurance coverage. General liability utilizes a policy providing coverage on a per occurrence basis. Limits under the policy are \$15.0 million, subject to a self-insured retention (SIR) of \$1.0 million for each occurrence. A self insured retention is a form of a deductible. The County also purchases an additional \$10.0 million per occurrence excess of the \$15.0 million for a total of \$25.0 million in limits. Medical malpractice utilizes an excess policy providing coverage on claims made basis. Limits under the malpractice policy are \$10.0 million subject to a self-insured retention of \$1.1 million. The general liability policy provides an additional \$10.0 million in excess limits above the medical malpractice policy for a total of \$20.0 million. The maximum limit under the excess workers' compensation, Section A, is statutory (unlimited); Section B, employer liability is \$5.0 million per claim. Section A is subject to a \$2.0 million SIR for each accident, employee injury, or disease. Settlements have not exceeded coverage for each of the past three fiscal years.

The County's property insurance program provides insurance coverage for all risks subject to a \$50.0 thousand deductible; flood coverage is subject to a 2.0% deductible within a 100-year flood zone and \$25.0 thousand outside a 100-year flood zone. The County's property is categorized into four Towers and each Tower provides \$600.0 million in limits. Earthquake (covering scheduled locations equal to or greater than \$1.0 million in value and lesser valued locations where such coverage is required by contract) has a sub-limit in each Tower of \$80.0 million with an additional \$285.0 million excess rooftop limit available to any one Tower. In addition, for earthquake, the program includes a \$250.0 million excess rooftop limit that may be triggered during the policy year if an earthquake event somewhere in the state has depleted the initial limits. Earthquake is subject to a deductible equal to 5.0% of replacement cost value subject to a \$100.0 thousand minimum. Boiler and Machinery provides up to \$100.0 million in limits, with various deductibles. The limits in each Tower are shared with other counties on a per event basis. Should a catastrophic event occur and losses exceed the limits, the County would be responsible.

The activities related to such programs are accounted for in Internal Service Funds. Accordingly, estimated liabilities for claims, including loss adjustment expenses, filed or to be filed, for incidents that have occurred through June 30, 2009 are reported in these funds. Where certain funds have an accumulated deficit or insufficient reserves, the County provides funding to reduce the deficit and increase the reserves. If the funding is above the Board of Supervisors approved 70.0% confidence level an appropriate reduction in funding including a one-time holiday on department charges is granted. Revenues for these Internal Service Funds are primarily provided by other County departments and are intended to cover the self-insured claim payments, insurance premiums, and operating expenses. The revenue is not used to cover catastrophic events and other uninsured liabilities. Cash available in the Risk Management and Workers' Compensation Internal Service Funds at June 30, 2009 plus revenues to be collected during fiscal year 2009-10 are expected to be sufficient to cover all fiscal year 2009-10 payments. The carrying amount of unpaid claim liabilities is \$117.3 million. The liabilities are discounted at 4.0%.

Changes in the balances of claims liabilities during the past two fiscal years for all self-insurance funds combined are as follows (in thousands):

	June 30, 2008	June 30, 2009
Unpaid claims, beginning of year	\$ 135,228	\$ 135,320
Increase (decrease) in provision for insured events of prior years	692	(2,003)
Incurred claims for current year	64,958	50,341
Claim payments	(65,558)	(66,378)
Unpaid claims, end of year	<u>\$ 135,320</u>	<u>\$ 117,280</u>

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 16 – MEDI-CAL AND MEDICARE PROGRAMS

The Regional Medical Center provides services to patients covered by various reimbursement programs. The principal programs are Medicare, the State of California Medi-Cal, and the County Medically Indigent Services Program (MISP). Net patient service revenue is recorded at the estimated net realizable amounts from patients, third-party payers, and others for services rendered. In addition, net patient service revenue includes a provision for doubtful accounts and estimated retroactive adjustments under reimbursement agreements with federal and state government programs and other third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Inpatient services rendered to Medi-Cal program beneficiaries are reimbursed at a per diem rate based upon estimated certified public expenditures (CPEs) and outpatient services are reimbursed under a schedule of maximum allowable reimbursement provided by the California Department of Health Care Services. Inpatient acute care services rendered to Medicare program beneficiaries are reimbursed based upon pre-established rates for diagnostic-related groups. Inpatient non-acute services, certain outpatient services, and defined capital and medical education costs related to Medicare beneficiaries are paid based on a cost-reimbursement methodology. The Regional Medical Center is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Regional Medical Center and audit thereof by the Medicare fiscal intermediary. Normal estimation differences between final settlements and amounts accrued in previous years are reflected in net patient services revenue. The fiscal intermediary has audited the Regional Medical Center's Medicare cost reports through June 30, 2002 and June 30, 2007 for Medi-Cal. Reports on the results of desk reviews have been received through June 30, 2007 for Medicare which are subject to revision within a three year period.

In September 2005, the State of California significantly modified its Medi-Cal program under a new waiver with the Centers for Medicare and Medicaid Services (CMS). In connection with the new waiver, the State legislature passed the Medi-Cal Hospital Uninsured Demonstration Project Act, or SB 1100, which replaced the SB 855 and SB 1255 programs. For the SB 1100 program, the State continues to provide supplemental payments to the hospital for uncompensated care. However, the use of intergovernmental transfers (IGTs) by the State, as the non-federal match, was modified to a methodology consisting of certified public expenditures (CPEs) up to 50 percent of costs and IGTs of 75 percent of costs. The Regional Medical Center has recorded net patient revenue of \$87 million for SB-1100 for the year ended June 30, 2009.

All CPEs reported by the hospital will be subject to State and Federal audit and final reconciliation process. If at the end of the final reconciliation process it is determined that the hospital's claimed CPEs resulted in an overpayment to the State, the hospital may be required to return the overpayment whether or not they received the federal matching funds.

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS

Under Title I (Section 6500 et seq.) of the Government Code, the County has participated in jointly governed organizations with various entities for a variety of purposes. The board of directors for each of these organizations is composed of one representative of each member organization. The County maintains no majority influence or budgetary control over the following entities and County transactions with these jointly governed organizations are not material to the financial statements. The following jointly governed organizations were not included as either blended or discretely presented component units in these financial statements.

A representation of the jointly governed organizations on which the County served at June 30, 2009 follows:

The CSAC Excess Insurance Authority was formed in October 1979 and has a current membership of 52 California counties. The Authority operates programs for excess workers' compensation, two excess liability programs, two property programs, and medical malpractice. It also provides support services for selected programs such as claims administration, risk management, loss prevention and training, and subsidies for actuarial studies and claims audits.

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

Coachella Valley Association of Governments was formed in November 1973. Currently, the association includes the following members: the cities of Blythe, Cathedral City, Coachella, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs, and Rancho Mirage; the local tribes of Agua Caliente Band of Cahuilla Indians and the Cabazon Band of Mission Indians; and Riverside County. The purpose of the Association is to conduct studies and projects designed to improve and coordinate the common governmental responsibilities and services on an area-wide and regional basis.

Western Riverside Council of Governments was formed in November 1989 with the cities of Banning, Beaumont, Calimesa, Canyon Lake, Corona, Hemet, Lake Elsinore, Moreno Valley, Murrieta, Norco, Perris, Riverside, San Jacinto, and Temecula for the purpose of serving as a forum for consideration, study, and recommendation on area-wide and regional problems.

Riverside County Habitat Conservation Agency (RCHCA) was formed in July 1990. The RCHCA is a Joint Powers Agreement Agency comprised of the cities of Corona, Hemet, Lake Elsinore, Moreno Valley, Murrieta, Perris, Riverside, Temecula, and the County of Riverside for the purpose of planning, acquiring, administering, operating, and maintaining land and facilities for ecosystem conservation and habitat reserves for the Stephen's Kangaroo Rat and other endangered species under Article 1, Chapter 5, Division 7, Title 1 of the Government Code.

Van Horn Regional Treatment Facility was organized in January 1991 with Los Angeles, San Diego, San Bernardino, Orange, and Riverside Counties for the purpose of constructing and operating a treatment center for emotionally disturbed minors. The Facility's Board of Directors consists of the Chief Probation Officer and the Director of Mental Health for each county.

Riverside County Abandoned Vehicle Abatement Authority was formed in June 1993 with those cities within the County that have elected to create and participate in the Authority, pursuant to Vehicle Code Section 22710. The purpose of the Authority is to implement a program and plan for the abatement of abandoned vehicles.

The March Joint Powers Commission was formed in August 1993 with the cities of Moreno Valley, Perris, and Riverside to formulate and implement plans for the use and reuse of March Air Force Base.

The Salton Sea Authority was formed in August 1993 with Imperial County, Imperial Irrigation District, and Coachella Valley Water District to direct and coordinate actions relating to improvement of water quality, stabilization of water elevation, and to enhance recreational and economic development potential of the Salton Sea and other beneficial uses.

Coachella Valley Regional Airport Authority was formed in April 1994 with the cities of Coachella, Indian Wells, Indio, La Quinta, and Palm Desert for the purpose of acting as a planning commission for the continued growth and development of Thermal Airport and the surrounding area.

Inland Empire Health Plan was formed with the County of San Bernardino in June 1994 to be the administrative body and governing board to form and develop a managed health care system for Medi-Cal recipients in the two counties through the Local Initiative.

Palm Springs Visitors and Convention Bureau was formed in December 1995 with those member cities located in the Coachella Valley area of the County. The purpose of the Authority is to encourage and promote all aspects of the hospitality, convention, and tourism industry in the Coachella Valley.

Western Riverside County Regional Conservation Authority / Multi-Species Habitat Conservation Plan was formed in January 2004 with the responsibility of issuing the permits required to implement the Multi-Species Habitat Conservation Plan, which will ultimately create a 500,000-acre reserve system in the County. The conservation plan's proposed reserve system protects habitat for 146 varieties of species.

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

Coachella Valley Conservation Commission (CVCC) was formed in October 2005. The CVCC is a Joint Powers Agreement Agency comprised of the cities of Coachella, Cathedral City, Desert Hot Springs, Indian Wells, Indio, La Quinta, Palm Desert, Palm Springs, Rancho Mirage, Riverside, and the Coachella Valley Water District as well as the Imperial Irrigation District. The purpose of the CVCC was to implement the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP). The CVMSHCP goal is to enhance and maintain biological diversity and ecosystem processes while allowing future economic growth.

Southern California Regional Airport Authority (SCRAA) was originally founded in 1985 by the joint powers authority to begin the process of regionalizing aviation. It has been reactivated in an attempt to reduce projected future passenger loads at Los Angeles International Airport (LAX), by spreading the growth in commercial air traffic to other regional airports. The Southern California Association of Governments (SCAG) has also coordinated dispersal planning for the significant new MAP (million air passengers) that would have to be absorbed at other airports if LAX's future MAP is reduced.

NOTE 18 – RETIREMENT PLAN

Plan Descriptions

The County, Flood Control and Water Conservation District (Flood Control), the Regional Park and Open-Space District (Park District) and Waste Management contract with the California Public Employees Retirement System (CalPERS) to provide retirement benefits. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. State statutes within the Public Employees' Retirement Law have established a menu of benefit provisions as well as other requirements. The County selects optional benefit provisions from the benefit menu by contract with PERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive annual financial report. Separate financial reports for the various County plans within CalPERS are not available. The County does receive annually a valuation report which summarizes assets, liabilities, and rates. Under GASB 27, County Miscellaneous and Safety, and Flood Control are considered single employer defined benefit pension plans, while Park District and Waste Management are considered multiple employer defined benefit pension plans because of its pooling configuration. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office - 400 P Street, Sacramento, CA 95814.

Funding Policy

Active plan members in CalPERS are required to contribute 8.0% (9.0% for safety employees) of their annual covered salary. The County contributes 1.0% of the total 8.0% contribution required of Miscellaneous member County employees hired prior to July 11, 2002, on their behalf and for their account. The County makes the full contribution required of County employees hired prior to January 9, 1992, on their behalf and for their account. Miscellaneous member (non-prosecution unit) employees hired after the above dates make their own contributions for the first five years. Prior to October 25, 2005, Miscellaneous prosecution unit member employees hired on or after September 3, 1992, made their own contributions for the first year. Effective October 25, 2005, the County makes the full contribution required of all Miscellaneous prosecution unit member employees. With some exceptions, safety member employees hired after June 25, 1992, make their own contributions for the first three years. For certain bargaining units, the County makes the contribution required of the employees on their behalf, regardless of hire date. The County, Flood Control, Park District and Waste Management are required to contribute the actuarially determined remaining amounts necessary to fund the benefit for its members. State statute establishes the contribution requirements of the plan member. The employer contribution rate is established and may be amended by CalPERS. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration.

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 18 – RETIREMENT PLAN (Continued)

Early Retirement Incentive

On November 18, 2008, the County Board of Supervisors authorized an early retirement incentive for all employees, other than elected officials covered by the CalPERS Miscellaneous contract. The early retirement incentive offered eligible employees who elected to retire within the 90 day window specified by the County, January 1 through March 31, 2009, two additional years of retirement service credit and medical coverage at the same rates as active employees until January 1, 2011(see Note 20). Eligible employees were those who had attained 50 years of age and who had five or more years of service credit with the County.

Approximately 3,400 employees, out of 15,245 were eligible for the early retirement incentive. Of those eligible, 678 employees elected the early retirement incentive. The County has the option to pay for the cost of the early retirement incentive in a single sum or over a 20 year period. The County has elected to pay over the 20 year period; the additional cost will first start to be payable in FY 2011/12 and will be added to the Employer Rate in the CalPERS annual Valuations and reflected in the actuarial accrued liability. The County estimates the cost of the early retirement incentive to be an additional 0.35% in the Employer Contribution rate, or approximately \$2.3 million per year. The cost of the early retirement incentive is estimated to be \$30.6 million if paid in a single sum.

For fiscal year 2008-09, the contribution rates were:

	County Miscellaneous	County Safety	Flood Control	Park District	Waste Management
Contribution rates:					
County	12.116%	19.014%	13.054%	13.911%	14.293%
Plan Members	8.000%	9.000%	8.000%	8.000%	8.000%

Annual Pension Cost

For fiscal year 2008-09, the annual pension costs for CalPERS is equal to the employer's required and actual contributions as noted below (dollar amounts in thousands):

	County Miscellaneous	County Safety	Flood Control	Park District	Waste Management
Annual required contribution	\$ 94,620	\$ 42,663	\$ 1,874	\$ 567	\$ 568
Interest on net pension obligation (asset)	(24,508)	(6,751)	-	-	-
Adjustment to annual required contribution	18,294	5,039	139	-	434
Annual pension cost	88,406	40,951	2,013	567	1,002
Contributions made	(94,620)	(42,663)	(1,874)	(567)	(568)
Increase (decrease) in net pension obligation (asset)	(6,214)	(1,712)	139	-	434
Net pension obligation (asset) beginning of year	(316,231)	(87,109)	(2,362)	-	(2,818)
Net pension obligation (asset) end of year	\$ (322,445)	\$ (88,821)	\$ (2,223)	\$ -	\$ (2,384)

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 18 – RETIREMENT PLAN (Continued)

Three-Year Trend Information
(dollar amounts in thousands)

	<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
County - Miscellaneous	June 30, 2007	\$ 73,628	108.12 %	\$ (310,138)
	June 30, 2008	79,320	107.68	(316,231)
	June 30, 2009	88,406	107.03	(322,445)
County - Safety	June 30, 2007	32,986	104.99	(85,430)
	June 30, 2008	36,271	104.63	(87,109)
	June 30, 2009	40,951	104.18	(88,821)
Flood Control	June 30, 2007	1,746	92.04	(2,501)
	June 30, 2008	1,891	92.65	(2,362)
	June 30, 2009	1,874	93.09	(2,223)
Parks District	June 30, 2007	524	100.00	-
	June 30, 2008	596	100.00	-
	June 30, 2009	567	100.01	-
Waste Management	June 30, 2007	1,119	60.24	(3,252)
	June 30, 2008	1,040	61.22	(2,818)
	June 30, 2009	1,002	56.69	(2,384)

Actuarial Methods and Assumptions

The following information as of the most recent actuarial valuation:

	<u>County Miscellaneous</u>	<u>County Safety</u>	<u>Flood Control</u>	<u>Park District</u>	<u>Waste Management</u>
Actuarial valuation	6/30/2008	6/30/2008	6/30/2008	6/30/2008	6/30/2008
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
Remaining amortization period	30 years	30 years	30 years	16 years	16 years
Asset valuation method	15 Years Smoothed Market	15 Years Smoothed Market	15 Years Smoothed Market	15 Years Smoothed Market	15 Years Smoothed Market
Actuarial assumptions:					
Investment rate of return	7.75%	7.75%	7.75%	7.75%	7.75%
Projected salary increases	3.25%-14.45%*	3.25%- 13.15%*	3.25%- 14.45%*	3.25%- 14.45%*	3.25%- 14.45%*
Inflation	3.00%	3.00%	3.00%	3.00%	3.00%
Payroll growth	3.25%	3.25%	3.25%	3.25%	3.25%

* Projected salary increases vary depending on Age, Service, and type of employment.

