

**CITY OF EMERYVILLE, CALIFORNIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR FISCAL YEAR ENDED JUNE 30, 2014**

Prepared by:

FINANCE DIVISION  
ADMINISTRATIVE SERVICES DEPARTMENT

MARIA ÖBERG, FINANCE DIRECTOR

CITY OF EMERYVILLE, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR FISCAL YEAR ENDED JUNE 30, 2014

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TABLE OF CONTENTS

|   | <u>Page<br/>Number</u> |
|---|------------------------|
| <b>INTRODUCTORY SECTION</b>   |                        |
| Table of Contents .....   | i                      |
| Letter of Transmittal .....   | v                      |
| GFOA Certificate of Achievement .....   | xiii                   |
| Organizational Chart .....  | xiv                    |
| List of Officials .....   | xv                     |
| Map of Emeryville .....   | xvi                    |
| <br><b>FINANCIAL SECTION</b>  |                        |
| INDEPENDENT AUDITORS' REPORT .....  | 1                      |
| MANAGEMENT'S DISCUSSION AND ANALYSIS .....  | 5                      |
| <br><b>BASIC FINANCIAL STATEMENTS</b>   |                        |
| Government-Wide Financial Statements:   |                        |
| Statement of Net Position .....   | 19                     |
| Statement of Activities .....   | 20                     |
| Fund Financial Statements:  |                        |
| Balance Sheet - Governmental Funds .....  | 24                     |
| Reconciliation of the Balance Sheet of Governmental Funds<br>to the Statement of Net Position .....   | 27                     |
| Statement of Revenues, Expenditures and Changes in Fund<br>Balances - Governmental Funds .....  | 28                     |
| Reconciliation of the Statement of Revenues, Expenditures and<br>Changes in Fund Balances of Governmental Funds to the<br>Statement of Activities ..... | 31                     |
| Statement of Net Position - Proprietary Funds .....   | 34                     |
| Statement of Revenues, Expenses and Changes in Fund Net<br>Position - Proprietary Funds .....   | 35                     |

CITY OF EMERYVILLE  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR FISCAL YEAR ENDED JUNE 30, 2014

TABLE OF CONTENTS

|   | <u>Page<br/>Number</u> |
|---|------------------------|
| BASIC FINANCIAL STATEMENTS (Continued)  |                        |
| Statement of Cash Flows - Proprietary Funds .....   | 36                     |
| Statement of Fiduciary Net Position - Fiduciary Funds .....   | 38                     |
| Statement of Changes in Fiduciary Net Position - Fiduciary Funds .....  | 39                     |
| Notes to Financial Statements .....   | 41                     |
| REQUIRED SUPPLEMENTARY INFORMATION  |                        |
| Schedule of Changes in Net Pension Liability and Related Ratios .....   | 89                     |
| Schedule of Employer Contributions .....  | 90                     |
| Schedule of Investment Returns .....  | 91                     |
| Budgetary Comparison Schedule by Department - General Fund .....  | 92                     |
| Budgetary Comparison Schedule - Housing Assets Fund .....   | 93                     |
| Notes to Required Supplementary Information .....   | 95                     |
| COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES  |                        |
| Combining Balance Sheet - Nonmajor Governmental Funds .....   | 100                    |
| Combining Statement of Revenues, Expenditures and Changes<br>in Fund Balances - Nonmajor Governmental Funds ..... | 108                    |
| Budgetary Comparison Schedules - Special Revenue Funds:   |                        |
| Housing Community Development Fund .....  | 116                    |
| Special Gas Tax Street Improvement Fund .....   | 117                    |
| General Plan Maintenance Fund .....   | 118                    |
| Child Development Fund .....  | 119                    |
| Measure B Fund .....  | 120                    |
| Emeryville Public Art Fund .....  | 121                    |
| Other Grants Fund .....   | 122                    |
| Supplemental Law Enforcement Fund .....   | 123                    |
| Emergency Medical Services Fund .....   | 124                    |
| Measure D Fund .....  | 125                    |
| Homebuyer Program Fund .....  | 126                    |
| Major Maintenance Fund .....  | 127                    |

CITY OF EMERYVILLE  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR FISCAL YEAR ENDED JUNE 30, 2014

TABLE OF CONTENTS

|  | <u>Page<br/>Number</u> |
|--|------------------------|
| <b>COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (Continued)</b>                                  |                        |
| Vehicle Replacement Fund.....  | 128                    |
| Information Technology Fund.....   | 129                    |
| Property Based Improvement District.....   | 130                    |
| Urban Forestry Fee.....  | 131                    |
| <br>Budgetary Comparison Schedules - Capital Projects Funds:   |                        |
| General Capital Improvements Fund.....   | 132                    |
| <br>Budgetary Comparison Schedules - Debt Service Fund:  |                        |
| 1998 Lease Revenue Series A Bond Fund.....   | 133                    |
| <br>Combining Statement of Net Position - Internal Service Funds.....                                      | <br>136                |
| <br>Combining Statement of Revenues, Expenses and Changes<br>in Net Position - Internal Service Funds..... | <br>138                |
| <br>Combining Statement of Cash Flows - Internal Service Funds.....  | <br>140                |
| <br>Combining Statement of Net Position - All Agency Funds.....  | <br>144                |
| <br>Combining Statement of Changes in Assets and<br>Liabilities - All Agency Funds.....                    | <br>146                |
| <br>Combining Statement of Net Position - All Private-Purpose Trust Funds.....                             | <br>152                |
| <br>Combining Statement of Changes in Fiduciary Net<br>Position - All Private-Purpose Trust Funds.....     | <br>158                |

CITY OF EMERYVILLE  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR FISCAL YEAR ENDED JUNE 30, 2014

TABLE OF CONTENTS

|  | <u>Page<br/>Number</u> |
|--|------------------------|
| <b>STATISTICAL SECTION</b>   |                        |
| Net Position by Component - Last Ten Fiscal Years.....   | 164                    |
| Changes in Net Position - Last Ten Fiscal Years.....   | 165                    |
| Fund Balances, Governmental Funds – Last Ten Fiscal Years.....                                     | 167                    |
| Changes in Fund Balances, Governmental Funds – Last<br>Ten Years .....                             | 168                    |
| Assessed Value and Estimated Actual Value of Taxable<br>Property - Last Ten Fiscal Years.....      | 169                    |
| Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years .....                            | 170                    |
| Principal Property Tax Payers - Current Year and Ten Years Ago.....                                | 171                    |
| Property Tax Levies and Collections - Last Ten Fiscal Years.....                                   | 172                    |
| Ratios of Outstanding Debt by Type - Last Ten Fiscal Years .....                                   | 173                    |
| Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years.....                             | 174                    |
| Statement of Direct and Over Lapping Bonded Debt.....  | 175                    |
| Legal Debt Margin Information - Last Ten Fiscal Years.....   | 176                    |
| Pledged-Revenue Coverage - Last Ten Fiscal Years.....  | 177                    |
| Demographic and Economic Statistics - Last Ten Calendar Years .....                                | 178                    |
| Principal Employers - Current Year and Ten Years Ago.....  | 179                    |
| Full-time-Equivalent City Government Employees<br>by Function/Program - Last Ten Fiscal years..... | 180                    |
| Operating Indicators by Function/Program - Last Ten Fiscal Years .....                             | 181                    |
| Capital Asset Statistics by Function/Program - Last Ten Fiscal Years .....                         | 182                    |



# CITY OF EMERYVILLE

INCORPORATED 1896

1333 PARK AVENUE  
EMERYVILLE, CALIFORNIA 94608-3517

TEL: (510) 596-4300 FAX: (510) 450-7831

November 28, 2014

Honorable Mayor and Members of the City Council:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Emeryville (City) for the fiscal year ended June 30, 2014. Responsibility for both the accuracy of data, as well as the completeness and fairness of the presentation, including all disclosures, rests with the management and staff of the City. To the best of our knowledge and belief, the enclosed information is accurate in all material respects, presented in conformance with Generally Accepted Accounting Principles (GAAP) and reported in a manner that presents fairly the financial position and operating results of the City and its component units and fiduciary funds as of June 30, 2014. All disclosures reasonably necessary to enable the reader to gain an appropriate understanding of the City's financial affairs have been included.

The goal of an independent audit is to provide reasonable assurance that the financial statements presented here for the fiscal year ended June 30, 2014 are free of material misstatement. The City's independent auditors, Lance, Soll & Lunghard have issued an opinion on the City of Emeryville's financial statements for the year ended June 30, 2014 that states:

*"In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the respective changes in financial position - in accordance with accounting principles generally accepted in the United States of America."*

This opinion is considered to be unmodified with respect to accounting guidance provided by the Governmental Accounting Standards Board, which is the top opinion that can be issued. The independent auditors' report is located at the front of the financial section of this report.

This CAFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the City's organizational chart and a list of principal officials. The financial section includes the basic financial statements and combining financial statements and schedules, independent auditor's report and management's discussion and analysis. The management's discussion and analysis (MD&A) has been prepared by management as a narrative introduction, overview and analysis to accompany the basic financial statements. This narrative can be found immediately following the independent auditor's report. This transmittal letter is designed to complement the MD&A and should be read in conjunction with it. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

### ***The Profile of the City of Emeryville***

The City of Emeryville was incorporated in 1896. Emeryville is a full-service, general law city providing police, fire, public works, development services (economic development, housing, planning and building), community services (child development, youth and adult services) and general administrative services (city manager, city attorney, finance, human resources and information technology). The City has operated under the Council-Manager form of government since 1984, with five City Council members elected at-large for staggered four-year terms. Annually, the City Council members select a Mayor and Vice-Mayor. The City Manager, appointed by the Council, serves as chief administrative officer of the organization. The City Manager is responsible for administration of City affairs, day-to-day operations, and implementation of Council policies. The City Council also appoints a City Attorney.

The City of Emeryville is located in Alameda County in the San Francisco Bay Area. It is bordered by Berkeley to the north and Oakland to the east and south. It has an estimated 2014 population of 10,491. Emeryville has evolved from an industrial town to a modern mixed use urban center through a number of development projects which added several thousand units of housing and over a million square feet of commercial space.

The financial statements included in this Comprehensive Annual Financial Report present the City of Emeryville (the primary government), as well as the Community Development Commission of Emeryville (the Commission), the Management of Emeryville Services Authority (MESA), and the Emeryville Public Financing Authority (Authority) as its component units. The Emeryville Redevelopment Agency was also a component unit until 2012. However, due to the dissolution of redevelopment agencies in California, the activities of the former redevelopment agency are now reported as a private purpose trust fund in the financial statements, known as the Emeryville Successor Agency. The Emeryville Successor Agency is not a component unit of the City of Emeryville.

### ***Redevelopment Dissolution***

In June 2011, the Governor signed legislation negatively impacting redevelopment activities in the State. AB1x 26 (Dissolution Act) and AB1x 27 (Continuation Act) dissolved redevelopment agencies effective October 1, 2011. These two bills to eliminate redevelopment agencies were challenged as unconstitutional.

In December 2011, the Supreme Court announced its decision to uphold AB1x26 but struck down AB 27 which would have allowed agencies to continue after making a payment to the State. The Court's decision dissolved redevelopment agencies as of February 1, 2012. In June 2012, the Governor signed additional legislation, AB1484, which also created requirements related to the redevelopment dissolution process.

These legislative actions have negatively impacted the City's redevelopment and economic development activities that have historically strengthened the City's and Redevelopment Agency's revenues and the high level of service provided to its residents. The elimination of the Emeryville Redevelopment Agency effective February 1, 2012 has had a significant impact to the City's budget and opportunities to provide services and improvements to the community. Instead of receiving an estimated \$37 million in RDA property tax increment revenues annually, the City receives only 22% of the residual property taxes distributed to all the various taxing entities, after approved obligations such as bond payments and projects that were in progress prior to the dissolution act have been funded. Residual property tax revenue received by the City is committed to the funding of capital projects (75%), affordable housing (20%), and economic development (5%). This annual amount will grow as the former RDA projects are completed. See Note 15 to the Financial Statements for additional information.

### ***Economic Condition and Outlook***

According to several key indicators, the East Bay economy remains stable and healthy. Employment in the East Bay continues to grow and the jobless rate is significantly below that of the rest of California. According to California's Employment Development Department (EDD), East Bay job growth increased to 2.4% in December 2013 from 0.2% in December 2012. The unemployment rate fell 1.0 percentage point to 6.8% in March 2014, which is well below the state's overall rate of 8.1% and consistent with Alameda County's rate of 6.7%. According to Beacon Economics, unemployment rates in the East Bay are expected to further decline to 6.3% by the end of 2014.

The East Bay housing market continues to experience strong growth due to declining foreclosures and improving economic conditions. Home prices appreciated significantly in the fourth quarter of 2013 over the prior year with the median price of a single-family home in Alameda County increasing 29.3% to \$558,000 compared to a 14.8% increase in the South Bay and 10% increase in San Francisco. The strong

appreciation is attributable to the East Bay's relative affordability compared to San Francisco and the South Bay. However, the pace of appreciation is not expected to be sustainable despite the undersupply of home inventories relative to the population growth in the East Bay.

Commercial office vacancies declined to 17.9% through the end of 2013. These rates remain comparable to the South Bay at 18%, but are elevated compared to San Francisco at 12.9%. Retail and industrial property vacancy rates in the East Bay have been slower to recover with vacancy rates declining to 6.1% by the end of 2013 compared to San Francisco at 3.4%. This slow decline is attributable to new retail space units totaling 181,000 square feet coming online during the year. Retail rent prices grew by 1.1%, reaching \$28.80 per square foot and marking three consecutive quarters of rising rents through the fourth quarter of 2013.

Consumer spending is expected to continue to increase as a result of employment and wage growth which should positively impact Emeryville through increasing tax revenues.

Sales taxes increased by approximately \$524,000 or 7% over the prior year, and transient occupancy taxes increased \$425,000 or 8.8%. Business license collections increased \$209,000 or 2.9% over the prior year. Property taxes are 47% or approximately \$4.1 million less than the prior year due to a reduction in the property tax residual payments. Other revenue sources such as, licenses and permits fees, card room tax and utility users' tax remained stable.

The City's reserve policy is to maintain an unassigned general fund balance, which includes the fund balance committed to the economic uncertainty fund, in an amount of at least 25% of budgeted operating expenditures with a goal of up to 50%. For the fiscal year 2013-14, the unassigned fund balance of \$11.98 million represents approximately 40% of the \$29.63 million budgeted operating expenditures, and with the economic uncertainty fund balance of \$5.5 million the reserve represents approximately 58.5% of budgeted operating expenditures.

### ***Major Initiatives and Accomplishments***

As it begins to recover from the recent financial challenges, the City has moved forward with many of its planned initiatives. Significant activities and accomplishments for fiscal year 2014 include the following:

***Open and Transparent Government*** – The City has continued steps to facilitate an open, transparent and accessible government. Initiatives included changing the City's General Municipal Election from being on the first Tuesday after the first Monday in November of odd-numbered years to the first Tuesday after the first Monday in November of even years (same as national/statewide elections), with the first even-year election held on November 4, 2014. The City also streamlined the advisory committee process; initiated posting of election filings, such as political campaign financial disclosure statements, on the City's website; and established a Public Information Officer within the City Manager's Office.

**City/School Partnership** - The City continues its partnership with the Emery Unified School District (EUSD) to develop a comprehensive approach to addressing the needs of Emeryville's youth, including finalizing a Memorandum of Understanding (MOU) to establish the Emeryville Center of Community Life (ECCL). Currently under construction, the ECCL will include high quality learning environments for Emeryville's youth and provide facilities for a range of essential services, such as a community library, wellness center and after-school activities. The City also continued to provide a School Resource Officer in the public schools as well as provided grants for local artists to work with school-aged youth at school sites and within the City's recreation program.

**Livable City** - Recently the City has focused on "quality of life" initiatives, including improvements to the City's pedestrian/bicycle network, improvements/expansion of the City's green/open spaces, solid waste reduction, and energy efficiency initiatives.

The City established an Emery Go Round task force, consisting of the Emeryville Transportation Management Association (TMA) and community stakeholders to develop short- and long-term funding strategies to support the Emery Go Round shuttle. In addition, the City developed a long-term strategy to financially sustain and maintain program quality of the Emeryville Child Development Center; made the transition to Alameda County Fire Department-provided fire services; and completed transitioning to the East Bay Regional Communication System Public Safety Radio Project (EBRCS), which establishes the capability to communicate with other surrounding law enforcement agencies fostering collaboration and mutual support in maintaining the public's safety..

To improve connectivity and access for its residents, the City continues to provide the "8-To-Go" free para-transit shuttle; obtained Safe Routes to Schools and Safe Routes to Transit grants for streetscape improvements along San Pablo Avenue; and obtained a grant to study regional transportation needs along the west of San Pablo Corridor.

**Economic Development And Housing** – During the past two years, much effort has been focused on the dissolution of redevelopment. The City is still working to retain former redevelopment funding for the South BayFront Bicycle/Pedestrian Bridge and Hollis Street Landing Park project. In addition, the City submitted documents to the Emeryville Oversight Board and the State Department of Finance required to retain former redevelopment low and moderate income housing funds and real property assets. The City received its notice of Determination of Completion from the State Department of Finance in August 2013.

The City updated the Economic Strategy and Implementation Plan; worked with the City of Berkeley and East Bay Economic Development Alliance (EDA) to create and implement a brand and marketing strategy to attract and retain bio-science industry; facilitated the Transit Center development project by obtaining grant funding for public parking and bus bays; and facilitated the renovation of the Shell gas station on Powell Street at Frontage Road and the renovation of the Safeway Pak-n-Save.

The City began an update of the City's General Plan Housing Element. The Ambassador Housing complex was completed and the Parkside housing complex began construction. The City continued to provide first-time home buyer loans for below market rate (BMR) and market rate units; assisted at-risk homeowners through the City's Homeownership Foreclosure and Predatory Lending Prevention strategy; and rehabilitation loan program within the funding constraints imposed by the dissolution of redevelopment.

### ***Financial Information***

***Internal Controls*** - Emeryville management is responsible for establishing and maintaining an internal control system designed to ensure that its assets are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed benefits likely to be derived from its implementation. The valuation of costs and benefits requires estimates and judgments by management. Emeryville's management believes its internal controls are adequate.

***Budgetary Controls*** - The City adopts a bi-annual operating budget for all governmental funds except those dedicated to capital projects and certain special revenue funds. These fiscal year budgets are controlled at the departmental (General Fund) or fund level (all other funds) by the City Manager, who may authorize transfers from one object or purpose to another within the same department or fund. When deemed necessary, the City Council may amend the adopted budget by resolution. All operating budget appropriations lapse at year's end. In June 2014, the City adopted a balanced two-year operating budget for the fiscal years 2014-15 and 2015-16.

The Capital Improvement Program (CIP) sets priorities for building the City's infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities. Historically, most CIP projects have been funded through redevelopment revenue and bond financing with some funds also coming from the City's General Fund or state/regional/federal grants. However, due to the dissolution of redevelopment effective February 1, 2012, the City has been identifying other funding sources for capital. An update of the Capital Improvement Program (CIP) was adopted in June 2014.

The City has had a long-term budget philosophy since fiscal year 1993-94. The principles are as follows:

1. Current-year expenditures should be supported by current-year revenues. One-time revenues should not be used for ongoing costs, but should instead be used for necessary one-time expenditures or to strengthen fund reserves.

2. Fund balances should be maintained in all major operating funds that provide for unforeseen circumstances. The appropriate level of fund balance depends on the particular fund. The General Fund balance, which is the most critical, should be a minimum of 25% of budgeted operating expenditures with a target level of 50%, including the Economic Uncertainty Fund.
3. Capital improvement projects, including related maintenance costs, should be identified and prioritized. The funding of many of these projects will require current, planned resources, such as special revenues, grants, and surplus general funds. The City will adhere to prudent spending of discretionary funds to allow the City to provide the necessary resources for capital improvements, including one-time expenditures and adequate replacement reserves.
4. Unfunded liabilities should be identified and funded with surplus funds when they are available. Liabilities that are currently accruing should be funded currently.
5. A strategy should be formulated and implemented, when necessary, to address potential impacts of the State budget and other State actions that may affect City and Agency revenues.
6. The operating costs of any planned capital improvement should be estimated in the planning stage, so that these amounts can be recognized and budgeted.

These principles have helped insulate the City somewhat better than many other local agencies that have had to impose more drastic measures including layoffs, furloughs, and service cuts to balance their budgets.

### ***Awards***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Emeryville for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2013. This was the 19<sup>th</sup> consecutive year that the City of Emeryville has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the governmental entity must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. This report must satisfy both accounting principles generally accepted in the United States of America, as well as all applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

that the City of Emeryville has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the governmental entity must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. This report must satisfy both accounting principles generally accepted in the United States of America, as well as all applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

### ***Acknowledgments***

Preparation of this Financial Report was made possible through the dedicated work of the Finance Department, in particular Michelle Strawson O'Hara and Peggy Xu, who are commended for their continued high level of performance. Appreciation is also extended to all departments within the City, who provided assistance and support.

Recognition is due to the Mayor and Members of the City Council, who have provided the City of Emeryville with leadership and vision and have supported the staff in responsible fiscal management of the City's resources.

Respectfully Submitted,



Sabrina Landreth  
City Manager



Maria Öberg  
Finance Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

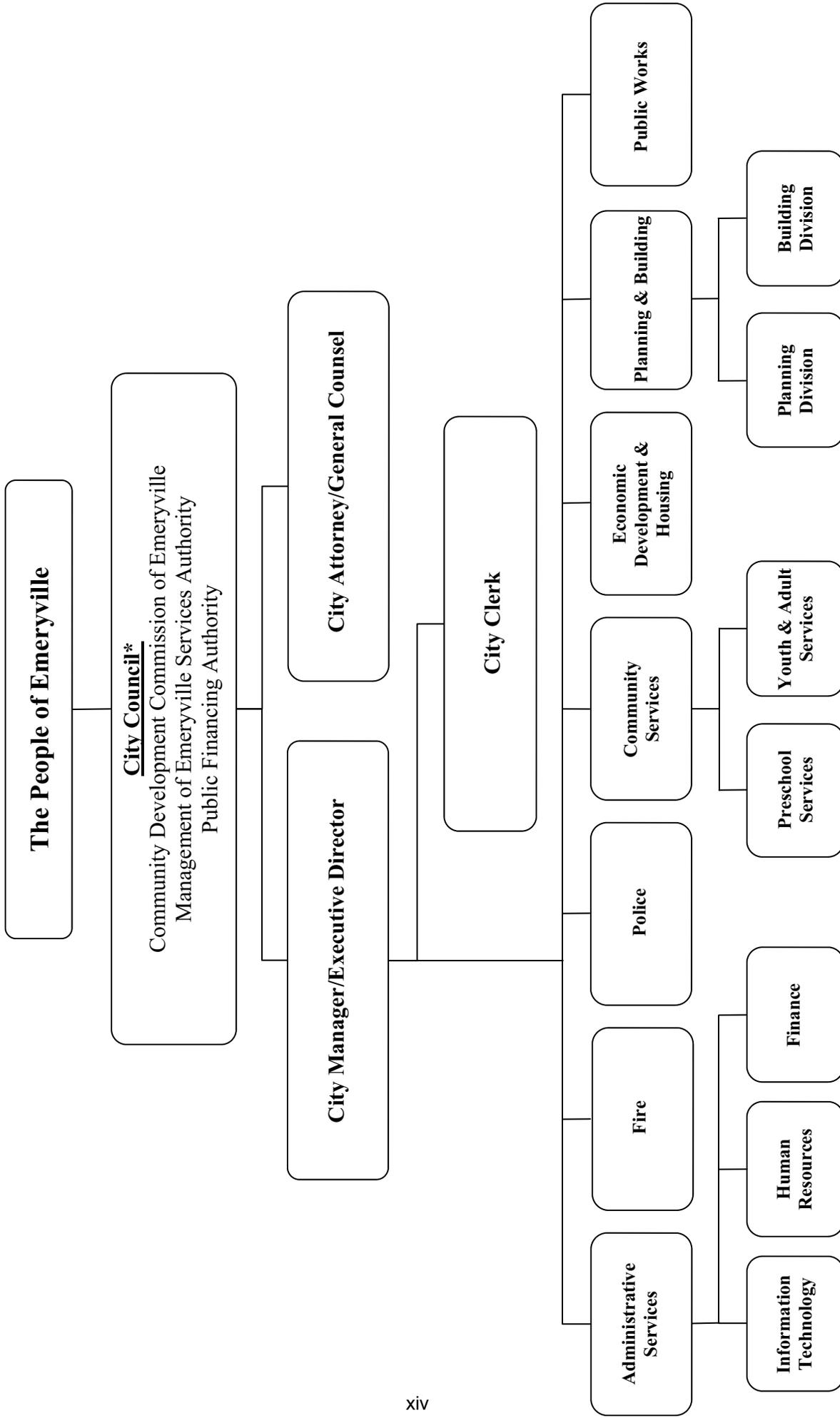
**City of Emeryville  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

Executive Director/CEO

# City of Emeryville Organizational Chart of City Departments



\*The Emeryville City Council also acts as the governing members of several other separate legal entities that together are responsible for the City's administration, finance, and operations. The Community Development Commission of Emeryville oversees the City's economic development efforts, the Management of Emeryville Services Authority acts as the employer of the City's non-public safety staff, and the Public Financing Authority is responsible for issuing bonds to finance capital projects.

**CITY OF EMERYVILLE**

**List of City Officials**

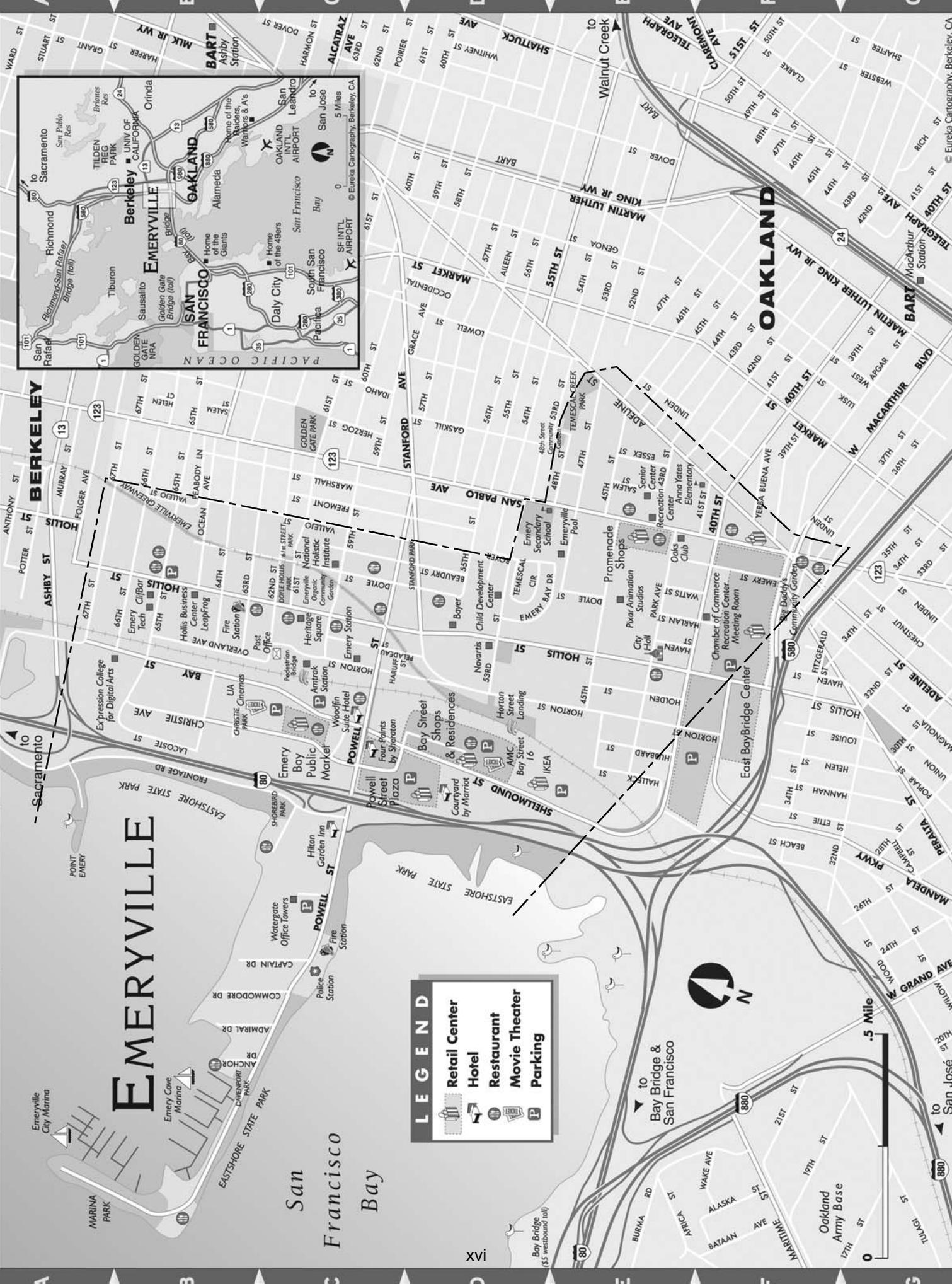
*(as of June 30, 2014)*

*City Council*

Mayor ..... Jac Asher  
Vice-Mayor ..... Ruth Atkin  
Councilmember ..... Kurt Brinkman  
Councilmember ..... Nora Davis  
Councilmember ..... Jennifer West

*Appointed Officials and Department Heads*

City Manager/Executive Director ..... Sabrina Landreth  
City Attorney/General Counsel ..... Michael Biddle  
City Clerk/Assistant to the City Manager ..... Karen Hemphill  
Administrative Services Director ..... Vacant  
Community Services Director ..... Cindy Montero  
Economic Development and Housing Director ..... Helen Bean  
Fire Chief ..... David Rocha  
Planning and Building Director ..... Charles Bryant  
Police Chief ..... Ken James  
Public Works Director/City Engineer ..... Maurice Kaufman



**LEGEND**

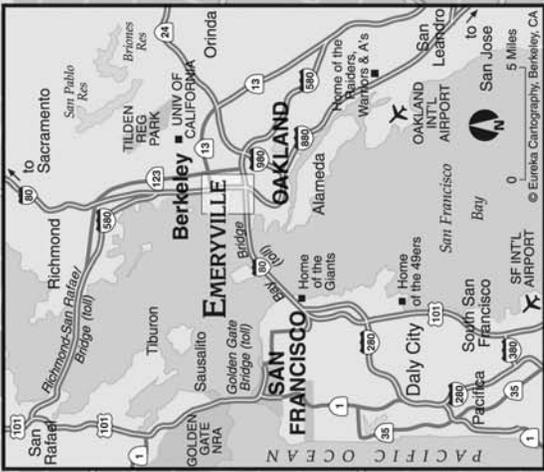
- Retail Center
- Hotel
- Restaurant
- Movie Theater
- Parking

# EMERYVILLE

San Francisco Bay



0.5 Mile



## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council  
City of Emeryville, California

### **Report on Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Emeryville, California, (the City) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



To the Honorable Mayor and Members of the City Council  
City of Emeryville, California

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Emeryville, California, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information for the General Fund and Housing Assets Fund, and the information on the City's Pension Trust Fund as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



To the Honorable Mayor and Members of the City Council  
City of Emeryville, California

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2014 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Lance, Solt & Lughard, LLP*

Brea, California  
November 26, 2014

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# The City of Emeryville

## Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) provides an overview of the City of Emeryville's activities and financial performance for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information we have furnished in our letter of transmittal, which can be found in an earlier section of this report.