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 18 – RETIREMENT PLAN (Continued)

Funded Status and the Funding Progress

The following is funded status information for each plan as of June 30, 2008, the most recent actuarial valuation date (dollar amounts in thousands):

	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Entry Age (b)	Unfunded AAL (UAAL) (Excess of assets over AAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL (Excess of Assets over AAL) as a Percentage of Covered Payroll ((b-a)/c)
County - Miscellaneous	\$ 3,174,975	\$3,350,223	\$ 175,248	94.77 %	\$ 841,613	20.82 %
County - Safety	1,414,120	1,469,416	55,296	96.24	240,746	22.97
Flood Control	88,463	98,300	9,837	89.99	14,137	69.58
Parks District**	641,168	776,167	134,999	82.61	155,115	87.03
Waste Management**	641,168	776,167	134,999	82.61	155,115	87.03

** The amounts disclosed are for the entire Risk Pool fund in which Parks District and Waste Management participate and not solely of their specific assets and liabilities. CalPERS Risk Pool valuation does not break out specific assets and liabilities.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 19 – DEFINED BENEFIT PENSION PLAN

Plan Descriptions and Contribution Information

Plan Description. The County provides an IRS Section 401(a) single-employer defined benefit pension plan for part-time and temporary employees who are not eligible for social security or CalPERS retirement benefits through the County. This plan is self-funded and self-administered. Contributions made to the Plan are deposited with the County Treasurer, who invests the contributions. A participant is 100% vested immediately.

Contributions. Participants in the plan are required to contribute 3.75% of their compensation to the plan. The County's current required contribution rate is 0.68%. The County elected to contribute 2.0% of payroll in order to reach a target 90% funded ratio within one year. The plan's current funded ratio is 87%. The County's rate is impacted by the rate of return earned by Plan assets. The Plan actuary periodically calculates the minimum recommended employee and employer contribution rates through preparation of an actuarial valuation report. The County determines the contribution rates. Administrative costs of the plan are paid by the Trustee from Plan assets.

Membership for the plan consisted of the following at July 1, 2008, the date of the latest actuarial valuation:

Number of Participants:	
Active plan members	2,838
Terminated and inactive members	4,932
Retirees	83
Total	<u>7,853</u>

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 19 – DEFINED BENEFIT PENSION PLAN (Continued)

Summary of Significant Accounting Policies

Basis of Accounting. The pension plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments. Investments of the pension trust are fully invested in the County pool and reported at fair value as described in Note 1.

Schedule of Annual Pension cost and the Net Pension Obligation (NPO) for 2009 and the two preceding years were as follows (dollar amounts in thousands):

Fiscal Year Ending	Annual Required Contribution	Interest on NPO	Adjustment to the ARC	Annual Pension Cost	Actual Contribution	NPO End of Year	Percentage Contributed
2007	\$ 1,914	\$ -	\$ -	\$ 1,914	\$ 1,914	\$ -	100 %
2008	745	-	-	745	1,993	(1,248)	268
2009	189	(67)	105	227	1,880	(2,901)	828

Annual Pension Cost and Net Pension Obligation (dollar amounts in thousands)

Annual required contribution	\$ 189
Interest on net pension obligation (asset)	(67)
Adjustment to annual required contribution	105
Annual pension cost	227
Contributions made	(1,880)
Increase (decrease) in net pension obligation (asset)	(1,653)
Net pension obligation (asset) beginning of year	(1,248)
Net pension obligation (asset) end of year	<u>\$ (2,901)</u>

Schedule of Funding Progress

The funded status of the plan as of July 1, 2008, the most recent actuarial valuation date and the two preceding years were as follows (dollar amounts in thousands):

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 2006	\$ 10,520	\$ 13,673	\$ 3,153	76.94 %	\$ 29,124	10.83 %
July 1, 2007	13,778	20,468	6,690	67.31	41,333	16.19
July 1, 2008	16,989	19,471	2,482	87.25	27,928	8.89

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statement, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 19 – DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial Methods and Assumptions

The following information is as of the date of the most recent actuarial valuation:

Valuation date	7/1/2008
Actuarial cost method	Projected Unit Credit
Amortization method	Level dollar Projected Payroll
Remaining amortization period	20 years, Open
Asset valuation method	Market Value plus Receivables
Actuarial assumptions:	
Investment rate of return	5.0%
Projected salary increases	3.0%
Inflation rate	3.0%

NOTE 20 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Descriptions

The County, and the following special districts: the Flood Control and Water Conservation District (Flood Control), the Regional Park and Open-Space District (Park District) and Waste Management, offer benefits to eligible retirees.

The benefits are provided in the form of:

- Monthly contributions towards the retiree's medical plan premium, for those eligible retirees enrolled in County sponsored medical plans,
- Allowing non-Medicare eligible retirees to receive medical plan coverage at the active employee premium rates instead of normally higher retiree rates. Employees are eligible for this benefit if they retired prior to January 1, 2009 or retired under the CalPERS Early Retirement Incentive Program before March 31, 2009 for County employees or before April 15, 2009 for Component Units. The effect of the Early Retirement Incentive Program has been reflected in the actuarial accrued liability in the most recent actuarial study. The benefit will cease to be effective January 1, 2011, at which time all retirees will be required to pay "retiree only" (i.e. unblended) premium rates, and
- Monthly contributions to the Riverside Sheriff's Association (RSA) Trust for RSA law enforcement retirees.

Benefit provisions are established and amended through negotiations between the County and the respective unions. The County administers each plan's medical benefits. A qualified Internal Revenue Code Section 115 trust has been established for each plan (except Waste Management) with the California Employers' Retiree Trust (CERBT). CERBT administers each plan's assets. The CERBT issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report may be obtained from CalPERS Employer Services Division, PO Box 942709, Sacramento, CA 94229-2709.

Funding Policy and Annual OPEB Cost

It is the policy of the County, Park District and Flood Control to fully contribute an amount at least equal to the Annual Required Contribution (ARC) other than the amount attributable to the implicit subsidy as determined by the Post Retirement Benefits Actuarial Valuation Study for each trust. In order to facilitate funding the ARC the County will develop a rate structure. It is the policy of Waste Management to fund on as pay-as-you-go basis.

Contribution requirements of the plan members and the County are established and may be amended through negotiations between the County and the respective Unions. The County's annual other postemployment benefit

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 20 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

(OPEB) cost (expense) for each plan is calculated based on the *ARC of the employer*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over 30 years (15 years for Waste Management).

The County's annual OPEB cost for the current year and the related information for each plan are as follows (dollar amounts in thousands, except for contribution rates):

	<u>County</u>	<u>Flood Control</u>	<u>Park District</u>	<u>Waste Management</u>
Contribution rates:				
County	Bargaining Unit Determined \$25-\$256	Bargaining Unit Determined \$25-\$256	Bargaining Unit Determined \$25-\$256	Bargaining Unit Determined \$25-\$256
Plan members	\$305-\$712	\$305-\$712	\$305-\$712	\$305-\$712
Annual required contribution	\$ 3,918	\$ 25	\$ 10	\$ 64
Interest on net OPEB obligation	(763)	(6)	(16)	1
Adjustment to annual required contribution	600	4	12	(2)
Annual OPEB cost	3,755	23	6	63
Contributions made	(7,105)	(93)	(20)	(89)
Increase in net OPEB obligation	(3,350)	(70)	(14)	(26)
Net OPEB obligation (asset) beginning of year	(10,540)	(71)	(201)	23
Net OPEB obligation (asset) end of year	\$ (13,890)	\$ (141)	\$ (215)	\$ (3)

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 and the two preceding years for each of the plans were as follows (dollar amounts in thousands):

	<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
County	06/30/07	*	*	*
	06/30/08	\$ 4,390	340.1 %	\$ (10,540)
	06/30/09	3,755	189.2	(13,890)
Flood Control	06/30/07	*	*	*
	06/30/08	\$ 29	345.0	\$ (71)
	06/30/09	23	404.3	(141)
Park District	06/30/07	*	*	*
	06/30/08	\$ 21	1,057.1	\$ (201)
	06/30/09	6	333.3	(215)
Waste Management	06/30/07	*	*	*
	06/30/08	\$ 61	62.3	\$ 23
	06/30/09	63	141.3	(3)

*Second year of implementation, data not available.

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 20 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Funded Status and Funding Progress

The funded status of the plans as of June 30, 2009, was as follows (dollar amounts in thousands):

	<u>County</u>	<u>Flood Control</u>	<u>Park District</u>	<u>Waste Management</u>
Actuarial accrued liability (a)	\$ 55,288	\$ 660	\$ 144	\$ 1,089
Actuarial value of plan assets (b)	9,872	105	147	-
Unfunded actuarial accrued liability (funding excess) (a) - (b)	<u>\$ 45,416</u>	<u>\$ 555</u>	<u>\$ (3)</u>	<u>\$ 1,089</u>
Funded ratio (b) / (a)	17.9%	15.91%	102.08%	0%
Covered payroll (c)	\$ 1,011,963	\$ 14,396	\$ 4,429	\$ 3,302
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll ([(a) - (b)] / (c))	4.5%	3.9%	0.1%	33.0%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

	<u>County</u>	<u>Flood Control</u>	<u>Park District</u>	<u>Waste Management</u>
Actuarial valuation date	1/1/2009	1/1/2009	1/1/2009	1/1/2009
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percentage of pay, open	Level percentage of pay, open	Level percentage of pay, open	Level percentage of pay, closed
Remaining amortization period	30 years	30 years	30 years	13 years
Actuarial assumptions:				
Investment rate of return	7.24%-7.75%	7.75%	7.75%	4.5%
Projected salary increases	3.25%	3.25%	3.25%	3.25%
Healthcare inflation rate (initial)	10%	10%	10%	10%
Health inflation rate (ultimate)	7%	7%	7%	7%

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 21 – COMMITMENTS AND CONTINGENCIES

Lawsuits and Other Claims

The County has been named as a defendant in various lawsuits and claims arising in the normal course of operations. In the aggregate, these claims seek monetary damages in significant amounts. To the extent the outcome of such litigation has been determined to result in probable financial loss to the County, such loss has been accrued in the accompanying basic financial statements. In the opinion of management, the ultimate outcome of these claims will not materially affect the operations of the County.

Federal Grant Revenue

Compliance examinations for the fiscal year ended June 30, 2008, identified certain items of noncompliance with Federal grants and regulations. The total amount of expenditures that could be disallowed by the granting agencies cannot be determined at this time; however County management does not expect such amounts, if any, to be material to the basic financial statements.

The fiscal year 2008-09 Single Audit of federal awards report is expected to be submitted to the Federal Audit Clearinghouse on or before March 30, 2010.

Commitments

At June 30, 2009, the County had various non-cancelable contracts and construction-in-progress with outside contractors. These contracts were financed through either the General Fund or Capital Projects Funds. \$779.3 million will be payable upon future performance under the contracts.

Trial Court Facilities Act of 2002 (SB 1732)

The bill provided for the transfer of the responsibility of a county to provide necessary and suitable court facilities by authorizing the transfer of that responsibility from the County to the Judicial Council pursuant to an agreement that was negotiated between the County and the Judicial Council, as specified, between July 1, 2003, and June 30, 2007. Per AB 1491, this deadline was extended to September 30, 2008. A list of courts, their respective transfer date, and continued cost to the County is as follows (in thousands):

Court	Annual Payment	Minute Order	Date
Larson Justice Center (33-C1)	\$ 560	3.2	4/19/2005
Moreno Valley (33-L1)	251	3.64	10/18/2005
Hall of Justice (33-A3)	684	3.8	5/8/2007
Banning (33-G1)	112	3.20	4/10/2007
Blythe (33-D1)	61	3.17	9/30/2008
Hemet (33-F1)	129	3.9	10/21/2008
Family Law Court (33-A1)	314	3.11	12/9/2008
Indio Juvenile Court (33-C3)	13	3.10	12/16/2008
Palm Springs Courts (33-E1)	112	3.11	12/16/2008
Temecula (33-H1)	50	3.8	12/16/2008
Corona (33-J1)	106	3.7	12/16/2008
Southwest Justice Center (33-M1)	250	3.9	12/16/2008
Riverside Juvenile Hall (33-N1)	96	3.6	12/16/2008
Indio CAC and Annex (33-C2/4)	293	3.6	12/16/2008
	<u>\$ 3,031</u>		

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 21 – COMMITMENTS AND CONTINGENCIES (Continued)

Landfill Construction and Consulting Contracts

The Waste Management Department (Waste) entered into various construction and consulting contracts to facilitate its landfill operations and is in the process of installing landfill liners at Lamb Canyon in accordance with State and Federal laws and regulations. Waste expects to complete the installation of several landfill liners over the next five years and estimates additional future costs to be \$20.7 million. These additional costs will be capitalized as the costs are incurred.

Remediation Contingencies

Governmental Funds

Release of gasoline and diesel fuel has been reported at eight underground storage tanks. Orders have been issued by the California Regional Water Quality Control Board (CRWQCB) to assess and cleanup these sites by specific dates. Currently the County is performing the appropriate site assessments. As of June 30, 2009 the Governmental Activities reflect a \$2.8 million accrued remediation liability (Note 13). The liability has been calculated using the expected cash flow technique. The liability is subject to change over time. Cost may vary due to price fluctuations, changes in technology, results of environmental studies, changes to statute or regulations and other factors that could result in revisions to these estimates. The County continues to work with the CRWQCB on each of the tanks. Based on the work performed by the County, the CRWQCB will determine if additional assessments, monitoring and/or remediation will be required. In accordance with GASB 49 beginning net assets have been reduced by \$3.0 million which represents the estimated accrued remediation liability as of July 1, 2008 (Note 4).

Enterprise Funds

Waste is presently aware of groundwater contamination at nine of its landfills, six of which are closed. Waste is also aware of air/gas contamination at 17 landfills, 11 of which are closed. Based on engineering studies, Waste estimates the present value of the total costs of corrective action for foreseeable contaminate releases at \$20.7 million. At June 30, 2009, Waste has accrued \$20.7 million for the estimated costs related to the remediation of these landfills. Remediation expense for fiscal year 2009 results from current estimates and current actual expenses.

Waste has established a remediation restricted cash fund and 17 remediation restricted cash escrow funds to set aside funds for future remediation costs as they are required to be performed. Investments of \$20.7 million and \$20.3 million are held for these purposes at June 30, 2009 and 2008, respectively, and are classified as restricted cash and investments in the accompanying statements of net assets.

COUNTY OF RIVERSIDE
Notes to the Basic Financial Statements (Continued)
June 30, 2009

NOTE 22 – SUBSEQUENT EVENTS

Tax and Revenue Anticipation Notes (TRANs) and CalPERS Pre-payment Note

On July 22, 2009, the County as a participant in the California Statewide Communities Development Authority Pool issued \$293 million of Tax and Revenue Anticipation Notes in the form of Series A-3 Bonds due June 30, 2010. The stated interest rate for the A-3 Bonds is set at 2.0% per annum with a yield of 0.85%. A portion of the Note proceeds were used to prepay CalPERS contributions for 2009-10 in the amount of \$92.1 million. Between the prepayment discount of 3.6%, and earnings on cash flow the County expects to net \$3.5 million in cost savings.

In accordance with California law, the TRANs Bonds are general obligations of the County and are payable only out of the taxes, income, revenues, cash receipts, and other monies of the County attributable to fiscal year 2009-10 and legally available for payment thereof. Proceeds for the Bonds will be used for fiscal year 2009-10 General Fund expenditures, including current expenditures, capital expenditures, and the discharge of other obligations or indebtedness of the County.

Educational Revenue Augmentation Fund (ERAF)

To meet its obligations to fund education at specified levels under Proposition 98, the state enacted legislation that shifted partial financial responsibility for funding education to local government (cities, counties, and special districts). The state did this by instructing county auditors to shift the allocation of local property tax revenues from local government to “educational revenue augmentation funds” (ERAFs), directing that specified amounts of city, county and other local agency property taxes be deposited into these funds to support schools. For 2009-2010, the State has directed the following ERAF tax shifts: First, a transfer of \$312.5 million to the Vehicle License Fee Property Tax Compensation Fund for distribution of 50.0% in January and 50.0% in May. Secondly, the State has directed a transfer of \$45.8 million to the Sales and Use Tax Compensation Fund for distribution of 50.0% in January and 50.0% in May. The total ERAF transfer for 2009-2010 is \$358.3 million.

Teeter Obligation Notes, Series C

On December 15, 2009 the County issued \$71.3 million in 2009 Teeter Obligation Notes, Series C to refund a portion of the outstanding 2008 Teeter Obligations Notes, Series C. The 2009 Notes bear interest rate of 2% and a maturity date of October 15, 2010.

The Effects of the Economy on CalPERS

Based on past performance of the CalPERS fund, CalPERS has estimated that the County’s Miscellaneous and Safety contribution rates for fiscal year 2009-10 will be 12.0% and 18.6%, respectively. Fiscal year 2010-11 contribution rates for Miscellaneous and Safety are estimated at 12.2% and 19.3%, respectively. They will be accounted for in fiscal year 2009-10 and future budget years.

Regency Towers Building Purchase

On October 28, 2009, the County paid \$131 million for the Regency Towers building located in downtown Riverside. The building is a 10 story, 250,000 square foot building that will provide workspace to approximately 800 County employees. The County district attorney will consolidate other offices to be the primary resident of the new facility.

New Supervisor appointed to the Board

Roy Wilson died on August 26, 2009, during his fourth term on the Board. He served the fourth district of the County for fifteen years. After two months of searching and consideration, Governor Schwarzenegger appointed Senator John J. Benoit to the post on November 4, 2009. Mr. Benoit was representing the 37th District as a member of the California State Senate before taking the new position with the County.



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COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2009

RETIREMENT PLANS - SCHEDULES OF FUNDING PROGRESS

The tables below show a three year analysis of the Actuarial Value of Assets as a ratio of the Actuarial Accrued Liability (AAL) and the Asset Value in Excess (Deficit) of AAL as a percentage of Annual Covered Payroll (dollars in thousands):

Riverside County – Miscellaneous

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
June 30, 2006	\$ 2,599,592	\$ 2,741,753	\$ 142,161	94.81 %	\$ 659,274	21.56 %
June 30, 2007	2,894,148	3,029,360	135,212	95.54	754,118	17.93
June 30, 2008	3,174,975	3,350,223	175,248	94.77	841,613	20.82

Riverside County - Safety

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
June 30, 2006	\$ 1,170,093	\$ 1,231,954	\$ 61,861	94.98 %	\$ 189,606	32.63 %
June 30, 2007	1,291,421	1,369,534	78,113	94.30	214,634	36.39
June 30, 2008	1,414,120	1,469,416	55,296	96.24	240,746	22.97

Flood Control and Water Conservation District

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
June 30, 2006	\$ 75,422	\$ 84,198	\$ 8,776	89.58 %	\$ 13,041	67.30 %
June 30, 2007	82,383	90,833	8,450	90.70	13,818	61.15
June 30, 2008	88,463	98,300	9,837	89.99	14,137	69.58

Regional Park and Open-Space District*

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
June 30, 2006	\$ 501,707	\$ 620,492	\$ 118,785	80.86 %	\$ 126,050	94.24 %
June 30, 2007	576,070	699,664	123,594	82.34	139,335	88.70
June 30, 2008	641,168	776,167	134,999	82.61	155,115	87.03

*The amounts disclosed are for the entire Risk Pool fund in which Parks and Waste Management Department participate and not solely of their specific assets and liabilities. CalPERS Risk Pool valuation does not break out specific assets and liabilities.

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2009

RETIREMENT PLANS - SCHEDULES OF FUNDING PROGRESS (Continued)

(Dollars in thousands)

Waste Management Department*

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
June 30, 2006	\$ 501,707	\$ 620,492	\$ 118,785	80.86 %	\$ 126,050	94.24 %
June 30, 2007	576,070	699,664	123,594	82.34	139,335	88.70
June 30, 2008	641,168	776,167	134,999	82.61	155,115	87.03

*The amounts disclosed are for the entire Risk Pool fund in which Parks and Waste Management Department participate and not solely of their specific assets and liabilities. CalPERS Risk Pool valuation does not break out specific assets and liabilities.

Riverside County - Part-time and Temporary Help Retirement

Six - Year Trend Information

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)**	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
June 30, 2003	\$ 5,945	\$ 8,454	\$ 2,509	70.32 %	\$ 31,360	8.00 %
June 30, 2004	7,352	9,338	1,986	78.73	29,670	6.69
June 30, 2005	8,534	11,020	2,486	77.44	27,388	9.08
June 30, 2006	10,520	13,673	3,153	76.94	29,124	10.83
June 30, 2007	13,778	20,468	6,690	67.31	41,333	16.19
June 30, 2008	16,989	19,471	2,482	87.25	27,928	8.89

**All amounts provided prior to June 30, 2007 were based on information from reports from the prior actuary. The prior actuary's reports are based on the Entry Age Normal cost method. The Projected Unit Credit cost method is used as of June 30, 2007.

RETIREMENT PLANS - SCHEDULE OF EMPLOYER CONTRIBUTIONS

Riverside County - Part-time and Temporary Help Retirement

Fiscal Year	Annual Required Contribution	Percentage Contributed	Net Pension Obligation
2004	\$ 813	100 %	\$ -
2005	616	100	-
2006	633	100	-
2007	1,914	100	-
2008	745	267	(1,248)
2009	227	828	(2,901)

COUNTY OF RIVERSIDE
Required Supplementary Information
June 30, 2009

OPEB - SCHEDULES OF FUNDING PROGRESS

(Dollars in thousands)

Riverside County

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
January 1, 2007	\$ -	\$ 48,582	\$ 48,582	0.00 %	\$ 913,272	5.32 %
January 1, 2008	10,411	46,681	36,270	22.30	979,090	3.70
January 1, 2009	9,872	55,288	45,416	17.86	1,011,963	4.49

Flood Control and Water Conservation District

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
January 1, 2007	\$ -	\$ 303	\$ 303	0.00 %	\$ 14,656	2.07 %
January 1, 2008 ⁺	100	337	237	29.67	N/A	N/A
January 1, 2009	105	660	555	15.91	14,396	3.86

Regional Park and Open-Space District

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
January 1, 2007	\$ -	\$ 190	\$ 190	0.00 %	\$ 7,204	2.64 %
January 1, 2008 ⁺	190	193	3	98.45	N/A	N/A
January 1, 2009	147	144	(3)	102.08	4,429	0.07

Waste Management Department

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
January 1, 2007	\$ -	\$ 654	\$ 654	0.00 %	\$ 4,405	14.85 %
January 1, 2008 ⁺	-	658	658	0.00	N/A	N/A
January 1, 2009	-	1,089	1,089	0.00	3,302	32.98

⁺ Estimate only.



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COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Teeter Debt Service Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Interest	\$ 750	\$ 750	\$ 2,531	\$ 1,781
Other revenue	3,876	3,876	-	(3,876)
Total revenues	4,626	4,626	2,531	(2,095)
EXPENDITURES:				
Current:				
General government	2,686	750	746	(4)
Debt service:				
Interest	4,314	4,314	2,223	(2,091)
Total expenditures	7,000	5,064	2,969	(2,095)
Excess (deficiency) of revenues over (under) expenditures	(2,374)	(438)	(438)	-
OTHER FINANCING SOURCES (USES):				
Transfers in	2,374	2,374	2,374	-
Transfers out	-	(1,936)	(1,936)	-
Total other financing sources (uses)	2,374	438	438	-
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund balance, beginning of year	-	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -	\$ -

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Public Facilities Improvements Capital Projects Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over (Under)</u>
REVENUES:				
License, permits, and franchise fees	\$ 1	\$ 1	\$ -	\$ (1)
Use of money and property:				
Interest	7,045	7,045	17,154	10,109
Aid from other governmental agencies:				
Other	13,879	16,292	16,942	650
Charges for services	223,536	180,114	27,107	(153,007)
Other revenue	58,900	74,221	8,132	(66,089)
Total revenues	<u>303,361</u>	<u>277,673</u>	<u>69,335</u>	<u>(208,338)</u>
EXPENDITURES:				
Current:				
General government	350,589	388,307	138,974	(249,333)
Public ways and facilities	32,540	22,660	679	(21,981)
Total expenditures	<u>383,129</u>	<u>410,967</u>	<u>139,653</u>	<u>(271,314)</u>
Excess (deficiency) of revenues over (under) expenditures	(79,768)	(133,294)	(70,318)	62,976
OTHER FINANCING SOURCES (USES):				
Transfers in	-	76,210	76,210	-
Transfers out	-	(58,376)	(58,376)	-
Total other financing sources (uses)	<u>-</u>	<u>17,834</u>	<u>17,834</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(79,768)	(115,460)	(52,484)	62,976
Fund balance, beginning of year	590,915	590,915	590,915	-
FUND BALANCE, END OF YEAR	<u>\$ 511,147</u>	<u>\$ 475,455</u>	<u>\$ 538,431</u>	<u>\$ 62,976</u>

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Redevelopment Agency Capital Projects Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over (Under)</u>
REVENUES:				
Use of money and property:				
Interest	\$ 2,399	\$ 2,399	\$ 8,980	\$ 6,581
Charges for current services	32	32	-	(32)
Other revenue	141,676	112,898	4,895	(108,003)
Total revenues	<u>144,107</u>	<u>115,329</u>	<u>13,875</u>	<u>(101,454)</u>
EXPENDITURES:				
Current:				
General government	<u>144,107</u>	<u>121,082</u>	<u>70,543</u>	<u>(50,539)</u>
Total expenditures	<u>144,107</u>	<u>121,082</u>	<u>70,543</u>	<u>(50,539)</u>
Excess (deficiency) of revenues over (under) expenditures	-	(5,753)	(56,668)	(50,915)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	28,779	28,779	-
Transfers out	-	(23,026)	(23,026)	-
Total other financing sources (uses)	<u>-</u>	<u>5,753</u>	<u>5,753</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	(50,915)	(50,915)
Fund balance, beginning of year	<u>356,618</u>	<u>356,618</u>	<u>356,618</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 356,618</u>	<u>\$ 356,618</u>	<u>\$ 305,703</u>	<u>\$ (50,915)</u>



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COUNTY OF RIVERSIDE
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009
(Dollars in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Fund	Total
ASSETS:					
Cash and investments	\$ 492,108	\$ 80,572	\$ 18,996	\$ 391	\$ 592,067
Accounts receivable	2,631	2,334	-	2	4,967
Interest receivable	1,120	221	51	1	1,393
Taxes receivable	10,316	-	-	-	10,316
Due from other governments	19,290	-	2,316	-	21,606
Inventories	907	-	-	-	907
Due from other funds	986	1,417	-	-	2,403
Prepaid items	1,919	-	11,117	-	13,036
Restricted cash and investments	9,111	64,215	82,090	-	155,416
Advances to other funds	2,300	-	-	-	2,300
Notes receivable	31,570	-	-	-	31,570
Land held for resale	26,515	-	-	-	26,515
Total assets	<u>\$ 598,773</u>	<u>\$ 148,759</u>	<u>\$ 114,570</u>	<u>\$ 394</u>	<u>\$ 862,496</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	\$ 31,218	\$ 1,191	\$ 464	\$ 24	\$ 32,897
Salaries and benefits payable	7,986	-	305	-	8,291
Due to other governments	1,757	-	-	-	1,757
Due to other funds	8,527	-	354	-	8,881
Deposits payable	18	-	-	-	18
Advance from other funds	-	-	2,300	-	2,300
Deferred revenue	21,822	-	-	-	21,822
Total liabilities	<u>71,328</u>	<u>1,191</u>	<u>3,423</u>	<u>24</u>	<u>75,966</u>
Fund balances:					
Reserved	120,718	147,568	104,214	370	372,870
Unreserved, designated, reported in:					
Special revenue funds	57,815	-	-	-	57,815
Capital projects funds	-	-	6,933	-	6,933
Unreserved, undesignated, reported in:					
Special revenue funds	348,912	-	-	-	348,912
Total fund balances	<u>527,445</u>	<u>147,568</u>	<u>111,147</u>	<u>370</u>	<u>786,530</u>
Total liabilities and fund balances	<u>\$ 598,773</u>	<u>\$ 148,759</u>	<u>\$ 114,570</u>	<u>\$ 394</u>	<u>\$ 862,496</u>

COUNTY OF RIVERSIDE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the Fiscal Year Ended June 30, 2009

(Dollar in Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Fund	Total
REVENUES:					
Taxes	\$ 170,405	\$ 80,353	\$ -	\$ -	\$ 250,758
Licenses, permits and franchise fees	2,706	-	-	-	2,706
Fines, forfeitures and penalties	1,425	-	-	-	1,425
Use of money and property:					
Interest	10,827	5,251	2,873	10	18,961
Rents and concessions	8,104	5,890	-	-	13,994
Aid from other governmental agencies:					
Federal	73,820	-	-	-	73,820
State	45,299	-	1,756	-	47,055
Other	28,003	-	-	-	28,003
Charges for services	65,380	1,905	1,378	20	68,683
Other revenue	25,778	9,283	111	-	35,172
Total revenues	431,747	102,682	6,118	30	540,577
EXPENDITURES:					
Current:					
General government	42,807	21,618	9,208	-	73,633
Public protection	64,180	-	-	45	64,225
Public ways and facilities	143,487	-	-	-	143,487
Health and sanitation	8,080	-	-	-	8,080
Public assistance	47,079	-	-	-	47,079
Education	15,056	-	-	-	15,056
Recreation and culture	12,260	-	311	-	12,571
Debt service:					
Principal	1,595	41,743	-	-	43,338
Interest	159	73,134	-	-	73,293
Cost of issuance	-	2,436	-	-	2,436
Capital outlay	264	1,566	24,323	-	26,153
Total expenditures	334,967	140,497	33,842	45	509,351
Excess (deficiency) of revenues					
Over (under) expenditures	96,780	(37,815)	(27,724)	(15)	31,226
OTHER FINANCING SOURCES (USES):					
Transfers in	68,134	157,069	105,638	-	330,841
Transfers out	(116,720)	(93,878)	(82,690)	-	(293,288)
Issuance of refunding bonds	-	78,895	-	-	78,895
Payment to refunded bond escrow agent	-	(76,300)	-	-	(76,300)
Total other financing sources (uses)	(48,586)	65,786	22,948	-	40,148
NET CHANGE IN FUND BALANCES	48,194	27,971	(4,776)	(15)	71,374
Fund balances, beginning of year,					
as previously reported	478,475	119,597	115,923	-	713,995
Adjustments to beginning fund balances	776	-	-	385	1,161
Fund balances, beginning of year, as restated	479,251	119,597	115,923	385	715,156
FUND BALANCES, END OF YEAR	\$ 527,445	\$ 147,568	\$ 111,147	\$ 370	\$ 786,530

COUNTY OF RIVERSIDE

SPECIAL REVENUE FUNDS

These funds were established for the purpose of accounting for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted in expenditure for the specified purposes.