### **FINANCIAL HIGHLIGHTS**

The comparisons in the discussion and analysis below are between fiscal years 2013-14 and 2012-13. All increases and decreases are expressed relative to fiscal year 2012-13 results. Highlights of fiscal year 2013-14 include the following:

- The assets of the City of Emeryville exceeded its liabilities at the close of the most recent fiscal year by \$224.7 million (*net position*), an increase of \$26.9 million from the prior year. It should be noted that \$21.2 million of the \$26.9 million is related to the transfer to the City of bond proceeds that were earmarked for the Emeryville Center for Community Life (ECCL) project. These funds were former Redevelopment Agency funds and could not be transferred to the City until the State Department of Finance had issued its Finding of Completion, which occurred during fiscal year 2013-14. Of the City's \$224.7 million in assets, \$76 million represents net investment in capital assets, and \$63.3 million represents resources restricted for debt service payments, community development, public safety, public works, capital projects, small business incentive, economic development and community services. The remaining \$85.4 million represents the accumulated unrestricted surplus at the close of fiscal year 2014.
- The governmental activities total net position increased by \$26.6 million. Business-type total net positions increased by approximately \$0.3 million.
- At the close of the current fiscal year, the City of Emeryville's governmental funds reported combined ending fund balances of \$110.6 million, an increase of \$28.9 million in comparison with the prior year.
- At the end of the current fiscal year, the unassigned General Fund Balance was comprised of \$12 million of the total \$38.2 million General Fund Balance or 36 percent of total General Fund budgeted expenditures of \$29.6 million.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) Government-wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

For certain entities and funds, the City acts solely as a depository agent. For example, the City has several assessment districts for which the City provides fiduciary statements showing the

cash balances and activities of these districts. These statements are separate from, and their balances are excluded from, the City's financial statements.

### ***Government-Wide Financial Statements***

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector businesses.

The *statement of net position* presents all of the City's assets, deferred outflow of resources, deferred inflow of resources, and liabilities; with total assets plus deferred outflow of resources less deferred inflow of resources and less total liabilities reported as *net position*. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information on how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in actual cash flows in future fiscal periods such as revenues pertaining to uncollected taxes.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to cover all or in part a portion of their cost through user fees and charges (*business-type activities*). The governmental activities of the City include City Council, City Manager, City Attorney, Finance, Human Resources, Planning and Building, Economic Development and Housing, non-departmental operations, Property-Based Improvement District, Police, Fire, Public Works, Community Services, Child Development, Youth and Adult Services, and Information Technology services. These services are supported by general City revenues such as taxes and by specific program revenues such as fees. The City's only enterprise activity, the Sewer Fund, is reported under Business-type Activities.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate Community Development Commission, Management of Emeryville Services Authority, and a public financing authority for which the City is financially accountable.

### ***Fund Financial Statements***

Fund financial statements are designed to report groupings of related accounts, which are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

*Governmental Funds* account for essentially the same functions as the government-wide activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in determining what financial resources are available in the near future to finance the City's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Emeryville maintains thirty-three (33) individual governmental funds, which are distinguished between major and non-major funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, one (1) special revenue fund, and one (1) capital project fund. These three (3) funds are considered to be major funds. Data from the other thirty (30) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Emeryville adopts biennial appropriated budgets for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found in the table of contents under the heading Basic Financial Statements.

*Proprietary Funds* are generally used to account for services for which the City charges customers – either outside customers, or internal units or departments of the City. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. Proprietary funds are used to present the same functions as *business-type activities* in the government-wide financial statements. The City uses proprietary funds to report the Sewer System and Internal Service funds, including the Management of Emeryville Services Authority (MESA). MESA is a joint powers authority that was created in 1998 and employs all of the City's miscellaneous staff. The City pays MESA to provide cost-effective management, administrative, special and general personnel services to the City of Emeryville and/or CDCE, through a joint-powers agreement, which includes providing payroll services for employees of the City of Emeryville.

*Fiduciary Funds* are used to account for resources held for the benefit of the City's employees and parties outside of the City. The City's pension fund (closed system prior to joining PERS) and agency funds are reported under Fiduciary funds. The private-purpose trust fund was created in fiscal year 2012 to account for the dissolution of the former Emeryville Redevelopment Agency and represents the accounts of the Emeryville Successor Agency. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds.

### ***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund financial statements.

### ***Other Information***

The combining statements referred to earlier in connection with non-major governmental funds, internal service funds, agency funds, and the private-purpose trust funds are presented immediately following the basic financial statements. Combining and individual fund statements and schedules can be found in the table of contents under combining and individual fund statements and schedules.

## FINANCIAL ANALYSIS

### GOVERNMENT-WIDE FINANCIAL STATEMENTS

**Analysis of Net position:** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Emeryville, assets exceeded liabilities by \$224.7 million at the close of fiscal year 2013-14, which is \$26.9 million more than the previous year.

The largest portion of the City of Emeryville's net position is \$85.4 million which is unrestricted in use. Net investment in capital assets totaled \$76 million. Net position of \$63.3 million are restricted for various programs including community development, public safety, public works, capital projects, debt service, small business incentive, economic development, and community services. The City of Emeryville uses these assets to provide services to citizens; consequently, these assets are not available for future spending.

The following is a condensed summary of the City of Emeryville's net position for governmental and business type activities:

| Statement of Net Position        |                         |                 |                          |                |                 |                 |
|----------------------------------|-------------------------|-----------------|--------------------------|----------------|-----------------|-----------------|
| (\$ In millions)                 |                         |                 |                          |                |                 |                 |
|                                  | Governmental Activities |                 | Business-Type Activities |                | Total           |                 |
|                                  | 2014                    | 2013            | 2014                     | 2013           | 2014            | 2013            |
| Cash and Investments             | \$ 104.6                | \$ 79.1         | \$ 3.8                   | \$ 4.5         | \$ 108.4        | \$ 83.6         |
| Other Assets                     | 48.9                    | 47.4            | 0.1                      | 0.1            | 49.0            | 47.5            |
| Capital Assets                   | 73.5                    | 75.1            | 6.7                      | 5.6            | 80.2            | 80.7            |
| <b>Total Assets</b>              | <b>227.0</b>            | <b>201.6</b>    | <b>10.6</b>              | <b>10.2</b>    | <b>237.6</b>    | <b>211.8</b>    |
| Long-Term Debt                   | 8.5                     | 9.2             | -                        | -              | 8.5             | 9.2             |
| Other Liabilities                | 4.3                     | 4.8             | 0.1                      | -              | 4.4             | 4.8             |
| <b>Total Liabilities</b>         | <b>12.8</b>             | <b>14.0</b>     | <b>0.1</b>               | <b>-</b>       | <b>12.9</b>     | <b>14.0</b>     |
| <b>Net Position:</b>             |                         |                 |                          |                |                 |                 |
| Net investment in capital assets | 69.3                    | 70.9            | 6.7                      | 5.6            | 76.0            | 76.5            |
| Restricted                       | 59.2                    | 24.9            | 4.1                      | 4.1            | 63.3            | 29.0            |
| Unrestricted                     | 85.7                    | 91.8            | (0.3)                    | 0.5            | 85.4            | 92.3            |
| <b>Total Net Position</b>        | <b>\$ 214.2</b>         | <b>\$ 187.6</b> | <b>\$ 10.5</b>           | <b>\$ 10.2</b> | <b>\$ 224.7</b> | <b>\$ 197.8</b> |

**Analysis of activities:** At the end of fiscal year 2013-14, the City of Emeryville's governmental net position increased \$26.6 million. Key elements of these changes are reflected in the following table.

| Changes in Net Position                                   |                         |                 |                          |                |                 |                 |
|---|-------------------------|-----------------|--------------------------|----------------|-----------------|-----------------|
| Net Position at June 30                                   |                         |                 |                          |                |                 |                 |
| (\$ in millions)  |                         |                 |                          |                |                 |                 |
|   | Governmental Activities |                 | Business Type Activities |                | Total           |                 |
|   | 2014                    | 2013            | 2014                     | 2013           | 2014            | 2013            |
| <b>Revenues</b>   |                         |                 |                          |                |                 |                 |
| Charges for services                                      | \$ 8.0                  | \$ 7.8          | \$ 0.8                   | \$ 1.2         | \$ 8.8          | \$ 9.0          |
| Operating contributions & grants                          | 1.6                     | 7.4             | -                        | -              | 1.6             | 7.4             |
| Capital contributions & grants                            | 22.7                    | 0.5             | -                        | -              | 22.7            | 0.5             |
| Property Taxes  | 4.5                     | 8.6             | -                        | -              | 4.5             | 8.6             |
| Franchise Tax   | 1.6                     | 1.3             | -                        | -              | 1.6             | 1.3             |
| Sales Taxes   | 8.0                     | 7.5             | -                        | -              | 8.0             | 7.5             |
| Business License Taxes                                    | 7.5                     | 7.3             | -                        | -              | 7.5             | 7.3             |
| Transient Occupancy Tax                                   | 5.3                     | 4.9             | -                        | -              | 5.3             | 4.9             |
| Utility Users Tax   | 3.0                     | 2.9             | -                        | -              | 3.0             | 2.9             |
| Other Taxes and Fines                                     | 0.5                     | 0.2             | -                        | -              | 0.5             | 0.2             |
| Motor Vehicle In Lieu                                     | 0.7                     | 0.6             | -                        | -              | 0.7             | 0.6             |
| Use of Money and Property                                 | 2.0                     | 0.4             | -                        | -              | 2.0             | 0.4             |
| Miscellaneous   | 0.1                     | 0.5             | -                        | -              | 0.1             | 0.5             |
| <b>Total Revenues</b>                                     | <b>65.5</b>             | <b>49.9</b>     | <b>0.8</b>               | <b>1.2</b>     | <b>66.3</b>     | <b>51.1</b>     |
| <b>Expenses</b>   |                         |                 |                          |                |                 |                 |
| City Council  | 0.1                     | 0.1             | -                        | -              | 0.1             | 0.1             |
| City Manager's Office                                     | 0.7                     | 0.7             | -                        | -              | 0.7             | 0.7             |
| City Attorney's Office                                    | 0.6                     | 0.6             | -                        | -              | 0.6             | 0.6             |
| Finance Division  | 0.9                     | 0.9             | -                        | -              | 0.9             | 0.9             |
| Human Resources Division                                  | 0.5                     | 0.5             | -                        | -              | 0.5             | 0.5             |
| Planning & Building                                       | 2.8                     | 2.0             | -                        | -              | 2.8             | 2.0             |
| Economic Development                                      | 1.0                     | 0.9             | -                        | -              | 1.0             | 0.9             |
| General Government  | 2.7                     | 6.1             | -                        | -              | 2.7             | 6.1             |
| Property Based Improvement District                       | 2.8                     | 2.6             | -                        | -              | 2.8             | 2.6             |
| Police Department   | 9.8                     | 9.6             | -                        | -              | 9.8             | 9.6             |
| Fire Department   | 5.8                     | 5.8             | -                        | -              | 5.8             | 5.8             |
| Public Works Department                                   | 6.7                     | 7.8             | -                        | -              | 6.7             | 7.8             |
| Community Services Department                             | 3.7                     | 3.3             | -                        | -              | 3.7             | 3.3             |
| Information Technology Division                           | 0.5                     | 0.4             |                          |                | 0.5             | 0.4             |
| Interest on long-term debt                                | 0.3                     | 0.3             | -                        | -              | 0.3             | 0.3             |
| Sewer   | -                       | -               | 0.5                      | 0.7            | 0.5             | 0.7             |
| <b>Total Expenses</b>                                     | <b>38.9</b>             | <b>41.6</b>     | <b>0.5</b>               | <b>0.7</b>     | <b>39.4</b>     | <b>42.3</b>     |
| <b>before Transfers and Extraordinary Items</b>           | <b>26.6</b>             | <b>8.3</b>      | <b>0.3</b>               | <b>0.5</b>     | <b>26.9</b>     | <b>8.8</b>      |
| Extraordinary loss on dissolution of redevelopment agency | -                       | 1.5             | -                        | -              | -               | 1.5             |
| <b>Transfers</b>  |                         | <b>0.1</b>      |                          | <b>(0.1)</b>   | <b>-</b>        | <b>-</b>        |
| <b>Increase (Decrease) in Net Position</b>                | <b>26.6</b>             | <b>9.9</b>      | <b>0.3</b>               | <b>0.4</b>     | <b>26.9</b>     | <b>10.3</b>     |
| <b>Beginning Net Assets, restated</b>                     | <b>187.6</b>            | <b>180.2</b>    | <b>10.2</b>              | <b>9.8</b>     | <b>197.8</b>    | <b>190.0</b>    |
| <b>Restatement of Net Position</b>                        | <b>-</b>                | <b>(2.5)</b>    | <b>-</b>                 | <b>-</b>       | <b>-</b>        | <b>(2.5)</b>    |
| <b>Ending Net Position</b>                                | <b>\$ 214.2</b>         | <b>\$ 187.6</b> | <b>\$ 10.5</b>           | <b>\$ 10.2</b> | <b>\$ 224.7</b> | <b>\$ 197.8</b> |

**Governmental Activities – Revenues**

Governmental revenues totaled \$65.5 million in fiscal year 2013-14, an increase of \$15.6 million.

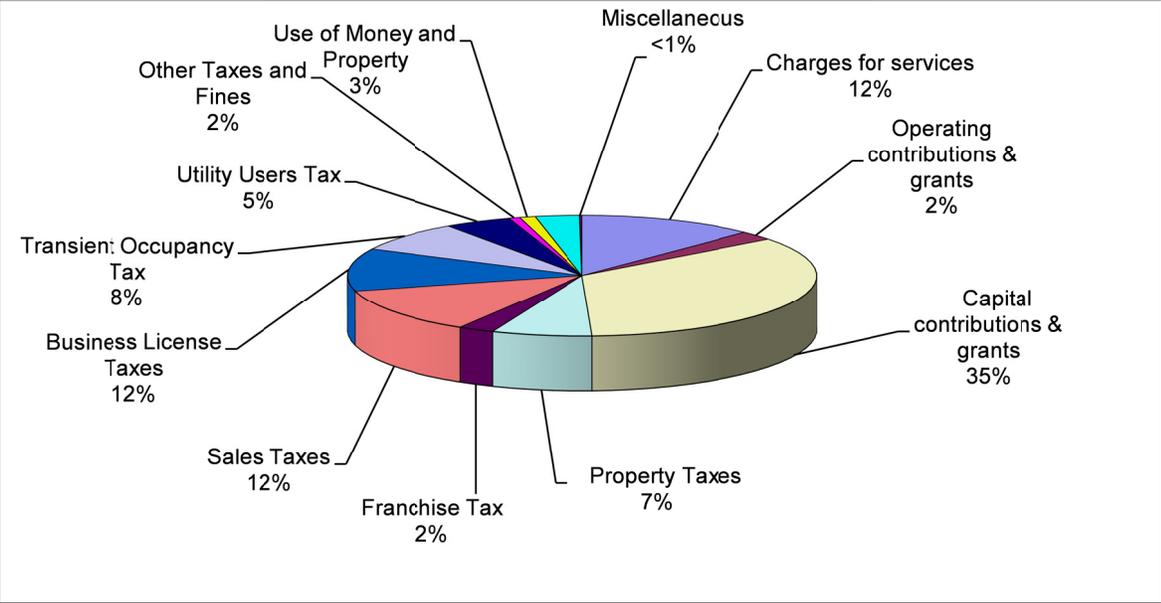
Program revenues, including charges for services, operating grants and contributions, and capital grants and contributions are generated from or restricted to each activity. Together, they totaled \$32.3 million; an increase of \$16.6 million. The increase resulted from the following:

- Operating contributions and grants decreased \$5.8 million due to decreases in economic development activities.
- Capital contributions and grants increased \$22.2 million primarily due to redevelopment dissolution. As noted earlier, \$21.2 million of this represents the transfer of former Redevelopment Agency bond proceeds to the City for the ECCL project.

General revenues are composed of taxes and other revenues not specifically generated by or restricted to individual activities. Tax revenues, investment earnings, and rents for governmental facilities are all components of general revenues. Total general revenues decreased by \$0.9 million to \$33.3 million in fiscal year 2013-14. This is primarily due to a decline in the residual property taxes as a result of the dissolution of the former redevelopment agency.

The following Total Revenues chart includes only current year revenues and includes all funds, not just the General Fund.

**Total Revenues, Governmental Activities – 2013-14**

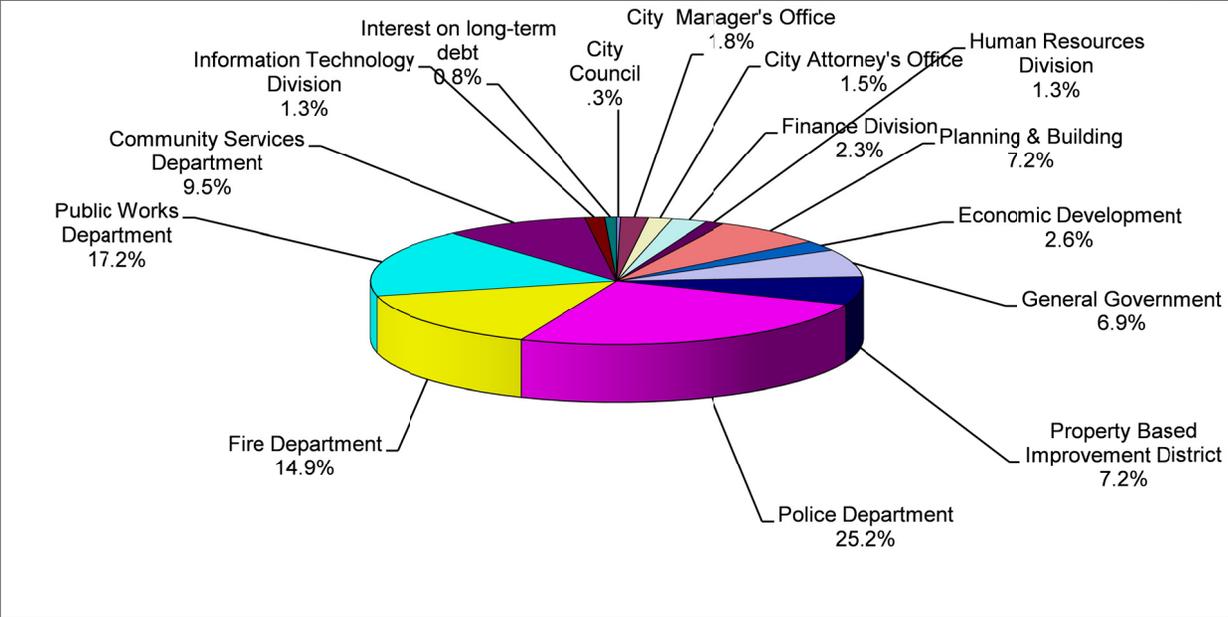


**Governmental Activities – Expenses**

Total expenses from governmental activities were \$38.9 million in fiscal year 2013-14, a decrease of \$2.7 million from prior year. This was primarily a result of the reduction in non-departmental operations expenses of \$3.4 million.

The Functional Expenses chart below includes only current year expenses for governmental activities and is not limited to only the General Fund.

**Functional Expenses, Governmental Activities – 2013-14**



**Business-Type Activities (Sewer Fund) – Revenues**

Revenues from business-type activities of \$0.8 million in fiscal 2013-14 decreased by \$0.4 million compared to the prior year.

**Business-Type Activities (Sewer Fund) – Expenses**

Expenses from business-type activities of \$0.5 million decreased by \$0.2 million compared to the prior year at \$0.7 million.

## FUND FINANCIAL STATEMENTS

As noted earlier, the City uses *fund accounting* to ensure and demonstrate compliance with finance-related legal requirements.

### Governmental funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of resources that are available for spending. Such information is useful in assessing the City's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds.

The table below summarizes City activity and balances at the fund level.

| Financial Highlights                 |          |          |                        |
|--------------------------------------|----------|----------|------------------------|
| Governmental Fund Level              |          |          |                        |
| at Fiscal Year Ended June 30         |          |          |                        |
| (\$ in millions)                     |          |          |                        |
|                                      | 2014     | 2013     | Increase<br>(Decrease) |
| Total Assets                         | \$ 141.1 | \$ 112.5 | \$ 28.6                |
| Total Liabilities                    | 9.2      | 7.9      | 1.3                    |
| Total Deferred Inflows of Resources  | 21.4     | 23.0     | (1.6)                  |
| Total Fund Balances                  | 110.6    | 81.7     | 28.9                   |
| Total Revenues                       | 66.2     | 46.4     | 19.8                   |
| Total Expenditures                   | 41.4     | 38.9     | 2.5                    |
| Total Other Financing Sources (uses) | 3.8      | (0.1)    | 3.9                    |

At the end of the current fiscal year, the City's Governmental Funds reported combined fund balances of \$110.6 million, an increase of \$28.9 million or 35%. Governmental Fund revenues increased \$20.1 million to \$66.5 million primarily as a result of capital contributions and grants as result of redevelopment dissolution.

Governmental Fund expenditures increased \$2.2 million this year to \$41.1 million due to a combination of factors:

- Debt service expenditures increased \$4.8 million as result of the principal retirement of the Lease Revenue 1998 Series A Bond.
- Non-departmental operations expenses related to the Housing Assets decreased \$2.8 million.

**General Fund** - The General Fund is the main operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$12 million while the total fund balance was \$38.2 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 44% of General Fund expenditures of \$27.2 million.

General Fund revenues increased by \$2.3 million to \$33.5 million as compared to \$31.2 million in 2012-13 primarily the result of increases in licenses and permits and transient occupancy taxes and sales taxes.

General Fund expenditures increased \$0.5 million to \$27.2 million in 2013-14 primarily as a result of the increase in planning and building expenditures.

**Housing Assets Funds** – This fund accounts for the housing assets of the City of Emeryville as Successor Agency to the former Emeryville Redevelopment Agency. Total revenues were \$0.5 million in 2013-14. Expenditures were negligible in 2013-14.

**General Capital Improvements Fund** – This fund accounts for capital projects and improvements funded mainly with general revenues. Total revenues were \$2.2 million in 2013-14, which includes seventy-five (75%) of the residual property tax received by the City due to the dissolution of former redevelopment, in accordance with City policy. Expenditures were \$0.6 million in 2013-14.

#### **Enterprise Fund**

The City operates the Sewer Enterprise Fund, its only Business-Type Activity. The Sewer Fund uses another agency to treat wastewater. Expenses are paid from customer service charges. In fiscal 2013-14, net position of \$10.5 million increased by \$0.3 million compared to prior year. Sewer Enterprise revenues may vary from year to year depending on the level of new development which affects connection fee revenue.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

Revisions to the General Fund original and final amended budget resulted in a slight increase in budgeted revenues and transfers in of \$1.1 million, and an increase in appropriations and transfers out of \$3.7 million. The increases in appropriations were primarily a result of \$2.3 million in transfers out to the General Capital Improvement Fund for debt service payments.

Overall, General Fund revenues performed better than expectations, exceeding budgeted revenues by \$3.4 million. Actual tax revenue performed better than revised expectations; sales tax receipts were 8% or \$0.5 million higher than expectations, transient occupancy taxes were \$0.8 million higher than expectations, and business license tax was \$0.5 million above budget. Licenses and permits were also \$0.9 million or 73% above projections. Expenditures were \$2.5 million lower than budget as savings were achieved in most City departments.

The Council has adopted a policy to maintain an unassigned fund balance in the General Fund of at least 25 percent of annual budgeted operating expenditures with a goal of 50 percent including the Economic Uncertainty Fund. At the end of each fiscal year, an analysis is prepared of the City's outstanding unfunded liabilities and capital projects and transfers are then approved to fund these obligations while maintaining a minimum fund balance of 25 percent.

**CAPITAL ASSETS**

GASB 34 requires the City to record all its capital assets including infrastructure. Infrastructure includes roads, bridges, signals and similar assets used by the entire population. The table below shows capital assets and the amount of accumulated depreciation for these assets as of June 30, 2014 for Governmental and Business-type Activities (further detail may be found in Note 6 to the financial statements).

| <b>Capital Assets</b>                         |                |                |
|---|----------------|----------------|
| <b>at Fiscal Year Ended June 30</b>           |                |                |
| <b>(\$ in millions)</b>                       |                |                |
|   | <b>2014</b>    | <b>2013</b>    |
| <b>Governmental Activities</b>                |                |                |
| <b>Capital Asset</b>                          |                |                |
| Land and Construction in Progress             | \$ 20.5        | \$ 20.1        |
| Park Improvements and other Improvements      | 18.6           | 17.8           |
| Buildings and Improvements                    | 39.5           | 39.5           |
| Furnishings, Vehicles and Equipment           | 6.4            | 7.9            |
| Marina Improvements                           | 8.7            | 8.7            |
| Grading, Curb & Gutter, Sidewalks & Driveways | 34.6           | 33.8           |
| Less Accumulated Depreciation                 | (54.8)         | (52.6)         |
| <b>Total Governmental</b>                     | <b>\$ 73.5</b> | <b>\$ 75.2</b> |
| <b>Business-Type Activities (Sewer)</b>       |                |                |
| Construction in progress                      | \$ -           | \$ -           |
| Automobile and Equipment                      | -              | -              |
| Improvements                                  | 8.2            | 7.0            |
| Less Accumulated Depreciation                 | (1.5)          | (1.4)          |
| <b>Total Business-Type</b>                    | <b>\$ 6.7</b>  | <b>\$ 5.6</b>  |

Governmental Activities capital assets net of depreciation decreased \$1.7 million compared to fiscal year 2012-13. Business-Type Activities capital assets increased \$1 million.

The City depreciates all its capital assets over their estimated useful lives, as required by GASB 34. The purpose of depreciation is to spread the cost of a capital asset over the years of its useful life so that an allocable portion of the cost of the asset is borne by all users. Additional information on capital assets and depreciable lives may be found in Note 6 to the financial statements.

## **DEBT ADMINISTRATION**

Each of the City's debt issues is discussed in detail in Note 7 to the financial statements. At June 30, 2014, the City's outstanding debt was as follows:

| <b>Long-Term Debt</b>                          |             |             |
|--|-------------|-------------|
| <b>at Fiscal Year Ended June 30</b>            |             |             |
| <b>(\$ in millions)</b>                        |             |             |
|  | <b>2014</b> | <b>2013</b> |
| <b><u>Government Activity Debt:</u></b>        |             |             |
| City Obligations:                              |             |             |
| Public Financing Authority Lease Revenue Bonds |             |             |
| 1998 Series A                                  | -           | 4.7         |
| Public Financing Authority Lease Revenue Bonds |             |             |
| 2013 Series A                                  | 4.2         |             |
| Compensated Absences                           | 2.9         | 2.8         |
| Claims and Judgments                           | 1.4         | 1.7         |
| <b>Total City Obligations</b>                  | <b>8.5</b>  | <b>9.2</b>  |
| <b>Total Governmental Activity Debt</b>        | <b>8.5</b>  | <b>9.2</b>  |

The former redevelopment agency long-term debt was transferred to the Emeryville Successor Agency private-purpose trust fund as of February 1, 2012. All interest and principal payments due on these bonds are paid by the redevelopment property tax trust fund monies in accordance with the bond covenants and the former redevelopment dissolution laws AB1X 26 and AB 1484. See Note 15 of the financial statements.

## **ECONOMIC OUTLOOK**

The economy of the City is discussed in the accompanying Transmittal Letter and in this Discussion and Analysis.

## **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

The Comprehensive Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the City's finances. Questions about this report should be directed to the Finance Department, at 1333 Park Avenue, Emeryville, California. This report and other financial reports can be viewed on the City of Emeryville website at: [www.emeryville.org](http://www.emeryville.org).

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## **CITY OF EMERYVILLE**

### **STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES**

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The Statement of Net Position and the Statement of Activities are required by Governmental Accounting Standards Board Statement No. 34 – Basic Financial Statements. Their purpose is to summarize the financial activities and financial position of the City and its component units including the Emeryville Public Financing Authority and Management of Emeryville Services Authority. The term “City” as used in these statements refers collectively to the City and its component units.

The statements are prepared on the same basis as is used by most businesses, which means they include all the City’s assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis - the effect of the entire City’s transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between City funds have been eliminated.

The Statement of Net Position reports the difference between the City’s total assets, deferred outflows of resources, total liabilities, and deferred inflows of resources including all the City’s capital assets and all its long-term debt. The Statement of Net Position presents similar information to the old balance sheet format, but presents it in a way that focuses the reader on the composition of the City’s net position, by subtracting total liabilities from total assets.

The Statement of Net Position summarizes the financial position of the entire City’s Governmental Activities in a single column, and the financial position of the entire City’s Business-Type Activities in a single column; these are followed by a total column, which presents the financial position of the entire City.

The City’s Governmental Activities include the activities of its General Fund, along with all its Special Revenue, Capital Projects and Debt Service Funds. Since the City’s Internal Service Funds service these funds, their activities are consolidated with Governmental Activities, after eliminating interfund transactions and balances. The City’s Business-Type Activities include all its Enterprise Fund activities.

The Statement of Activities reports increases and decreases in the City’s net position. It is also prepared on the full accrual basis, which means it includes all the City’s revenues and all its expenses, regardless of when cash changes hands. This differs from the “modified accrual” basis used in the fund financial statements, which reflect only current assets, current liabilities, available revenues and measurable expenditures.