TRANSPORTATION

This fund was established to provide for maintenance and construction of roadways and for specialized engineering services to other governmental units and the public. Revenues consist primarily of the County's share of highway user taxes and are supplemented by Federal funds, vehicle code fines, and fees and reimbursements for engineering services provided.

FLOOD CONTROL

The Flood Control fund accounts for revenues and expenditures related to providing flood control in various geographical zones. The fund is primarily financed by ad valorem property taxes, developer fees and local cooperative agreements.

COMMUNITY SERVICES

This fund provides financing for public services. Public services provided by this fund group are: HUD Community Services Grant, EDA Administration, Community Action Partnership, Job Training Partnership, Office on Aging, USED Grant, County Free Library, Structural Fire Protection, Homeless Housing Relief, Home Program, EDA US Department of Agriculture Rural Development, Workforce Development, Healthy Kids, and Bio-terrorism Preparedness. The primary source of revenue for this fund is from State/Federal Grants.

REDEVELOPMENT AGENCY

This fund was established to account for administration and revenues/expenditures related to the low and moderate income housing set aside program. 20% of the tax increments allocated to the Redevelopment Agency are required to be placed in this fund.

COUNTY SERVICE AREAS

This county service area fund was established to provide authorized services such as road, park, lighting maintenance, fire protection, or water to specified areas in the County. They are financed by ad valorem property taxes in the area benefited, or by special assessments levied on specific properties.

REGIONAL PARK AND OPEN-SPACE

The Regional Park and Open-Space District is a special district established to provide legal authority and expanded opportunity for open space acquisition and management and transferred regional park responsibility from the County of the District.

AIR QUALITY IMPROVEMENT

This fund accounts for Riverside County's portion of State of California motor vehicle fees restricted for the use of reducing air pollution.

COUNTY OF RIVERSIDE

SPECIAL REVENUE FUNDS

IN-HOME SUPPORT SERVICES

The goal of the IHSS program is to enable elderly and/or disabled persons to remain safely in independent living as long as possible. This in-home assistance is designed to allow persons to remain in their home rather than be placed in an institutional setting. IHSS receives revenue for the following services: meal preparation and clean-up, food shopping, bathing, dressing, personal care, domestic services (cleaning), and assistance with medications.

PERRIS VALLEY CEMETERY DISTRICT

The District is a public cemetery district operating under the provisions of the Health and Safety Code of the State of California. The District was created in July 1927 for the purpose operating a public cemetery for the residents of the Perris Valley.

OTHER SPECIAL REVENUE

This fund provides financing to make services available to the public and governmental agencies. At the current time, the other special revenue fund accounts the following services: Rideshare, AD CFD Administration, Aviation, Ladera Irrigation, National Date Festival, Cal-ID, Special Aviation, Supervisorial Road Districts, Multi-Species Habitat Conservation Agency, Riverside U.S. Grazing Fees, Mitigation Project Operations, Airport Land Use Commission, Prop 10, and DNA Identification.



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COUNTY OF RIVERSIDE

Combining Balance Sheet

Special Revenue Funds

June 30, 2009

(Dollars in Thousands)

	Transportation	Flood Control	Community Services	Redevelopment Agency	County Service Areas
ASSETS:					
Cash and investments	\$ 130,069	\$ 226,297	\$ 40,323	\$ 44,621	\$ 14,491
Accounts receivable	1,187	516	744	-	-
Interest receivable	256	611	18	96	46
Taxes receivable	167	2,494	6,001	-	910
Due from other governments	11,562	421	6,182	-	-
Inventories	907	-	-	-	-
Due from other funds	489	197	-	-	-
Prepaid items	-	1,793	126	-	-
Restricted cash and investment	-	9,111	-	-	-
Advances to other funds	-	-	-	-	-
Notes receivable	-	-	-	31,570	-
Land held for resale	-	-	-	26,515	-
Total assets	<u>\$ 144,637</u>	<u>\$ 241,440</u>	<u>\$ 53,394</u>	<u>\$ 102,802</u>	<u>\$ 15,447</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	\$ 16,564	\$ 10,452	\$ 1,264	\$ 2,026	\$ 107
Salaries and benefits payable	3,349	1,347	2,251	-	101
Due to other governments	1,453	228	49	-	-
Due to other funds	-	341	8,179	-	-
Deposits payable	-	-	-	-	18
Deferred revenue	18,895	156	1,762	-	-
Total liabilities	<u>40,261</u>	<u>12,524</u>	<u>13,505</u>	<u>2,026</u>	<u>226</u>
Fund balances (Note 14):					
Reserved:	28,415	1,794	4,562	80,489	243
Unreserved:					
Designated	38	30,149	526	17,799	5
Undesignated	75,923	196,973	34,801	2,488	14,973
Total fund balances	<u>104,376</u>	<u>228,916</u>	<u>39,889</u>	<u>100,776</u>	<u>15,221</u>
Total liabilities and fund balances	<u>\$ 144,637</u>	<u>\$ 241,440</u>	<u>\$ 53,394</u>	<u>\$ 102,802</u>	<u>\$ 15,447</u>

Regional Park and Open-Space	Air Quality Improvement	In-Home Support Services	Perris Valley Cemetery	Other Special Revenue	Total	
\$ 11,424	\$ 1,319	\$ 1,131	\$ 922	\$ 21,511	\$ 492,108	ASSETS:
49	-	-	13	122	2,631	Cash and investments
40	4	1	2	46	1,120	Accounts receivable
650	-	-	34	60	10,316	Interest receivable
210	141	543	-	231	19,290	Taxes receivable
-	-	-	-	-	907	Due from other governments
300	-	-	-	-	986	Inventories
-	-	-	-	-	1,919	Due from other funds
-	-	-	-	-	9,111	Prepaid items
2,300	-	-	-	-	2,300	Restricted cash and investment
-	-	-	-	-	31,570	Advances to other funds
-	-	-	-	-	26,515	Notes receivable
<u>\$ 14,973</u>	<u>\$ 1,464</u>	<u>\$ 1,675</u>	<u>\$ 971</u>	<u>\$ 21,970</u>	<u>\$ 598,773</u>	Land held for resale
						Total assets

LIABILITIES AND FUND BALANCES:

\$ 308	\$ 114	\$ -	\$ 6	\$ 377	\$ 31,218	Liabilities:
478	-	132	6	322	7,986	Accounts payable
4	11	-	-	12	1,757	Salaries and benefits payable
-	7	-	-	-	8,527	Due to other governments
-	-	-	-	-	18	Due to other funds
12	-	-	-	997	21,822	Deposits payable
<u>802</u>	<u>132</u>	<u>132</u>	<u>12</u>	<u>1,708</u>	<u>71,328</u>	Deferred revenue
						Total liabilities

Fund balances (Note 14):

3,262	-	5	785	1,163	120,718	Reserved:
9,297	-	-	-	1	57,815	Unreserved:
1,612	1,332	1,538	174	19,098	348,912	Designated
<u>14,171</u>	<u>1,332</u>	<u>1,543</u>	<u>959</u>	<u>20,262</u>	<u>527,445</u>	Undesignated
						Total fund balances
<u>\$ 14,973</u>	<u>\$ 1,464</u>	<u>\$ 1,675</u>	<u>\$ 971</u>	<u>\$ 21,970</u>	<u>\$ 598,773</u>	Total liabilities and fund balances

COUNTY OF RIVERSIDE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Special Revenue Funds
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Transportation	Flood Control	Community Services	Redevelopment Agency	County Service Areas
REVENUES:					
Taxes	\$ 25,066	\$ 53,167	\$ 64,315	\$ 20,088	\$ 1,641
Licenses, permits, and franchise fees	2,686	-	-	-	-
Fines, forfeitures, and penalties	1	-	480	-	-
Use of money and property:					
Interest	2,578	5,678	283	1,070	404
Rents and concessions	22	81	891	-	-
Aid from other governmental agencies:					
Federal	17,601	5	53,734	-	-
State	35,997	641	4,823	-	19
Other	10,107	-	17,742	-	13
Charges for services	27,887	13,439	1,317	-	9,841
Other revenue	11,832	7,773	5,264	230	177
Total revenues	<u>133,777</u>	<u>80,784</u>	<u>148,849</u>	<u>21,388</u>	<u>12,095</u>
EXPENDITURES:					
Current:					
General government	-	-	24,839	11,806	-
Public protection	8,148	50,584	762	-	7
Public ways and facilities	128,436	-	-	-	9,007
Health and sanitation	-	-	3,079	-	737
Public assistance	-	-	47,079	-	-
Education	-	-	15,056	-	-
Recreation and culture	-	-	-	-	1,025
Debt service:					
Principal	1,274	-	321	-	-
Interest	159	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>138,017</u>	<u>50,584</u>	<u>91,136</u>	<u>11,806</u>	<u>10,776</u>
Excess (deficiency) of revenues over (under) expenditures	(4,240)	30,200	57,713	9,582	1,319
OTHER FINANCING SOURCES (USES):					
Transfers in	33,247	-	26,682	-	115
Transfers out	(20,218)	(709)	(76,030)	(9,277)	(3,481)
Total other financing sources (uses)	<u>13,029</u>	<u>(709)</u>	<u>(49,348)</u>	<u>(9,277)</u>	<u>(3,366)</u>
NET CHANGE IN FUND BALANCES	8,789	29,491	8,365	305	(2,047)
Fund balances, beginning of year, as previously reported	95,587	199,425	31,524	100,471	17,268
Adjustments to beginning fund balances	-	-	-	-	-
Fund balances, beginning of year, as restated	<u>95,587</u>	<u>199,425</u>	<u>31,524</u>	<u>100,471</u>	<u>17,268</u>
FUND BALANCES, END OF YEAR	<u>\$ 104,376</u>	<u>\$ 228,916</u>	<u>\$ 39,889</u>	<u>\$ 100,776</u>	<u>\$ 15,221</u>

Regional Park and Open-Space	Air Quality Improvement	In-Home Support Services	Perris Valley Cemetery	Other Special Revenue	Total	
\$ 4,890	\$ -	\$ -	\$ 254	\$ 984	\$ 170,405	REVENUES:
-	-	-	-	20	2,706	Taxes
-	-	-	-	944	1,425	Licenses, permits, and franchise fees
289	36	21	22	446	10,827	Fines, forfeitures, and penalties
837	-	-	-	6,273	8,104	Use of money and property:
-	-	1,342	-	1,138	73,820	Interest
240	572	865	3	2,139	45,299	Rents and concessions
137	-	-	-	4	28,003	Aid from other governmental agencies:
4,407	-	-	201	8,288	65,380	Federal
7	-	-	-	495	25,778	State
10,807	608	2,228	480	20,731	431,747	Other
						Charges for services
						Other revenue
						Total revenues
						EXPENDITURES:
-	384	-	-	5,778	42,807	Current:
55	-	-	297	4,327	64,180	General government
-	-	-	-	6,044	143,487	Public protection
-	-	2,178	-	2,086	8,080	Public ways and facilities
-	-	-	-	-	47,079	Health and sanitation
-	-	-	-	-	15,056	Public assistance
11,235	-	-	-	-	12,260	Education
-	-	-	-	-	1,595	Recreation and culture
-	-	-	-	-	159	Debt service:
264	-	-	-	-	264	Principal
11,554	384	2,178	297	18,235	334,967	Interest
						Capital outlay
						Total expenditures
(747)	224	50	183	2,496	96,780	Excess (deficiency) of revenues over (under) expenditures
						OTHER FINANCING SOURCES (USES):
3,967	-	701	-	3,422	68,134	Transfers in
(2,177)	(302)	(557)	-	(3,969)	(116,720)	Transfers out
1,790	(302)	144	-	(547)	(48,586)	Total other financing sources (uses)
1,043	(78)	194	183	1,949	48,194	NET CHANGE IN FUND BALANCES
						Fund balances, beginning of year, as previously reported
13,128	1,410	1,349	-	18,313	478,475	Adjustments to beginning fund balances
-	-	-	776	-	776	Fund balances, beginning of year, as restated
13,128	1,410	1,349	776	18,313	479,251	
\$ 14,171	\$ 1,332	\$ 1,543	\$ 959	\$ 20,262	\$ 527,445	FUND BALANCES, END OF YEAR

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Transportation Special Revenue Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over (Under)</u>
REVENUES:				
Taxes	\$ 28,691	\$ 28,691	\$ 25,066	\$ (3,625)
License, permits, and franchise fees	3,740	3,740	2,686	(1,054)
Fines, forfeitures, and penalties	1	1	1	-
Use of money and property:				
Interest	3,266	3,266	2,578	(688)
Rents and concessions	-	-	22	22
Aid from other governmental agencies:				
Federal	15,046	15,046	17,601	2,555
State	31,148	31,148	35,997	4,849
Other	18,000	18,000	10,107	(7,893)
Charges for current services	96,986	68,745	27,887	(40,858)
Other revenue	21,262	21,004	11,832	(9,172)
Total revenues	<u>218,140</u>	<u>189,641</u>	<u>133,777</u>	<u>(55,864)</u>
EXPENDITURES:				
Current:				
Public protection	12,873	9,909	8,148	(1,761)
Public ways and facilities	200,679	193,081	128,436	(64,645)
Debt service:				
Principal	1,393	1,303	1,274	(29)
Interest	184	174	159	(15)
Total expenditures	<u>215,129</u>	<u>204,467</u>	<u>138,017</u>	<u>(66,450)</u>
Excess (deficiency) of revenues over (under) expenditures	3,011	(14,826)	(4,240)	10,586
OTHER FINANCING SOURCES (USES):				
Transfers in	-	33,247	33,247	-
Transfers out	-	(20,218)	(20,218)	-
Total other financing sources (uses)	<u>-</u>	<u>13,029</u>	<u>13,029</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	3,011	(1,797)	8,789	10,586
Fund balance, beginning of year	95,587	95,587	95,587	-
FUND BALANCE, END OF YEAR	<u>\$ 98,598</u>	<u>\$ 93,790</u>	<u>\$ 104,376</u>	<u>\$ 10,586</u>

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Flood Control Special Revenue Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over (Under)</u>
REVENUES:				
Taxes	\$ 54,658	\$ 54,658	\$ 53,167	\$ (1,491)
Use of money and property:				
Interest	7,509	7,509	5,678	(1,831)
Rents and concessions	208	208	81	(127)
Aid from other governmental agencies:				
Federal	1	1	5	4
State	659	659	641	(18)
Charges for services	10,416	10,416	13,439	3,023
Other revenue	6,393	6,393	7,773	1,380
Total revenues	<u>79,844</u>	<u>79,844</u>	<u>80,784</u>	<u>940</u>
EXPENDITURES:				
Current:				
Public protection	<u>107,290</u>	<u>107,481</u>	<u>50,584</u>	<u>(56,897)</u>
Total expenditures	<u>107,290</u>	<u>107,481</u>	<u>50,584</u>	<u>(56,897)</u>
Excess (deficiency) of revenues over (under) expenditures	(27,446)	(27,637)	30,200	57,837
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>-</u>	<u>(709)</u>	<u>(709)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>(709)</u>	<u>(709)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(27,446)	(28,346)	29,491	57,837
Fund balance, beginning of year	<u>199,425</u>	<u>199,425</u>	<u>199,425</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 171,979</u>	<u>\$ 171,079</u>	<u>\$ 228,916</u>	<u>\$ 57,837</u>