The format of the Statement of Activities presents the City’s expenses first, listed by program, and follows these with the expenses of its business-type activities. Program revenues, that is revenues, which are generated directly by these programs, are then deducted from program expenses to arrive at the net expense of each governmental and business-type program. The City’s general revenues are then listed in the Governmental Activities or Business-Type Activities column, as appropriate, and the Change in Net Position is computed and reconciled with the Statement of Net Position.

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CITY OF EMERYVILLE

STATEMENT OF NET POSITION  
 JUNE 30, 2014

|  | Primary Government         |                             |                       |
|--|----------------------------|-----------------------------|-----------------------|
|  | Governmental<br>Activities | Business-Type<br>Activities | Total                 |
| <b>Assets:</b>                           |                            |                             |                       |
| Cash and investments                     | \$ 104,556,417             | \$ 3,778,548                | \$ 108,334,965        |
| Receivables:                             |                            |                             |                       |
| Accounts                                 | 585,393                    | 119,894                     | 705,287               |
| Taxes                                    | 3,533,207                  | -                           | 3,533,207             |
| Notes and loans                          | 20,317,130                 | -                           | 20,317,130            |
| Accrued interest                         | 18,885                     | 776                         | 19,661                |
| Prepaid costs                            | 161,402                    | -                           | 161,402               |
| Due from other governments               | 521,483                    | -                           | 521,483               |
| Land held for resale                     | 11,959,287                 | -                           | 11,959,287            |
| Restricted assets:                       |                            |                             |                       |
| Cash with fiscal agent                   | 3,051                      | -                           | 3,051                 |
| Due from Successor Agency                | 10,011,641                 | -                           | 10,011,641            |
| Net pension asset                        | 356,129                    | -                           | 356,129               |
| Net other post employment benefits asset | 1,474,537                  | -                           | 1,474,537             |
| Capital assets not being depreciated     | 20,537,820                 | -                           | 20,537,820            |
| Capital assets, net of depreciation      | 52,945,704                 | 6,698,183                   | 59,643,887            |
| <b>Total Assets</b>                      | <b>226,982,086</b>         | <b>10,597,401</b>           | <b>237,579,487</b>    |
| <b>Liabilities:</b>                      |                            |                             |                       |
| Accounts payable                         | 2,407,932                  | 111,195                     | 2,519,127             |
| Accrued liabilities                      | 220,046                    | -                           | 220,046               |
| Accrued interest                         | 20,457                     | -                           | 20,457                |
| Unearned revenue                         | 1,341,727                  | -                           | 1,341,727             |
| Deposits payable                         | 215,704                    | -                           | 215,704               |
| Noncurrent liabilities:                  |                            |                             |                       |
| Due within one year                      | 1,086,490                  | -                           | 1,086,490             |
| Due in more than one year                | 7,439,444                  | -                           | 7,439,444             |
| <b>Total Liabilities</b>                 | <b>12,731,800</b>          | <b>111,195</b>              | <b>12,842,995</b>     |
| <b>Net Position:</b>                     |                            |                             |                       |
| Net investment in capital assets         | 69,332,175                 | 6,698,183                   | 76,030,358            |
| Restricted for:                          |                            |                             |                       |
| Community development projects           | 35,144,367                 | -                           | 35,144,367            |
| Public safety                            | 143,755                    | -                           | 143,755               |
| Public works                             | 1,425,737                  | -                           | 1,425,737             |
| Capital projects                         | 21,982,407                 | 4,120,256                   | 26,102,663            |
| Debt service                             | 3,051                      | -                           | 3,051                 |
| Small business incentive                 | 100,000                    | -                           | 100,000               |
| Community services                       | 393,956                    | -                           | 393,956               |
| Unrestricted                             | 85,724,838                 | (332,233)                   | 85,392,605            |
| <b>Total Net Position</b>                | <b>\$ 214,250,286</b>      | <b>\$ 10,486,206</b>        | <b>\$ 224,736,492</b> |

CITY OF EMERYVILLE

STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2014

| Functions/Programs                           | Expenses             | Program Revenues     |                                    |                                  |
|--|----------------------|----------------------|------------------------------------|----------------------------------|
|  |                      | Charges for Services | Operating Contributions and Grants | Capital Contributions and Grants |
| <b>Primary Government:</b>                   |                      |                      |                                    |                                  |
| Governmental Activities:                     |                      |                      |                                    |                                  |
| City council                                 | \$ 147,451           | \$ -                 | \$ 22,400                          | \$ -                             |
| City manager                                 | 727,135              | -                    | -                                  | -                                |
| City attorney                                | 563,063              | -                    | -                                  | -                                |
| Finance                                      | 877,587              | 98,000               | -                                  | -                                |
| Human resources                              | 531,949              | -                    | -                                  | -                                |
| Planning & building                          | 2,813,429            | 1,640,174            | 8,092                              | -                                |
| Economic development                         | 985,197              | 56                   | -                                  | -                                |
| Redevelopment                                | 14,760               | -                    | 299,585                            | 22,268,492                       |
| Non-departmental operations                  | 2,706,578            | 467,125              | 134,395                            | 338,500                          |
| Property based improvement district          | 2,781,500            | 2,635,700            | -                                  | -                                |
| Police                                       | 9,752,016            | 634,106              | 316,877                            | -                                |
| Fire   | 5,822,379            | 89,094               | 314,525                            | -                                |
| Public works                                 | 6,694,496            | 1,064,643            | -                                  | -                                |
| Community services                           | 565,762              | 6,187                | 217,841                            | 55,699                           |
| Child development                            | 1,761,693            | 1,153,904            | 195,646                            | -                                |
| Youth services                               | 749,982              | 251,395              | 56,770                             | -                                |
| Adult services                               | 613,182              | -                    | 33,945                             | -                                |
| Information technology                       | 508,324              | -                    | -                                  | -                                |
| Interest on long-term debt                   | 288,239              | -                    | -                                  | -                                |
| <b>Total Governmental Activities</b>         | <b>38,904,722</b>    | <b>8,040,384</b>     | <b>1,600,076</b>                   | <b>22,662,691</b>                |
| Business-Type Activities:                    |                      |                      |                                    |                                  |
| Sewer  | 561,301              | 823,223              | -                                  | -                                |
| <b>Total Business-Type Activities</b>        | <b>561,301</b>       | <b>823,223</b>       | <b>-</b>                           | <b>-</b>                         |
| <b>Total Primary Government</b>              | <b>\$ 39,466,023</b> | <b>\$ 8,863,607</b>  | <b>\$ 1,600,076</b>                | <b>\$ 22,662,691</b>             |
| <b>General Revenues:</b>                     |                      |                      |                                    |                                  |
| Taxes:                                       |                      |                      |                                    |                                  |
| Property taxes, levied for general purpose   |                      |                      |                                    |                                  |
| Transient occupancy taxes                    |                      |                      |                                    |                                  |
| Sales taxes                                  |                      |                      |                                    |                                  |
| Franchise taxes                              |                      |                      |                                    |                                  |
| Business licenses taxes                      |                      |                      |                                    |                                  |
| Utility users tax                            |                      |                      |                                    |                                  |
| Other taxes                                  |                      |                      |                                    |                                  |
| Motor vehicle in lieu - unrestricted         |                      |                      |                                    |                                  |
| Use of money and property                    |                      |                      |                                    |                                  |
| Other  |                      |                      |                                    |                                  |
| <b>Transfers</b>                             |                      |                      |                                    |                                  |
| <b>Total General Revenues, and Transfers</b> |                      |                      |                                    |                                  |
| Change in Net Position                       |                      |                      |                                    |                                  |
| Net Position at Beginning of Year            |                      |                      |                                    |                                  |
| <b>Net Position at End of Year</b>           |                      |                      |                                    |                                  |

**Net (Expenses) Revenues and Changes in Net Position**

**Primary Government**

| <b>Governmental<br/>Activities</b> | <b>Business-Type<br/>Activities</b> | <b>Total</b>          |
|------------------------------------|-------------------------------------|-----------------------|
| \$ (125,051)                       | \$ -                                | \$ (125,051)          |
| (727,135)                          | -                                   | (727,135)             |
| (563,063)                          | -                                   | (563,063)             |
| (779,587)                          | -                                   | (779,587)             |
| (531,949)                          | -                                   | (531,949)             |
| (1,165,163)                        | -                                   | (1,165,163)           |
| (985,141)                          | -                                   | (985,141)             |
| 22,553,317                         | -                                   | 22,553,317            |
| (1,766,558)                        | -                                   | (1,766,558)           |
| (145,800)                          | -                                   | (145,800)             |
| (8,801,033)                        | -                                   | (8,801,033)           |
| (5,418,760)                        | -                                   | (5,418,760)           |
| (5,629,853)                        | -                                   | (5,629,853)           |
| (286,035)                          | -                                   | (286,035)             |
| (412,143)                          | -                                   | (412,143)             |
| (441,817)                          | -                                   | (441,817)             |
| (579,237)                          | -                                   | (579,237)             |
| (508,324)                          | -                                   | (508,324)             |
| (288,239)                          | -                                   | (288,239)             |
| <b>(6,601,571)</b>                 | <b>-</b>                            | <b>(6,601,571)</b>    |
| -                                  | 261,922                             | 261,922               |
| -                                  | <b>261,922</b>                      | <b>261,922</b>        |
| <b>(6,601,571)</b>                 | <b>261,922</b>                      | <b>(6,339,649)</b>    |
| 4,510,321                          | -                                   | 4,510,321             |
| 5,276,554                          | -                                   | 5,276,554             |
| 8,038,150                          | -                                   | 8,038,150             |
| 1,597,846                          | -                                   | 1,597,846             |
| 7,531,077                          | -                                   | 7,531,077             |
| 3,016,700                          | -                                   | 3,016,700             |
| 504,112                            | -                                   | 504,112               |
| 651,661                            | -                                   | 651,661               |
| 2,004,475                          | 26,208                              | 2,030,683             |
| 115,963                            | -                                   | 115,963               |
| 11,764                             | (11,764)                            | -                     |
| <b>33,258,623</b>                  | <b>14,444</b>                       | <b>33,273,067</b>     |
| 26,657,052                         | 276,366                             | 26,933,418            |
| 187,593,234                        | 10,209,840                          | 197,803,074           |
| <b>\$ 214,250,286</b>              | <b>\$ 10,486,206</b>                | <b>\$ 224,736,492</b> |

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## CITY OF EMERYVILLE

### FUND FINANCIAL STATEMENTS

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The Fund Financial Statements are formatted so that only individual major funds are presented, while non-major funds are combined in a single column. Major funds are defined generally as having significant activities or balances in the current year. No distinction is made between fund types and the practice of combining like funds.

The funds described below were determined to be major funds by the City for fiscal year 2014. Individual non-major funds may be found in the supplemental section.

The **General Fund** is the general operating fund of the City and accounts for all financial resources except those required to be accounted for in another fund. The major revenues to the General Fund are taxes (property, sales, business licenses, utility users and transient occupancy), which comprise approximately 70%-80% of the fund's annual revenue stream. The major expenditure of the General Fund is Public Safety (police and fire), which accounts for more than half of the fund's annual expenditure stream.

The **Housing Assets Fund** accounts for the assets transferred from the Low and Moderate Income Housing Fund (LMIHF) to the City as Housing Successor. The Fund includes loans and notes receivable, rents and payments on these receivables after February 1, 2012, and amounts due to the LMIHF, including the SERAF loans. All monies in the Housing Assets Fund must be used in accordance with the applicable housing-related provisions of the Community Redevelopment Law.

The **General Capital Improvement Fund** accounts for general capital projects. The Fund includes expenditures related to improvements to buildings, equipment, infrastructure and other systems, such as storm drains, sidewalks, etc. The main source of funding for these costs comes from general revenues transferred from the General Fund. Beginning in fiscal year 2012-13 this Fund also receives a portion of the residual property taxes distributed to the City as a result of the dissolution of redevelopment, which occurred February 1, 2012.

The **Emeryville Center of Community Life Fund** accounts for capital expenditures related to the development of the Emeryville Center of Community Life.

The **1998 Lease Revenue Series A Bond Fund** accounts for payments of principal and interest on the 1998 Lease Revenue Series A Bonds.

CITY OF EMERYVILLE

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2014**

|  | General              | Special Revenue Funds | Capital Projects Funds       |                                     |
|--|----------------------|-----------------------|------------------------------|-------------------------------------|
|  |                      | Housing Assets        | General Capital Improvements | Emeryville Center of Community Life |
| <b>Assets:</b>   |                      |                       |                              |                                     |
| Pooled cash and investments  | \$ 24,456,876        | \$ 847,824            | \$ 16,338,244                | \$ 21,206,682                       |
| Receivables:   |                      |                       |                              |                                     |
| Accounts   | 410,577              | 1,448                 | -                            | -                                   |
| Taxes  | 3,445,191            | -                     | -                            | -                                   |
| Notes and loans  | 103,636              | 16,587,367            | -                            | -                                   |
| Accrued interest   | 8,756                | -                     | 2,979                        | 1,458                               |
| Prepaid costs  | 161,402              | -                     | -                            | -                                   |
| Due from other governments   | 23,053               | -                     | -                            | -                                   |
| Advances to other funds  | 5,104,540            | -                     | -                            | -                                   |
| Land held for resale   | 8,354,747            | 3,604,540             | -                            | -                                   |
| Restricted assets:   |                      |                       |                              |                                     |
| Cash and investments with fiscal agents                                    | -                    | -                     | -                            | -                                   |
| Due from Successor Agency  | -                    | 9,033,600             | -                            | -                                   |
| <b>Total Assets</b>  | <b>\$ 42,068,778</b> | <b>\$ 30,074,779</b>  | <b>\$ 16,341,223</b>         | <b>\$ 21,208,140</b>                |
| <b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>      |                      |                       |                              |                                     |
| <b>Liabilities:</b>  |                      |                       |                              |                                     |
| Accounts payable   | \$ 1,753,457         | \$ 105                | \$ 52,311                    | \$ -                                |
| Accrued liabilities  | 220,046              | -                     | -                            | -                                   |
| Unearned revenues  | 985,192              | -                     | -                            | -                                   |
| Deposits payable   | 114,107              | -                     | -                            | -                                   |
| Advances from other funds  | -                    | 5,104,540             | -                            | -                                   |
| <b>Total Liabilities</b>   | <b>3,072,802</b>     | <b>5,104,645</b>      | <b>52,311</b>                | <b>-</b>                            |
| <b>Deferred Inflows of Resources:</b>                                      |                      |                       |                              |                                     |
| Unavailable revenues   | 808,312              | 16,587,367            | -                            | -                                   |
| <b>Total Deferred Inflows of Resources</b>                                 | <b>808,312</b>       | <b>16,587,367</b>     | <b>-</b>                     | <b>-</b>                            |
| <b>Fund Balances:</b>  |                      |                       |                              |                                     |
| <b>Nonspendable:</b>   |                      |                       |                              |                                     |
| Prepaid costs  | 161,402              | -                     | -                            | -                                   |
| Land held for resale   | 8,354,747            | -                     | -                            | -                                   |
| Advances to other funds  | 5,104,540            | -                     | -                            | -                                   |
| <b>Restricted for:</b>   |                      |                       |                              |                                     |
| Community development projects   | -                    | 8,382,767             | -                            | 21,208,140                          |
| Public safety  | -                    | -                     | -                            | -                                   |
| Public works   | -                    | -                     | -                            | -                                   |
| Capital projects   | -                    | -                     | 16,288,912                   | -                                   |
| Debt service   | -                    | -                     | -                            | -                                   |
| Small business incentive   | 100,000              | -                     | -                            | -                                   |
| Community services   | -                    | -                     | -                            | -                                   |
| <b>Committed to:</b>   |                      |                       |                              |                                     |
| Facility maintenance   | -                    | -                     | -                            | -                                   |
| Vehicle replacement  | -                    | -                     | -                            | -                                   |
| Information technology   | -                    | -                     | -                            | -                                   |
| Economic uncertainty   | 5,487,298            | -                     | -                            | -                                   |
| PERS liability   | 5,156,915            | -                     | -                            | -                                   |
| Economic development   | 516,789              | -                     | -                            | -                                   |
| <b>Assigned to:</b>  |                      |                       |                              |                                     |
| Earthquake Insurance   | 1,328,589            | -                     | -                            | -                                   |
| <b>Unassigned</b>  | <b>11,977,384</b>    | <b>-</b>              | <b>-</b>                     | <b>-</b>                            |
| <b>Total Fund Balances</b>   | <b>38,187,664</b>    | <b>8,382,767</b>      | <b>16,288,912</b>            | <b>21,208,140</b>                   |
| <b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b> | <b>\$ 42,068,778</b> | <b>\$ 30,074,779</b>  | <b>\$ 16,341,223</b>         | <b>\$ 21,208,140</b>                |

CITY OF EMERYVILLE

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2014**

|  | <b>Debt Service<br/>Funds</b>                   |   |   |
|--|---|---|---|
|  | <b>1998 Lease<br/>Revenue<br/>Series A Bond</b> | <b>Other<br/>Governmental<br/>Funds</b> | <b>Total<br/>Governmental<br/>Funds</b> |
| <b>Assets:</b>   |   |   |   |
| Pooled cash and investments  | \$ -  | \$ 26,179,264                           | \$ 89,028,890                           |
| Receivables:   |   |   |   |
| Accounts   | -   | 51,047                                  | 463,072                                 |
| Taxes  | -   | 88,016                                  | 3,533,207                               |
| Notes and loans  | -   | 3,626,127                               | 20,317,130                              |
| Accrued interest   | -   | 2,562                                   | 15,755                                  |
| Prepaid costs  | -   | -                                       | 161,402                                 |
| Due from other governments   | -   | 498,430                                 | 521,483                                 |
| Advances to other funds  | -   | -                                       | 5,104,540                               |
| Land held for resale   | -   | -                                       | 11,959,287                              |
| Restricted assets:   |   |   |   |
| Cash and investments with fiscal agents  | 3,051   | -                                       | 3,051                                   |
| Due from Successor Agency  | -   | 978,041                                 | 10,011,641                              |
| <b>Total Assets</b>  | <b>\$ 3,051</b>                                 | <b>\$ 31,423,487</b>                    | <b>\$ 141,119,458</b>                   |
| <b>Liabilities, Deferred Inflows of Resources,<br/>and Fund Balances:</b>      |   |   |   |
| <b>Liabilities:</b>  |   |   |   |
| Accounts payable   | \$ -  | \$ 473,710                              | \$ 2,279,583                            |
| Accrued liabilities  | -   | -                                       | 220,046                                 |
| Unearned revenues  | -   | 356,535                                 | 1,341,727                               |
| Deposits payable   | -   | 101,597                                 | 215,704                                 |
| Advances from other funds  | -   | -                                       | 5,104,540                               |
| <b>Total Liabilities</b>   | <b>-</b>  | <b>931,842</b>                          | <b>9,161,600</b>                        |
| <b>Deferred Inflows of Resources:</b>  |   |   |   |
| Unavailable revenues   | -   | 3,982,529                               | 21,378,208                              |
| <b>Total Deferred Inflows of Resources</b>                                     | <b>-</b>  | <b>3,982,529</b>                        | <b>21,378,208</b>                       |
| <b>Fund Balances:</b>  |   |   |   |
| <b>Nonspendable:</b>   |   |   |   |
| Prepaid costs  | -   | -                                       | 161,402                                 |
| Land held for resale   | -   | -                                       | 8,354,747                               |
| Advances to other funds  | -   | -                                       | 5,104,540                               |
| <b>Restricted for:</b>   |   |   |   |
| Community development projects   | -   | 5,553,460                               | 35,144,367                              |
| Public safety  | -   | 143,755                                 | 143,755                                 |
| Public works   | -   | 1,425,737                               | 1,425,737                               |
| Capital projects   | -   | 5,693,495                               | 21,982,407                              |
| Debt service   | 3,051   | -                                       | 3,051                                   |
| Small business incentive   | -   | -                                       | 100,000                                 |
| Community services   | -   | 393,956                                 | 393,956                                 |
| <b>Committed to:</b>   |   |   |   |
| Facility maintenance   | -   | 7,261,327                               | 7,261,327                               |
| Vehicle replacement  | -   | 5,033,843                               | 5,033,843                               |
| Information technology   | -   | 1,003,543                               | 1,003,543                               |
| Economic uncertainty   | -   | -                                       | 5,487,298                               |
| PERS liability   | -   | -                                       | 5,156,915                               |
| Economic development   | -   | -                                       | 516,789                                 |
| <b>Assigned to:</b>  |   |   |   |
| Earthquake Insurance   | -   | -                                       | 1,328,589                               |
| <b>Unassigned</b>  | <b>-</b>  | <b>-</b>                                | <b>11,977,384</b>                       |
| <b>Total Fund Balances</b>   | <b>3,051</b>                                    | <b>26,509,116</b>                       | <b>110,579,650</b>                      |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</b> | <b>\$ 3,051</b>                                 | <b>\$ 31,423,487</b>                    | <b>\$ 141,119,458</b>                   |

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CITY OF EMERYVILLE

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2014

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|   |                                     |
|---|-------------------------------------|
| Fund balances of governmental funds   | \$ 110,579,650                      |
| Amounts reported for governmental activities in the statement of net position are different because:  |                                     |
| Capital assets net of depreciation have not been included as financial resources in governmental fund activity.   | 73,483,524                          |
| Long-term debt and compensated absences that have not been included in the governmental fund activity:<br>Long-term liabilities - Lease Revenue Bonds   | (4,154,400)                         |
| Net pension asset and net other post retirement benefits asset relate to the prepayment of unfunded obligation, which are recorded as expenditures in the governmental funds statements when made, but these prepayments are amortized over their respective actuarial amortization period in the government-wide statements. | 1,830,666                           |
| Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds.  | (20,457)                            |
| Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.   | 21,378,208                          |
| Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.   | <u>11,153,095</u>                   |
| <b>Net Position of governmental activities</b>  | <b><u><u>\$ 214,250,286</u></u></b> |

CITY OF EMERYVILLE

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2014

|  | General              | Special Revenue Funds | Capital Projects Funds       |                                     |
|--|----------------------|-----------------------|------------------------------|-------------------------------------|
|  |                      | Housing Assets        | General Capital Improvements | Emeryville Center of Community Life |
| <b>Revenues:</b>   |                      |                       |                              |                                     |
| Taxes  | \$ 27,502,815        | \$ -                  | \$ 2,043,324                 | \$ -                                |
| Licenses and permits   | 2,601,775            | -                     | -                            | -                                   |
| Intergovernmental  | 1,149,292            | -                     | -                            | -                                   |
| Charges for services   | 946,015              | -                     | -                            | -                                   |
| Use of money and property                                    | 898,604              | 122,906               | 86,468                       | 8,140                               |
| Rents  | 173,940              | 14,040                | -                            | -                                   |
| Contributions  | 101,410              | 6,422                 | -                            | 21,200,000                          |
| Developer participation                                      | -                    | -                     | 110,000                      | -                                   |
| Miscellaneous  | 510,359              | 313,222               | -                            | -                                   |
| <b>Total Revenues</b>  | <b>33,884,210</b>    | <b>456,590</b>        | <b>2,239,792</b>             | <b>21,208,140</b>                   |
| <b>Expenditures:</b>   |                      |                       |                              |                                     |
| Current:   |                      |                       |                              |                                     |
| City council   | 132,582              | -                     | -                            | -                                   |
| City manager   | 722,230              | -                     | -                            | -                                   |
| City attorney  | 563,063              | -                     | -                            | -                                   |
| Finance  | 876,395              | -                     | -                            | -                                   |
| Human resources  | 531,949              | -                     | -                            | -                                   |
| Planning and building  | 2,552,880            | -                     | -                            | -                                   |
| Economic development   | 798,723              | -                     | -                            | -                                   |
| Redevelopment  | -                    | 8,255                 | -                            | -                                   |
| Non-departmental operations                                  | 1,179,053            | 105                   | 534,929                      | -                                   |
| Property based improvement district                          | -                    | -                     | -                            | -                                   |
| Police   | 9,466,392            | -                     | -                            | -                                   |
| Fire   | 5,451,759            | -                     | -                            | -                                   |
| Public works   | 2,572,864            | -                     | -                            | -                                   |
| Community services   | 565,762              | -                     | -                            | -                                   |
| Child development  | -                    | -                     | -                            | -                                   |
| Youth services   | 721,432              | -                     | -                            | -                                   |
| Adult services   | 611,513              | -                     | -                            | -                                   |
| Information technology                                       | 435,804              | -                     | -                            | -                                   |
| Capital outlay   | 4,338                | -                     | 26,361                       | -                                   |
| Debt service:  |                      |                       |                              |                                     |
| Principal retirement   | -                    | -                     | -                            | -                                   |
| Interest and fiscal charges                                  | -                    | 9,713                 | -                            | -                                   |
| <b>Total Expenditures</b>                                    | <b>27,186,739</b>    | <b>18,073</b>         | <b>561,290</b>               | <b>-</b>                            |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | 6,697,471            | 438,517               | 1,678,502                    | 21,208,140                          |
| <b>Other Financing Sources (Uses):</b>                       |                      |                       |                              |                                     |
| Transfers in   | -                    | -                     | 811,500                      | -                                   |
| Transfers out  | (3,295,924)          | -                     | (18,236)                     | -                                   |
| Issuance of Refunding bonds                                  | -                    | -                     | -                            | -                                   |
| Proceeds from sale of capital asset                          | -                    | -                     | -                            | -                                   |
| <b>Total Other Financing Sources (Uses)</b>                  | <b>(3,295,924)</b>   | <b>-</b>              | <b>793,264</b>               | <b>-</b>                            |
| Net Change in Fund Balances                                  | 3,401,547            | 438,517               | 2,471,766                    | 21,208,140                          |
| Fund Balances, Beginning of Year                             | 34,786,117           | 7,944,250             | 13,817,146                   | -                                   |
| <b>Fund Balances, End of Year</b>                            | <b>\$ 38,187,664</b> | <b>\$ 8,382,767</b>   | <b>\$ 16,288,912</b>         | <b>\$ 21,208,140</b>                |

CITY OF EMERYVILLE

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2014

|  | <b>Debt Service<br/>Funds</b>                   |   | <b>Total<br/>Governmental<br/>Funds</b> |
|--|---|---|---|
|  | <b>1998 Lease<br/>Revenue<br/>Series A Bond</b> | <b>Other<br/>Governmental<br/>Funds</b> |   |
| <b>Revenues:</b>   |   |   |   |
| Taxes  | \$ -  | \$ 3,431,048                            | \$ 32,977,187                           |
| Licenses and permits   | -   | 237,133                                 | 2,838,908                               |
| Intergovernmental  | -   | 1,080,132                               | 2,229,424                               |
| Charges for services   | -   | 1,214,380                               | 2,160,395                               |
| Use of money and property                                    | (3,335)   | 99,160                                  | 1,211,943                               |
| Rents  | -   | 539,003                                 | 726,983                                 |
| Contributions  | -   | 1,116,015                               | 22,423,847                              |
| Developer participation                                      | -   | -                                       | 110,000                                 |
| Miscellaneous  | 9,581   | 1,050,036                               | 1,883,198                               |
| <b>Total Revenues</b>  | <b>6,246</b>                                    | <b>8,766,907</b>                        | <b>66,561,885</b>                       |
| <b>Expenditures:</b>   |   |   |   |
| Current:   |   |   |   |
| City council   | -   | 5,000                                   | 137,582                                 |
| City manager   | -   | -                                       | 722,230                                 |
| City attorney  | -   | -                                       | 563,063                                 |
| Finance  | -   | -                                       | 876,395                                 |
| Human resources  | -   | -                                       | 531,949                                 |
| Planning and building  | -   | 260,549                                 | 2,813,429                               |
| Economic development   | -   | 20,778                                  | 819,501                                 |
| Redevelopment  | -   | 6,505                                   | 14,760                                  |
| Non-departmental operations                                  | -   | 657,793                                 | 2,371,880                               |
| Property based improvement district                          | -   | 2,781,500                               | 2,781,500                               |
| Police   | -   | 102,879                                 | 9,569,271                               |
| Fire   | -   | 181,633                                 | 5,633,392                               |
| Public works   | -   | 830,174                                 | 3,403,038                               |
| Community services   | -   | -                                       | 565,762                                 |
| Child development  | -   | 1,720,257                               | 1,720,257                               |
| Youth services   | -   | -                                       | 721,432                                 |
| Adult services   | -   | -                                       | 611,513                                 |
| Information technology                                       | -   | -                                       | 435,804                                 |
| Capital outlay   | -   | 1,803,182                               | 1,833,881                               |
| Debt service:  |   |   |   |
| Principal retirement   | 4,980,900                                       | -                                       | 4,980,900                               |
| Interest and fiscal charges                                  | 296,753   | -                                       | 306,466                                 |
| <b>Total Expenditures</b>                                    | <b>5,277,653</b>                                | <b>8,370,250</b>                        | <b>41,414,005</b>                       |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (5,271,407)                                     | 396,657                                 | 25,147,880                              |
| <b>Other Financing Sources (Uses):</b>                       |   |   |   |
| Transfers in   | 366,874   | 1,467,550                               | 2,645,924                               |
| Transfers out  | -   | -                                       | (3,314,160)                             |
| Issuance of Refunding bonds                                  | 4,390,300                                       | -                                       | 4,390,300                               |
| Proceeds from sale of capital asset                          | -   | 55,997                                  | 55,997                                  |
| <b>Total Other Financing Sources<br/>(Uses)</b>              | <b>4,757,174</b>                                | <b>1,523,547</b>                        | <b>3,778,061</b>                        |
| Net Change in Fund Balances                                  | (514,233)                                       | 1,920,204                               | 28,925,941                              |
| Fund Balances, Beginning of Year                             | 517,284   | 24,588,912                              | 81,653,709                              |
| <b>Fund Balances, End of Year</b>                            | <b>\$ 3,051</b>                                 | <b>\$ 26,509,116</b>                    | <b>\$ 110,579,650</b>                   |

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**CITY OF EMERYVILLE**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2014**

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|  |   |                      |  |  |             |  |   |          |             |  |  |
|--|---|----------------------|--|--|-------------|--|---|----------|-------------|--|--|
| Net change in fund balances - total governmental funds   |   | \$ 28,925,941        |  |  |             |  |   |          |             |  |  |
| <p>Amounts reported for governmental activities in the statement of activities are different because:</p>  |   |                      |  |  |             |  |   |          |             |  |  |
| <p>Net pension assets and net other post retirement benefits assets relate to payment of the unfunded obligation, which are recorded as expenditures in the governmental funds statements when made, but these prepayments are amortized over their respective actuarial amortization period in the government-wide statements.</p>  |   | (218,612)            |  |  |             |  |   |          |             |  |  |
| <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>  |   |                      |  |  |             |  |   |          |             |  |  |
| <table border="0" style="width: 100%;"> <tr> <td style="padding-left: 20px;">Capital outlay</td> <td style="text-align: right;">\$ 2,070,726</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Depreciation</td> <td style="text-align: right;">(3,713,228)</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Loss on Sale of Capital Assets</td> <td style="text-align: right; border-top: 1px solid black;">(50,220)</td> <td style="text-align: right;">(1,692,722)</td> </tr> </table>   | Capital outlay  | \$ 2,070,726         |  | Depreciation                                       | (3,713,228) |  | Loss on Sale of Capital Assets                            | (50,220) | (1,692,722) |  |  |
| Capital outlay   | \$ 2,070,726  |                      |  |  |             |  |   |          |             |  |  |
| Depreciation   | (3,713,228)   |                      |  |  |             |  |   |          |             |  |  |
| Loss on Sale of Capital Assets   | (50,220)  | (1,692,722)          |  |  |             |  |   |          |             |  |  |
| <p>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Similarly, proceeds from issuance of new bonds is a revenue in the governmental funds, but the new debt is an addition to long-term liabilities in the statement of net position.</p>  |   |                      |  |  |             |  |   |          |             |  |  |
| <table border="0" style="width: 100%;"> <tr> <td style="padding-left: 20px;">Principal repayments - Lease Revenue Bonds, 1998 Series A</td> <td style="text-align: right;">4,745,000</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Bond proceeds - Lease Revenue Bonds, 2013 Series A</td> <td style="text-align: right;">(4,390,300)</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Principal repayments - Lease Revenue Bonds, 2013 Series A</td> <td style="text-align: right; border-top: 1px solid black;">235,900</td> <td style="text-align: right;">590,600</td> </tr> </table> | Principal repayments - Lease Revenue Bonds, 1998 Series A | 4,745,000            |  | Bond proceeds - Lease Revenue Bonds, 2013 Series A | (4,390,300) |  | Principal repayments - Lease Revenue Bonds, 2013 Series A | 235,900  | 590,600     |  |  |
| Principal repayments - Lease Revenue Bonds, 1998 Series A  | 4,745,000   |                      |  |  |             |  |   |          |             |  |  |
| Bond proceeds - Lease Revenue Bonds, 2013 Series A   | (4,390,300)   |                      |  |  |             |  |   |          |             |  |  |
| Principal repayments - Lease Revenue Bonds, 2013 Series A  | 235,900   | 590,600              |  |  |             |  |   |          |             |  |  |
| <p>Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.</p>  |   | 18,227               |  |  |             |  |   |          |             |  |  |
| <p>Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.</p>   |   | (1,573,788)          |  |  |             |  |   |          |             |  |  |
| <p>Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities.</p>  |   | 607,406              |  |  |             |  |   |          |             |  |  |
| <b>Change in net position of governmental activities</b>   |   | <b>\$ 26,657,052</b> |  |  |             |  |   |          |             |  |  |

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## CITY OF EMERYVILLE

### PROPRIETY FUNDS STATEMENTS

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Proprietary Funds account for City operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that the cost of providing goods and services be financed primarily through user charges.