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Community Services Special Revenue Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Taxes	\$ 69,217	\$ 69,217	\$ 64,315	\$ (4,902)
Fines, forfeitures, and penalties	516	516	480	(36)
Use of money and property:				
Interest	46	46	283	237
Rents and concessions	859	859	891	32
Aid from other governmental agencies:				
Federal	69,812	122,923	53,734	(69,189)
State	4,865	4,632	4,823	191
Other	13,157	13,222	17,742	4,520
Charges for current services	21,451	3,357	1,317	(2,040)
Other revenue	11,398	4,467	5,264	797
Total revenues	<u>191,321</u>	<u>219,239</u>	<u>148,849</u>	<u>(70,390)</u>
EXPENDITURES:				
Current:				
General government	33,527	31,965	24,839	(7,126)
Public protection	67,351	7,176	762	(6,414)
Health and sanitation	4,070	4,040	3,079	(961)
Public assistance	70,198	113,974	47,079	(66,895)
Education	23,539	21,526	15,056	(6,470)
Debt service:				
Principal	1,618	713	321	(392)
Total expenditures	<u>200,303</u>	<u>179,394</u>	<u>91,136</u>	<u>(88,258)</u>
Excess (deficiency) of revenues over (under) expenditures	(8,982)	39,845	57,713	17,868
OTHER FINANCING SOURCES (USES):				
Transfers in	-	26,682	26,682	-
Transfers out	-	(76,030)	(76,030)	-
Total other financing sources (uses)	<u>-</u>	<u>(49,348)</u>	<u>(49,348)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(8,982)	(9,503)	8,365	17,868
Fund balance, beginning of year	31,524	31,524	31,524	-
FUND BALANCE, END OF YEAR	<u>\$ 22,542</u>	<u>\$ 22,021</u>	<u>\$ 39,889</u>	<u>\$ 17,868</u>

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Redevelopment Agency Special Revenue Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Taxes	\$ 17,688	\$ 17,688	\$ 20,088	\$ 2,400
Use of money and property:				
Interest	1,173	1,173	1,070	(103)
Aid from other governmental agencies:				
Other	1	1	-	(1)
Other revenue	46,428	46,428	230	(46,198)
Total revenues	65,290	65,290	21,388	(43,902)
EXPENDITURES:				
Current:				
General government	65,289	56,012	11,806	(44,206)
Total expenditures	65,289	56,012	11,806	(44,206)
Excess (deficiency) of revenues over (under) expenditures	1	9,278	9,582	304
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(9,277)	(9,277)	-
Total other financing sources (uses)	-	(9,277)	(9,277)	-
NET CHANGE IN FUND BALANCE	1	1	305	304
Fund balance, beginning of year	100,471	100,471	100,471	-
FUND BALANCE, END OF YEAR	<u>\$ 100,472</u>	<u>\$ 100,472</u>	<u>\$ 100,776</u>	<u>\$ 304</u>

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
County Service Areas Special Revenue Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over (Under)</u>
REVENUES:				
Taxes	\$ 1,185	\$ 1,185	\$ 1,641	\$ 456
Use of money and property:				
Interest	355	355	404	49
Rents and concessions	1	1	-	(1)
Aid from other governmental agencies:				
State	13	13	19	6
Other	-	-	13	13
Charges for current services	9,288	9,173	9,841	668
Other revenue	2,541	3,211	177	(3,034)
Total revenues	<u>13,383</u>	<u>13,938</u>	<u>12,095</u>	<u>(1,843)</u>
EXPENDITURES:				
Current:				
Public protection	484	343	7	(336)
Public ways and facilities	10,719	11,191	9,007	(2,184)
Health and sanitation	775	775	737	(38)
Recreation and cultural services	1,404	1,503	1,025	(478)
Total expenditures	<u>13,382</u>	<u>13,812</u>	<u>10,776</u>	<u>(3,036)</u>
Excess (deficiency) of revenues over (under) expenditures	1	126	1,319	1,193
OTHER FINANCING SOURCES (USES):				
Transfers in	-	115	115	-
Transfers out	-	(3,481)	(3,481)	-
Total other financing sources (uses)	<u>-</u>	<u>(3,366)</u>	<u>(3,366)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	1	(3,240)	(2,047)	1,193
Fund balance, beginning of year	17,268	17,268	17,268	-
FUND BALANCE, END OF YEAR	<u>\$ 17,269</u>	<u>\$ 14,028</u>	<u>\$ 15,221</u>	<u>\$ 1,193</u>

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Regional Park and Open-Space Special Revenue Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over (Under)</u>
REVENUES:				
Taxes	\$ 5,180	\$ 4,919	\$ 4,890	\$ (29)
Use of money and property:				
Interest	376	376	289	(87)
Rents and concessions	690	690	837	147
Aid from other governmental agencies:				
State	166	166	240	74
Other	70	70	137	67
Charges for current services	6,486	2,928	4,407	1,479
Other revenue	1,128	423	7	(416)
Total revenues	<u>14,096</u>	<u>9,572</u>	<u>10,807</u>	<u>1,235</u>
EXPENDITURES:				
Current:				
Public protection	10	500	55	(445)
Recreation and cultural services	14,306	12,352	11,235	(1,117)
Capital outlay	435	528	264	(264)
Total expenditures	<u>14,751</u>	<u>13,380</u>	<u>11,554</u>	<u>(1,826)</u>
Excess (deficiency) of revenues over (under) expenditures	(655)	(3,808)	(747)	3,061
OTHER FINANCING SOURCES (USES):				
Transfers in	-	3,967	3,967	-
Transfers out	-	(2,177)	(2,177)	-
Total other financing sources (uses)	<u>-</u>	<u>1,790</u>	<u>1,790</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(655)	(2,018)	1,043	3,061
Fund balance, beginning of year	13,128	13,128	13,128	-
FUND BALANCE, END OF YEAR	<u>\$ 12,473</u>	<u>\$ 11,110</u>	<u>\$ 14,171</u>	<u>\$ 3,061</u>

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Air Quality Improvement Special Revenue Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Interest	\$ 35	\$ 35	\$ 36	\$ 1
Aid from other governmental agencies:				
State	700	700	572	(128)
Total revenues	735	735	608	(127)
EXPENDITURES:				
Current:				
General government	1,255	953	384	(569)
Total expenditures	1,255	953	384	(569)
Excess (deficiency) of revenues over (under) expenditures	(520)	(218)	224	442
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(302)	(302)	-
Total other financing sources (uses)	-	(302)	(302)	-
NET CHANGE IN FUND BALANCE	(520)	(520)	(78)	442
Fund balance, beginning of year	1,410	1,410	1,410	-
FUND BALANCE, END OF YEAR	\$ 890	\$ 890	\$ 1,332	\$ 442

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
In-Home Support Services Special Revenue Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Over (Under)
REVENUES:				
Use of money and property:				
Interest	\$ -	\$ -	\$ 21	\$ 21
Aid from other governmental agencies:				
Federal	1,410	1,410	1,342	(68)
State	1,458	1,458	865	(593)
Other revenue	911	210	-	(210)
Total revenues	3,779	3,078	2,228	(850)
EXPENDITURES:				
Current:				
Health and sanitation	3,779	3,222	2,178	(1,044)
Total expenditures	3,779	3,222	2,178	(1,044)
Excess (deficiency) of revenues over (under) expenditures	-	(144)	50	194
OTHER FINANCING SOURCES (USES):				
Transfers in	-	701	701	-
Transfers out	-	(557)	(557)	-
Total other financing sources (uses)	-	144	144	-
NET CHANGE IN FUND BALANCE	-	-	194	194
Fund balance, beginning of year	1,349	1,349	1,349	-
FUND BALANCE, END OF YEAR	\$ 1,349	\$ 1,349	\$ 1,543	\$ 194

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Perris Valley Cemetery Special Revenue Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Taxes	\$ 177	\$ 292	\$ 254	\$ (38)
Use of money and property:				
Interest	15	15	22	7
Aid from other governmental agencies:				
State	-	-	3	3
Charges for current services	155	200	201	1
Total revenues	347	507	480	(27)
EXPENDITURES:				
Public protection	346	449	297	(152)
Total expenditures	346	449	297	(152)
Excess (deficiency) of revenues over (under) expenditures	1	58	183	125
Fund balance, beginning of year	776	776	776	-
FUND BALANCE, END OF YEAR	\$ 777	\$ 834	\$ 959	\$ 125

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Other Special Revenue Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over (Under)</u>
REVENUES:				
Taxes	\$ 919	\$ 919	\$ 984	\$ 65
License, permits, and franchise fees	19	19	20	1
Fines, forfeitures, and penalties	-	-	944	944
Use of money and property:				
Interest	309	347	446	99
Rents and concessions	6,830	6,885	6,273	(612)
Aid from other governmental agencies:				
Federal	1,497	2,862	1,138	(1,724)
State	1,974	2,558	2,139	(419)
Other	-	-	4	4
Charges for current services	10,069	8,946	8,288	(658)
Other revenue	2,345	1,265	495	(770)
Total revenues	<u>23,962</u>	<u>23,801</u>	<u>20,731</u>	<u>(3,070)</u>
EXPENDITURES:				
Current:				
General government	6,610	6,569	5,778	(791)
Public protection	5,949	5,196	4,327	(869)
Public ways and facilities	10,018	9,823	6,044	(3,779)
Health and sanitation	1,785	2,159	2,086	(73)
Total expenditures	<u>24,362</u>	<u>23,747</u>	<u>18,235</u>	<u>(5,512)</u>
Excess (deficiency) of revenues				
over (under) expenditures	(400)	54	2,496	2,442
OTHER FINANCING SOURCES (USES):				
Transfers in	-	3,422	3,422	-
Transfers out	-	(3,969)	(3,969)	-
Total other financing sources (uses)	<u>-</u>	<u>(547)</u>	<u>(547)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(400)	(493)	1,949	2,442
Fund balance, beginning of year	18,313	18,313	18,313	-
FUND BALANCE, END OF YEAR	\$ 17,913	\$ 17,820	\$ 20,262	\$ 2,442



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COUNTY OF RIVERSIDE

DEBT SERVICE FUNDS

These funds are used to account for the accumulation of resources and payment of long-term debt principal and interest.

COUNTY OF RIVERSIDE ASSET LEASING CORPORATION (CORAL)

CORAL is a non-profit public benefit corporation established to assist the County of Riverside by acquiring equipment and facilities financed from the proceeds of borrowing and leasing such equipment and facilities to the County.

REDEVELOPMENT AGENCY

This fund receives tax increment revenue to pay principal and interest for Redevelopment Agency tax allocation bonds. These bonds are legal obligations of the Redevelopment Agency and were issued to finance construction of infrastructure and public facilities with various project areas.

COUNTY OF RIVERSIDE DISTRICT COURT FINANCING CORPORATION (DISTRICT COURT FINANCING CORPORATION)

District Court Financing Corporation is a non-profit public benefit corporation established to assist the County of Riverside in the acquisition, construction, and development of a United States District Courthouse, financed from the proceeds of the sale of certificates.

COUNTY OF RIVERSIDE BANKRUPTCY COURT CORPORATION (BANKRUPTCY COURT)

The Bankruptcy Court is a non-profit public benefit corporation established to assist the County of Riverside in the acquisition, construction, and development of a United States Bankruptcy Court financed from the proceeds of the sale of certificates.

TAXABLE PENSION OBLIGATION BONDS (PENSION OBLIGATION)

This fund is used to account for Series 2005 bonds that were issued to satisfy a portion of Riverside County's unfunded accrued actuarial liability for the California Public Employees' Retirement System (CalPERS).

INLAND EMPIRE TOBACCO SECURITIZATION AUTHORITY

The Inland Empire Tobacco Securitization Authority was established to assist the County of Riverside in the construction of certain capital projects, financed from the proceeds of the tobacco settlement revenues.

COUNTY OF RIVERSIDE
Combining Balance Sheet
Debt Service Funds
June 30, 2009
(Dollars in Thousands)

	CORAL	Redevelopment Agency	District Court Financing Corporation	Bankruptcy Court
ASSETS:				
Cash and investments	\$ -	\$ 69,266	\$ -	\$ -
Accounts receivable	-	146	-	-
Interest receivable	46	138	-	-
Due from other funds	-	-	-	-
Restricted cash and investments	39,352	-	826	6,316
Total assets	<u>\$ 39,398</u>	<u>\$ 69,550</u>	<u>\$ 826</u>	<u>\$ 6,316</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts payable	\$ 25	\$ 896	\$ -	\$ -
Total liabilities	<u>25</u>	<u>896</u>	<u>-</u>	<u>-</u>
Fund balances (Note 14):				
Reserved	<u>39,373</u>	<u>68,654</u>	<u>826</u>	<u>6,316</u>
Total liabilities and fund balances	<u>\$ 39,398</u>	<u>\$ 69,550</u>	<u>\$ 826</u>	<u>\$ 6,316</u>

Pension Obligation	Inland Empire Tobacco Securitization Authority	Total
\$ 11,306	\$ -	\$ 80,572
2,188	-	2,334
37	-	221
-	1,417	1,417
-	17,721	64,215
<u>\$ 13,531</u>	<u>\$ 19,138</u>	<u>\$ 148,759</u>

ASSETS:

Cash and investments
Accounts receivable
Interest receivable
Due from other funds
Restricted cash and investments
Total assets

LIABILITIES AND FUND BALANCES:

Liabilities:

\$ 270	\$ -	\$ 1,191
270	-	1,191

Accounts payable

Total liabilities

Fund balances (Note 14):

13,261	19,138	147,568
<u>\$ 13,531</u>	<u>\$ 19,138</u>	<u>\$ 148,759</u>

Reserved

Total liabilities and fund balances

COUNTY OF RIVERSIDE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Debt Service Funds

For the Fiscal Year Ended June 30, 2009

(Dollars in Thousands)

		Redevelopment	District Court Financing Corporation	Bankruptcy Court
	CORAL	Agency		
REVENUES:				
Taxes	\$ -	\$ 80,353	\$ -	\$ -
Use of money and property:				
Interest	2,389	1,067	26	29
Rents and concessions	1,482	-	2,342	2,066
Aid from other governmental agencies:				
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total revenues	3,871	81,420	2,368	2,095
EXPENDITURES:				
Current:				
General government	287	21,191	3	2
Debt service:				
Principal	15,799	10,294	1,150	795
Interest	20,898	28,384	641	652
Cost of issuance	2,436	-	-	-
Capital outlay	264	-	608	694
Total expenditures	39,684	59,869	2,402	2,143
Excess (deficiency) of revenues				
over (under) expenditures	(35,813)	21,551	(34)	(48)
OTHER FINANCING SOURCES (USES):				
Transfers in	113,322	14,812	-	-
Transfers out	(82,967)	(10,911)	-	-
Issuance of refunding bonds	78,895	-	-	-
Payment to refunded bond escrow agent	(76,300)	-	-	-
Total other financing sources (uses)	32,950	3,901	-	-
NET CHANGE IN FUND BALANCES	(2,863)	25,452	(34)	(48)
Fund balances, beginning of year	42,236	43,202	860	6,364
FUND BALANCES, END OF YEAR	\$ 39,373	\$ 68,654	\$ 826	\$ 6,316

Pension Obligation	Inland Empire Tobacco Securitization Authority	Total		
\$ -	\$ -	\$ 80,353	REVENUES:	
			Taxes	
1,013	727	5,251	Use of money and property:	
-	-	5,890	Interest	
			Rents and concessions	
1,905	-	1,905	Aid from other governmental agencies:	
510	8,773	9,283	Charges for services	
3,428	9,500	102,682	Other revenue	
			Total revenues	
			EXPENDITURES:	
			Current:	
-	135	21,618	General government	
			Debt service:	
9,470	4,235	41,743	Principal	
18,564	3,995	73,134	Interest	
-	-	2,436	Cost of issuance	
-	-	1,566	Capital outlay	
28,034	8,365	140,497	Total expenditures	
			Excess (deficiency) of revenues	
(24,606)	1,135	(37,815)	over (under) expenditures	
			OTHER FINANCING SOURCES (USES):	
28,935	-	157,069	Transfers in	
-	-	(93,878)	Transfers out	
-	-	78,895	Issuance of refunding bonds	
-	-	(76,300)	Payment to refunded bond escrow agent	
28,935	-	65,786	Total other financing sources (uses)	
4,329	1,135	27,971	NET CHANGE IN FUND BALANCES	
8,932	18,003	119,597	Fund balances, beginning of year	
\$ 13,261	\$ 19,138	\$ 147,568	FUND BALANCES, END OF YEAR	

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Redevelopment Agency Debt Service Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over (Under)</u>
REVENUES:				
Taxes	\$ 70,750	\$ 79,749	\$ 80,353	\$ 604
Use of money and property:				
Interest	917	917	1,067	150
Aid from other governmental agencies:				
Other	-	917	-	(917)
Other revenue	14,728	-	-	-
Total revenues	86,395	81,583	81,420	(163)
EXPENDITURES:				
Current:				
General government	86,394	46,805	21,191	(25,614)
Debt service:				
Principal	-	10,294	10,294	-
Interest	-	28,384	28,384	-
Total expenditures	86,394	85,483	59,869	(25,614)
Excess (deficiency) of revenues over (under) expenditures	1	(3,900)	21,551	25,451
OTHER FINANCING SOURCES (USES):				
Transfers in	-	14,812	14,812	-
Transfers out	-	(10,911)	(10,911)	-
Total other financing sources (uses)	-	3,901	3,901	-
NET CHANGE IN FUND BALANCE	1	1	25,452	25,451
Fund balance, beginning of year	43,202	43,202	43,202	-
FUND BALANCE, END OF YEAR	<u>\$ 43,203</u>	<u>\$ 43,203</u>	<u>\$ 68,654</u>	<u>\$ 25,451</u>

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Pension Obligation Bond Debt Service Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over (Under)</u>
REVENUES:				
Use of money and property:				
Interest	\$ 190	\$ 190	\$ 1,013	\$ 823
Charges for current services	4,604	4,604	1,905	(2,699)
Other revenue	-	-	510	510
Total revenues	<u>4,794</u>	<u>4,794</u>	<u>3,428</u>	<u>(1,366)</u>
EXPENDITURES:				
Current:				
General government	5,695	5,695	-	(5,695)
Debt service:				
Principal	9,470	9,470	9,470	-
Interest	<u>18,564</u>	<u>18,564</u>	<u>18,564</u>	<u>-</u>
Total expenditures	<u>33,729</u>	<u>33,729</u>	<u>28,034</u>	<u>(5,695)</u>
Excess (deficiency) of revenues over (under) expenditures	(28,935)	(28,935)	(24,606)	4,329
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>28,935</u>	<u>28,935</u>	<u>28,935</u>	<u>-</u>
Total other financing sources (uses)	<u>28,935</u>	<u>28,935</u>	<u>28,935</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	4,329	4,329
Fund balance, beginning of year	<u>8,932</u>	<u>8,932</u>	<u>8,932</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 8,932</u>	<u>\$ 8,932</u>	<u>\$ 13,261</u>	<u>\$ 4,329</u>



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COUNTY OF RIVERSIDE

CAPITAL PROJECTS FUNDS

These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by Proprietary Fund Types.

PUBLIC SAFETY ENTERPRISE COMMUNICATION (PSEC)

The Public Safety Enterprise Communication fund is a multi-agency undertaking to address the County of Riverside 800 MHz public safety radio coverage and operational problems. The multi-year project will result in either a massive upgrade or a complete replacement of the existing radio system.

COUNTY OF RIVERSIDE ASSET LEASING CORPORATION (CORAL)

CORAL is a non-profit public benefit corporation established to assist the County of Riverside by acquiring equipment and facilities financed from the proceeds of borrowing and leasing such equipment and facilities to the County.

FLOOD CONTROL

This fund is used to finance the construction of flood control channels and projects. Revenues are obtained from property taxes, special assessments, and proceeds of tax allocation bonds.

REGIONAL PARK AND OPEN-SPACE

The Regional Park and Open-Space District is a special district established to provide legal authority and expanded opportunity for open space acquisition and management. The District's creation allowed for the transfer of regional park responsibility from the County to the District.

COUNTY OF RIVERSIDE ENTERPRISE SOLUTIONS FOR PROPERTY TAXATION (CREST)

The Assessor, Auditor, and Tax Collector teamed up to collectively develop a new integrated property tax management system. The project begins with a Business Process Re-engineering phase that documents the integrated roles of the three departments. This phase identifies the current system's capabilities, strengths, and weaknesses. A second phase of the project builds on this re-engineering initiative to implement a replacement Property Tax System based on new technology.

COUNTY OF RIVERSIDE
Combining Balance Sheet
Capital Projects Funds
June 30, 2009
(Dollars in Thousands)

	<u>PSEC</u>	<u>CORAL</u>	<u>Flood Control</u>
ASSETS:			
Cash and investments	\$ 5,911	\$ -	\$ 170
Interest receivable	-	9	-
Due from other governments	-	-	-
Prepaid items	10,567	-	-
Restricted cash and investments	-	82,090	-
	<u>-</u>	<u>82,090</u>	<u>-</u>
Total assets	<u>\$ 16,478</u>	<u>\$ 82,099</u>	<u>\$ 170</u>
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Accounts payable	\$ 351	\$ 6	\$ -
Salaries and benefits payable	201	-	-
Due to other funds	-	51	3
Advances from other funds	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>552</u>	<u>57</u>	<u>3</u>
Fund balances (Note 14):			
Reserved	15,926	82,042	167
Unreserved:			
Designated	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>15,926</u>	<u>82,042</u>	<u>167</u>
Total liabilities and fund balances	<u>\$ 16,478</u>	<u>\$ 82,099</u>	<u>\$ 170</u>

Regional Park and Open-Space	CREST	Total	
\$ 10,177	\$ 2,738	\$ 18,996	ASSETS:
31	11	51	Cash and investments
2,316	-	2,316	Interest receivable
550	-	11,117	Due from other governments
-	-	82,090	Prepaid items
			Restricted cash and investments
<u>\$ 13,074</u>	<u>\$ 2,749</u>	<u>\$ 114,570</u>	Total assets
			LIABILITIES AND FUND BALANCES:
\$ 105	\$ 2	\$ 464	Liabilities:
-	104	305	Accounts payable
300	-	354	Salaries and benefits payable
2,300	-	2,300	Due to other funds
			Advances from other funds
<u>2,705</u>	<u>106</u>	<u>3,423</u>	Total liabilities
			Fund balances (Note 14):
3,436	2,643	104,214	Reserved
6,933	-	6,933	Unreserved:
			Designated
<u>10,369</u>	<u>2,643</u>	<u>111,147</u>	Total fund balances
<u>\$ 13,074</u>	<u>\$ 2,749</u>	<u>\$ 114,570</u>	Total liabilities and fund balances

COUNTY OF RIVERSIDE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Capital Projects Fund

For the Fiscal Year Ended June 30, 2009

(Dollars in Thousands)

	<u>PSEC</u>	<u>CORAL</u>	<u>Flood Control</u>	<u>Regional Park and Open-Space</u>
REVENUES:				
Use of money and property:				
Interest	\$ 25	\$ 2,499	\$ 1	\$ 277
Aid from other governmental agencies:				
State	-	-	-	1,756
Charges for services	-	-	-	-
Other revenue	-	-	-	111
Total revenues	<u>25</u>	<u>2,499</u>	<u>1</u>	<u>2,144</u>
EXPENDITURES:				
Current:				
General government	5,821	-	-	-
Recreation and culture	-	-	-	311
Capital outlay	-	15,578	157	8,588
Total expenditures	<u>5,821</u>	<u>15,578</u>	<u>157</u>	<u>8,899</u>
Excess (deficiency) of revenues over (under) expenditures	(5,796)	(13,079)	(156)	(6,755)
OTHER FINANCING SOURCES (USES):				
Transfers in	11,881	82,967	300	7,783
Transfers out	(1,498)	(79,036)	-	(1,746)
Total other financing sources (uses)	<u>10,383</u>	<u>3,931</u>	<u>300</u>	<u>6,037</u>
NET CHANGE IN FUND BALANCES	<u>4,587</u>	<u>(9,148)</u>	<u>144</u>	<u>(718)</u>
Fund balances, beginning of year	<u>11,339</u>	<u>91,190</u>	<u>23</u>	<u>11,087</u>
FUND BALANCES, END OF YEAR	<u>\$ 15,926</u>	<u>\$ 82,042</u>	<u>\$ 167</u>	<u>\$ 10,369</u>

CREST	Total	
		REVENUES:
		Use of money and property:
\$ 71	\$ 2,873	Interest
		Aid from other governmental agencies:
-	1,756	State
1,378	1,378	Charges for services
-	111	Other revenue
<u>1,449</u>	<u>6,118</u>	Total revenues
		EXPENDITURES:
		Current:
3,387	9,208	General government
-	311	Recreation and culture
-	24,323	Capital outlay
<u>3,387</u>	<u>33,842</u>	Total expenditures
		Excess (deficiency) of revenues
(1,938)	(27,724)	over (under) expenditures
		OTHER FINANCING SOURCES (USES):
2,707	105,638	Transfers in
(410)	(82,690)	Transfers out
<u>2,297</u>	<u>22,948</u>	Total other financing sources (uses)
359	(4,776)	NET CHANGE IN FUND BALANCES
<u>2,284</u>	<u>115,923</u>	Fund balances, beginning of year
<u>\$ 2,643</u>	<u>\$ 111,147</u>	FUND BALANCES, END OF YEAR

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
PSEC Capital Projects Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Use of money and property:				
Interest	\$ -	\$ -	\$ 25	\$ 25
Aid from other governmental agencies:				
Federal	-	216	-	(216)
Other revenue	11,797	-	-	-
Total revenues	11,797	216	25	(191)
EXPENDITURES:				
Current:				
General government	11,798	11,562	5,821	(5,741)
Total expenditures	11,798	11,562	5,821	(5,741)
Excess (deficiency) of revenues over (under) expenditures	(1)	(11,346)	(5,796)	5,550
OTHER FINANCING SOURCES (USES):				
Transfers in	-	11,881	11,881	-
Transfers out	-	(1,498)	(1,498)	-
Total other financing sources (uses)	-	10,383	10,383	-
NET CHANGE IN FUND BALANCE	(1)	(963)	4,587	5,550
Fund balance, beginning of year	11,339	11,339	11,339	-
FUND BALANCE, END OF YEAR	\$ 11,338	\$ 10,376	\$ 15,926	\$ 5,550

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Flood Control Capital Projects Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Over (Under)
REVENUES:				
Interest	\$ 3	\$ 3	\$ 1	\$ (2)
Charges for current services	1	1	-	(1)
Other revenue	5,400	5,100	-	(5,100)
Total revenues	5,404	5,104	1	(5,103)
EXPENDITURES:				
Current:				
Capital outlay	5,375	5,375	157	(5,218)
Total expenditures	5,375	5,375	157	(5,218)
Excess (deficiency) of revenues over (under) expenditures	29	(271)	(156)	115
OTHER FINANCING SOURCES (USES):				
Transfers in	-	300	300	-
Total other financing sources (uses)	-	300	300	-
NET CHANGE IN FUND BALANCE	29	29	144	115
Fund balance, beginning of year	23	23	23	-
FUND BALANCE, END OF YEAR	<u>\$ 52</u>	<u>\$ 52</u>	<u>\$ 167</u>	<u>\$ 115</u>

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
Regional Park and Open-Space District Capital Projects Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Over (Under)
REVENUES:				
Use of money and property:				
Interest	\$ 258	\$ 258	\$ 277	\$ 19
Aid from other governmental agencies:				
State	5	986	1,756	770
Other revenue	19,362	13,557	111	(13,446)
Total revenues	19,625	14,801	2,144	(12,657)
EXPENDITURES:				
Current:				
Recreation and cultural services	5,175	5,139	311	(4,828)
Capital outlay	16,745	17,993	8,588	(9,405)
Total expenditures	21,920	23,132	8,899	(14,233)
Excess (deficiency) of revenues over (under) expenditures	(2,295)	(8,331)	(6,755)	1,576
OTHER FINANCING SOURCES (USES):				
Transfers in	-	7,783	7,783	-
Transfers out	-	(1,746)	(1,746)	-
Total other financing sources (uses)	-	6,037	6,037	-
NET CHANGE IN FUND BALANCE	(2,295)	(2,294)	(718)	1,576
Fund balance, beginning of year	11,087	11,087	11,087	-
FUND BALANCE, END OF YEAR	\$ 8,792	\$ 8,793	\$ 10,369	\$ 1,576

COUNTY OF RIVERSIDE
Budgetary Comparison Schedule
CREST Capital Projects Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Over (Under)
REVENUES:				
Use of money and property:				
Interest	\$ 5	\$ 5	\$ 71	\$ 66
Charges for current services	1,573	1,573	1,378	(195)
Other revenue	2,707	-	-	-
Total revenues	4,285	1,578	1,449	(129)
EXPENDITURES:				
Current:				
General government	5,686	5,276	3,387	(1,889)
Total expenditures	5,686	5,276	3,387	(1,889)
Excess (deficiency) of revenues over (under) expenditures	(1,401)	(3,698)	(1,938)	1,760
OTHER FINANCING SOURCES (USES):				
Transfers in	-	2,707	2,707	-
Transfers out	-	(410)	(410)	-
Total other financing sources (uses)	-	2,297	2,297	-
NET CHANGE IN FUND BALANCE	(1,401)	(1,401)	359	1,760
Fund balance, beginning of year	2,284	2,284	2,284	-
FUND BALANCE, END OF YEAR	\$ 883	\$ 883	\$ 2,643	\$ 1,760



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COUNTY OF RIVERSIDE

PERMANENT FUNDS

PERRIS VALLEY CEMETERY ENDOWMENT FUND

This fund is used to account for financial resources to be used for future maintenance of the Cemetery. The resources are derived from an endowment care fee assessed on each sale of a burial right and earnings on these resources. Only income earned on these resources may be used for services, supplies or capital asset acquisition. The principal must be preserved intact.



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COUNTY OF RIVERSIDE
Combining Balance Sheet
Permanent Fund
June 30, 2009
(Dollars in Thousands)

	Perris Valley Cemetery Endowment Fund
ASSETS:	
Cash and investments	\$ 391
Accounts receivable	2
Interest receivable	1
	<hr/>
Total assets	\$ 394
	<hr/>
LIABILITIES AND FUND BALANCES:	
Liabilities:	
Accounts payable	\$ 24
	<hr/>
Total liabilities	24
	<hr/>
Fund balances (Note 14):	
Reserved	370
	<hr/>
Total fund balances	370
	<hr/>
Total liabilities and fund balances	\$ 394
	<hr/>

COUNTY OF RIVERSIDE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Permanent Fund
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Perris Valley Cemetery Endowment Fund
REVENUES:	
Use of money and property:	
Interest	\$ 10
Charges for services	20
Total revenues	<u>30</u>
EXPENDITURES:	
Current:	
Public protection	45
Total expenditures	<u>45</u>
Excess (deficiency) of revenues	(15)
over (under) expenditures	
NET CHANGE IN FUND BALANCES	(15)
Fund balances, beginning of year	-
Fund balances, beginning of year, as restated	385
FUND BALANCES, END OF YEAR	<u><u>\$ 370</u></u>

COUNTY OF RIVERSIDE

NONMAJOR ENTERPRISE FUNDS

These funds are used to account for operations providing goods or services to the general public. The accounting for these funds is similar to private enterprise accounting (accrual). The intent of the County's governing board is that all costs associated with providing these goods or services be financed or recovered primarily through user charges.