The concept of *major funds* established by GASB Statement No. 34 extends to Proprietary Funds. The City has only one enterprise fund, the Sewer Fund, which is described below:

GASB Statement No. 34 does not provide for the disclosure of budget vs. actual comparisons regarding proprietary funds that are major funds.

The **Sewer Fund** accounts for the operation and maintenance of the City sewer system. The fund is supported by Sewer Service Charges billed through water usage bills and connection fees.

The **Internal Service Funds** account for the financing of goods and services provided by one department or agency to other departments or agencies on a cost-sharing basis.

CITY OF EMERYVILLE

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 JUNE 30, 2014

|  | <b>Business-Type<br/>Activities -<br/>Enterprise Funds</b> | <b>Governmental<br/>Activities-<br/>Internal<br/>Service Funds</b> |
|--|--|--|
|  | <b>Sewer</b>   |  |
| <b>Assets:</b>                                   |  |  |
| Current:   |  |  |
| Cash and investments                             | \$ 3,778,548   | \$ 15,527,527  |
| Receivables:                                     |  |  |
| Accounts   | 119,894  | 122,321  |
| Accrued interest                                 | 776  | 3,130  |
| <b>Total Current Assets</b>                      | <b>3,899,218</b>   | <b>15,652,978</b>  |
| Noncurrent:                                      |  |  |
| Capital assets - net of accumulated depreciation | 6,698,183  | -  |
| <b>Total Noncurrent Assets</b>                   | <b>6,698,183</b>   | <b>-</b>   |
| <b>Total Assets</b>                              | <b>\$ 10,597,401</b>                                       | <b>\$ 15,652,978</b>   |
| <b>Liabilities and Net Position:</b>             |  |  |
| <b>Liabilities:</b>                              |  |  |
| Current:   |  |  |
| Accounts payable                                 | \$ 111,195   | \$ 128,349   |
| Accrued compensated absences                     | -  | 493,390  |
| Accrued claims and judgments                     | -  | 351,200  |
| <b>Total Current Liabilities</b>                 | <b>111,195</b>   | <b>972,939</b>   |
| Noncurrent:                                      |  |  |
| Accrued compensated absences                     | -  | 2,456,087  |
| Accrued claims and judgments                     | -  | 1,070,857  |
| <b>Total Noncurrent Liabilities</b>              | <b>-</b>   | <b>3,526,944</b>   |
| <b>Total Liabilities</b>                         | <b>111,195</b>   | <b>4,499,883</b>   |
| <b>Net Position:</b>                             |  |  |
| Investment in capital assets                     | 6,698,183  | -  |
| Restricted for capital projects                  | 4,120,256  | -  |
| Unrestricted                                     | (332,233)  | 11,153,095   |
| <b>Total Net Position</b>                        | <b>10,486,206</b>  | <b>11,153,095</b>  |
| <b>Total Liabilities and Net Position</b>        | <b>\$ 10,597,401</b>                                       | <b>\$ 15,652,978</b>   |

CITY OF EMERYVILLE

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2014

|   | <b>Business-Type<br/>Activities -<br/>Enterprise Funds</b> | <b>Governmental<br/>Activities-<br/>Internal<br/>Service Funds</b> |
|---|--|--|
|   | <b>Sewer</b>   |  |
| <b>Operating Revenues:</b>                        |  |  |
| Service charges                                   | \$ 823,223   | \$ 9,226,158   |
| <b>Total Operating Revenues</b>                   | <b>823,223</b>   | <b>9,226,158</b>   |
| <b>Operating Expenses:</b>                        |  |  |
| Administration and general                        | 336,692  | 8,897,482  |
| Cost of sales and services                        | 100,436  | -  |
| Claims expense                                    | -  | 495,618  |
| Depreciation expense                              | 124,173  | -  |
| <b>Total Operating Expenses</b>                   | <b>561,301</b>   | <b>9,393,100</b>   |
| Operating Income (Loss)                           | 261,922  | (166,942)  |
| <b>Nonoperating Revenues (Expenses):</b>          |  |  |
| Interest revenue                                  | 26,208   | 94,349   |
| <b>Total Nonoperating<br/>Revenues (Expenses)</b> | <b>26,208</b>  | <b>94,349</b>  |
| Income (Loss) Before Transfers                    | 288,130  | (72,593)   |
| Transfers in                                      | 18,236   | 680,000  |
| Transfers out                                     | (30,000)   | -  |
| Changes in Net Position                           | 276,366  | 607,407  |
| <b>Net Position:</b>                              |  |  |
| Beginning of Year                                 | 10,209,840   | 10,545,688   |
| <b>End of Fiscal Year</b>                         | <b>\$ 10,486,206</b>                                       | <b>\$ 11,153,095</b>   |

CITY OF EMERYVILLE

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 YEAR ENDED JUNE 30, 2014

|   | <b>Business-Type<br/>Activities -<br/>Enterprise Funds</b> | <b>Governmental<br/>Activities-<br/>Internal<br/>Service Funds</b> |
|---|--|--|
|   | <b>Sewer</b>   |  |
| <b>Cash Flows from Operating Activities:</b>  |  |  |
| Cash received from customers and users  | \$ 851,201   | \$ 9,110,452   |
| Cash paid to suppliers for goods and services   | (23,413)   | (190,016)  |
| Cash paid to employees for services   | (336,692)  | (8,793,259)  |
| Cash received from (payments to) others   | -  | (462,522)  |
| <b>Net Cash Provided (Used) by Operating Activities</b>   | <b>491,096</b>   | <b>(335,345)</b>   |
| <b>Cash Flows from Non-Capital<br/>Financing Activities:</b>  |  |  |
| Cash transfers  | (11,764)   | 680,000  |
| <b>Net Cash Provided (Used) by<br/>Non-Capital Financing Activities</b>                                       | <b>(11,764)</b>  | <b>680,000</b>   |
| <b>Cash Flows from Capital<br/>and Related Financing Activities:</b>  |  |  |
| Acquisition and construction of capital assets  | (1,200,668)  | -  |
| <b>Net Cash Provided (Used) by<br/>Capital and Related Financing Activities</b>                               | <b>(1,200,668)</b>   | <b>-</b>   |
| <b>Cash Flows from Investing Activities:</b>  |  |  |
| Interest received   | 26,689   | 95,461   |
| <b>Net Cash Provided (Used) by<br/>Investing Activities</b>   | <b>26,689</b>  | <b>95,461</b>  |
| <b>Net Increase (Decrease) in Cash<br/>and Cash Equivalents</b>   | <b>(694,647)</b>   | <b>440,116</b>   |
| Cash and Cash Equivalents at Beginning of Year  | 4,473,195  | 15,087,411   |
| <b>Cash and Cash Equivalents at End of Year</b>   | <b>\$ 3,778,548</b>  | <b>\$ 15,527,527</b>   |
| <b>Reconciliation of Operating Income to Net Cash<br/>Provided (Used) by Operating Activities:</b>            |  |  |
| Operating income (loss)   | \$ 261,922   | \$ (166,942)   |
| <b>Adjustments to reconcile operating income (loss)<br/>net cash provided (used) by operating activities:</b> |  |  |
| Depreciation  | 124,173  | -  |
| (Increase) decrease in accounts receivable  | 27,978   | (37,276)   |
| (Increase) decrease in prepaid expense  | -  | 30,787   |
| Increase (decrease) in accounts payable   | 77,023   | 25,301   |
| Increase (decrease) in deferred revenue   | -  | (78,430)   |
| Increase (decrease) in claims and judgments   | -  | (293,606)  |
| Increase (decrease) in compensated absences   | -  | 184,821  |
| <b>Total Adjustments</b>  | <b>229,174</b>   | <b>(168,403)</b>   |
| <b>Net Cash Provided (Used) by<br/>Operating Activities</b>   | <b>\$ 491,096</b>  | <b>\$ (335,345)</b>  |

## CITY OF EMERYVILLE

### **FIDUCIARY FUNDS STATEMENTS**

---

Fiduciary Funds include all Trust and Agency funds, which account for assets held by the City as a trustee or agent for individuals, other governmental units and/or other funds.

The **Agency Funds** account for receipt of special assessments and the payment of principal, interest and bond administration costs on Assessment District Bonds. These funds are treated as Agency Funds to report resources held by the City in a purely custodial capacity, which involves only the receipt, temporary investment and remittance of fiduciary resources to individuals, private organizations or other governments. These funds are separate and unrelated to the Development Commission of Emeryville funds.

The **Pension Trust Fund** was established to support the liability for pension stipends for remaining retirees under the City's old Pension Plan.

The **Private Purpose Trust Fund** was established to account for the assets and liabilities of the City of Emeryville as Successor Agency to the former Emeryville Redevelopment Agency per the Redevelopment dissolution laws AB 1X 26 and AB 1484. The Fund is allocated revenue (previously known as property tax increment revenue) to pay estimated payments of the enforceable obligations as approved by the State Department of Finance, until obligations of the former Redevelopment Agency are paid in full and assets have been liquidated. The Fund also receives certain payments for leases and notes that are payable to the former Redevelopment Agency.

CITY OF EMERYVILLE

STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 JUNE 30, 2014

|   | Agency<br>Funds     | Pension Trust<br>Fund | Private-<br>Purpose Trust<br>Fund<br>Successor<br>Agency of the<br>Former RDA |
|---|---------------------|-----------------------|---|
| <b>Assets:</b>                                  |                     |                       |   |
| Pooled cash and investments                     | \$ 3,126,432        | \$ 353,090            | \$ 53,829,180   |
| Receivables:                                    |                     |                       |   |
| Accounts  | 7,715               | -                     | 436   |
| Taxes   | -                   | -                     | 437   |
| Notes and loans                                 | -                   | -                     | 19,996,689  |
| Accrued interest                                | 19,998              | 73                    | 17,590  |
| Land held for resale                            | -                   | -                     | 22,133,962  |
| Restricted assets:                              |                     |                       |   |
| Cash and investments with fiscal agents         | 992,862             | -                     | 14,259,243  |
| Capital assets:                                 |                     |                       |   |
| Capital assets, not being depreciated           | -                   | -                     | 11,896,842  |
| Capital assets, net of accumulated depreciation | -                   | -                     | 4,151,108   |
| <b>Total Assets</b>                             | <b>\$ 4,147,007</b> | <b>353,163</b>        | <b>126,285,487</b>  |
| <b>Liabilities:</b>                             |                     |                       |   |
| Accounts payable                                | \$ -                | -                     | 124,012   |
| Accrued interest                                | -                   | -                     | 2,438,200   |
| Unearned revenues                               | -                   | -                     | 50,000  |
| Deposits payable                                | -                   | -                     | 50,000  |
| Due to bondholders                              | 4,147,007           | -                     | -   |
| Long-term liabilities:                          |                     |                       |   |
| Due in one year                                 | -                   | -                     | 6,960,000   |
| Due in more than one year                       | -                   | -                     | 148,342,074   |
| <b>Total Liabilities</b>                        | <b>\$ 4,147,007</b> | <b>-</b>              | <b>157,964,286</b>  |
| <b>Net Position:</b>                            |                     |                       |   |
| Held in trust for pension                       |                     | 353,163               | -   |
| Held in trust for other purposes                |                     | -                     | (31,678,799)  |
| <b>Total Net Position</b>                       |                     | <b>\$ 353,163</b>     | <b>\$ (31,678,799)</b>  |

CITY OF EMERYVILLE

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 YEAR ENDED JUNE 30, 2014

|  | <u>Pension Trust<br/>Fund</u> | <u>Private-<br/>Purpose Trust<br/>Fund</u>        |
|--|-------------------------------|---|
|  | <u>Pension Trust<br/>Fund</u> | <u>Successor<br/>Agency of the<br/>Former RDA</u> |
| <b>Additions:</b>                                |                               |   |
| Taxes  | \$ -                          | \$ 17,288,367                                     |
| Interest and change in fair value of investments | 2,314                         | 1,533,015   |
| Miscellaneous                                    | -                             | 608,394   |
| <b>Total Additions</b>                           | <u>2,314</u>                  | <u>19,429,776</u>                                 |
| <b>Deductions:</b>                               |                               |   |
| Benefits   | 30,513                        | -   |
| Administrative expenses                          | 1,500                         | 733,766   |
| Contractual services                             | -                             | 678,942   |
| Interest expense                                 | -                             | 7,314,514   |
| Depreciation expense                             | -                             | 135,595   |
| Contributions to other governments               | -                             | 22,268,491  |
| Reimbursement of prior taxes to County           | -                             | 230,311   |
| <b>Total Deductions</b>                          | <u>32,013</u>                 | <u>31,361,619</u>                                 |
| <b>Changes in Net Position</b>                   | <b>(29,699)</b>               | <b>(11,931,843)</b>                               |
| Net Position - Beginning of the Year             | <u>382,862</u>                | <u>(19,746,956)</u>                               |
| <b>Net Position - End of the Year</b>            | <u><b>\$ 353,163</b></u>      | <u><b>\$ (31,678,799)</b></u>                     |

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**CITY OF EMERYVILLE**

**NOTES TO FINANCIAL STATEMENTS  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 1: Organization and Summary of Significant Accounting Policies**

The City of Emeryville, California, was incorporated as a general law city in 1896. The City operates under the Council-Manager form of government and provides the following services: public safety (police and fire); public works; community services such as adult services, child development and youth services; building; planning; economic development; and general administrative services.

The financial statements and accounting policies of the City conform with generally accepted accounting principles applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies are summarized below:

**a. Reporting Entity**

The financial statements of the City of Emeryville (City) include the financial activities of the City, which is the primary government, as well as the Community Development Commission of Emeryville (the Commission), the Emeryville Public Financing Authority (Authority) and the Management of Emeryville Services Authority (MESA). All of these entities are controlled by and are dependent on the City. While these are separate legal entities, City Council serves in separate sessions as their governing body, and their financial activities are integral to those of the City. Their financial activities have been aggregated and merged (termed “blended”) with those of the City in the accompanying financial statements.

The Community Development Commission of Emeryville (Commission) is a separate government entity whose purpose is to prepare and implement plans for improvement, rehabilitation and development of certain areas within the City. The Commission was formed in June 2011, in response to the Governor’s proposed State budget and enabling legislation that calls for the elimination of redevelopment agencies. The City Council and former Redevelopment Agency board established the Commission to continue the City’s economic development and affordable housing initiatives due to the State’s action to dissolve redevelopment agencies, and to safeguard the City’s general operations and bonding procedures that are currently conducted through joint exercise of power agreements between the City and former Redevelopment Agency. The Commission is controlled by the City and has the same governing board as the City, which also performs all accounting and administrative functions for the Commission. The financial activities of the Commission have been included in these financial statements in the Capital Projects Funds.

The Emeryville Public Financing Authority is a separate government entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City and Commission. The Authority has the power to purchase bonds issued by any local agency at public or negotiated sale and may sell such bonds to public or private purchasers at public or negotiated sale. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority are included in these financial statements in the Debt Service Funds.

The Management of Emeryville Services Authority is a separate government entity whose purpose is to provide more efficient and cost-effective services management, administrative, special or general services to the City, Commission and other governmental agencies.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

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**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of MESA are included in the MESA Internal Service Fund.

**b. Basis of Presentation**

The City's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

**Government-Wide Statements:** The Statement of Net Position and the Statement of Activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall City government, except for fiduciary activities. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include: a) charges paid by the recipients of goods or services offered by the programs, b) grants and contributions that are restricted to meeting the operation of a particular program or service, and c) development fees and permits, all of which are capital grants under California law. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**Fund Financial Statements:** The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category governmental, proprietary and fiduciary are presented. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each of which is displayed in a separate column.

All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

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Note 1: Organization and Summary of Significant Accounting Policies (Continued)

c. Major Funds and Fund Types

Major funds are defined by GASB Statement 34 and requires that the City's major governmental and business-type funds be identified and presented separately in the fund financial statements. All other funds, called non-major funds, are combined and reported in a single column, regardless of their fund type.

Major funds are defined as funds that have assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures equal to 10% of their fund-type total and 5% of the grand total. The General Fund is always a major fund.

The City reported the following major governmental funds in the accompanying financial statements:

The **General Fund** is the general operating fund of the City and accounts for all financial resources except those required to be accounted for in another fund. The major revenues to the General Fund are taxes (property, sales, business licenses, utility users and transient occupancy), which comprise approximately 65%-75% of the fund's annual revenue stream. The major expenditure of the General Fund is Public Safety (police and fire), which accounts for more than half of the fund's annual expenditure stream.

The **Housing Assets Fund** is a special revenue fund created by the Redevelopment Dissolution Act (AB 1484) to account for the assets transferred from the Low and Moderate Income Housing Fund (LMIHF) to the City as the Housing Successor. The Fund includes loans and notes receivable, rents and payments on these receivables after February 1, 2012, and amounts due to the LMIHF, including the SERAF loans. All monies in the Housing Assets Fund must be used in accordance with the applicable housing-related provisions of the Community Redevelopment Law.

The **General Capital Improvements Fund** accounts for general capital projects, which include expenditures related to improvements to City Capital Assets. Source of funding comes from revenues transferred from the General Fund and a portion of the residual property taxes.

The **Emeryville Center of Community Life Fund** accounts for capital expenditures related to the development of the Emeryville Center of Community Life.

The **1998 Lease Revenue Series A Bond Fund** accounts for payments of principal and interest on the 1998 Lease Revenue Series A Bonds.

The City reported its enterprise fund as a major fund in the accompanying financial statements:

**Sewer Fund** - This fund accounts for the operation and maintenance of the City sewer system. The fund is supported by sewer service charges billed through water usage bills and connection fees.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

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**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

The City also reports the following fund types:

**Special Revenue Funds** - These funds account for taxes and other revenues, which are set aside for a specific purpose in accordance with law or administrative regulation.

**Capital Projects Funds** - These funds account for financial resources used for the acquisition or construction of major capital facilities.

**Debt Service Funds** - These funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest payments.

**Internal Service Funds** - These funds account for the activities of the MESA, accrued leave, workers' compensation, litigation, dental and unemployment coverage, all of which are provided to other departments on a cost-sharing basis.

**Fiduciary Funds** - These funds account for assets held by the City as an agent or trustee for various assessment districts, retirees, and the City of Emeryville as Successor Agency to the Emeryville Redevelopment Agency.

The **Agency Funds** account for the receipt of special assessments and the payment of principal and interest and bond administration costs on Assessment District Bonds. These funds are treated as Agency Funds because there is no City liability for their repayment.

The **Pension Trust Fund** was established to support the liability for pension stipends for remaining retirees under the City's old Pension Plan.

The **Private-Purpose Trust Fund** was established to account for the assets and liabilities of the Successor Agency of the former redevelopment agency and is allocated revenue to pay estimated payments of the enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

**d. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

For the Sewer Fund, revenues are recognized based on monthly receipts from East Bay Municipal Utility District (the entity that performs the billing service for the City's sanitary sewer charges). Revenues for services provided but not billed at the end of a fiscal period are not material and are not accrued.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end except for sales tax revenue, which is 90 days. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from long-term debt and acquisitions under capital leases are reported as other financing sources.

Those revenues susceptible to accrual include taxes, intergovernmental revenues, interest and charges for services.

The proprietary, pension trust, and private purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilize the accrual basis of accounting for reporting its assets and liabilities.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the City may fund certain programs with a combination of cost-reimbursement grants, categorical block grants and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The City's policy is to first apply restricted grant resources to such programs, followed by general revenues, if necessary.

Certain indirect costs are included in program expenses reported for individual functions and activities.

**e. Assets, Liabilities, Deferred Outflows/Inflows and Net Position or Equity**

**Cash and Investments**

The City pools its available cash for investment purposes. The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in structured notes and asset-backed securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these structured notes and asset-backed securities are subject to market risk as to change in interest rates.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

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**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

For purposes of reporting cash flows, the City considers each fund's share in the cash and investments pool to be cash and cash equivalents including cash and investments with fiscal agents.

Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. The City's policy is to capitalize all assets with costs exceeding certain minimum thresholds and with useful lives exceeding five years.

Depreciation is provided using the straight-line method, which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The City has assigned the useful lives and capitalization thresholds listed below to capital assets:

|  | <u>Years</u> | <u>Thresholds</u> |
|--|--------------|-------------------|
| Park improvements and other improvements       | 20           | \$ 50,000         |
| Building and improvements                      | 25 - 50      | 50,000            |
| Furnishings, vehicles and equipment            | 3 - 20       | 5,000             |
| Marina improvements                            | 5 - 50       | 50,000            |
| Grading, curb, gutter, sidewalks and driveways | 10 - 50      | 50,000            |
| Sewer equipment                                | 5 - 20       | 5,000             |
| Sewer improvements                             | 65           | 50,000            |

Some capital assets may be acquired using federal and state grant funds or they may be contributed by developers or other governments. GASB Statement 34 requires that these contributions be accounted for as revenues at the time the capital assets are contributed.

With the implementation of GASB Statement 34, the City recorded all current year expenditures for its public domain (infrastructure) capital assets, including grading, curb, gutter, sidewalk and driveways approaches, which it maintains. GASB 34 also requires the City to look back 20 years and estimate, depreciate and record prior year infrastructure costs. This retroactive restatement has been completed and the City's capital assets and net position were increased by the undepreciated balance of infrastructure.

Deferred outflows/inflows of resources

In addition to assets, the statements of net position and governmental funds balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statements of net position and governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources,

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: property taxes, grants, and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Prepaid Costs and Land Held for Resale**

Prepaid items are payments to vendors, which reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Land purchased for resale is capitalized as inventory at acquisition costs, plus the cost of environmental remediation clean-up or net realizable value, if lower.

Non-exchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectibles. The noncurrent portion of receivables related to revenue is set up as deferred inflow of resources and recognized as revenue when the receivables become current. The noncurrent portion of loans and other receivables are offset by fund balance reserve accounts.

**Property Taxes**

Since the passage of Proposition 13, beginning with fiscal year 1979, general property taxes paid by property owners are based on a flat 1% rate applied either to the 1975 to 1976 full value of the property or on 1% of the sales price of the property on sales transactions or construction value after the 1975 to 1976 valuation. Taxable values on properties (exclusive of increases related to sales and construction) can rise at a maximum of 2% per year. The levy and lien date on secured property taxes is January 1. Secured property taxes are due to Alameda County from property owners on November 1 and March 1 and become delinquent on December 10 and April 10, respectively, each year.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

The County of Alameda is responsible for assessing, collecting and distributing property taxes in accordance with enabling state law and remitting such amounts to the City.

**Compensated Absences**

City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is paid for accumulated vacation days up to the equivalent of 50 days of vacation or twice the annual rate of accrual. Employees are entitled to compensation for 60% of accumulated sick leave up to 120 days upon termination. The cost of accumulated vacation and sick leave is recorded in the Accrued Benefits Internal Service Fund. Compensated absences are paid, if matured, out of the General Fund and the Child Development Fund.

**Bond Discounts**

Bond discounts of governmental fund types related to long-term debt issues are recorded as debt service expenditures in the year the debt is issued in the fund financial statements.

**Net Position Flow Assumption**

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

**Fund Balance Flow Assumption**

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Net Position and Fund Balances**

**Net Position**

Net position is the excess of all the City's assets over all its liabilities, regardless of fund. Net position is divided into three captions under GASB Statement

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

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**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

No. 34. These captions apply only to net position, which is determined only at the government-wide level, and are described below:

**Net Investment in Capital Assets** describes the portion of net position that is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

**Restricted** describes the portion of net position that is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws or other restrictions, which the City cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, funds restricted to community development projects purposes and funds for use in sewer operations and sewer connection fees.

**Unrestricted** describes the portion of net position that is not restricted as to use.

Fund Balances

In the fund financial statements, City funds report the following fund balance classification in accordance with GASB Statement No. 54:

**Nonspendable** include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**Restricted** include amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws of regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

**Committed** include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest authority, City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution.

Minimum economic uncertainty reserve - the City shall maintain a minimum reserve of at least 15% of General Fund operating budget with a goal of 25%. Appropriations are to be reserved for emergencies and limited to one-time and or short-term (one or two fiscal years) use. Examples of such emergencies include, but are not limited to:

- Unplanned, major event such as a catastrophic disaster requiring expenditures over 5% of the General Fund adopted budget
- Budgeted revenue taken by another government entity
- Drop in projected/actual revenue of more than 5% of the General Fund adopted revenue budget

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 FOR FISCAL YEAR ENDED JUNE 30, 2014

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**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

The balance as of June 30, 2014, is \$5,487,298, or approximately 20% of the General Fund operating expenditures, and is included in the committed fund balance.

**Assigned** include amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City Manager is authorized to assign amounts to a specific purpose, which was established by the governing body in a resolution.

**Unassigned** include the residual amounts that have not been restricted, committed, or assigned to specific purposes. Included in the unassigned balance in the General Fund are the following reserve amounts:

Minimum fund balance reserve – the City shall maintain a minimum fund balance of at least 25% of General Fund operating expenditures. This is considered the minimum level necessary to maintain the City’s credit worthiness and to adequately provide for:

- Economic uncertainties, local disasters and other hardships or downturns in the local economy
- Contingencies for unforeseen operating or capital needs
- Cash flow requirements

The unassigned fund balance as of June 30, 2014, is \$11,977,384, which is in compliance with the 25% minimum of \$6,796,685.

The unassigned fund balance, including the economic uncertainty amount total \$17,464,682, and meet the City’s goal of maintaining fund balance reserves of a minimum of 50% of General Fund operating expenditures, or \$13,593,370, as of June 30, 2014.

An individual governmental fund could include nonspendable resources and amounts that are restricted or unrestricted (committed, assigned, or unassigned) or any combination of those classifications. Restricted or Unrestricted amounts are to be considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and committed, assigned, then unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

**Deficit Fund Balances or Net Position**

The following funds had a deficit at June 30, 2014:

| Fund                               | Amount       |
|------------------------------------|--------------|
| Internal Service Funds:            |              |
| Dental Self-Insurance              | \$ (26,963)  |
| Accrued Benefits                   | (8,316)      |
| Successor Agency of the Former RDA | (31,678,799) |

The City’s general fund will contribute to eliminate the deficit balances in the Internal Service funds.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

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**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

New Accounting Principles Adopted

In March 2012, the GASB issued GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which is intended to clarify the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The City has fully conformed to the requirements of this statement for the fiscal year ending June 30, 2014.

In March 2012, the GASB issued Statement 66, *Technical Corrections – 2012 an amendment of GASB Statements No. 10 and No. 62*, to resolve conflicting accounting and financial reporting guidance that could diminish the consistency of financial reprint. This statement amends Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of a state and local government's risk financing activities to the general fund and the internal service fund type. This statement also amends Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, by modifying the specific guidance on accounting for, operating lease payments that vary from a straight-line basis, the difference between the initial investment and the principal amount of a purchased loan, and servicing fees related to mortgage loans that are sold when the stated service fee rate differs significant from a normal servicing fee rate. The City has fully conformed to the requirements of this statement for the fiscal year ending June 30, 2014.

In June 2012, the GASB issued Statement No. 67, *Financial Reporting for Pension plans – an amendment of GASB Statement No. 25*, to improve the financial reporting requirements by state and local governmental pension plans. This statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and Statement No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria. The City has fully conformed to the requirements of this statement for the fiscal year ending June 30, 2014.