COUNTY SERVICE AREAS

These three funds were established to account for revenues, expenses, and the allocation of net income for County Service Areas 62 and 122.

HOUSING AUTHORITY

The Housing Authority was established to provide affordable, decent, safe housing opportunities to low and moderate income families including elderly and handicapped persons, while supporting programs to foster economic self-sufficiency.

FLOOD CONTROL

These three funds were established to account for transactions resulting from topographical map sales, subdivision operations, and issuance of encroachment permits.

COUNTY OF RIVERSIDE
Combining Statement of Net Assets
Nonmajor Enterprise Funds
June 30, 2009
(Dollars in Thousands)

	County Service Areas	Housing Authority	Flood Control	Total
ASSETS:				
Current assets:				
Cash and investments	\$ 307	\$ 8,416	\$ 2,168	\$ 10,891
Accounts receivable-net	-	148	1,567	1,715
Interest receivable	1	-	21	22
Taxes receivable	9	-	-	9
Due from other governments	-	261	52	313
Due from other funds	-	-	4	4
Restricted cash and investments	-	7,239	2,765	10,004
Prepaid items and deposits	-	3	-	3
Total current assets	317	16,067	6,577	22,961
Noncurrent assets:				
Capital assets:				
Depreciable assets	33	11,597	36	11,666
Nondepreciable assets	-	4,854	-	4,854
Total noncurrent assets	33	16,451	36	16,520
Total assets	350	32,518	6,613	39,481
LIABILITIES:				
Current liabilities:				
Accounts payable	4	1	2,804	2,809
Salaries and benefits payable	-	-	52	52
Due to other funds	-	-	11	11
Due to other governments	-	7	-	7
Interest payable	-	9	-	9
Deposits payable	49	-	-	49
Other liabilities	-	2,743	124	2,867
Compensated absences	-	-	20	20
Bonds payable	-	110	-	110
Total current liabilities	53	2,870	3,011	5,934
Noncurrent portion of long-term liabilities:				
Noncurrent liabilities:				
Compensated absences	-	880	88	968
Bonds payable	-	785	-	785
Other long-term liabilities	-	6,795	-	6,795
Total noncurrent liabilities	-	8,460	88	8,548
Total liabilities	53	11,330	3,099	14,482
NET ASSETS:				
Invested in capital assets, net of related debt	33	15,666	36	15,735
Restricted	62	5,522	-	5,584
Unrestricted	202	-	3,478	3,680
Total net assets	\$ 297	\$ 21,188	\$ 3,514	\$ 24,999

COUNTY OF RIVERSIDE

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets

Nonmajor Enterprise Funds

For the Fiscal Year Ended June 30, 2009

(Dollars in Thousands)

	County Service Areas	Housing Authority	Flood Control	Total
OPERATING REVENUES:				
Charges for services	\$ 339	\$ 2,469	\$ 2,894	\$ 5,702
Other	26	76,081	132	76,239
Total operating revenues	365	78,550	3,026	81,941
OPERATING EXPENSES:				
Personnel services	276	7,609	1,139	9,024
Insurance	1	-	-	1
Maintenance of building and equipment	63	2,787	4	2,854
Supplies	5	-	35	40
Purchased services	2	-	1,520	1,522
Depreciation and amortization	5	1,734	27	1,766
Rents and leases of equipment	8	-	19	27
Public assistance	-	66,578	-	66,578
Utilities	77	549	-	626
Other	18	1,755	23	1,796
Total operating expenses	455	81,012	2,767	84,234
Operating income (loss)	(90)	(2,462)	259	(2,293)
NONOPERATING REVENUES (EXPENSES):				
Investment income	9	303	199	511
Interest expense	(2)	(177)	-	(179)
Gain (loss) on disposal of capital assets	-	50	-	50
Total nonoperating revenues (expenses)	7	176	199	382
Income (loss) before transfers	(83)	(2,286)	458	(1,911)
Transfers out	-	(142)	-	(142)
CHANGE IN NET ASSETS	(83)	(2,428)	458	(2,053)
Net assets, beginning of year	380	23,616	3,056	27,052
NET ASSETS, END OF YEAR	<u>\$ 297</u>	<u>\$ 21,188</u>	<u>\$ 3,514</u>	<u>\$ 24,999</u>

COUNTY OF RIVERSIDE
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ending June 30, 2009
(Dollars in Thousands)

	County Service Areas	Housing Authority	Flood Control	Total
Cash flows from operating activities				
Cash receipts from customers / other funds	\$ 365	\$ 79,060	\$ 4,340	\$ 83,765
Cash paid to suppliers for goods and services	(172)	(71,034)	(3,271)	(74,477)
Cash paid to employees for services	(276)	(7,495)	(1,320)	(9,091)
Net cash provided by (used in) operating activities	(83)	531	(251)	197
Cash flows from noncapital financing activities				
Transfers paid	-	(142)	-	(142)
Net cash provided by (used in) noncapital financing activities	-	(142)	-	(142)
Cash flows from capital and related financing activities				
Proceeds from sale of capital assets	-	850	-	850
Acquisition and construction of capital assets	-	(539)	(24)	(563)
Principal paid on bonds payable	-	(36)	-	(36)
Interest paid on long-term debt	(2)	(177)	-	(179)
Net cash used in capital and related financing activities	(2)	98	(24)	72
Cash flows from investing activities				
Interest received on investments	11	303	234	548
Net cash provided by investing activities	11	303	234	548
Net increase (decrease) in cash and cash equivalents	(74)	790	(41)	675
Cash and cash equivalents, beginning of year	381	14,865	4,974	20,220
Cash and cash equivalents, end of year	\$ 307	\$ 15,655	\$ 4,933	\$ 20,895
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (90)	\$ (2,462)	\$ 259	\$ (2,293)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation and amortization	5	1,734	27	1,766
Decrease (Increase) accounts receivable	-	14	1,365	1,379
Decrease (Increase) due from other funds	-	-	(4)	(4)
Decrease (Increase) due from other governments	-	496	(47)	449
Decrease (Increase) prepaid items and deposits	-	128	-	128
Increase (Decrease) accounts payable	(1)	-	(444)	(445)
Increase (Decrease) due to other funds	-	-	11	11
Increase (Decrease) due to other governments	-	7	-	7
Increase (Decrease) deposits payable	3	-	-	3
Increase (Decrease) other liabilities	-	500	(1,237)	(737)
Increase (Decrease) salaries and benefits payable	-	-	(37)	(37)
Increase (Decrease) compensated absences	-	114	(144)	(30)
Net cash provided by (used in) operating activities	\$ (83)	\$ 531	\$ (251)	\$ 197

COUNTY OF RIVERSIDE

INTERNAL SERVICE FUNDS

These funds were established to account for the goods and services provided by a County department to other County departments, or to other governments, on a cost-reimbursement basis.

RECORDS MANAGEMENT AND ARCHIVES

This fund was established to account for the operations of the Records Management and Archives Program, which is responsible for providing consistent standards and support services that promote responsible record keeping countywide. Sources of revenue include records storage, reformatting, preservation, and consulting services.

FLEET SERVICES

This fund finances the operation and maintenance of County vehicles, including the Sheriff's Department. Revenue is obtained on a cost-reimbursement basis.

INFORMATION SERVICES

These funds are supported by the revenues generated for services including software systems support, computer networks, data structure design, and organization of the County's computer systems.

PRINTING SERVICES

These funds account for the financing of printing and central mail services provided to County departments on a cost-reimbursement basis. This fund also provides services such as the paper reclamation program, which collects and sells County department waste paper for recycling.

SUPPLY SERVICES

This fund finances the operation that provides County departments with merchandise and services on a cost-reimbursement basis.

OASIS PROJECT

These funds were established to support the implementation, operation, and maintenance of the County's central administrative and financial information system. Revenue is obtained on a cost-reimbursement basis.

RISK MANAGEMENT

These funds account for the financing of employee insurance benefits and County self-insurance programs. These funds include medical, dental, disability, and unemployment insurance as well as general liability, medical malpractice, and worker's compensation.

TEMPORARY ASSISTANCE POOL (TAP)

The purpose of this fund is to provide a ready source of temporary workers to County departments, with lower overhead costs than are typically charged by outside temporary employment agencies.

FLOOD CONTROL EQUIPMENT

These funds were established to account for the financing of flood control equipment provided to other departments on a cost-reimbursement basis.

COUNTY OF RIVERSIDE
Combining Statement of Net Assets
Internal Service Funds
June 30, 2009
(Dollars in Thousands)

	Records Management and Archives	Fleet Services	Information Services	Printing Services	Supply Services
ASSETS:					
Current assets:					
Cash and investments	\$ 885	\$ 10,956	\$ 16,555	\$ 2,754	\$ 4,236
Accounts receivable-net	10	58	421	35	3
Interest receivable	2	17	37	6	7
Due from other government	-	29	-	101	-
Inventories	-	578	1,476	161	382
Due from other funds	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-
Total current assets	897	11,638	18,489	3,057	4,628
Noncurrent assets:					
Capital assets:					
Depreciable assets	249	38,614	6,558	1,079	260
Non depreciable assets	-	832	181	-	-
Total noncurrent assets	249	39,446	6,739	1,079	260
Total assets	1,146	51,084	25,228	4,136	4,888
LIABILITIES:					
Current liabilities:					
Accounts payable	1	620	347	179	728
Salaries and benefits payable	120	288	1,522	142	57
Due to other funds	-	-	-	-	-
Due to other governments	-	-	-	-	4
Other liabilities	-	2,780	-	-	-
Compensated absences	113	251	1,345	96	43
Capital lease obligation	-	13,649	982	248	-
Estimated claims liability	-	-	-	-	-
Total current liabilities	234	17,588	4,196	665	832
Noncurrent liabilities:					
Compensated absences	61	214	974	12	11
Capital lease obligation	-	15,393	1,844	458	-
Estimated claims liabilities	-	-	-	-	-
Other long-term liabilities	-	1,500	-	-	-
Total noncurrent liabilities	61	17,107	2,818	470	11
Total liabilities	295	34,695	7,014	1,135	843
NET ASSETS:					
Invested in capital assets, net of related debt	249	8,904	3,913	373	260
Unrestricted	602	7,485	14,301	2,628	3,785
Total net assets	\$ 851	\$ 16,389	\$ 18,214	\$ 3,001	\$ 4,045

OASIS Project	Risk Management	Temporary Assistance Pool	Flood Control Equipment	Total	
\$ 6,913	\$ 194,250	\$ 4,127	\$ 5,068	\$ 245,744	ASSETS:
-	3,500	-	9	4,036	Current assets:
19	508	-	16	612	Cash and investments
-	-	-	-	130	Accounts receivable-net
-	-	-	227	2,824	Interest receivable
-	-	-	202	202	Due from other government
-	-	-	1,001	1,001	Inventories
6,932	198,258	4,127	6,523	254,549	Due from other funds
					Restricted cash and investments
					Total current assets
3,279	525	7	2,932	53,503	Noncurrent assets:
-	-	-	-	1,013	Capital assets:
3,279	525	7	2,932	54,516	Depreciable assets
10,211	198,783	4,134	9,455	309,065	Non depreciable assets
					Total noncurrent assets
					Total assets
					LIABILITIES:
27	9,603	122	36	11,663	Current liabilities:
554	1,438	728	111	4,960	Accounts payable
-	-	-	47	47	Salaries and benefits payable
-	226	-	34	264	Due to other funds
-	1	-	-	2,781	Due to other governments
498	1,179	44	36	3,605	Other liabilities
747	-	-	-	15,626	Compensated absences
-	33,062	-	-	33,062	Capital lease obligation
1,826	45,509	894	264	72,008	Estimated claims liability
					Total current liabilities
332	635	21	160	2,420	Noncurrent liabilities:
2,365	-	-	-	20,060	Compensated absences
-	84,218	-	-	84,218	Capital lease obligation
-	-	-	-	1,500	Estimated claims liabilities
2,697	84,853	21	160	108,198	Other long-term liabilities
4,523	130,362	915	424	180,206	Total noncurrent liabilities
					Total liabilities
					NET ASSETS:
167	525	7	2,932	17,330	Invested in capital assets,
5,521	67,896	3,212	6,099	111,529	net of related debt
\$ 5,688	\$ 68,421	\$ 3,219	\$ 9,031	\$ 128,859	Unrestricted
					Total net assets

COUNTY OF RIVERSIDE

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets

Internal Service Funds

For the Fiscal Year Ended June 30, 2009

(Dollars in Thousands)

	Records Management and Archives	Fleet Services	Information Services	Printing Services	Supply Services
OPERATING REVENUES:					
Charges for services	\$ 2,557	\$ 39,134	\$ 40,004	\$ 5,414	\$ 10,124
Other revenue	-	448	5	2,255	6,921
Total operating revenues	2,557	39,582	40,009	7,669	17,045
OPERATING EXPENSES:					
Cost of materials used	-	1,756	-	-	-
Personnel services	1,706	4,172	20,858	1,966	784
Communications	19	111	3,184	58	38
Insurance	31	66	115	14	16
Maintenance of building and equipment	155	2,972	4,114	577	113
Insurance claims	-	-	-	-	-
Supplies	110	7,272	373	3,191	15,316
Purchased services	134	927	2,649	1,474	480
Depreciation and amortization	36	14,563	3,491	258	34
Rents and leases of equipment	294	386	1,132	4	-
Utilities	41	105	176	1	-
Other	40	196	1,024	139	44
Total operating expenses	2,566	32,526	37,116	7,682	16,825
Operating income (loss)	(9)	7,056	2,893	(13)	220
NONOPERATING REVENUES (EXPENSES):					
Investment income	24	173	382	58	70
Interest expense	-	(1,976)	(90)	(16)	-
Gain (loss) on disposal of capital assets	2	(443)	(34)	-	-
Total nonoperating revenues (expenses)	26	(2,246)	258	42	70
Income (loss) before capital contributions and transfers	17	4,810	3,151	29	290
Capital contributions	-	-	-	-	-
Transfers in	-	-	454	-	-
Transfers out	(35)	(83)	(437)	(40)	(15)
CHANGE IN NET ASSETS	(18)	4,727	3,168	(11)	275
Net assets, beginning of year, as previously reported	869	11,662	15,046	3,012	3,770
Adjustments to beginning net assets	-	-	-	-	-
Net assets, beginning of year	869	11,662	15,046	3,012	3,770
NET ASSETS, END OF YEAR	\$ 851	\$ 16,389	\$ 18,214	\$ 3,001	\$ 4,045