**Note 2: Cash and Investments**

As of June 30, 2014, cash and investments were reported in the accompanying financial statements as follows:

|                                 |                       |
|---------------------------------|-----------------------|
| Governmental activities         |                       |
| Cash and investments            | \$ 104,556,417        |
| Restricted cash and investments | 3,051                 |
| Business-type activities        |                       |
| Cash and investments            | 3,778,548             |
| Fiduciary funds                 |                       |
| Cash and investments            | 57,308,702            |
| Restricted cash and investments | 15,252,105            |
| Total Cash and Investments      | <u>\$ 180,898,823</u> |

**CITY OF EMERYVILLE**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 2: Cash and Investments (Continued)**

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under provisions of bond indentures. Interest income earned on pooled cash and investments is allocated monthly to the various funds based on monthly cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

**Deposits**

At June 30, 2014, the carrying amount of the City's deposits was \$21,374,567 and the bank balance was \$23,640,962. The \$2,266,395 difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure a City's deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an Agent of Depository has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository is considered to be held for, and in the name of, the local governmental agency.

**Investments**

Under provision of the City's investment policy, and in accordance with the California Government Code, the following investments are authorized:

- Securities of the U.S. Government or its agencies
- Certificates of deposit placed with commercial banks and S&L's
- Commercial paper
- Medium term corporate notes
- Passbook savings account demand deposits
- Money market mutual funds
- Government sponsored pools and/or mutual funds

**Investments Authorized by Debt Agreements**

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 2: Cash and Investments (Continued)**

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares.

GASB Statement No. 31

The City adopted GASB Statement No. 31, *Accounting and Financial Reporting for certain investments and for External Investment Pools*, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

Credit Risk

The City's investment policy limits investments in medium-term notes (MTN's) to those rated "AA" or higher by a recognized rating service such as Standard and Poor's (S&P) or by Moody's. As of June 30, 2014, the City's federal agency investments were rated AA+ by S&P; investments in Guaranteed Investment Contracts (GIC) held with Morgan Stanley were rated Aaa by S&P and GIC's held with Westdeutsche Landes Bank were rated A by S&P. As of June 30, 2014, the City's investments in money market mutual funds were rated AA+ by S&P and the City's investments in external investment pools, Local Agency Investment Fund were unrated.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The City's investment policy does not address custodial credit risk. As of June 30, 2014, none of the City's deposits or investments were exposed to custodial credit risk.

Concentration of Credit Risk

The City's investment policy imposes restrictions on the percentage that the City can invest in certain types of investments. As of June 30, 2014, in accordance with GASB Statement No. 40 requirements, the City is exposed to concentration of credit risk whenever they have invested more than 5% of their total investments in any one issuer. As of June 30, 2014, the City has invested \$14,889,500 (9.33%) in Federal Home Loan Bank investments and \$20,913,610 (13.11%) in Federal Farm Credit Bank investments. Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement.

**CITY OF EMERYVILLE**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

**Note 2: Cash and Investments (Continued)**

Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment policy states that maturities cannot exceed five years without City Council approval. Investments with fiscal agents are subject to separate provisions as outlined in the related bond indentures. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2014, the City had the following investments and maturities:

|   | Investment Maturities (in Years) |                     |                      |                   | Fair Value            |
|---|----------------------------------|---------------------|----------------------|-------------------|-----------------------|
|   | 6 months or less                 | 1 to 3 years        | 3 to 5 years         | More than 5 years |                       |
| Federal Agency Securities               | \$ -                             | \$ 3,986,420        | \$ 41,700,650        | \$ -              | \$ 45,687,070         |
| Certificates of Deposit                 | 200,000                          | -                   | -                    | -                 | 200,000               |
| Money Market Mutual Funds               | 22,104,738                       | -                   | -                    | -                 | 22,104,738            |
| California Local Agency Investment Fund | 76,277,728                       | -                   | -                    | -                 | 76,277,728            |
| Cash with Fiscal Agents:                |                                  |                     |                      |                   |                       |
| Money Market Mutual Funds               | 14,259,870                       | -                   | -                    | -                 | 14,259,870            |
| Guaranteed Investment Contracts         | 3,051                            | -                   | -                    | 991,799           | 994,850               |
|   | <u>\$ 112,845,387</u>            | <u>\$ 3,986,420</u> | <u>\$ 41,700,650</u> | <u>\$ 991,799</u> | <u>\$ 159,524,256</u> |

**Note 3: Interfund Transfers**

| Transfers In                | Transfers Out           |                                   |                             |                          | Total               |
|-----------------------------|-------------------------|-----------------------------------|-----------------------------|--------------------------|---------------------|
|                             | Governmental Activities |                                   |                             | Business-Type Activities |                     |
|                             | General Fund            | General Capital Improvements Fund | Nonmajor Governmental Funds | Sewer Fund               |                     |
| Governmental Activities     |                         |                                   |                             |                          |                     |
| General Capital Improvement | \$ 811,500              | \$ -                              | \$ -                        | \$ -                     | \$ 811,500          |
| 1998 Lease Revenue Bonds    | 366,874                 | -                                 | -                           | -                        | 366,874             |
| Nonmajor Governmental Funds | 1,467,550               | -                                 | -                           | -                        | 1,467,550           |
| Internal Service Funds      | 650,000                 | -                                 | -                           | 30,000                   | 680,000             |
| Business-Type Activities    |                         |                                   |                             |                          |                     |
| Sewer                       | -                       | 18,236                            | -                           | -                        | 18,236              |
| Total                       | <u>\$ 3,295,924</u>     | <u>\$ 18,236</u>                  | <u>\$ -</u>                 | <u>\$ 30,000</u>         | <u>\$ 3,344,160</u> |

The General Fund transferred \$811,500 to the General Capital Improvement Fund to fund various capital projects, \$366,874 to the 1998 Lease Revenue Bond Fund to fund a debt service payment, \$1,456,512 to various non-major funds, including \$756,512 to the Child Development relating to various miscellaneous and administrative costs, and \$11,038 to close-out fund balance in two special revenue funds.

**CITY OF EMERYVILLE**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 4: Due from Successor Agency**

The General Capital Improvements Fund transferred \$18,236 to the Sewer Fund to fund a sewer project.

The Internal Service Funds received \$650,000 from the General Fund, and \$30,000 from the Sewer Fund to cover insurance and post-employment costs.

| <u>Due from Successor Agency</u> | <u>Due from<br/>Successor<br/>Agency</u> |
|----------------------------------|--|
| Housing Assets Fund              | \$ 9,033,600                             |
| Other Governmental Funds         | 978,041                                  |
| Total                            | <u>\$ 10,011,641</u>                     |

**“Supplemental” Educational Revenue Augmentation Fund (SERAF)**

On May 4, 2010, the City Council and former Redevelopment Agency passed a resolution approving an advance from the Combined Low and Moderate Income Housing Fund to the 1976 Project Area Capital Project Fund and Shellmound Project Area Capital Projects Fund for \$8,494,300 and \$2,797,700, respectively totaling \$11,292,000 for the purpose of providing funding to pay the County’s “Supplemental” Educational Revenue Augmentation Fund (SERAF) payment for 2010-2011. There is no repayment schedule, however State legislation requires it to be repaid by June 30, 2015, to avoid penalty. There were repayments totaling \$2,258,400 to repay one-fifth of this advance in prior years. The advance was transferred from the former Redevelopment Agency to the Successor Agency as of February 1, 2012, because of the dissolution of redevelopment, and will be repaid in accordance with approved recognized obligation payments schedule (ROPS). The receivable resides in the Housing Assets Fund. The ending balance of the advance as of June 30, 2014, is \$9,033,600.

**Park Avenue Park – CIERRA Loan**

The City Council and the former Redevelopment Agency authorized the execution of a Capital Incentives for Emeryville’s Redevelopment and Remediation (*CIERRA*) loan agreement for the remediation of the two-acre Park Avenue Park pursuant to the Park Avenue District Plan. The remediation was completed in 2008. The loan was for \$2.0 million and has a 5 percent per annum interest rate for five years. There is a balloon payment of \$2.5 million required at the end of the term. The loan can be repaid, penalty-free, at any time. The advance was transferred from the former Redevelopment Agency to the Successor Agency as of February 1, 2012, because of the dissolution, and will be repaid in accordance with approved recognized obligation payments schedule (ROPS). The receivable resides in the Other Grants Fund. The balance at June 30, 2014, is \$766,898.

**Doyle-Hollis Park – CIERRA Loan**

On June 5, 2007, the former Redevelopment Agency approved the plans and specifications for the remediation of the former Dutro property, site of the future Doyle-Hollis Park bounded by Hollis Street, 61st Street, 62nd Street and Doyle Street. To accomplish this, the City Council and the former Redevelopment Agency

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

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**Note 4: Due from Successor Agency (Continued)**

authorized the execution of a Capital Incentives for Emeryville's Redevelopment and Remediation (CIERRA) loan agreement for the remediation of the former Dutro property for \$603,382. The loan bears interest at a rate of 2 percent per annum and was to be repaid in three annual installments of \$209,405 beginning May 2010. The advance was transferred from the former Redevelopment Agency to the Successor Agency as of February 1, 2012, because of the dissolution, and will be repaid in accordance with approved recognized obligation payments schedule (ROPS). The receivable resides in the Other Grants Fund. The balance at June 30, 2014, is \$211,143.

**Note 5: Notes and Loans Receivable**

The City engages in programs designed to encourage construction or improvement in low-to-moderate income housing or other projects. Under these programs, grants or loans are provided under favorable terms to homeowners or developers who agree to spend these funds in accordance with the City's terms. Since the City does not expect to collect these loans in the near term, they have been offset by deferred revenue in the fund financial statements.

At June 30, 2014, the notes and loans receivable totaled:

|                                    |                             |
|------------------------------------|-----------------------------|
| <b>City of Emeryville:</b>         |                             |
| First-Time Homebuyer               | \$ 5,864,260                |
| Ownership Housing Assistance       | 4,223,552                   |
| Rehab Assistance                   | 196,223                     |
| Homeowner's Association Assessment | 102,747                     |
| Home Rehabilitation and Assistance | 280,859                     |
| AIDS Housing Deferred              | 500,675                     |
| Artist's Co-Op                     | 443,016                     |
| Avalon Senior Housing, LP          | 2,636,766                   |
| Remar Lofts                        | 250,000                     |
| Business Development               | 2,250,000                   |
| Gateway Housing Corp               | 35,492                      |
| Cal Home Loans                     | 1,687,225                   |
| Help Housing Loan Program          | 1,324,568                   |
| Marinas International              | 418,111                     |
| Paxio Settlement                   | 103,636                     |
|                                    | <hr/>                       |
| Total                              | <u><u>\$ 20,317,130</u></u> |

**a. First-Time Homebuyer Loans**

The City's First-Time Homebuyer Program offers down payment assistance to low and moderate income first-time homebuyers purchasing a home in the City of Emeryville. The deferred loans bear interest at a rate that is 75% of the interest rate on the first mortgage, or 5%, whichever is less. The deferred loans require no monthly payments, are not due until the property is sold, transferred or rented and are collateralized by second deeds of trust.

The loans are forgiven if the buyer resides in the home for more than 30 years.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

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**Note 5: Notes and Loans Receivable (Continued)**

**b. Ownership Housing Assistance Loans**

The City's Ownership Housing Assistance Program offers down payment assistance to very low and low-income homebuyers purchasing a below-market-rate unit in the City of Emeryville. The deferred loans bear interest at 5%, require no monthly payments, are not due until the property is sold or transferred, are completely forgiven after 30 years, and are collateralized by subordinate deeds of trust.

**c. Rehab Assistance Loans**

The Economic Development and Housing Department administers a Cal Home and housing rehabilitation loan program using Community Development Block Grant funds. Under this program, individuals with income below a certain level are eligible to receive low interest, 15-year loans, secured by deeds of trust, for rehabilitation work on their homes. The loan repayments may be amortized over the life of the loans, deferred or a combination of both.

**d. Homeowner's Association Assessment Loan Program**

In February 2009, the City provided loans to owners of Below Market Rate (BMR) units and market rate units in the Oliver Lofts development. Loans to owners of market rate units are secured by trust deeds bear interest at 3.7% and are fully amortized over 20 years. Loans to BMR unit owners are partially or fully unsecured and may be deferred payment loans to meet debt-to-income ratio requirements. Deferred loans will be reassessed every five years and converted to amortized loans based on owners' ability to make payments. The BMR loans bear interest at 3.7% and are due in 20 years, with the exception that the deferred loans bear interest at a simple interest rate.

Assessment Loans to owners of market rate units in Emery Bay Village are secured by trust deeds bear interest at 3% and are fully amortized over 15 years.

**e. Home Rehabilitation and Assistance Loans**

The City administers a housing rehabilitation loan program using Housing Funds. Under these programs, individuals with incomes below a certain level are eligible to receive low interest 15-30 year loans, secured by deeds of trust, for rehabilitation work on their homes. The loan repayments may be amortized over the life of the loans, deferred or a combination of both.

**f. Bay Bridge Corporation (AIDS Housing) Deferred Loan**

In May 1995, the City loaned \$325,000 to a nonprofit public benefit corporation that used the funds to develop a six-unit rental housing project for low-income persons who are disabled because of being HIV positive or diagnosed with AIDS. The loan is secured by a second deed of trust on the project and bears annual interest rate at 3%. The loan principal and all accrued interest will be due and payable on the earliest of 40 years from the date of the loan, when the property is sold or refinanced or in the event of default on the loan agreement.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 5: Notes and Loans Receivable (Continued)**

**h. Artists Cooperative Loan**

The City has a receivable from the 45<sup>th</sup> Street Artists Cooperative, which is due in annual installments until January 5, 2042. Proceeds from this loan were used to finance the first mortgage on housing units within the Redevelopment Project Area. The loan bears 7% interest until paid in full.

**i. Avalon Senior Housing**

On December 4, 1998, the City loaned the developer of the Avalon Senior Housing Project \$1,800,000 to cover development costs associated with the senior housing space of the project. The interest rate is 3% and secured by a deed of trust on the property. Payments of principal and interest are to be made from residual cash flow as defined in the promissory note with the full amount of outstanding principal and interest due the earliest of 55 years from the date of the note, when the property is sold or refinanced, or in the event of default on the loan agreement.

**j. Remar/Bakery Lofts Loan**

During the fiscal year ended June 30, 2001, the City loaned \$250,000 to a developer to finance the development of eight affordable residential units in a 41-unit project with rental levels for moderate-income households. The loan is secured by a second deed of trust. The loan does not have a due date and is only obligated to be repaid to the City at 8% interest per annum in the event of a violation of the affordability agreement.

**k. Business Development Loans**

The City made loans to local business developers within the 1976 and Shellmound Project Areas. These loans were made for making property improvements to the businesses. The interest rate on these loans is 3%, and they are secured by deeds of trusts or equipment and have monthly payments, including interest, due until 2021.

**l. Gateway Housing Corp Loans**

During the fiscal year ended June 30, 2001, the City loaned \$1,475,000 to developers Gateway Housing Corporation (GHC). GHC made 3% notes to low income buyers as a way of repayment; however, the developer's company dissolved and the remaining expected repayment is \$35,000. The loan balance has a 20-year term and will be forgiven effective December 12, 2020, unless the property is sold prior to that date, at which time repayment is expected.

**m. Cal Home Loans**

The City's Cal Home Program offers down payment assistance to lower-income homebuyers purchasing a home in the City of Emeryville. The deferred loans are provided at a 3% simple interest rate, require no monthly payments, are not due until the property is sold, transferred or rented or 30 years, whichever occurs first. The loans allow interest to be forgiven after 30 years, and are collateralized by subordinate deeds of trust.

**CITY OF EMERYVILLE**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

**Note 5: Notes and Loans Receivable (Continued)**

**n. Help Housing Loan Program**

The City's Help Program offers down payment assistance to lower-income homebuyers purchasing a Below-Market-Rate home in the City of Emeryville. The deferred loans are provided at 3% simple interest rate, require no monthly payments, are not due until the property is sold, transferred or rented or 30 years, whichever occurs first. The loans allow interest to be forgiven after 30 years, and are collateralized by subordinate deeds of trust.

**o. Marinas International**

On December 15, 2009, the City loaned Westrec Marina Management \$502,900 to complete improvements to the fuel dock. Improvements have been completed and the City transferred ownership of the fuel dock in May 2010. Payments of principal and interest are made annually commencing on January 1, 2010, with a balloon payment on October 1, 2023, if the lease is not extended.

**p. Paxio Settlement**

On June 25, 2014, the City and Paxio entered into a settlement agreement, wherein Paxio is obligated to make monthly payments of \$1,862.20 to the City commencing on November 1, 2014.

**Note 6: Capital Assets**

Capital asset activity for the year ending June 30, 2014, is as follows:

|  | Balance at<br>July 1, 2013 | Transfers          | Additions             | Deletions          | Balance at<br>June 30, 2014 |
|--|----------------------------|--------------------|-----------------------|--------------------|-----------------------------|
| <b>Governmental Activities:</b>                            |                            |                    |                       |                    |                             |
| Capital assets not being depreciated:                      |                            |                    |                       |                    |                             |
| Land   | \$ 17,474,596              | \$ -               | \$ -                  | \$ -               | \$ 17,474,596               |
| Construction in progress                                   | 2,661,931                  | (1,517,193)        | 1,918,486             | -                  | 3,063,224                   |
| Total Capital Assets Not Being Depreciated                 | <u>20,136,527</u>          | <u>(1,517,193)</u> | <u>1,918,486</u>      | <u>-</u>           | <u>20,537,820</u>           |
| Capital assets being depreciated:                          |                            |                    |                       |                    |                             |
| Park and other improvements                                | 17,820,045                 | 787,604            | -                     | -                  | 18,607,649                  |
| Buildings and improvements                                 | 39,523,710                 | -                  | -                     | -                  | 39,523,710                  |
| Furnishings, vehicles and equipment                        | 7,879,090                  | -                  | 125,879               | (1,639,651)        | 6,365,318                   |
| Marina improvements  | 8,674,685                  | -                  | -                     | -                  | 8,674,685                   |
| Grading, curbs, gutters, sidewalks and driveway approaches | 33,800,693                 | 729,589            | 26,361                | -                  | 34,556,643                  |
| Total Capital Assets Being Depreciated                     | <u>107,698,223</u>         | <u>1,517,193</u>   | <u>152,240</u>        | <u>(1,639,651)</u> | <u>107,728,005</u>          |
| Less accumulated depreciation for:                         |                            |                    |                       |                    |                             |
| Park and other improvements                                | 5,117,122                  | -                  | 808,662               | -                  | 5,925,784                   |
| Buildings and improvements                                 | 14,705,561                 | -                  | 1,040,887             | -                  | 15,746,448                  |
| Furnishings, vehicles and equipment                        | 5,125,238                  | -                  | 529,823               | (1,589,431)        | 4,065,630                   |
| Marina improvements  | 4,911,456                  | -                  | 561,896               | -                  | 5,473,352                   |
| Grading, curbs, gutters, sidewalks and driveway approaches | 22,799,127                 | -                  | 771,960               | -                  | 23,571,087                  |
| Total Accumulated Depreciation                             | <u>52,658,504</u>          | <u>-</u>           | <u>3,713,228</u>      | <u>(1,589,431)</u> | <u>54,782,301</u>           |
| Net capital assets being depreciated                       | <u>55,039,719</u>          | <u>1,517,193</u>   | <u>(3,560,988)</u>    | <u>(50,220)</u>    | <u>52,945,704</u>           |
| Governmental Activity Capital Assets, Net                  | <u>\$ 75,176,246</u>       | <u>\$ -</u>        | <u>\$ (1,642,502)</u> | <u>\$ (50,220)</u> | <u>\$ 73,483,524</u>        |

**CITY OF EMERYVILLE**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

**Note 6: Capital Assets (Continued)**

Depreciation expense was charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or programs are as follows:

|                             |                            |
|-----------------------------|----------------------------|
| Governmental Activities:    |                            |
| City council                | \$ 9,869                   |
| City manager                | 4,905                      |
| Finance                     | 1,192                      |
| Information technology      | 72,520                     |
| Economic development        | 3,399                      |
| Non-departmental operations | 189,516                    |
| Police                      | 182,745                    |
| Fire                        | 188,987                    |
| Public works                | 2,988,440                  |
| Child development           | 41,436                     |
| Youth services              | 28,550                     |
| Adult services              | <u>1,669</u>               |
| Total Depreciation Expense  | <u><u>\$ 3,713,228</u></u> |

|   | Balance at<br>July 1, 2013 | Transfers          | Additions                  | Deletions          | Balance at<br>June 30, 2014 |
|---|----------------------------|--------------------|----------------------------|--------------------|-----------------------------|
| <b>Business-Type Activities:</b>            |                            |                    |                            |                    |                             |
| Capital Assets, not being depreciated       |                            |                    |                            |                    |                             |
| Construction in progress                    | \$ -                       | \$ (1,200,668)     | \$ 1,200,668               | \$ -               | \$ -                        |
| Total Capital Assets Not Being Depreciated: | <u>-</u>                   | <u>(1,200,668)</u> | <u>1,200,668</u>           | <u>-</u>           | <u>-</u>                    |
| Capital assets being depreciated:           |                            |                    |                            |                    |                             |
| Buildings and improvements                  | 487,482                    | -                  | -                          | -                  | 487,482                     |
| Automobile and equipment                    | 5,396                      | -                  | -                          | -                  | 5,396                       |
| Sewer improvements                          | <u>6,543,287</u>           | <u>1,200,668</u>   | <u>-</u>                   | <u>-</u>           | <u>7,743,955</u>            |
| Total Capital Assets Being Depreciated      | <u>7,036,165</u>           | <u>1,200,668</u>   | <u>-</u>                   | <u>-</u>           | <u>8,236,833</u>            |
| Less accumulated depreciation for:          |                            |                    |                            |                    |                             |
| Buildings and improvements                  | 58,502                     | -                  | 9,746                      | -                  | 68,248                      |
| Automobile and equipment                    | 5,396                      | -                  | -                          | -                  | 5,396                       |
| Sewer improvements                          | <u>1,350,579</u>           | <u>-</u>           | <u>114,427</u>             | <u>-</u>           | <u>1,465,006</u>            |
| Total Accumulated Depreciation              | <u>1,414,477</u>           | <u>-</u>           | <u>124,173</u>             | <u>-</u>           | <u>1,538,650</u>            |
| Net capital assets being depreciated        | <u>5,621,688</u>           | <u>1,200,668</u>   | <u>(124,173)</u>           | <u>-</u>           | <u>6,698,183</u>            |
| Business-Type Activity Capital Assets, Net  | <u><u>\$ 5,621,688</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 1,076,495</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 6,698,183</u></u>  |

Depreciation expense was charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program is as follows:

|                           |                          |
|---------------------------|--------------------------|
| Business-Type Activities: |                          |
| Sewer                     | <u><u>\$ 124,173</u></u> |

**CITY OF EMERYVILLE**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

**Note 7: Long-Term Debt**

The following is a summary of the changes in long-term debt for the fiscal year ended June 30, 2014:

|   | Balance at<br>July 1, 2013 | Additions           | Retirements         | Balance at<br>June 30, 2014 | Current<br>Portion  |
|---|----------------------------|---------------------|---------------------|-----------------------------|---------------------|
| <b>Governmental Activity Long-Term Liabilities:</b>               |                            |                     |                     |                             |                     |
| City Obligations:   |                            |                     |                     |                             |                     |
| Public Financing Authority,<br>Lease Revenue Bonds, 1998 Series A | \$ 4,745,000               | \$ -                | \$ 4,745,000        | \$ -                        | \$ -                |
| Public Financing Authority,<br>Lease Revenue Bonds, 2013 Series A | -                          | 4,390,300           | 235,900             | 4,154,400                   | 241,900             |
| Compensated absences  | 2,764,655                  | 647,295             | 462,473             | 2,949,477                   | 493,390             |
| Claims and judgment   | 1,715,663                  | 185,592             | 479,198             | 1,422,057                   | 351,200             |
| <b>Total City obligations</b>                                     | <b>9,225,318</b>           | <b>5,223,187</b>    | <b>5,922,571</b>    | <b>8,525,934</b>            | <b>1,086,490</b>    |
| <b>Total Governmental Activity<br/>Long-Term Liabilities</b>      | <b>\$ 9,225,318</b>        | <b>\$ 5,223,187</b> | <b>\$ 5,922,571</b> | <b>\$ 8,525,934</b>         | <b>\$ 1,086,490</b> |

**a. Public Financing Authority Lease Revenue Bonds, 1998 and 2013 Series A**

The Emeryville Public Financing Authority (the Authority) issued \$4,390,300 in Lease Revenue Bonds, 2013 Series A, with an effective interest rate of 3.02% annum. The proceeds were used to refund \$4,745,000 of outstanding 1998 Series A Lease Revenue Bonds that had interest rates ranging from 3.8% to 5.0%. The net proceeds of \$4,310,293 (after payment of \$80,007 in issuance cost) were deposited in an irrevocable trust with an escrow agent and immediately used to defease the 1998 Series A Lease Revenue Bonds. As a result, the 1998 Series A Lease Revenue Bonds are considered defeased and the liability for these bonds has been removed from the statement of net position.

The Authority refunded the 1998 bonds to reduce its total debt service payments over 14 years by \$1,243,954 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$370,599.

The Emeryville Public Financing Authority Lease Revenue Bonds, 1998 Series A, were issued in the principal amount of \$7,000,000 to finance the cost of acquisition of certain property and the rehabilitation, construction, installation and equipping of certain facilities that comprise the City's Civic Center located at 1333 Park Avenue.

**CITY OF EMERYVILLE**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 7: Long-Term Debt (Continued)**

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2014, including interest, are as follows:

|           | Lease Revenue Bonds, 2013<br>Series A |                     |
|-----------|---------------------------------------|---------------------|
|           | Principal                             | Interest            |
| 2014-2015 | \$ 241,900                            | \$ 125,463          |
| 2015-2016 | 252,700                               | 118,158             |
| 2016-2017 | 258,100                               | 110,526             |
| 2017-2018 | 263,200                               | 102,731             |
| 2018-2019 | 272,900                               | 94,783              |
| 2020-2024 | 1,498,300                             | 344,933             |
| 2025-2028 | 1,367,300                             | 104,802             |
| Totals    | <u>\$ 4,154,400</u>                   | <u>\$ 1,001,396</u> |

**Note 8: Debt Without City Commitment**

**a. Public Financing Authority 1999 Revenue Bonds Without City Commitment**

On July 21, 1999, the Public Financing Authority issued \$14,420,000 1999 Revenue Bonds to refinance three previously issued bonds: The West Emeryville Assessment District Improvement Bonds, the Bay Street-Shellmound Street Extension Assessment District Limited Obligation Bonds, and the East Bay Bridge Assessment District Limited Obligation Improvement Bonds, No. 1993-1. In addition, proceeds of the 1999 Revenue Bonds have been used to finance acquisition and construction of certain capital improvements in the City. The City is in no way liable for repayment of the bonds, but acts as agent for the property owners in collecting the assessments, forwarding the collections to bondholders, and initiating foreclosure proceedings, if appropriate.

**Note 9: Retirement Benefits**

**a. CalPERS**

Substantially all full-time City employees are eligible to participate in pension plans offered by California Public Employees' Retirement System (CalPERS). CalPERS acts as a common investment and administrative agent for its participating member employers. CalPERS provide retirement and disability benefits, annual cost of living adjustments and death benefits to plan members who must be public employees and beneficiaries. Benefit provisions are established by state statute and City resolution. Benefits are based on years of credited service, equal to one year of full-time employment. Funding contributions are determined annually on an actuarial basis as of June 30 by CalPERS; the City must contribute these amounts.

The City's labor contracts for miscellaneous and certain public safety employees require the City to pay employee contributions as well as its own.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR FISCAL YEAR ENDED JUNE 30, 2014**


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**Note 9: Retirement Benefits (Continued)**

CalPERS determines contribution requirements using a modification of the Entry Age Normal Method. Under this method, the City's total normal benefit cost for each employee from date of hire to date of retirement is expressed as a level percentage of the related total payroll cost. Normal benefit cost under this method is the level amount the City must pay annually to fund an employee's projected retirement benefit. This level percentage of payroll method is used to amortize any unfunded actuarial liabilities. The actuarial assumptions used to compute contribution requirements are also used to compute the actuarial accrued liability. The City uses the actuarially determined percentages of payroll to calculate and pay contributions to CalPERS. The City does not have a net pension obligation since it pays these actuarially required contributions monthly. Audited annual financial statements are available from CalPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

**Miscellaneous Employees Plan**

## Plan Description

The City's Miscellaneous Plan of the Management of Emeryville Services Authority is an agent multiple-employer defined benefit pension plan administered by CalPERS. Cost-of-Living adjustments are provided beginning the second calendar year after the year of retirement at 1.5%.

## Funding Policy

The Plans' provisions and benefits in effect at June 30, 2014, are summarized as follows:

|   |                  |
|---|------------------|
| Benefit vesting schedule                  | 5 years service  |
| Benefit payments                          | monthly for life |
| Retirement age                            | 50               |
| Monthly benefits, as a % of annual salary | 1.012% - 2.418%  |
| Required employee contribution rates      | 7%               |
| Required employer contribution rates      | 7.307%           |

Each employee contributes toward his or her retirement based upon the specific retirement and benefit formula. The City is required to contribute to an actuarially determined rate; the current rate is 7.307% of covered payroll.

The City's annual miscellaneous pension cost and change in net pension asset for fiscal year ending June 30, 2014, were as follows:

|  |    |                |
|--|----|----------------|
| Annual required contribution               | \$ | 609,480        |
| Interest on net pension asset              |    | (26,453)       |
| Adjustment to annual required contribution |    | 23,036         |
| Annual pension cost (expense)              |    | 606,063        |
| Contributions made                         |    | 609,480        |
| (Increase)/decrease in net pension asset   |    | (3,417)        |
| Net pension asset - beginning of year      |    | 352,712        |
| Net pension asset - end of year            | \$ | <u>356,129</u> |

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

**Note 9: Retirement Benefits (Continued)**

The required contribution was determined as part of the June 30, 2011, actuarial valuation using the entry age normal actuarial cost method.

| Three Year Trend Information For PERS |                           |                               |                   |
|---------------------------------------|---------------------------|-------------------------------|-------------------|
| Fiscal Year                           | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Asset |
| 6/30/2012                             | \$ 1,679,114              | 70%                           | \$ 493,545        |
| 6/30/2013                             | 798,357                   | 82%                           | 352,712           |
| 6/30/2014                             | 606,063                   | 101%                          | 356,129           |

A summary of principal assumptions and methods used to determine the annual required contribution (ARC) is shown below.

|                              |  |
|------------------------------|--|
| Valuation Date               | June 30, 2011  |
| Actuarial Cost Method        | Entry Age Actuarial Cost Method  |
| Amortization Method          | Level Percent of Payroll   |
| Average Remaining Period     | 20 Years as of the Valuation Date  |
| Asset Valuation Method       | 15 Year Smoothed Market  |
| <b>Actuarial Assumptions</b> |  |
| Investment Rate of Return    | 7.50% (net of administrative expenses)   |
| Projected Salary Increases   | 3.30% to 14.20% depending on Age, Service, and type of employment  |
| Inflation                    | 2.75%  |
| Payroll Growth               | 3.00%  |
| Individual Salary Growth     | A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%. |

Initial plan unfunded liabilities are amortized over a closed period that depends on the plan's date of entry into CalPERS. Subsequent plan amendments are amortized as a level percentage of pay over a closed 20-year period. Gains and losses that occur in the operation of the plan are amortized over a 30-year rolling period, which results in an amortization of about 6% of unamortized gains and losses each year. If the plan's accrued liability exceeds the actuarial value of plan assets, then the amortization payment on the total unfunded liability may not be lower than the payment calculated over a 30-year amortization period.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

**Note 9: Retirement Benefits (Continued)**

The latest information available for the plans' actuarial value (which differs from fair value) and funding progress over the past three years are set forth below at their actuarial valuation date of June 30.

Schedule of Funding Progress for PERS  
Miscellaneous Plan (Management of Emeryville Services Authority)  
Most Recent Available

| Valuation Date | Accrued Liability | Market Value of Assets | Unfunded Liability | Funded Ratio (MVA) | Annual Covered Payroll | Unfunded Liability as % of Payroll |
|----------------|-------------------|------------------------|--------------------|--------------------|------------------------|------------------------------------|
| 6/30/2011      | \$ 39,674,640     | \$ 33,593,960          | \$ 6,080,680       | 84.7%              | \$ 7,057,827           | 86.2%                              |
| 6/30/2012      | 41,592,799        | 34,139,799             | 7,453,000          | 82.1%              | 6,745,147              | 110.5%                             |
| 6/30/2013      | 43,627,061        | 37,840,360             | 5,786,701          | 86.7%              | 5,701,325              | 101.5%                             |

Plan Changes

On January 1, 2013, the Public Employees' Pension Reform Act of 2013 (PEPRA) took effect.

The impact of most of the PEPRA changes will first show up in the rates and the benefit provision listings of the June 30, 2013, valuation, which sets the contribution rates for the 2015-16 fiscal year. For more detailed information on changes due to PEPRA, please refer to the CalPERS website.

On April 17, 2013, the CalPERS Board of Administration approved a recommendation to change the CalPERS amortization and rate smoothing policies. Beginning with the June 30, 2013 valuation that set the 2015-16 rates, CalPERS will employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period.

A review of the preferred asset allocation mix for CalPERS investment portfolio was performed in late 2013. A change in the preferred asset allocation mix could potentially influence future discount rates. In addition, CalPERS will review economic and demographic assumptions, including mortality rate improvements that are likely to increase employer contribution rates in future years.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 9: Retirement Benefits (Continued)**

**Safety Employees Plan**

Plan Description

The City of Emeryville contributes to CalPERS, a cost-sharing multiple-employer public employee defined benefit pension plan for safety employees.

Funding Policy

The Plans' provisions and benefits in effect at June 30, 2014, are summarized as follows:

|   | Fire             | Police           |
|---|------------------|------------------|
| Benefit vesting schedule                  | 5 years service  | 5 years service  |
| Benefit payments                          | monthly for life | monthly for life |
| Retirement age                            | 50               | 50               |
| Monthly benefits, as a % of annual salary | 2.400% - 3.000%  | 2.400% - 3.000%  |
| Required employee contribution rates      | 12%              | 9%               |
| Required employer contribution rates      | 27.877%          | 23.397%          |

For fiscal year 2013-14, the City of Emeryville participated in CalPERS risk pooling. Risk pooling consists of combining assets and liabilities across employers to produce large groups where the impact of a catastrophic demographic event is shared among all employers of the same risk pool. Participation in risk pools is mandatory for all rate plans with less than 100 active members. Mandated participation in risk pools was initially based on the active membership of each rate plan as of June 30, 2003. The implementation of risk pools was done in a way that minimizes the impact on employer contribution rates. The first year in risk pools, the employer contribution rates are almost identical to what the rates would have been outside pools. Future rates will be based on the experience of each pool. Pooling is designed to reduce the volatility of future employer rates. Mandated participation will occur on an annual basis. If on any valuation date starting with the June 30, 2003, valuation, a rate plan has less than 100 active members, it will be mandated in one of the risk pools effective on that valuation date. It is not required to disclose the market value of net position for safety employees. The contribution requirement of plan member and the City are established and may be amended by CalPERS.

Upon transfer to the risk pool, CalPERS created a side fund obligation for the Plan. The City has contributed to CalPERS to pay off the side fund for past service cost. This amount was amortized as a level percentage of payroll over various time periods.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

**Note 9: Retirement Benefits (Continued)**

The current balance of the safety side fund is zero. The contributions made to pay off the side fund are as follows:

|                       |    |                  |
|-----------------------|----|------------------|
| Fiscal Year 2007-2008 | \$ | 2,434,121        |
| Fiscal Year 2008-2009 |    | 2,028,515        |
| Fiscal Year 2010-2011 |    | 1,614,004        |
| Fiscal Year 2011-2012 |    | 1,655,861        |
| Fiscal Year 2012-2013 |    | 927,554          |
| Fiscal Year 2013-2014 |    | -                |
| Total                 | \$ | <u>8,660,055</u> |

**Required Contribution**

For the year ended June 30, 2014, the City's contribution of \$1,941,276 for safety employees was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses) and (b) projected annual salary increases that range from 3.30% to 14.20% depending on age, service, and type of employment. Both (a) and (b) include an inflation component of 2.75%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a fifteen-year period. PERS unfunded actuarial accrued liability (or surplus) is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2011, was 20 years for police and 21 years for fire.

Three Year Trend Information For PERS - Safety Plans

| <u>Fiscal Year</u> | <u>Required Contribution</u> | <u>Percentage Contributed</u> |
|--------------------|------------------------------|-------------------------------|
| 6/30/2012          | \$ 2,748,219                 | 100%                          |
| 6/30/2013          | 1,814,667                    | 100%                          |
| 6/30/2014          | 1,941,276                    | 100%                          |

Effective July 1, 2012, the City's fire safety plan became inactive due to the transfer of all active employees to the Alameda County Fire Department.

**b. City of Emeryville Pension Plan**

**Plan Description**

The City of Emeryville Pension Plan is a closed single-employer defined benefit pension plan that provides benefits to two participants. The plan is closed and no new members may participate. Benefits are paid monthly and increase 2% annually as required by the City.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

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Note 9: Retirement Benefits (Continued)

**Summary of Significant Accounting Policies**

Method used to value investments

The City of Emeryville Pension Plan (the Plan) investments are reported at fair market value. Securities that are traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Investment Policy

The Plan's policy in regard to the allocation and types of invested assets is established and may be amended by the City of Emeryville's City Council. It is the policy of City Council to pursue an investment strategy that reduces risk. As of June 30, 2014, City Council has approved to have 100% of the Plan's assets allocated to cash and cash equivalents, such as the California Local Agency Investment Fund (LAIF).

Rate of Return

For the year ended June 30, 2014, the annual money-weighted rate of return on plan investments, net of plan investment expense, was 0.13%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net Pension Liability**

The Plan's annual required contribution is based on an actuarially determined amount that is estimated to finance costs of benefits earned by plan members during the year; with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2014, the Plan's actuarially determined annual required contribution was \$35,300, in which the Employer paid \$30,513.

The components of the net pension liability of the Plan at June 30, 2014, were as follows:

|  |                     |
|--|---------------------|
| Total pension liability  | \$ 185,940          |
| Plan fiduciary net pension   | <u>353,163</u>      |
| Net pension liability  | <u>\$ (167,223)</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 189.93%             |

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 9: Retirement Benefits (Continued)**

**Actuarial Assumptions**

|                  |   |
|------------------|---|
| Valuation Date   | June 30, 2014                           |
| Discount Rate    | 4.00%                                   |
| Salary Increases | N/A, cost of living adjustment at 2.00% |

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

Discount Rate

The discount rate used to measure the total pension liability was 4.00%. The projection of cash flows used to determine the discount rate assumed that Employer contributions would be equal to the actuarially determined contribution amount. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of plan members. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the Plan, calculated using the discount rate of 4.00%, as well as what the Employer's net pension liability would be if it were calculated using a discount rate that is 1% lower (3.00%) or 1% higher (5.00%) than the current rate:

|                       | <b>1% Lower<br/>(3.00%)</b> | <b>Current<br/>Discount Rate<br/>(4.00%)</b> | <b>1% Higher<br/>(5.00%)</b> |
|-----------------------|-----------------------------|--|------------------------------|
| Net pension liability | \$ 194,819                  | \$ 185,940                                   | \$ 177,821                   |

**Note 10: Post-Employment Benefits Other Than Pensions**

Plan Description

The City has established a qualified OPEB trust with the California Government Voluntary Employee Beneficiary Association (VEBA) to perform post retirement medical reimbursement.

**CITY OF EMERYVILLE**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

**Note 10: Post-Employment Benefits Other Than Pensions (Continued)**

Funding Policy

Currently, the City funds retiree healthcare benefits on a pay-as-you-go basis and sets aside additional amounts in the trust as they become available. For the fiscal year ending June 30, 2014, the City contributed \$208,631, for benefits for retired employees and an additional contribution to fund the unfunded liability.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefits (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), 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 amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB asset:

|                                       |                              |
|---------------------------------------|------------------------------|
| Annual required contribution (ARC)    | \$ 431,170                   |
| Interest on net pension asset         | (84,828)                     |
| Adjustment to ARC                     | <u>84,318</u>                |
| Annual OPEB cost                      | 430,660                      |
| Contribution made                     | <u>208,631</u>               |
| (Increase)/decrease in net OPEB asset | 222,029                      |
| Net OPEB asset - July 1, 2013         | <u>(1,696,566)</u>           |
| Net OPEB asset - June 30, 2014        | <u><u>\$ (1,474,537)</u></u> |

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset as of June 30, 2014, fiscal year and the two preceding years were as follows:

| Fiscal Year<br>Ended | Annual<br>OPEB Cost | Percentage of<br>Annual OPEB<br>Cost Contributed | Net OPEB<br>Asset |
|----------------------|---------------------|--|-------------------|
| 06/30/12             | \$ 428,034          | 288.44%  | \$ (1,357,540)    |
| 06/30/13             | 428,721             | 179.10%  | (1,696,566)       |
| 06/30/14             | 430,660             | 48.44%   | (1,474,537)       |

Funded Status and Funding Progress

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

**Note 10: Post-Employment Benefits Other Than Pensions (Continued)**

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 with past expectations and new estimates are made about the future. The schedule of funding progress below presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Actuarial valuations are performed every three years. The information presented below is based on the most recent information available.

Schedule of Funding Progress for OPEB\*  
(Amount in Thousands)

| Actuarial Valuation Date | Actuarial Valuation of Assets | Actuarial Liability (AAL) Entry Age | Unfunded AAL (UAAL) | Funded Ratio | Covered Payroll | UAAL as a % of Covered Payroll |
|--------------------------|-------------------------------|-------------------------------------|---------------------|--------------|-----------------|--------------------------------|
| 3/1/2008                 | \$ -                          | \$ 6,520                            | \$ 6,154            | 5.6%         | \$ 13,850       | 44.4%                          |
| 6/30/2011                | 1,651                         | 7,041                               | 5,390               | 23.4%        | 14,766          | 36.5%                          |

\*Based on the most recent actuarial valuation available.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The actuarial valuation dated June 30, 2011, used the Entry Age Normal actuarial cost method, an annual inflation rate of 3% and a discount rate of 5% that is the long-term expected rate of return on plan assets or the City's investment fund. The healthcare cost trend rate used was 4%. The unfunded accrued actuarial liability (UAAL) is being amortized as a level dollar on a closed basis over a 30-year period as a level percentage of payroll beginning with the 2009-2010 fiscal year.

Under the memorandum of understanding of the Emeryville Police Officer Association, the International Association of Fire Fighters, Local 55, the Service Employee International Union and the Management of Emeryville Services Authority, the City provides post retirement health care benefits to eligible employees. The City pays 100% of benefit up to a cap depending on the retiree's bargaining unit. Currently, 90 retirees are receiving medical benefits and 141 employees are covered by the plan.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 11: Deferred Compensation Plan**

City employees may defer a portion of their compensation under a City sponsored Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457 and 401(a). Under these plans, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, death or in certain hardships as defined by the plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the City's property and are not subject to City control, they have been excluded from these financial statements.

**Note 12: Risk Management**

The City manages risk by participating in the public entity risk pools described below and by retaining certain risks.

Public entity risk pools are formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these entities exercise full powers and authorities within the scope of the related Joint Powers Agreements, including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued.

Each joint venture is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective joint venture, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that board. Obligations and liabilities of these joint ventures are not the City's responsibility.

**a. Self-Insurance**

The City is self-insured for workers' compensation claims up to \$350,000 per occurrence. The operating funds are charged premiums by the City Workers' Compensation Self-Insurance Fund, which is accounted for as an internal service fund. The accrued liability for estimated claims represents an estimate of ultimate loss on claims, including an estimate of incurred but not reported losses.

The City is also self-insured for general liability claims up to \$10,000. Outstanding claims are evaluated by the City Attorney for exposure and any anticipated liability is recorded in the Litigation Fund, which is accounted for as an internal service fund.

The City is self-insured for dental claims up to \$1,500 per covered person per year, which is the benefit limit. The operating funds are charged premiums by the Dental Internal Service Fund.

The City is self-insured for unemployment claims. The operating funds are charged premiums by the City Unemployment Fund, which is accounted for as an internal service fund.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 12: Risk Management (Continued)**

**b. Risk Pools**

Bay Cities Joint Powers Insurance Authority (BCJPIA) covers general liability claims in an amount up to \$1,000,000. The City has a deductible or uninsured liability of up to \$10,000 per claim. Once the City's deductible is met, BCJPIA becomes responsible for payment of all claims up to the \$1,000,000 limit. In addition, the City has excess coverage with California Affiliated Risk Management Authorities (CARMA) for claims from \$1,000,000 to \$25,000,000.

Effective July 1, 2002, the City participates in the BCJPIA Workers' Compensation Group. BCJPIA covers workers' compensation claims in excess of \$350,000 up to \$1,000,000 (the City has a deductible or uninsured liability of up to \$350,000 per claim). BCJPIA Workers' Compensation Group participates in the Local Agency Workers' Compensation Excess Insurance Joint Powers Authority (LAWCX). LAWCX covers workers' compensation claims from \$1,000,000 to the statutory limit.

The City also participates in the BCJPIA employment practices liability coverage through the Employment Risk Management Authority (ERMA). ERMA provides coverage up to \$1 million per occurrence for claims in excess of the City's deductible of \$50,000.

The City's contributions with each risk pool is based upon its experience plus a ratio of the City's payroll and other related factors to the total payrolls and other related factors of all entities participating in the same layer of each program, in each program year. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

Financial statements for BCJPIA and LAWCX may be obtained from Bickmore & Associates, 1750 Creekside Oaks Drive, Suite 200, Sacramento, California 95833.

**c. Liability for Uninsured Claims**

The City provides for the uninsured portion of claims and judgments in the Workers' Compensation Self-Insurance and Litigation Internal Service Funds. Claims and judgments, including a provision for claims incurred but not reported, are recorded when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable. As discussed above, the City has coverage for such claims, but it has retained the risk for the deductible or uninsured portion of these claims. Settlements have not exceeded coverage for each of the past three fiscal years.

**CITY OF EMERYVILLE**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

**Note 12: Risk Management (Continued)**

The City's liability for uninsured claims is limited to workers' compensation and general liability claims, as discussed above, and was estimated by management based on prior years' claims experience as of June 30, 2014, and 2013:

|  | 2014                               |                                |                     | 2013                |
|--|------------------------------------|--------------------------------|---------------------|---------------------|
|  | Workers'<br>Compensation<br>Claims | General<br>Liability<br>Claims | Total               |                     |
| Beginning balance  | \$ 1,492,564                       | \$ 223,099                     | \$ 1,715,663        | \$ 1,399,532        |
| Liability for current fiscal year claims and claims incurred but not reported (IBNR) | 105,589                            | 80,003                         | 185,592             | 1,254,785           |
| Claims paid  | (290,427)                          | (188,771)                      | (479,198)           | (938,654)           |
| Ending balance   | <u>\$ 1,307,726</u>                | <u>\$ 114,331</u>              | <u>\$ 1,422,057</u> | <u>\$ 1,715,663</u> |

**d. Environmental Insurance**

The City has a pollution legal liability insurance, which covers third-party claims and additional cleanup costs related to Site B (parcels north of Bay Street) for up to \$10,000,000. The City has a deductible or uninsured liability of \$100,000 per claim. During fiscal year 2008-2009, the City paid a one-time premium of \$181,857 for this policy that covers a ten-year period from November 3, 2008 to November 3, 2018.

**Note 13: Contingent Liabilities**

**a. General**

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney, there is pending litigations that are reasonably possible to have a material adverse effect on the financial position of the City.

The City participates in several federal and state grant programs. These programs have been audited by the City's independent accountants in accordance with the provisions of the federal Single Audit Act Amendments of 1986 and applicable state requirements. No cost disallowances were proposed as a result of these audits; however, these programs are still subject to further examination by the grantors, and the amount, if any, of expenditures, which may be disallowed by the granting agencies, cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

**b. Lease Agreement with the Emery Unified School District and Reimbursement Agreement with the City of Emeryville**

On October 15, 2002, the City and the Emery Unified School District signed a lease agreement to lease and improve recreational facilities at Emery High School from the District for a period of 40 years for rent payments totaling \$1,500,000 and estimated improvement costs of \$250,000. Through this Lease Agreement, the City will eliminate blighting influences in both the Emeryville and Shellmound Park Redevelopment Areas by improving inadequate public facilities in order to benefit the public.

**CITY OF EMERYVILLE**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 13: Contingent Liabilities (Continued)**

As a result, a Reimbursement Agreement between the City and the former Redevelopment Agency was also signed to reimburse the City for all payments disbursed to the District during the fiscal year. In May 2011, the lease agreement was amended to extend the lease to 99 years in exchange for additional payments to the District of \$2.25 million. One million of this commitment was paid during fiscal year 2010-11; the remainder will be due when construction begins on the Emeryville Center of Community Life.

**Note 14: Construction Commitments**

The following material construction commitments existed at June 30, 2014:

| Project Name   | Contract Amount | Expenditures to date as of June 30, 2014 | Remaining Commitments |
|--|-----------------|--|-----------------------|
| Slurry Seal Program  | \$ 334,395      | \$ 329,872                               | \$ 4,523              |
| Street Reconstruction  | 595,559         | 567,773                                  | 27,786                |
| Sanitary Sewer Rehabilitation                                  | 1,283,450       | 1,231,390                                | 52,060                |
| Powell Street Sidewalk   | 483,877         | 438,096                                  | 45,781                |
| Corp Yard Tenant Improvement and<br>Emergency Operation Center | 470,000         | 140,195                                  | 329,805               |
| Facilities Maintenance - Temescal<br>Creek Park Renovation     | 635,891         | 603,975                                  | 31,916                |

**Note 15: Successor Agency Trust For Assets of Former Redevelopment Agency**

As of January 31, 2012, the Emeryville Redevelopment Agency has been dissolved and the City of Emeryville as the Successor Agency is responsible for winding down the remaining activities of the dissolved Redevelopment Agency.

The City of Emeryville as Successor Agency to the former Emeryville Redevelopment Agency was created January 17, 2012, as outlined in Assembly Bill 1X 26 (the Bill) which provides the requirements for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Emeryville that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments.

Subject to the control of an oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 15: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

**a. Cash and investments**

Cash and investments reported in the accompanying financial statements consisted of the following:

|   |                             |
|---|-----------------------------|
| Cash and investments pooled with the City | \$ 53,829,180               |
| Cash and investments with fiscal agent    | <u>14,259,243</u>           |
|   | <u><u>\$ 68,088,423</u></u> |

**b. Loans Receivable**

The former Redevelopment Agency had engaged in programs designed to encourage construction or improvement in low-to-moderate income housing or other projects. Under these programs, grants or loans are provided under favorable terms to homeowners or developers who agree to spend these funds in accordance with the former Redevelopment Agency's terms. Since the Successor Agency did not expect to collect these loans in the near term, they have been offset by deferred inflow of resources in the fund financial statements.

At June 30, 2014, the notes and loans receivable totaled:

|                                     |                             |
|-------------------------------------|-----------------------------|
| <b>Successor Agency</b>             |                             |
| Homeowner's Association Assessment  | \$ 49,814                   |
| Bayfront Industrial Center          | 129,642                     |
| Business Development                | 110,349                     |
| Emeryville Town Center (Bay Street) | 15,844,000                  |
| Emery Unified School District       | 2,826,994                   |
| Avalon Commercial LLC               | <u>1,035,890</u>            |
| Total                               | <u><u>\$ 19,996,689</u></u> |

**1. Homeowner's Association Assessment Loan Program**

In February 2009, the former Redevelopment Agency provided loans to owners of Below Market Rate (BMR) units and market rate units in the Oliver Lofts development. Loans to owners of market rate units are secured by trust deeds bear interest at 3.7% and are fully amortized over 20 years. Loans to BMR unit owners are partially or fully unsecured and may be deferred payment loans to meet debt-to-income ratio requirements. Deferred loans will be reassessed every five years and converted to amortized loans based on owners' ability to make payments. The BMR loans bear interest at 3.7% and are due in 20 years, with the exception that the deferred loans bear interest at a simple interest rate.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 15: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

**2. Bayfront Industrial Center Loan**

The former Redevelopment Agency has a receivable from a developer who used proceeds of the loan to construct a parking lot. The loan is secured by a second deed of trust on the project, bears interest at 6.8% and has monthly payments, including interest, of \$1,909 due until August 1, 2021.

**3. Business Development Loans**

The former Redevelopment Agency made loans to local business developers within the 1976 and Shellmound Project Areas. These loans were made for the purpose of making property improvements to the businesses. The interest rate on these loans is 3.0%, and they are secured by deeds of trusts or equipment and have monthly payments, including interest, due until 2014.

**4. Emeryville Bay Street Promissory Note**

The former Redevelopment Agency assembled a 20-acre site in the Bay Street area, demolished existing improvements and cleaned toxic contaminants. An agreement with Madison-Marquette (Bay Street Partners, LLC), the developer, provided for the redevelopment of the property as a mixed-use project consisting of 400,000 square feet of retail space, 350 residential units and a 250-room hotel.

As part of this agreement, during fiscal year ended June 30, 2001, the former Redevelopment Agency sold the property for \$25,500,000. The developer paid \$1,800,000 to the former Redevelopment Agency and executed a promissory note to the former Redevelopment Agency in the amount of \$23,700,000 secured by an option agreement under which the former Redevelopment Agency may purchase the retail parking parcel and structure from the developer for \$1. A \$3,300,000 receivable was due the earlier of December 31, 2002, or upon the issuance of a certificate of occupancy for the first tenant. The remaining principal and interest are due annually commencing the tenth year of the Bay Street operations with the final payment due in the 25th year of operation. In fiscal year 2003, \$3,300,000 was received and in fiscal year 2011, \$1,056,000 was forgiven in lieu of the developer paying for remediation costs on the property.

**5. Emery Unified School District**

On March 25, 2008, the former Redevelopment Agency made a facilities loan of \$2,836,648 to the Emery Unified School District (EUSD). The facilities loan will be used by EUSD to provide supplemental funding of project costs for a two story modular classroom for Anna Yates Elementary School and the replacement of the playing field and the renovation of the Industrial Arts building at Emery Secondary School. The loan has an interest rate of 4.577333% and is amortized over 16 years with repayment made semi-annually effective December 31, 2008, from EUSD's share of AB 1290 pass through payments that would otherwise be available for educational facilities.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 15: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

**6. Avalon Commercial LLC**

On December 4, 1998, the former Redevelopment Agency loaned the developer of the Avalon Commercial Project \$475,000 to cover development costs associated with the commercial space of the project. An additional loan of \$55,000 was made on May 25, 2005 to cover development cost overruns. The interest rates are 7% and 3% respectively, secured by a deed of trust on the property. Payments of principal and interest are to be made from residual cash flow as defined in the promissory note with the full amount of outstanding principal and interest due the earliest of 55 years from the date of the note, when the property is sold or refinanced, or in the event of default on the loan agreement.

**c. Development Agreements**

The former Redevelopment Agency had entered into a variety of development agreements with third parties to provide needed improvements and projects. Activities under agreements that are completed or for which there are continuing commitments are disclosed below. The Agency had other agreements that entitled it to collect certain loans or notes receivables, which are disclosed above. These agreements were transferred to the Successor Agency upon dissolution of the former redevelopment agency.

**1. Development of Emeryville Amtrak Station**

In March of 1993, the former Redevelopment Agency entered into a Participation Agreement with Wareham Development Corporation to develop the Emeryville Amtrak Station. Under the terms of the Participation Agreement, the former Redevelopment Agency developed the station public improvements including tracks, platforms, parking, landscaping and street improvements. Wareham developed the station building, which the Former Redevelopment Agency lease from Wareham and subleases to Amtrak for a period of 25 years, after which time ownership of the station goes to Amtrak.

The former Redevelopment Agency paid monthly lease payments of \$13,745.17 from April 1, 1994 through May 1, 2011. As of June 1, 2011, no rent is due for the remainder of the term of the lease ending March 1, 2019. Under the lease terms, the former Redevelopment Agency is also responsible for property taxes in excess of \$15,000 per year through March 1, 2019. Under the terms of the Former Agency's sublease of the Amtrak Station to the National Railroad Passenger Cooperation (Amtrak), the former Redevelopment Agency will receive payments as follows:

| <u>Year Ending June 30,</u> | <u>Amount</u>     |
|-----------------------------|-------------------|
| 2014                        | \$ 90,000         |
| 2015                        | 90,000            |
| 2016                        | 90,000            |
| 2017                        | 180,000           |
| Total                       | <u>\$ 450,000</u> |

**Note 15: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

**2. Novartis Corporation Project**

The former Redevelopment Agency had a Development Agreement with Novartis Corporation under which the former Redevelopment Agency was to reimburse the Corporation for extraordinary costs incurred in remediating and improving property to be used as a site for expansion of its Biotech Research facilities. The Corporation constructed the first building of the project and was entitled to receive 40% of future tax increment revenue generated by the project until fiscal 2026-2027 subject to certain limitations defined in the Agreement. Because Novartis did not comply with the limitations defined in the Agreement, the former Redevelopment Agency's obligation to reimburse Novartis their extraordinary costs terminated as of October 8, 2013.

**3. Emeryville Bay Street**

The developer has acquired parcels from the former Redevelopment Agency for use as a site for the Emeryville (Bay Street) in exchange for a note receivable due to the former Redevelopment Agency, which is disclosed in Note 4 above.

**4. EmeryStation Greenway**

The former Redevelopment Agency had entered into an Owner Participation Agreement with EmeryStation Triangle, LLC, and EmeryStation Triangle II, LLC, under which the former Redevelopment Agency was to reimburse EmeryStation Triangle II certain permitted costs including relocation, site assessment and remediation, and sound mitigation costs not to exceed \$1,753,000. The former Redevelopment Agency compensated EmeryStation Triangle II, LLC \$735,000 for the fair market value of the Plaza Greenway property and improvements thereto to be dedicated to the City upon completion. Thus, the former Redevelopment Agency provided Emery Station Triangle II a total of \$2,488,000 in assistance. Accordingly, in consideration of the developer's obligations to construct the project, the former Redevelopment Agency was to reimburse up to \$1,050,000 in project costs at the completion of Phase I and an additional reimbursement not to exceed \$1,438,000 was payable either in a lump sum or from future tax increment revenue generated by the project, at the former Agency's discretion. As of June 30, 2014, the Successor Agency of the former Redevelopment Agency had fully paid its obligation to Emery Station Triangle II.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

Note 15: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)

d. Capital Assets

An analysis of capital assets as of June 30, 2014, follows:

|   | Balance at<br>July 1, 2013 | Additions           | Deletions   | Balance at<br>June 30, 2014 |
|---|----------------------------|---------------------|-------------|-----------------------------|
| Capital assets not being depreciated:         |                            |                     |             |                             |
| Land  | \$ 10,628,200              | \$ 1,195,183        | \$ -        | \$ 11,823,383               |
| Construction in progress                      | -                          | 73,459              | -           | 73,459                      |
| Total Capital Assets Not<br>Being Depreciated | <u>10,628,200</u>          | <u>1,268,642</u>    | <u>-</u>    | <u>11,896,842</u>           |
| Capital assets being depreciated:             |                            |                     |             |                             |
| Park and other improvements                   | 343,343                    | -                   | -           | 343,343                     |
| Buildings and improvements                    | 5,054,535                  | -                   | -           | 5,054,535                   |
| Total Capital Assets<br>Being Depreciated     | <u>5,397,878</u>           | <u>-</u>            | <u>-</u>    | <u>5,397,878</u>            |
| Less accumulated depreciation for:            |                            |                     |             |                             |
| Park and other improvements                   | 17,164                     | 17,170              | -           | 34,334                      |
| Buildings and improvements                    | 1,094,011                  | 118,425             | -           | 1,212,436                   |
| Total Accumulated Depreciation                | <u>1,111,175</u>           | <u>135,595</u>      | <u>-</u>    | <u>1,246,770</u>            |
| Net capital assets<br>being depreciated       | <u>4,286,703</u>           | <u>(135,595)</u>    | <u>-</u>    | <u>4,151,108</u>            |
| Capital Assets, Net                           | <u>\$ 14,914,903</u>       | <u>\$ 1,133,047</u> | <u>\$ -</u> | <u>\$ 16,047,950</u>        |

**CITY OF EMERYVILLE**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

**Note 15: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

**e. Long-Term Debt**

A description of long-term debt outstanding of the Successor Agency as of June 30, 2014, follows:

|  | Balance at<br>July 1, 2013 | Additions   | Retirements         | Balance at<br>June 30, 2014 | Current<br>Portion  |
|--|----------------------------|-------------|---------------------|-----------------------------|---------------------|
| Fiduciary Activities:                                      |                            |             |                     |                             |                     |
| City Loans   | \$ 10,011,641              | \$ -        | \$ -                | \$ 10,011,641               | \$ -                |
| Public Financing Authority Revenue Bonds,<br>Series 2004A  | 63,810,000                 | -           | 2,535,000           | 61,275,000                  | 2,660,000           |
| Public Financing Authority Revenue Bonds,<br>2002 Series A | 12,750,000                 | -           | 1,160,000           | 11,590,000                  | 1,205,000           |
| Public Financing Authority Revenue Bonds,<br>2001 Series A | 16,725,000                 | -           | 740,000             | 15,985,000                  | 775,000             |
| Public Financing Authority Revenue Bonds,<br>2001 Series B | 3,020,000                  | -           | 55,000              | 2,965,000                   | 60,000              |
| Public Financing Authority Revenue Bonds,<br>1998 Series B | 36,880,000                 | -           | 1,350,000           | 35,530,000                  | 1,425,000           |
| Public Financing Authority Revenue Bonds,<br>1998 Series C | 13,050,000                 | -           | 545,000             | 12,505,000                  | 575,000             |
| Public Financing Authority Revenue Bonds,<br>Series 1995   | 4,660,000                  | -           | 245,000             | 4,415,000                   | 260,000             |
| Total Successor Agency Bonds                               | 160,906,641                | -           | 6,630,000           | 154,276,641                 | 6,960,000           |
| Add:   |                            |             |                     |                             |                     |
| Unamortized bond premium                                   | 1,093,929                  | -           | 68,496              | 1,025,433                   | -                   |
| Total Successor Agency<br>Long-Term Liabilities            | <u>\$ 162,000,570</u>      | <u>\$ -</u> | <u>\$ 6,698,496</u> | <u>\$ 155,302,074</u>       | <u>\$ 6,960,000</u> |

**1. City Loans**

“Supplemental” Educational Revenue Augmentation Fund (SERAF)

On May 4, 2010, the City Council and former Redevelopment Agency passed a resolution approving an advance from the Combined Low and Moderate Income Housing Fund to the 1976 Project Area Capital Project Fund and Shellmound Project Area Capital Projects Fund for \$8,494,300 and \$2,797,700, respectively totaling \$11,292,000 for the purpose of providing funding to pay the County’s “Supplemental” Educational Revenue Augmentation Fund (SERAF) payment for 2010-2011. There is no repayment schedule, however State legislation requires it to be repaid by June 30, 2015, to avoid penalty. There were repayments totaling \$2,258,400 to repay one-fifth of this advance in prior years. The advance was transferred from the former Redevelopment Agency to the Successor Agency as of February 1, 2012, as a result of the dissolution and will be repaid in accordance with approved recognized obligation payments schedule (ROPS). The receivable resides in the Housing Assets Fund. The ending balance of the advance as of June 30, 2014, is \$9,033,600.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

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**Note 15: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

Park Avenue Park – CIERRA Loan

The City Council and the former Redevelopment Agency authorized the execution of a Capital Incentives for Emeryville's Redevelopment and Remediation (CIERRA) loan agreement for the remediation of the two-acre Park Avenue Park pursuant to the Park Avenue District Plan. The remediation was completed the end of 2008. The loan was for \$2.0 million and has a 5 percent per annum interest rate for five years. There is a balloon payment of \$2.5 million required at the end of the term. The loan can be repaid, penalty-free, at any time. The advance was transferred from the former Redevelopment Agency to the Successor Agency as of February 1, 2012, as a result of the dissolution and will be repaid in accordance with approved recognized obligation payments schedule (ROPS). The receivable resides in the Other Grants Fund. The balance at June 30, 2014, is \$766,898.