OASIS Project	Risk Management	Temporary Assistance Pool	Flood Control Equipment	Total	
					OPERATING REVENUES:
\$ 13,661	\$ 33,277	\$ 21,415	\$ 1,834	\$ 167,420	Charges for services
-	11,684	3	4,742	26,058	Other revenue
13,661	44,961	21,418	6,576	193,478	Total operating revenues
					OPERATING EXPENSES:
-	-	-	42	1,798	Cost of materials used
7,652	17,016	16,125	2,226	72,505	Personnel services
368	261	93	14	4,146	Communications
17	8,865	10	-	9,134	Insurance
3,357	117	4	490	11,899	Maintenance of building and equipment
-	67,345	-	-	67,345	Insurance claims
41	2,581	238	971	30,093	Supplies
2,424	3,744	1,941	1,357	15,130	Purchased services
1,008	137	11	962	20,500	Depreciation and amortization
584	964	226	4	3,594	Rents and leases of equipment
50	37	24	-	434	Utilities
34	1,805	150	854	4,286	Other
15,535	102,872	18,822	6,920	240,864	Total operating expenses
(1,874)	(57,911)	2,596	(344)	(47,386)	Operating income (loss)
					NONOPERATING REVENUES (EXPENSES):
204	4,920	16	155	6,002	Investment income
(97)	-	-	-	(2,179)	Interest expense
-	-	-	10	(465)	Gain (loss) on disposal of capital assets
107	4,920	16	165	3,358	Total nonoperating revenues (expenses)
					Income (loss) before capital contributions and transfers
(1,767)	(52,991)	2,612	(179)	(44,028)	Capital contributions
-	55,538	-	-	55,538	Transfers in
-	3,261	-	409	4,124	Transfers out
(164)	(3,362)	(1,385)	-	(5,521)	
(1,931)	2,446	1,227	230	10,113	CHANGE IN NET ASSETS
7,619	49,653	1,992	8,801	102,424	Net assets, beginning of year, as previously reported
-	16,322	-	-	16,322	Adjustments to beginning net assets
7,619	65,975	1,992	8,801	118,746	Net assets, beginning of year
\$ 5,688	\$ 68,421	\$ 3,219	\$ 9,031	\$ 128,859	NET ASSETS, END OF YEAR

COUNTY OF RIVERSIDE
Combining Statements of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Records				
	Management and Archives	Fleet Service	Information Services	Printing Services	Supply Services
Cash flows from operating activities					
Cash receipts from internal services provided	\$ 2,571	\$ 39,692	\$ 39,588	\$ 7,945	\$ 17,053
Cash paid to suppliers for goods and services	(830)	(18,781)	(16,904)	(5,203)	(16,384)
Cash paid to employees for services	(1,684)	(4,145)	(20,637)	(1,962)	(763)
Net cash provided (used) by operating activities	57	16,766	2,047	780	(94)
Cash flows from noncapital financing activities					
Advances from other funds	-	-	-	(150)	-
Advances to other funds	-	150	-	-	-
Transfers received	-	-	454	-	-
Transfers paid	(35)	(83)	(437)	(40)	(15)
Net cash provided (used) by noncapital financing activities	(35)	67	17	(190)	(15)
Cash flows from capital and related financing activities					
Proceeds from sale of capital assets	3	793	3	-	1
Acquisition and construction of capital assets	(198)	(12,989)	(2,704)	-	-
Principal paid on capital leases	-	(1,025)	(156)	(244)	-
Capital contributions	-	-	-	-	-
Interest paid on long-term debt	-	(1,976)	(90)	(16)	-
Net cash provided (used) by capital and related financing activities	(195)	(15,197)	(2,947)	(260)	1
Cash flows from investing activities					
Interest received on investments	28	188	428	62	79
Net cash provided by investing activities	28	188	428	62	79
Net increase (decrease) in cash and cash equivalents	(145)	1,824	(455)	392	(29)
Cash and cash equivalents, beginning of year	1,030	9,132	17,010	2,362	4,265
Cash and cash equivalents, end of year	\$ 885	\$ 10,956	\$ 16,555	\$ 2,754	\$ 4,236
Reconciliation of operating income (loss) to net cash provided (used) by operating activities					
Operating income (loss)	\$ (9)	\$ 7,056	\$ 2,893	\$ (13)	\$ 220
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation and amortization	36	14,563	3,491	258	34
Decrease (Increase) accounts receivable	14	(1)	(421)	146	(3)
Decrease (Increase) due from other funds	-	14	-	6	6
Decrease (Increase) due from other governments	-	97	-	124	5
Decrease (Increase) inventories	-	66	(652)	87	95
Decrease (Increase) prepaid items and deposits	-	-	-	11	-
Increase (Decrease) accounts payable	(6)	(4,961)	(3,485)	157	(471)
Increase (Decrease) due to other funds	-	-	-	-	-
Increase (Decrease) due to other governments	-	-	-	-	(1)
Increase (Decrease) other liabilities	-	(95)	-	-	-
Increase (Decrease) estimated claims liability	-	-	-	-	-
Increase (Decrease) salaries and benefits payable	7	2	154	2	8
Increase (Decrease) compensated absences	15	25	67	2	13
Net cash provided (used) by operating activities	\$ 57	\$ 16,766	\$ 2,047	\$ 780	\$ (94)
Noncash investing, capital, and financing activities:					
Capital lease obligations		\$ 13,820	\$ 835		

OASIS Project	Risk Management	Temporary Assistance Pool	Flood Control Equipment	Total	
\$ 13,661	\$ 44,306	\$ 21,418	\$ 6,380	\$ 192,614	Cash flows from operating activities
(7,084)	(86,128)	(2,610)	(3,766)	(157,690)	Cash receipts from internal services provided
(7,617)	(16,647)	(16,920)	(2,301)	(72,676)	Cash paid to suppliers for goods and services
					Cash paid to employees for services
(1,040)	(58,469)	1,888	313	(37,752)	Net cash provided (used) by operating activities
					Cash flows from noncapital financing activities
-	-	-	-	(150)	Advances from other funds
-	-	-	-	150	Advances to other funds
-	3,261	-	409	4,124	Transfers received
(164)	(3,362)	(1,385)	-	(5,521)	Transfers paid
					Net cash provided (used) by noncapital financing activities
(164)	(101)	(1,385)	409	(1,397)	
					Cash flows from capital and related financing activities
-	-	-	10	810	Proceeds from sale of capital assets
-	(470)	(9)	(1,289)	(17,659)	Acquisition and construction of capital assets
(903)	-	-	-	(2,328)	Principal paid on capital leases
-	55,538	-	-	55,538	Capital contributions
(97)	-	-	-	(2,179)	Interest paid on long-term debt
					Net cash provided (used) by capital and related financing activities
(1,000)	55,068	(9)	(1,279)	34,182	
					Cash flows from investing activities
321	5,743	16	180	7,045	Interest received on investments
321	5,743	16	180	7,045	Net cash provided by investing activities
(1,883)	2,241	510	(377)	2,078	Net increase (decrease) in cash and cash equivalents
8,796	192,009	3,617	6,446	244,667	Cash and cash equivalents, beginning of year
\$ 6,913	\$ 194,250	\$ 4,127	\$ 6,069	\$ 246,745	Cash and cash equivalents, end of year
					Reconciliation of operating income (loss) to net cash provided (used) by operating activities
\$ (1,874)	\$ (57,911)	\$ 2,596	\$ (344)	\$ (47,386)	Operating income (loss)
					Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities
1,008	137	11	962	20,500	Depreciation and amortization
-	(655)	-	6	(914)	Decrease (Increase) accounts receivable
-	-	-	(202)	(176)	Decrease (Increase) due from other funds
-	-	-	-	226	Decrease (Increase) due from other governments
-	-	-	104	(300)	Decrease (Increase) inventories
-	-	-	-	11	Decrease (Increase) prepaid items and deposits
(209)	17,769	76	(137)	8,733	Increase (Decrease) accounts payable
-	(136)	-	47	(89)	Increase (Decrease) due to other funds
-	(1)	-	(48)	(50)	Increase (Decrease) due to other governments
-	-	-	-	(95)	Increase (Decrease) other liabilities
-	(18,041)	-	-	(18,041)	Increase (Decrease) estimated claims liability
23	116	(785)	19	(454)	Increase (Decrease) salaries and benefits payable
12	253	(10)	(94)	283	Increase (Decrease) compensated absences
\$ (1,040)	\$ (58,469)	\$ 1,888	\$ 313	\$ (37,752)	Net cash provided (used) by operating activities
					Noncash investing, capital, and financing activities:
				\$ 14,655	Capital lease obligations



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COUNTY OF RIVERSIDE

FIDUCIARY FUNDS

These funds were established for the purpose of accounting for assets held in trustee or agency capacity for others and therefore cannot be used to support the government's own programs and are excluded from the government-wide financial statements.

OTHER

This fund was established to account for a wide array of fiduciary responsibilities. Some of these responsibilities include tax payments clearing, asset forfeiture, State Controller clearing, child support collections, undistributed bond proceeds, and family support clearing.

PAYROLL DEDUCTIONS

The purpose of this fund is to collect deductions from employee wages. The deductions are owed to a variety of third parties for health insurance, union dues, unemployment insurance, withholding tax, flexible spending accounts, and dental insurance.

PROPERTY TAX ASSESSMENTS

The Property Tax Assessment Agency Fund was set up to help Riverside County account for apportioned taxes clearing, delinquent mobile home fees, property tax refunds, special assessments, and Teeter Plan collections.

WARRANTS

This fund was established as a clearing fund for various categories of warrants issued by Riverside County.

COUNTY OF RIVERSIDE
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2009
(Dollars in Thousands)

	Other	Payroll Deductions	Property Tax Assessments	Warrants	Total
ASSETS:					
Cash and investments	\$ 64,823	\$ 2,807	\$ 147,417	\$ 76,289	\$ 291,336
Accounts receivable	12	-	-	-	12
Interest receivable	78	9	-	1	88
Taxes receivable	138	-	136,777	-	136,915
Due from other governments	1,483	-	-	-	1,483
Total assets	<u>\$ 66,534</u>	<u>\$ 2,816</u>	<u>\$ 284,194</u>	<u>\$ 76,290</u>	<u>\$ 429,834</u>
LIABILITIES:					
Accounts payable	\$ 66,525	\$ 2,816	\$ 1,449	\$ 76,290	\$ 147,080
Salaries and benefits payable	9	-	-	-	9
Due to other governments	-	-	282,745	-	282,745
Total liabilities	<u>\$ 66,534</u>	<u>\$ 2,816</u>	<u>\$ 284,194</u>	<u>\$ 76,290</u>	<u>\$ 429,834</u>

COUNTY OF RIVERSIDE
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Balance July 1, 2009	Additions	Deductions	Balance June 30, 2009
Other				
<u>Assets</u>				
Cash and investments	\$ 197,855	\$ 4,563,020	\$ 4,696,052	\$ 64,823
Accounts receivable	-	12	-	12
Interest receivable	191	78	191	78
Taxes receivable	163	6,024	6,049	138
Due from other governments	191	1,483	191	1,483
Total assets	<u>198,400</u>	<u>4,570,617</u>	<u>4,702,483</u>	<u>66,534</u>
<u>Liabilities</u>				
Accounts payable	127,980	383,056	444,511	66,525
Salaries and benefits payable	8	8	7	9
Due to other governments	70,412	-	70,412	-
Total liabilities	<u>\$ 198,400</u>	<u>\$ 383,064</u>	<u>\$ 514,930</u>	<u>\$ 66,534</u>
Payroll Deductions				
<u>Assets</u>				
Cash and investments	\$ 647	\$ 1,831,642	\$ 1,829,482	\$ 2,807
Interest receivable	25	9	25	9
Total assets	<u>672</u>	<u>1,831,651</u>	<u>1,829,507</u>	<u>2,816</u>
<u>Liabilities</u>				
Accounts payable	672	1,879,239	1,877,095	2,816
Total liabilities	<u>\$ 672</u>	<u>\$ 1,879,239</u>	<u>\$ 1,877,095</u>	<u>\$ 2,816</u>
Property Tax Assessments				
<u>Assets</u>				
Cash and investments	\$ 62,971	\$ 4,213,505	\$ 4,129,059	\$ 147,417
Taxes receivable	165,011	136,777	165,011	136,777
Total assets	<u>227,982</u>	<u>4,350,282</u>	<u>4,294,070</u>	<u>284,194</u>
<u>Liabilities</u>				
Accounts payable	1,879	332,799	333,229	1,449
Due to other governments	226,103	3,803,963	3,747,321	282,745
Total liabilities	<u>\$ 227,982</u>	<u>\$ 4,136,762</u>	<u>\$ 4,080,550</u>	<u>\$ 284,194</u>

COUNTY OF RIVERSIDE
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2009
(Dollars in Thousands)

	Balance July 1, 2009	Additions	Deductions	Balance June 30, 2009
Warrants				
<u>Assets</u>				
Cash and investments	\$ 89,384	\$ 10,728,620	\$ 10,741,715	\$ 76,289
Interest receivable	3	-	2	1
Total assets	<u>89,387</u>	<u>10,728,620</u>	<u>10,741,717</u>	<u>76,290</u>
<u>Liabilities</u>				
Accounts payable	89,387	6,013,705	6,026,802	76,290
Total liabilities	<u>\$ 89,387</u>	<u>\$ 6,013,705</u>	<u>\$ 6,026,802</u>	<u>\$ 76,290</u>
Total Agency Funds				
<u>Assets</u>				
Cash and investments	\$ 350,857	\$ 21,336,787	\$ 21,396,308	\$ 291,336
Accounts receivable	-	12	-	12
Interest receivable	219	87	218	88
Taxes receivable	165,174	142,801	171,060	136,915
Due from other government	191	1,483	191	1,483
Total assets	<u>516,441</u>	<u>21,481,170</u>	<u>21,567,777</u>	<u>429,834</u>
<u>Liabilities</u>				
Accounts payable	219,918	8,608,799	8,681,637	147,080
Salaries and benefits payable	8	8	7	9
Due to other government	296,515	3,803,963	3,817,733	282,745
Total liabilities	<u>\$ 516,441</u>	<u>\$ 12,412,770</u>	<u>\$ 12,499,377</u>	<u>\$ 429,834</u>

Statistical Section

This section of the Riverside County Comprehensive Annual Financial Report presents additional detail, historical perspective, and context to assist annual financial report users in understanding the financial statements, note disclosures, required supplementary information, and assessing the County's financial condition.

Contents

Table(s)

Financial Trends Information

T1 – T5

These tables contain trend information to assist readers in understanding and assessing how the County's financial position has changed over time.

- Net Assets by Component
- Changes in Net Assets
- Governmental Activities Tax Revenues by Source
- Fund Balance of Governmental Funds
- Changes in Fund Balances of Governmental Funds

Revenue Capacity Information

T6 – T10

These tables contain information to assist readers in understanding and assessing the factors affecting the County's local revenue sources, property tax, sales tax, and other taxes.

- General Government Tax Revenues by source
- Assessed Value and Estimated Actual Value of Taxable Property
- Property Tax Rates, Direct and Overlapping Governments
- Principal Property Tax Payers
- Property Tax Levies and Collections

Debt Capacity Information

T11 – T15

These tables contain information to assist readers in understanding and assessing the County's current level of outstanding debt, and the County's ability to issue additional debt.

- Ratios of Outstanding Debt by Type
- Ratios of General Bonded Debt Outstanding
- Direct and Overlapping Governmental Activities Debt
- Legal Debt Margin Information
- Pledged-Revenue Coverage

Economic and Demographic Information

T16 – T17

These tables provide economic and demographic information to assist readers in understanding the socioeconomic environment within which the County operates, and to facilitate the comparisons of financial information over time.

- Demographic and Economic Statistics
- Principal Employers

Operating Information

T18 – T20

These tables provide contextual information about the County's operations and resources to assist readers in understanding and assessing the County's financial condition as it relates to the services that the County provides.

- Full-time Equivalent County Government Employees by Function/Program
- Operating Indicators by Function
- Capital Asset Statistics by Function

Source: Unless otherwise noted, the information in these tables is derived from Riverside County's Comprehensive Annual Financial Reports for the relevant years. The County implemented GASB Statement 34 in FY 2001-2002. Statistical Tables present information for the last seven years beginning with the first year after GASB Statement 34 implementation.