Doyle-Hollis Park – CIERRA Loan

On June 5, 2007, the former Redevelopment Agency approved the plans and specifications for the remediation of the former Dutro property, site of the future Doyle-Hollis Park bounded by Hollis Street, 61st Street, 62nd Street and Doyle Street.

To accomplish this, the City Council and the former Redevelopment Agency authorized the execution of a Capital Incentives for Emeryville's Redevelopment and Remediation (CIERRA) loan agreement for the remediation of the former Dutro property in the amount of \$603,382. The loan bears interest at a rate of 2 percent per annum and will be repaid in three annual installments of \$209,405 beginning May 2010. The advance was transferred from the former Redevelopment Agency to the Successor Agency as of February 1, 2012, as a result of the dissolution and will be repaid in accordance with approved recognized obligation payments schedule (ROPS). The receivable resides in the Other Grants Fund. The balance at June 30, 2014, is \$211,143.

**2. Public Financing Authority Revenue Bonds, 2004 Series A**

On August 12, 2004, the Public Financing Authority issued \$78,790,000 of Emeryville Public Financing Authority, Revenue Bonds, 2004 Series A to provide financing for various redevelopment projects, and to fund a debt service reserve fund.

The former Redevelopment Agency's tax increment revenue is pledged for the repayment of these bonds. Interest is due semiannually each September 1 and March 1. Interest rates on the bonds range from 3.50% to 5.00%. Commencing 2006, principal is payable each September 1 through 2034.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR FISCAL YEAR ENDED JUNE 30, 2014**

**Note 15: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2014, including interest, are as follows:

|           | Public Financing Authority,<br>Revenue Bonds, 2004 Series A |                      |
|-----------|---|----------------------|
|           | Principal   | Interest             |
| 2014-2015 | \$ 2,660,000  | \$ 2,726,325         |
| 2015-2016 | 2,800,000   | 2,604,525            |
| 2016-2017 | 2,905,000   | 2,490,399            |
| 2017-2018 | 3,035,000   | 2,368,596            |
| 2018-2019 | 3,150,000   | 2,239,470            |
| 2020-2024 | 17,910,000  | 8,978,606            |
| 2025-2029 | 16,285,000  | 4,639,803            |
| 2030-2034 | 9,580,000   | 2,087,844            |
| 2034-2035 | 2,950,000   | 71,538               |
| Totals    | <u>\$ 61,275,000</u>  | <u>\$ 28,207,106</u> |

**3. Public Financing Authority Revenue Bonds, 2002 Series A**

On November 19, 2002, the City and the former Redevelopment Agency jointly issued, through a financing intermediary called the Emeryville Public Financing Authority, \$22,120,000 in Revenue Bonds Series A (2002 Bonds). The bond proceeds were used to defease the outstanding 1993 Series A Revenue Bonds, to provide financing for various redevelopment projects, and to fund a debt service reserve fund. A portion of proceeds from the 2002 Bonds was placed in an irrevocable trust to provide all the future debt service payments in the defeased 1993 Bonds. The defeased 1993 Bonds were called on January 2003. As a result of the refunding, the aggregate debt service was decreased by \$2,913, and an economic gain of \$2,851,526 was realized.

The former Redevelopment Agency's tax increment revenue is pledged for the repayment of the 2002 Bonds. Interest is due semi-annually each September 1 and March 1. Commencing 2003, principal is payable each September 1 through 2021. Interest rates on the bonds range from 2.00% to 5.25%.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2014, including interest, are as follows:

|           | Public Financing Authority,<br>Revenue Bonds, 2002 Series A |                     |
|-----------|---|---------------------|
|           | Principal   | Interest            |
| 2014-2015 | \$ 1,205,000  | \$ 576,844          |
| 2015-2016 | 1,265,000   | 512,006             |
| 2016-2017 | 1,330,000   | 443,888             |
| 2017-2018 | 1,400,000   | 372,225             |
| 2018-2019 | 1,480,000   | 296,625             |
| 2020-2022 | 4,910,000   | 395,325             |
| Totals    | <u>\$ 11,590,000</u>  | <u>\$ 2,596,913</u> |

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

**Note 15: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

**4. Public Financing Authority Revenue Bonds, 2001 Series A and Series B**

On July 1, 2001, the City and the former Redevelopment Agency jointly issued, through a financing intermediary called the Emeryville Public Financing Authority, Revenue Bonds, 2001 Series A and 2001 Series B in the principal amounts of \$23,000,000 and \$3,420,000, respectively. The proceeds of Series A Bonds were used to finance redevelopment activities within the Emeryville Redevelopment Project Area and Shellmound Redevelopment Project Area. The proceeds of Series B Bonds were used to finance low and moderate-income housing projects.

The Series A Bonds are secured by a pledge of the former Redevelopment Agency's tax increment revenue and Series B Bonds are secured by Housing Set Aside revenue. Interest is due semi-annually each September 1 and March 1. Commencing 2002, principal is payable each September 1 through 2031. Interest rates on the bonds range from 4.00% to 5.125%.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2014, including interest, are as follows:

|           | Public Financing Authority,<br>Revenue Bonds, 2001 Series A |                     | Public Financing Authority,<br>Revenue Bonds, 2001 Series B |                     |
|-----------|---|---------------------|---|---------------------|
|           | Principal   | Interest            | Principal   | Interest            |
| 2014-2015 | \$ 775,000  | \$ 793,713          | \$ 60,000   | \$ 210,438          |
| 2015-2016 | 805,000   | 756,568             | 65,000  | 206,051             |
| 2016-2017 | 845,000   | 716,545             | 70,000  | 201,312             |
| 2017-2018 | 885,000   | 673,718             | 75,000  | 196,223             |
| 2018-2019 | 930,000   | 628,343             | 80,000  | 190,782             |
| 2020-2024 | 5,410,000   | 2,351,471           | 480,000   | 859,725             |
| 2025-2029 | 4,280,000   | 903,794             | 1,010,000   | 630,000             |
| 2030-2032 | 2,055,000   | 161,566             | 1,125,000   | 125,100             |
| Totals    | <u>\$ 15,985,000</u>  | <u>\$ 6,985,718</u> | <u>\$ 2,965,000</u>   | <u>\$ 2,619,631</u> |

**5. Public Financing Authority Revenue Bonds, 1998 Series B and Series C**

On July 23, 1998, the City and the former Redevelopment Agency jointly issued, through a financing intermediary called the Emeryville Public Financing Authority, Revenue Bonds, 1998 Series B and 1998 Series C in the principal amounts of \$50,650,000 and \$17,905,000, respectively, to finance certain redevelopment projects. The bond proceeds were also used to refund a portion of Revenue Bonds, Series 1995 and a portion of 1993 Revenue Bonds, Series A, and to refund all of the Revenue Bonds, Series 1994 by purchasing federal securities that were deposited in irrevocable trusts with an escrow agent to provide future debt payments on the refunded bonds.

The former Redevelopment Agency's tax increment revenue is pledged for the repayment of the 1998 Bonds. Interest is due semi-annually each September 1 and March 1. Commencing 1999, principal is payable each September 1 through 2028 for Series B Bonds and 2026 for Series C Bonds. Interest rates on the bonds range from 4.00% to 6.75%.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014

**Note 15: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2014, including interest, are as follows:

|           | Public Financing Authority,<br>Revenue Bonds, 1998 Series B |                      | Public Financing Authority,<br>Revenue Bonds, 1998 Series C |                     |
|-----------|---|----------------------|---|---------------------|
|           | Principal   | Interest             | Principal   | Interest            |
| 2014-2015 | \$ 1,425,000  | \$ 1,740,875         | \$ 575,000  | \$ 819,941          |
| 2015-2016 | 1,500,000   | 1,667,750            | 610,000   | 780,688             |
| 2016-2017 | 1,575,000   | 1,590,875            | 655,000   | 738,784             |
| 2017-2018 | 1,645,000   | 1,510,375            | 700,000   | 693,900             |
| 2018-2019 | 1,730,000   | 1,426,000            | 745,000   | 646,034             |
| 2020-2024 | 13,750,000  | 5,523,500            | 4,555,000   | 2,383,097           |
| 2025-2029 | 13,905,000  | 1,147,375            | 4,665,000   | 558,394             |
| Totals    | <u>\$ 35,530,000</u>  | <u>\$ 14,606,750</u> | <u>\$ 12,505,000</u>  | <u>\$ 6,620,838</u> |

**6. Public Financing Authority Revenue Bonds, Series 1995**

The Public Financing Authority Revenue Bonds, Series 1995 were issued in the principal amount of \$6,740,000 to refinance the former Redevelopment Agency's share of the cost of acquisition, construction and funding for low and moderate-income housing projects. The bonds are special obligations of the former Redevelopment Agency payable solely from and secured by a pledge of and lien upon tax increment revenues. The bonds pay interest semi-annually at rates ranging from 4.00% to 6.20% and mature from September 1996 through September 2025. The proceeds from the bonds were used to advance refund outstanding 1990 Housing Revenue Bonds, Increment Series A (Refunded Bonds) by purchasing U.S. government securities, which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Refunded Bonds. As a result, the 1990 Bonds were considered to be defeased and the liability for those obligations was removed from the former Redevelopment Agency's financial statements.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2014, including interest, are as follows:

|           | Public Financing Authority,<br>Revenue Bonds, Series 1995 |                     |
|-----------|---|---------------------|
|           | Principal   | Interest            |
| 2014-2015 | \$ 260,000  | \$ 265,670          |
| 2015-2016 | 275,000   | 249,085             |
| 2016-2017 | 290,000   | 231,570             |
| 2017-2018 | 310,000   | 212,970             |
| 2018-2019 | 330,000   | 193,130             |
| 2020-2024 | 1,980,000   | 622,480             |
| 2025-2026 | 970,000   | 60,760              |
| Totals    | <u>\$ 4,415,000</u>                                       | <u>\$ 1,835,665</u> |

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 15: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

**7. Pledged Revenue**

As previously discussed, the former Redevelopment Agency pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$207,737,621 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$17,288,367 and the debt service obligation on the bonds was \$14,107,612.

**8. Housing Revenue Bonds Without Commission Commitment**

On August 15, 1996, the former Redevelopment Agency assisted in the issuance of \$16,470,000 in Revenue Bonds for the purpose of providing funds to make a loan to East Bay Bridge Partners to provide permanent financing for a multifamily rental housing project known as the East Bay Bridge Project. Principal and interest on the bonds are payable semi-annually on March 1 and September 1 of each year commencing March 1, 1998. The Commission has no legal or moral commitment for the repayment of these bonds.

On October 9, 2002, the former Redevelopment Agency assisted in the issuance of \$66,715,000 in Multifamily Housing Refunding Revenue Bonds, Series 2002A for the purpose of providing funds to make a loan to Bay Street Housing Partners to provide financing for the acquisition and construction of a multifamily residential project known as Bay Street Apartments. Interest on the bonds is payable on the 15th day of each month commencing October 15, 2002. The bonds are due October 15, 2042. The former Redevelopment Agency has no legal or moral commitment for the repayment of these bonds.

The former Redevelopment Agency assisted in the issuance of \$21,000,000 in Multifamily Housing Refunding Revenue Bonds, Series 2005A for the purpose of providing funds to make a loan to Bay Street Partners to provide additional financing for the construction of a multifamily residential project know as Bay Street Apartments. This was done in December 2005 and these bonds provided additional financing to the previously issued Multifamily Housing Refunding Revenue Bonds, Series 2002A. Due to cost overruns in connection with the project, the Borrower requested that the former Redevelopment Agency sell the additional bonds. The former Redevelopment Agency has no legal or moral commitment for the repayment of these bonds.

**CITY OF EMERYVILLE**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR FISCAL YEAR ENDED JUNE 30, 2014**

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**Note 15: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

**f. Insurance**

The Successor Agency is covered under the City of Emeryville's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 12.

**g. Commitments and Contingencies**

At June 30, 2014, the Successor Agency was involved as a defendant in several lawsuits arising out of the ordinary conduct of its affairs. It is the opinion of management that settlements of these lawsuits, including losses for claims that are incurred but not reported, if any, will not have a material effect on the financial position of the Successor Agency.

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CITY OF EMERYVILLE

**PENSION PLAN  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (A)**

|  | <u>2014</u>         |
|--|---------------------|
| <b>Total pension liability:</b>  |                     |
| Service cost   | \$ -                |
| Interest   | 7,090               |
| Benefit payments, including refunds of member contributions                | (30,513)            |
| Experience losses/(gains)  | 16,995              |
|  | <hr/>               |
| <b>Net change in total pension liability</b>                               | <b>(6,428)</b>      |
| Total pension liability, beginning of year                                 | 192,368             |
|  | <hr/>               |
| <b>Total pension liability, end of year</b>                                | <b>185,940</b>      |
|  | <hr/>               |
| <b>Plan fiduciary net position:</b>  |                     |
| Total fiduciary net position, beginning of year                            | 353,163             |
|  | <hr/>               |
| <b>Total fiduciary net position, end of year</b>                           | <b>353,163</b>      |
|  | <hr/>               |
| <b>Net pension liability (asset), end of year</b>                          | <b>\$ (167,223)</b> |
|  | <hr/> <hr/>         |
| Plan fiduciary net position as a percentage of the total pension liability | 189.93%             |
| Covered-employee payroll   | N/A                 |
| Net pension liability as a percentage of covered-employee payroll          | N/A                 |

(A) GASB Statement No. 67, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2014. Additional years will be added as they become available in the future.

CITY OF EMERYVILLE

PENSION PLAN  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (A)

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|  | <u>2014</u>            |
|--|------------------------|
| <b>Employer contributions:</b>   |                        |
| Actuarial determined contributions   | \$ 35,300              |
| Actual contributions   | <u>30,513</u>          |
| <b>Deficiency/(Excess)</b>   | <b><u>\$ 4,787</u></b> |
| <br>   |                        |
| Actual contributions as a percentage of actuarial determined contributions | 86.44%                 |
| Covered-employee payroll   | N/A                    |
| Contributions as a percentage of covered-employee payroll                  | N/A                    |

(A) GASB Statement No. 67, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2014. Additional years will be added as they become available in the future.

**CITY OF EMERYVILLE**

**PENSION PLAN  
SCHEDULE OF INVESTMENT RETURNS  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (A)**

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**2014**

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**Annual money-weighted rate of return, net of investment expense**

0.13%

(A) GASB Statement No. 67, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2014. Additional years will be added as they become available in the future.

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE BY DEPARTMENT  
GENERAL FUND  
YEAR ENDED JUNE 30, 2014**

|   | Budget Amounts       |                      | Actual<br>Amounts    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------------|----------------------|----------------------|---|
|   | Original             | Final                |                      |   |
| Budgetary Fund Balance, July 1              | \$ 34,786,117        | \$ 34,786,117        | \$ 34,786,117        | \$ -  |
| <b>Resources (Inflows):</b>                 |                      |                      |                      |   |
| Taxes                                       | 24,320,300           | 25,045,300           | 27,502,815           | 2,457,515   |
| Licenses and permits                        | 1,227,600            | 1,977,600            | 2,601,775            | 624,175   |
| Intergovernmental                           | 1,166,100            | 1,166,100            | 1,149,292            | (16,808)  |
| Charges for services                        | 1,175,700            | 827,200              | 946,015              | 118,815   |
| Use of money and property                   | 118,100              | 118,100              | 898,604              | 780,504   |
| Rents                                       | 403,100              | 403,100              | 173,940              | (229,160)   |
| Contributions                               | 18,900               | 18,900               | 101,410              | 82,510  |
| Miscellaneous                               | 877,700              | 900,700              | 510,359              | (390,341)   |
| <b>Amounts Available for Appropriations</b> | <b>64,093,617</b>    | <b>65,243,117</b>    | <b>68,670,327</b>    | <b>3,427,210</b>  |
| <b>Charges to Appropriation (Outflow):</b>  |                      |                      |                      |   |
| General government                          |                      |                      |                      |   |
| City Council                                | 146,900              | 146,900              | 132,582              | 14,318  |
| City Manager                                | 860,500              | 808,350              | 722,230              | 86,120  |
| City Attorney                               | 488,300              | 548,300              | 563,063              | (14,763)  |
| Finance                                     | 956,200              | 1,011,600            | 876,395              | 135,205   |
| Human Resources                             | 540,600              | 569,700              | 531,949              | 37,751  |
| Non-departmental Operations                 | 1,737,900            | 1,744,325            | 1,179,053            | 565,272   |
| Information Technology                      | 433,200              | 437,810              | 435,804              | 2,006   |
| Public safety                               |                      |                      |                      |   |
| Police                                      | 10,123,600           | 10,155,607           | 9,466,392            | 689,215   |
| Fire  | 5,679,600            | 5,800,014            | 5,451,759            | 348,255   |
| Community development                       |                      |                      |                      |   |
| Planning and Building                       | 1,714,900            | 2,479,400            | 2,552,880            | (73,480)  |
| Economic Development                        | 726,200              | 852,180              | 798,723              | 53,457  |
| Community Services                          | 668,300              | 670,300              | 565,762              | 104,538   |
| Parks and recreation                        |                      |                      |                      |   |
| Recreation                                  | 753,700              | 756,441              | 721,432              | 35,009  |
| Senior Center                               | 706,300              | 741,648              | 611,513              | 130,135   |
| Public works                                |                      |                      |                      |   |
| Public Works                                | 2,775,200            | 2,901,612            | 2,572,864            | 328,748   |
| Capital outlay                              | -                    | 5,000                | 4,338                | 662   |
| Transfers out                               | 942,600              | 3,349,012            | 3,295,924            | 53,088  |
| <b>Total Charges to Appropriations</b>      | <b>29,254,000</b>    | <b>32,978,199</b>    | <b>30,482,663</b>    | <b>2,495,536</b>  |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 34,839,617</b> | <b>\$ 32,264,918</b> | <b>\$ 38,187,664</b> | <b>\$ 5,922,746</b>                                     |

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE  
 HOUSING ASSETS  
 YEAR ENDED JUNE 30, 2014

|   | Budget Amounts     |                     | Actual<br>Amounts   | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|---------------------|---------------------|---|
|   | Original           | Final               |                     |   |
| Budgetary Fund Balance, July 1              | \$7,944,250        | \$ 7,944,250        | \$ 7,944,250        | \$ -  |
| <b>Resources (Inflows):</b>                 |                    |                     |                     |   |
| Use of money and property                   | -                  | -                   | 122,906             | 122,906   |
| Rents                                       | -                  | -                   | 14,040              | 14,040  |
| Contributions                               | -                  | -                   | 6,422               | 6,422   |
| Miscellaneous                               | -                  | -                   | 313,222             | 313,222   |
| <b>Amounts Available for Appropriations</b> | <b>7,944,250</b>   | <b>7,944,250</b>    | <b>8,400,840</b>    | <b>456,590</b>  |
| <b>Charges to Appropriation (Outflow):</b>  |                    |                     |                     |   |
| Non-departmental operations                 | -                  | -                   | 105                 | (105)   |
| Redevelopment                               | -                  | 187,600             | 8,255               | 179,345   |
| Debt service:                               |                    |                     |                     |   |
| Interest and fiscal charges                 | -                  | -                   | 9,713               | (9,713)   |
| <b>Total Charges to Appropriations</b>      | <b>-</b>           | <b>187,600</b>      | <b>18,073</b>       | <b>169,527</b>  |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$7,944,250</b> | <b>\$ 7,756,650</b> | <b>\$ 8,382,767</b> | <b>\$ 626,117</b>                                       |

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
 JUNE 30, 2014

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**Note 1: Budgets and Budgetary Accounting**

**a. Budgeting Procedures**

The City operates under the general laws of the State of California and bi-annually adopts a budget for its governmental fund types to be effective July 1 for the ensuing fiscal years. From the effective date of the budget, which is adopted by City Council and controlled by the City Manager at the fund level, the amounts stated therein as proposed expenditures become appropriations to the various departments. The City Council may amend the budget by resolution during the fiscal year. The City Manager may authorize transfers of appropriations from one object, purpose or department to another within the same fund provided the level of service stays the same. All appropriations lapse at year-end, except those relating to long-term capital projects. Supplemental appropriations were approved by the City Council during the year ended June 30, 2014, and are included in the final budget amounts presented in the basic financial statements.

**b. Budgetary Basis**

Bi-annual budgets are adopted on a basis consistent with generally accepted accounting principles. Budgets are not adopted for the following special revenue funds: Cal Home Loan Program, Source Reduction, Catellus Contingent, Traffic Congestion Relief, Homebuyer Program, HELP Housing, and Affordable Housing.

**c. Excess of Expenditures Over Appropriations**

Excess expenditures over appropriations were as follows:

|                             | <u>Expenditures</u> | <u>Appropriations</u> | <u>Excess</u> |
|-----------------------------|---------------------|-----------------------|---------------|
| General Fund:               |                     |                       |               |
| General government          |                     |                       |               |
| City Attorney               | \$ 563,063          | \$ 548,300            | \$ 14,763     |
| Community development       |                     |                       |               |
| Planning and Building       | 2,552,880           | 2,479,400             | 73,480        |
| Housing Assets Fund:        |                     |                       |               |
| Non-departmental operations | 105                 | -                     | 105           |
| Interest and fiscal charges | 9,713               | -                     | 9,713         |

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## CITY OF EMERYVILLE

### NONMAJOR GOVERNMENTAL FUNDS

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#### Special Revenue Funds

The *Housing Community Development Fund* accounts for Community Development Block Grant (CDBG) funds and CDBG Program Income funds utilized for CDBG eligible projects.

The *Cal Home Loan Program Fund* accounts for funds received and loans made under the State of California's Cal Home Loan program.

The *Police Impound Fund* accounts for asset forfeiture funds allocated to the Police Department under state law.

The *Catellus Contingent Fund* accounts for a deposit payment that was required of the Catellus Development Corporation as a development condition of approval and is to be utilized for installation of a future pedestrian actuated signal, if required.

The *Special Gas Tax Street Improvement Fund* accounts for gas tax revenues apportioned by the state under specific statutory authority. The allocation formula is a combination of population and street mileage. The use of gas tax revenues is restricted to specific street maintenance activities.

The *Traffic Congestion Relief Fund* accounts for funds set aside for traffic congestion relief activities.

The *General Plan Maintenance Fund* accounts for fees collected to cover costs of updating the City's Plan and Zoning Ordinance over the next 20 years.

The *Child Development Fund* accounts for all revenue utilized to support the operations of the Emeryville Child Development Center, including grant funds from the State Department of Education, program fees and a General Fund subsidy.

The *Measure B Fund* accounts for revenues generated by a special one-half cent sales tax that was approved by the voters of Alameda County in 1986 and reauthorized in 2000. These funds are restricted for local transportation and special transportation (paratransit) purposes.

The *Emeryville Public Art Fund* accounts for funds received from new development as required under the City's Percent for Art Ordinance.

The *Other Grants Fund* accounts for funds from grant-making sources and is used to segregate costs to be reimbursed by grants. This fund was initiated in 1998.

The *Traffic Impact Fee Fund* accounts for traffic impact fees paid by new development, as required by the City's Traffic Impact Fee Ordinance.

The *Supplemental Law Enforcement Fund* accounts for state entitlements, which must be spent for front line municipal police services including anti-gang and community crime prevention programs.

The *Emergency Medical Services (EMS) Fund* accounts for the Supplemental Assessment paid by Emeryville residents for emergency medical services provided by the Emeryville Fire Department.

The *Recycling/Source Reduction Fund* accounts for revenue generated through a surcharge on garbage rates, which is utilized for waste reduction, recycling and clean up programs.

The *Measure D Fund* accounts for the City of Emeryville's allocation of funds generated by the landfill surcharge under the Alameda County Recycling Initiative (Measure D). Measure D funds are restricted to specific recycling and waste reduction activities.

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## CITY OF EMERYVILLE

### NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

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#### Special Revenue Funds (Continued)

The *Homebuyer Program Fund* accounts for funds used to provide down payment assistance in form of deferred payment, and low interest second mortgages to first-time homebuyer households earning moderate income (120% of area median income) or below.

The *Major Maintenance Fund* accounts for funds set aside to complete major maintenance projects at City owned facilities. The fund was initiated during the 1993-1994 fiscal year with one-time revenues, and currently receives annual payments from each City department that operates a City facility.

The *Vehicle Replacement Fund* accounts for resources set aside for vehicle replacement.

The *Information Technology Fund* accounts for funds set aside to support the City's technology upgrade program. This fund was initiated in 1997.

The *HELP Housing Fund* accounts for funds received and loans made under the State of California's HELP Loan program.

The *Property Based Improvement District Fund* accounts for commercial property assessments collected to fund the Emery Go-Round, the City's shuttle service.

The *PEG Program Fund* accounts for franchise fees collected for Public, Educational, and Governmental access video programming.

The *Urban Forestry Fee* accounts for fees and penalties collected under the City's Urban Forestry Ordinance governing the removal and replacement of street trees.

The *Affordable Housing Fund* accounts for residual property tax revenue committed to affordable housing projects and programs.

#### Capital Project Funds

The *1999 Revenue Bond Fund* accounts for bond proceeds from the 1999 bonds that were issued in fiscal year 1999-2000.

The *Marina Improvement Fund* accounts for the capital improvements of the Emeryville Public Marina. The Marina Fund was an enterprise fund until December 1998 when the facility was leased to a private company.

The *East Bay Bridge Housing Trust Fund* accounts for developer contributions to provide down payment assistance to first-time buyers of affordable units upon conversion from rental to ownership units.

CITY OF EMERYVILLE

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2014

|  | <b>Special Revenue Funds</b>                 |                                    |                           |                                |
|--|--|------------------------------------|---------------------------|--------------------------------|
|  | <b>Housing<br/>Community<br/>Development</b> | <b>Cal - Home<br/>Loan Program</b> | <b>Police<br/>Impound</b> | <b>Catellus<br/>Contingent</b> |
| <b>Assets:</b>   |  |                                    |                           |                                |
| Pooled cash and investments  | \$ 165,205                                   | \$ 412,051                         | \$ 88,599                 | \$ 151,847                     |
| Receivables:   |  |                                    |                           |                                |
| Accounts   | -  | -                                  | -                         | -                              |
| Taxes  | -  | -                                  | -                         | -                              |
| Notes and loans  | 196,223                                      | 1,687,225                          | -                         | -                              |
| Accrued interest   | 34   | 85                                 | 18                        | 31                             |
| Due from other governments   | 32,133                                       | -                                  | -                         | -                              |
| Due from Successor Agency  | -  | -                                  | -                         | -                              |
| <b>Total Assets</b>  | <b>\$ 393,595</b>                            | <b>\$ 2,099,361</b>                | <b>\$ 88,617</b>          | <b>\$ 151,878</b>              |
| <b>Liabilities, Deferred Inflows of Resources,<br/>and Fund Balances:</b>      |  |                                    |                           |                                |
| <b>Liabilities:</b>  |  |                                    |                           |                                |
| Accounts payable   | \$ 5,338                                     | \$ -                               | \$ -                      | \$ -                           |
| Unearned revenues  | -  | 250,000                            | -                         | -                              |
| Deposits payable   | -  | -                                  | -                         | -                              |
| <b>Total Liabilities</b>   | <b>5,338</b>                                 | <b>250,000</b>                     | <b>-</b>                  | <b>-</b>                       |
| <b>Deferred Inflows of Resources:</b>  |  |                                    |                           |                                |
| Unavailable revenues   | 196,223                                      | 1,687,225                          | -                         | -                              |
| <b>Total Deferred Inflows of Resources</b>                                     | <b>196,223</b>                               | <b>1,687,225</b>                   | <b>-</b>                  | <b>-</b>                       |
| <b>Fund Balances:</b>  |  |                                    |                           |                                |
| <b>Restricted for:</b>   |  |                                    |                           |                                |
| Community development projects   | 192,034                                      | 162,136                            | -                         | -                              |
| Public safety  | -  | -                                  | 88,617                    | -                              |
| Public works   | -  | -                                  | -                         | -                              |
| Capital projects   | -  | -                                  | -                         | 151,878                        |
| Community services   | -  | -                                  | -                         | -                              |
| <b>Committed to:</b>   |  |                                    |                           |                                |
| Facility maintenance   | -  | -                                  | -                         | -                              |
| Vehicle replacement  | -  | -                                  | -                         | -                              |
| Information technology   | -  | -                                  | -                         | -                              |
| <b>Total Fund Balances</b>   | <b>192,034</b>                               | <b>162,136</b>                     | <b>88,617</b>             | <b>151,878</b>                 |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</b> | <b>\$ 393,595</b>                            | <b>\$ 2,099,361</b>                | <b>\$ 88,617</b>          | <b>\$ 151,878</b>              |

CITY OF EMERYVILLE

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2014

(CONTINUED)

|  | <u>Special Revenue Funds</u>                      |  |                                     |                              |
|--|---|--|-------------------------------------|------------------------------|
|  | <u>Special Gas<br/>Tax Street<br/>Improvement</u> | <u>Traffic<br/>Congestion<br/>Relief</u> | <u>General Plan<br/>Maintenance</u> | <u>Child<br/>Development</u> |
| <b>Assets:</b>   |   |  |                                     |                              |
| Pooled cash and investments  | \$ 139,191  | \$ 177,008                               | \$ 1,132,738                        | \$ 390,132                   |
| Receivables:   |   |  |                                     |                              |
| Accounts   | -   | -  | -                                   | 23,219                       |
| Taxes  | 33,335  | -  | -                                   | -                            |
| Notes and loans  | -   | -  | -                                   | -                            |
| Accrued interest   | 21  | 37                                       | 237                                 | 41                           |
| Due from other governments   | -   | -  | -                                   | 4,000                        |
| Due from Successor Agency  | -   | -  | -                                   | -                            |
| <b>Total Assets</b>  | <b><u>\$ 172,547</u></b>                          | <b><u>\$ 177,045</u></b>                 | <b><u>\$ 1,132,975</u></b>          | <b><u>\$ 417,392</u></b>     |
| <b>Liabilities, Deferred Inflows of Resources,<br/>and Fund Balances:</b>      |   |  |                                     |                              |
| <b>Liabilities:</b>  |   |  |                                     |                              |
| Accounts payable   | \$ 9,660  | \$ -                                     | \$ 13,202                           | \$ 34,307                    |
| Unearned revenues  | -   | -  | -                                   | -                            |
| Deposits payable   | -   | -  | -                                   | -                            |
| <b>Total Liabilities</b>   | <b><u>9,660</u></b>                               | <b><u>-</u></b>                          | <b><u>13,202</u></b>                | <b><u>34,307</u></b>         |
| <b>Deferred Inflows of Resources:</b>  |   |  |                                     |                              |
| Unavailable revenues   | -   | -  | -                                   | 3,000                        |
| <b>Total Deferred Inflows of Resources</b>                                     | <b><u>-</u></b>                                   | <b><u>-</u></b>                          | <b><u>-</u></b>                     | <b><u>3,000</u></b>          |
| <b>Fund Balances:</b>  |   |  |                                     |                              |
| <b>Restricted for:</b>   |   |  |                                     |                              |
| Community development projects   | -   | -  | 1,119,773                           | -                            |
| Public safety  | -   | -  | -                                   | -                            |
| Public works   | 162,887   | -  | -                                   | -                            |
| Capital projects   | -   | 177,045                                  | -                                   | -                            |
| Community services   | -   | -  | -                                   | 380,085                      |
| <b>Committed to:</b>   |   |  |                                     |                              |
| Facility maintenance   | -   | -  | -                                   | -                            |
| Vehicle replacement  | -   | -  | -                                   | -                            |
| Information technology   | -   | -  | -                                   | -                            |
| <b>Total Fund Balances</b>   | <b><u>162,887</u></b>                             | <b><u>177,045</u></b>                    | <b><u>1,119,773</u></b>             | <b><u>380,085</u></b>        |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</b> | <b><u>\$ 172,547</u></b>                          | <b><u>\$ 177,045</u></b>                 | <b><u>\$ 1,132,975</u></b>          | <b><u>\$ 417,392</u></b>     |

CITY OF EMERYVILLE

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2014

|  | <b>Special Revenue Funds</b> |                                  |                     |                               |
|--|------------------------------|----------------------------------|---------------------|-------------------------------|
|  | <b>Measure B</b>             | <b>Emeryville<br/>Public Art</b> | <b>Other Grants</b> | <b>Traffic Impact<br/>Fee</b> |
| <b>Assets:</b>   |                              |                                  |                     |                               |
| Pooled cash and investments  | \$ 324,305                   | \$ 1,609,890                     | \$ 1,955,739        | \$ 369,028                    |
| Receivables:   |                              |                                  |                     |                               |
| Accounts   | -                            | -                                | -                   | -                             |
| Taxes  | 48,707                       | -                                | -                   | -                             |
| Notes and loans  | -                            | -                                | -                   | -                             |
| Accrued interest   | 73                           | 333                              | 420                 | 77                            |
| Due from other governments   | 104,083                      | -                                | 358,214             | -                             |
| Due from Successor Agency  | -                            | -                                | 978,041             | -                             |
| <b>Total Assets</b>  | <b>\$ 477,168</b>            | <b>\$ 1,610,223</b>              | <b>\$ 3,292,414</b> | <b>\$ 369,105</b>             |
| <b>Liabilities, Deferred Inflows of Resources,<br/>and Fund Balances:</b>      |                              |                                  |                     |                               |
| <b>Liabilities:</b>  |                              |                                  |                     |                               |
| Accounts payable   | \$ 25,282                    | \$ 62,638                        | \$ 48,020           | \$ -                          |
| Unearned revenues  | -                            | -                                | 106,535             | -                             |
| Deposits payable   | -                            | 96,136                           | -                   | -                             |
| <b>Total Liabilities</b>   | <b>25,282</b>                | <b>158,774</b>                   | <b>154,555</b>      | <b>-</b>                      |
| <b>Deferred Inflows of Resources:</b>  |                              |                                  |                     |                               |
| Unavailable revenues   | 96,086                       | -                                | 257,315             | -                             |
| <b>Total Deferred Inflows of Resources</b>                                     | <b>96,086</b>                | <b>-</b>                         | <b>257,315</b>      | <b>-</b>                      |
| <b>Fund Balances:</b>  |                              |                                  |                     |                               |
| <b>Restricted for:</b>   |                              |                                  |                     |                               |
| Community development projects   | -                            | 1,451,449                        | -                   | -                             |
| Public safety  | -                            | -                                | -                   | -                             |
| Public works   | 355,800                      | -                                | -                   | 369,105                       |
| Capital projects   | -                            | -                                | 2,880,544           | -                             |
| Community services   | -                            | -                                | -                   | -                             |
| <b>Committed to:</b>   |                              |                                  |                     |                               |
| Facility maintenance   | -                            | -                                | -                   | -                             |
| Vehicle replacement  | -                            | -                                | -                   | -                             |
| Information technology   | -                            | -                                | -                   | -                             |
| <b>Total Fund Balances</b>   | <b>355,800</b>               | <b>1,451,449</b>                 | <b>2,880,544</b>    | <b>369,105</b>                |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</b> | <b>\$ 477,168</b>            | <b>\$ 1,610,223</b>              | <b>\$ 3,292,414</b> | <b>\$ 369,105</b>             |

CITY OF EMERYVILLE

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2014

(CONTINUED)

|  | <u>Special Revenue Funds</u>                |   |  |                         |
|--|---|---|--|-------------------------|
|  | <u>Supplemental<br/>Law<br/>Enforcement</u> | <u>Emergency<br/>Medical<br/>Services</u> | <u>Recycling/<br/>Source<br/>Reduction</u> | <u>Measure D</u>        |
| <b>Assets:</b>   |   |   |  |                         |
| Pooled cash and investments  | \$ 53,536                                   | \$ -                                      | \$ 9,445                                   | \$ 45,680               |
| Receivables:   |   |   |  |                         |
| Accounts   | -   | -   | -  | 7,242                   |
| Taxes  | -   | 1,592                                     | -  | -                       |
| Notes and loans  | -   | -   | -  | -                       |
| Accrued interest   | 10  | -   | 2  | 9                       |
| Due from other governments   | -   | -   | -  | -                       |
| Due from Successor Agency  | -   | -   | -  | -                       |
| <b>Total Assets</b>  | <b><u>\$ 53,546</u></b>                     | <b><u>\$ 1,592</u></b>                    | <b><u>\$ 9,447</u></b>                     | <b><u>\$ 52,931</u></b> |
| <b>Liabilities, Deferred Inflows of Resources,<br/>and Fund Balances:</b>      |   |   |  |                         |
| <b>Liabilities:</b>  |   |   |  |                         |
| Accounts payable   | \$ -  | \$ -                                      | \$ -                                       | \$ -                    |
| Unearned revenues  | -   | -   | -  | -                       |
| Deposits payable   | -   | -   | -  | -                       |
| <b>Total Liabilities</b>   | <b><u>-</u></b>                             | <b><u>-</u></b>                           | <b><u>-</u></b>                            | <b><u>-</u></b>         |
| <b>Deferred Inflows of Resources:</b>  |   |   |  |                         |
| Unavailable revenues   | -   | -   | -  | -                       |
| <b>Total Deferred Inflows of Resources</b>                                     | <b><u>-</u></b>                             | <b><u>-</u></b>                           | <b><u>-</u></b>                            | <b><u>-</u></b>         |
| <b>Fund Balances:</b>  |   |   |  |                         |
| <b>Restricted for:</b>   |   |   |  |                         |
| Community development projects   | -   | -   | 9,447                                      | -                       |
| Public safety  | 53,546                                      | 1,592                                     | -  | -                       |
| Public works   | -   | -   | -  | 52,931                  |
| Capital projects   | -   | -   | -  | -                       |
| Community services   | -   | -   | -  | -                       |
| <b>Committed to:</b>   |   |   |  |                         |
| Facility maintenance   | -   | -   | -  | -                       |
| Vehicle replacement  | -   | -   | -  | -                       |
| Information technology   | -   | -   | -  | -                       |
| <b>Total Fund Balances</b>   | <b><u>53,546</u></b>                        | <b><u>1,592</u></b>                       | <b><u>9,447</u></b>                        | <b><u>52,931</u></b>    |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</b> | <b><u>\$ 53,546</u></b>                     | <b><u>\$ 1,592</u></b>                    | <b><u>\$ 9,447</u></b>                     | <b><u>\$ 52,931</u></b> |

CITY OF EMERYVILLE

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2014

|  | <b>Special Revenue Funds</b> |                              |                                |                                   |
|--|------------------------------|------------------------------|--------------------------------|-----------------------------------|
|  | <b>Homebuyer<br/>Program</b> | <b>Major<br/>Maintenance</b> | <b>Vehicle<br/>Replacement</b> | <b>Information<br/>Technology</b> |
| <b>Assets:</b>   |                              |                              |                                |                                   |
| Pooled cash and investments  | \$ 362,749                   | \$ 7,438,716                 | \$ 5,033,843                   | \$ 1,021,546                      |
| Receivables:   |                              |                              |                                |                                   |
| Accounts   | -                            | -                            | -                              | -                                 |
| Taxes  | -                            | -                            | -                              | -                                 |
| Notes and loans  | -                            | -                            | -                              | -                                 |
| Accrued interest   | 74                           | -                            | -                              | -                                 |
| Due from other governments   | -                            | -                            | -                              | -                                 |
| Due from Successor Agency  | -                            | -                            | -                              | -                                 |
| <b>Total Assets</b>  | <b>\$ 362,823</b>            | <b>\$ 7,438,716</b>          | <b>\$ 5,033,843</b>            | <b>\$ 1,021,546</b>               |
| <b>Liabilities, Deferred Inflows of Resources,<br/>and Fund Balances:</b>      |                              |                              |                                |                                   |
| <b>Liabilities:</b>  |                              |                              |                                |                                   |
| Accounts payable   | \$ -                         | \$ 177,389                   | \$ -                           | \$ 18,003                         |
| Unearned revenues  | -                            | -                            | -                              | -                                 |
| Deposits payable   | -                            | -                            | -                              | -                                 |
| <b>Total Liabilities</b>   | <b>-</b>                     | <b>177,389</b>               | <b>-</b>                       | <b>18,003</b>                     |
| <b>Deferred Inflows of Resources:</b>  |                              |                              |                                |                                   |
| Unavailable revenues   | -                            | -                            | -                              | -                                 |
| <b>Total Deferred Inflows of Resources</b>                                     | <b>-</b>                     | <b>-</b>                     | <b>-</b>                       | <b>-</b>                          |
| <b>Fund Balances:</b>  |                              |                              |                                |                                   |
| <b>Restricted for:</b>   |                              |                              |                                |                                   |
| Community development projects   | 362,823                      | -                            | -                              | -                                 |
| Public safety  | -                            | -                            | -                              | -                                 |
| Public works   | -                            | -                            | -                              | -                                 |
| Capital projects   | -                            | -                            | -                              | -                                 |
| Community services   | -                            | -                            | -                              | -                                 |
| <b>Committed to:</b>   |                              |                              |                                |                                   |
| Facility maintenance   | -                            | 7,261,327                    | -                              | -                                 |
| Vehicle replacement  | -                            | -                            | 5,033,843                      | -                                 |
| Information technology   | -                            | -                            | -                              | 1,003,543                         |
| <b>Total Fund Balances</b>   | <b>362,823</b>               | <b>7,261,327</b>             | <b>5,033,843</b>               | <b>1,003,543</b>                  |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</b> | <b>\$ 362,823</b>            | <b>\$ 7,438,716</b>          | <b>\$ 5,033,843</b>            | <b>\$ 1,021,546</b>               |

CITY OF EMERYVILLE

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2014

(CONTINUED)

|  | Special Revenue Funds |  |                  |                       |
|--|-----------------------|--|------------------|-----------------------|
|  | HELP<br>Housing       | Property<br>Based<br>Improvement<br>District | PEG Program      | Urban<br>Forestry Fee |
| <b>Assets:</b>   |                       |  |                  |                       |
| Pooled cash and investments  | \$ 184,929            | \$ 389,414                                   | \$ 22,162        | \$ 161,415            |
| Receivables:   |                       |  |                  |                       |
| Accounts   | -                     | -  | 670              | -                     |
| Taxes  | -                     | 4,382  | -                | -                     |
| Notes and loans  | 1,324,568             | -  | -                | -                     |
| Accrued interest   | 38                    | 170  | 5                | 33                    |
| Due from other governments   | -                     | -  | -                | -                     |
| Due from Successor Agency  | -                     | -  | -                | -                     |
| <b>Total Assets</b>  | <b>\$ 1,509,535</b>   | <b>\$ 393,966</b>                            | <b>\$ 22,837</b> | <b>\$ 161,448</b>     |
| <b>Liabilities, Deferred Inflows of Resources,<br/>and Fund Balances:</b>      |                       |  |                  |                       |
| <b>Liabilities:</b>  |                       |  |                  |                       |
| Accounts payable   | \$ -                  | \$ 70,000                                    | \$ 8,966         | \$ 400                |
| Unearned revenues  | -                     | -  | -                | -                     |
| Deposits payable   | -                     | -  | -                | -                     |
| <b>Total Liabilities</b>   | <b>-</b>              | <b>70,000</b>                                | <b>8,966</b>     | <b>400</b>            |
| <b>Deferred Inflows of Resources:</b>  |                       |  |                  |                       |
| Unavailable revenues   | 1,324,568             | -  | -                | -                     |
| <b>Total Deferred Inflows of Resources</b>                                     | <b>1,324,568</b>      | <b>-</b>                                     | <b>-</b>         | <b>-</b>              |
| <b>Fund Balances:</b>  |                       |  |                  |                       |
| <b>Restricted for:</b>   |                       |  |                  |                       |
| Community development projects   | 184,967               | -  | -                | -                     |
| Public safety  | -                     | -  | -                | -                     |
| Public works   | -                     | 323,966                                      | -                | 161,048               |
| Capital projects   | -                     | -  | -                | -                     |
| Community services   | -                     | -  | 13,871           | -                     |
| <b>Committed to:</b>   |                       |  |                  |                       |
| Facility maintenance   | -                     | -  | -                | -                     |
| Vehicle replacement  | -                     | -  | -                | -                     |
| Information technology   | -                     | -  | -                | -                     |
| <b>Total Fund Balances</b>   | <b>184,967</b>        | <b>323,966</b>                               | <b>13,871</b>    | <b>161,048</b>        |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</b> | <b>\$ 1,509,535</b>   | <b>\$ 393,966</b>                            | <b>\$ 22,837</b> | <b>\$ 161,448</b>     |

CITY OF EMERYVILLE

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2014

|  | Special<br>Revenue<br>Funds | Capital Projects Funds |                       |                                    |
|--|-----------------------------|------------------------|-----------------------|------------------------------------|
|  | Affordable<br>Housing       | 1999 Revenue<br>Bond   | Marina<br>Improvement | East<br>Baybridge<br>Housing Trust |
| <b>Assets:</b>   |                             |                        |                       |                                    |
| Pooled cash and investments  | \$ 2,070,981                | \$ 181,159             | \$ 1,786,561          | \$ 501,395                         |
| Receivables:   |                             |                        |                       |                                    |
| Accounts   | -                           | -                      | 19,916                | -                                  |
| Taxes  | -                           | -                      | -                     | -                                  |
| Notes and loans  | -                           | -                      | 418,111               | -                                  |
| Accrued interest   | 355                         | 37                     | 319                   | 103                                |
| Due from other governments   | -                           | -                      | -                     | -                                  |
| Due from Successor Agency  | -                           | -                      | -                     | -                                  |
| <b>Total Assets</b>  | <b>\$ 2,071,336</b>         | <b>\$ 181,196</b>      | <b>\$ 2,224,907</b>   | <b>\$ 501,498</b>                  |
| <b>Liabilities, Deferred Inflows of Resources,<br/>and Fund Balances:</b>      |                             |                        |                       |                                    |
| <b>Liabilities:</b>  |                             |                        |                       |                                    |
| Accounts payable   | \$ 505                      | \$ -                   | \$ -                  | \$ -                               |
| Unearned revenues  | -                           | -                      | -                     | -                                  |
| Deposits payable   | -                           | -                      | 5,461                 | -                                  |
| <b>Total Liabilities</b>   | <b>505</b>                  | <b>-</b>               | <b>5,461</b>          | <b>-</b>                           |
| <b>Deferred Inflows of Resources:</b>  |                             |                        |                       |                                    |
| Unavailable revenues   | -                           | -                      | 418,112               | -                                  |
| <b>Total Deferred Inflows of Resources</b>                                     | <b>-</b>                    | <b>-</b>               | <b>418,112</b>        | <b>-</b>                           |
| <b>Fund Balances:</b>  |                             |                        |                       |                                    |
| <b>Restricted for:</b>   |                             |                        |                       |                                    |
| Community development projects   | 2,070,831                   | -                      | -                     | -                                  |
| Public safety  | -                           | -                      | -                     | -                                  |
| Public works   | -                           | -                      | -                     | -                                  |
| Capital projects   | -                           | 181,196                | 1,801,334             | 501,498                            |
| Community services   | -                           | -                      | -                     | -                                  |
| <b>Committed to:</b>   |                             |                        |                       |                                    |
| Facility maintenance   | -                           | -                      | -                     | -                                  |
| Vehicle replacement  | -                           | -                      | -                     | -                                  |
| Information technology   | -                           | -                      | -                     | -                                  |
| <b>Total Fund Balances</b>   | <b>2,070,831</b>            | <b>181,196</b>         | <b>1,801,334</b>      | <b>501,498</b>                     |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</b> | <b>\$ 2,071,336</b>         | <b>\$ 181,196</b>      | <b>\$ 2,224,907</b>   | <b>\$ 501,498</b>                  |

CITY OF EMERYVILLE

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2014

|  | <b>Total<br/>Governmental<br/>Funds</b> |
|--|---|
| <b>Assets:</b>   |   |
| Pooled cash and investments  | \$ 26,179,264                           |
| Receivables:   |   |
| Accounts   | 51,047                                  |
| Taxes  | 88,016                                  |
| Notes and loans  | 3,626,127                               |
| Accrued interest   | 2,562                                   |
| Due from other governments   | 498,430                                 |
| Due from Successor Agency  | 978,041                                 |
|  | <hr/>                                   |
| <b>Total Assets</b>  | <b>\$ 31,423,487</b>                    |
|  | <hr/>                                   |
| <b>Liabilities, Deferred Inflows of Resources,<br/>and Fund Balances:</b>      |   |
| <b>Liabilities:</b>  |   |
| Accounts payable   | \$ 473,710                              |
| Unearned revenues  | 356,535                                 |
| Deposits payable   | 101,597                                 |
|  | <hr/>                                   |
| <b>Total Liabilities</b>   | <b>931,842</b>                          |
|  | <hr/>                                   |
| <b>Deferred Inflows of Resources:</b>  |   |
| Unavailable revenues   | 3,982,529                               |
|  | <hr/>                                   |
| <b>Total Deferred Inflows of Resources</b>                                     | <b>3,982,529</b>                        |
|  | <hr/>                                   |
| <b>Fund Balances:</b>  |   |
| <b>Restricted for:</b>   |   |
| Community development projects   | 5,553,460                               |
| Public safety  | 143,755                                 |
| Public works   | 1,425,737                               |
| Capital projects   | 5,693,495                               |
| Community services   | 393,956                                 |
| <b>Committed to:</b>   |   |
| Facility maintenance   | 7,261,327                               |
| Vehicle replacement  | 5,033,843                               |
| Information technology   | 1,003,543                               |
|  | <hr/>                                   |
| <b>Total Fund Balances</b>   | <b>26,509,116</b>                       |
|  | <hr/>                                   |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</b> | <b>\$ 31,423,487</b>                    |
|  | <hr/>                                   |

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2014

|  | Special Revenue Funds               |                               |                   |                        |
|--|-------------------------------------|-------------------------------|-------------------|------------------------|
|  | Housing<br>Community<br>Development | Cal - Home<br>Loan<br>Program | Police<br>Impound | Catellus<br>Contingent |
| <b>Revenues:</b>   |                                     |                               |                   |                        |
| Taxes  | \$ -                                | \$ -                          | \$ -              | \$ -                   |
| Licenses and permits   | -                                   | -                             | -                 | -                      |
| Intergovernmental  | 20,472                              | -                             | -                 | -                      |
| Charges for services   | -                                   | -                             | -                 | -                      |
| Use of money and property                                    | 4,246                               | 2,594                         | 476               | 956                    |
| Rents  | -                                   | -                             | -                 | -                      |
| Contributions  | -                                   | -                             | -                 | -                      |
| Miscellaneous  | 14,612                              | -                             | 7,906             | -                      |
| <b>Total Revenues</b>  | <b>39,330</b>                       | <b>2,594</b>                  | <b>8,382</b>      | <b>956</b>             |
| <b>Expenditures:</b>   |                                     |                               |                   |                        |
| Current:   |                                     |                               |                   |                        |
| City council   | -                                   | -                             | -                 | -                      |
| Planning and building  | -                                   | -                             | -                 | -                      |
| Economic development   | 20,778                              | -                             | -                 | -                      |
| Redevelopment  | -                                   | -                             | -                 | -                      |
| Non-departmental operations                                  | -                                   | -                             | -                 | -                      |
| Property based improvement district                          | -                                   | -                             | -                 | -                      |
| Police   | -                                   | -                             | -                 | -                      |
| Fire   | -                                   | -                             | -                 | -                      |
| Public works   | -                                   | -                             | -                 | -                      |
| Child development  | -                                   | -                             | -                 | -                      |
| Capital outlay   | -                                   | -                             | -                 | -                      |
| <b>Total Expenditures</b>                                    | <b>20,778</b>                       | <b>-</b>                      | <b>-</b>          | <b>-</b>               |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | 18,552                              | 2,594                         | 8,382             | 956                    |
| <b>Other Financing Sources (Uses):</b>                       |                                     |                               |                   |                        |
| Transfers in   | -                                   | -                             | 11,038            | -                      |
| Proceeds from sale of capital asset                          | -                                   | -                             | -                 | -                      |
| <b>Total Other Financing Sources<br/>(Uses)</b>              | <b>-</b>                            | <b>-</b>                      | <b>11,038</b>     | <b>-</b>               |
| Net Change in Fund Balances                                  | 18,552                              | 2,594                         | 19,420            | 956                    |
| Fund Balances, Beginning of Year                             | 173,482                             | 159,542                       | 69,197            | 150,922                |
| <b>Fund Balances, End of Year</b>                            | <b>\$ 192,034</b>                   | <b>\$ 162,136</b>             | <b>\$ 88,617</b>  | <b>\$ 151,878</b>      |

## CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2014

(CONTINUED)

|  | Special Revenue Funds                    |                                 |                             |                      |
|--|--|---------------------------------|-----------------------------|----------------------|
|  | Special Gas<br>Tax Street<br>Improvement | Traffic<br>Congestion<br>Relief | General Plan<br>Maintenance | Child<br>Development |
| <b>Revenues:</b>   |  |                                 |                             |                      |
| Taxes  | \$ -                                     | \$ -                            | \$ -                        | \$ -                 |
| Licenses and permits   | -  | -                               | 215,044                     | -                    |
| Intergovernmental  | 327,990                                  | -                               | -                           | 162,310              |
| Charges for services   | -  | -                               | -                           | 1,002,507            |
| Use of money and property                                    | 1,465                                    | 1,115                           | 7,628                       | 909                  |
| Rents  | -  | -                               | -                           | -                    |
| Contributions  | -  | -                               | -                           | -                    |
| Miscellaneous  | -  | -                               | -                           | 372                  |
| <b>Total Revenues</b>  | <b>329,455</b>                           | <b>1,115</b>                    | <b>222,672</b>              | <b>1,166,098</b>     |
| <b>Expenditures:</b>   |  |                                 |                             |                      |
| Current:   |  |                                 |                             |                      |
| City council   | -  | -                               | -                           | -                    |
| Planning and building  | -  | -                               | 260,549                     | -                    |
| Economic development   | -  | -                               | -                           | -                    |
| Redevelopment  | -  | -                               | -                           | -                    |
| Non-departmental operations                                  | -  | -                               | -                           | -                    |
| Property based improvement district                          | -  | -                               | -                           | -                    |
| Police   | -  | -                               | -                           | -                    |
| Fire   | -  | -                               | -                           | -                    |
| Public works   | 597,384                                  | -                               | -                           | -                    |
| Child development  | -  | -                               | -                           | 1,720,257            |
| Capital outlay   | -  | -                               | -                           | -                    |
| <b>Total Expenditures</b>                                    | <b>597,384</b>                           | <b>-</b>                        | <b>260,549</b>              | <b>1,720,257</b>     |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (267,929)                                | 1,115                           | (37,877)                    | (554,159)            |
| <b>Other Financing Sources (Uses):</b>                       |  |                                 |                             |                      |
| Transfers in   | -  | -                               | -                           | 756,512              |
| Proceeds from sale of capital asset                          | -  | -                               | -                           | -                    |
| <b>Total Other Financing Sources<br/>(Uses)</b>              | <b>-</b>                                 | <b>-</b>                        | <b>-</b>                    | <b>756,512</b>       |
| Net Change in Fund Balances                                  | (267,929)                                | 1,115                           | (37,877)                    | 202,353              |
| Fund Balances, Beginning of Year                             | 430,816                                  | 175,930                         | 1,157,650                   | 177,732              |
| <b>Fund Balances, End of Year</b>                            | <b>\$ 162,887</b>                        | <b>\$ 177,045</b>               | <b>\$ 1,119,773</b>         | <b>\$ 380,085</b>    |

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2014

|  | Special Revenue Funds |                          |                     |                       |
|--|-----------------------|--------------------------|---------------------|-----------------------|
|  | Measure B             | Emeryville<br>Public Art | Other Grants        | Traffic<br>Impact Fee |
| <b>Revenues:</b>   |                       |                          |                     |                       |
| Taxes  | \$ 247,908            | \$ -                     | \$ -                | \$ -                  |
| Licenses and permits   | -                     | -                        | -                   | 22,089                |
| Intergovernmental  | 170,829               | -                        | 278,997             | -                     |
| Charges for services   | 1,490                 | -                        | 2,849               | -                     |
| Use of money and property                                    | 1,473                 | 10,296                   | 12,751              | 2,420                 |
| Rents  | -                     | -                        | -                   | -                     |
| Contributions  | -                     | -                        | 40,000              | -                     |
| Miscellaneous  | -                     | 135,763                  | -                   | -                     |
| <b>Total Revenues</b>  | <b>421,700</b>        | <b>146,059</b>           | <b>334,597</b>      | <b>24,509</b>         |
| <b>Expenditures:</b>   |                       |                          |                     |                       |
| Current:   |                       |                          |                     |                       |
| City council   | -                     | -                        | -                   | -                     |
| Planning and building  | -                     | -                        | -                   | -                     |
| Economic development   | -                     | -                        | -                   | -                     |
| Redevelopment  | -                     | -                        | -                   | -                     |
| Non-departmental operations                                  | -                     | 95,119                   | 326,513             | -                     |
| Property based improvement district                          | -                     | -                        | -                   | -                     |
| Police   | -                     | -                        | -                   | -                     |
| Fire   | -                     | -                        | -                   | -                     |
| Public works   | 173,698               | -                        | -                   | 28,897                |
| Child development  | -                     | -                        | -                   | -                     |
| Capital outlay   | -                     | -                        | 7,852               | -                     |
| <b>Total Expenditures</b>                                    | <b>173,698</b>        | <b>95,119</b>            | <b>334,365</b>      | <b>28,897</b>         |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | 248,002               | 50,940                   | 232                 | (4,388)               |
| <b>Other Financing Sources (Uses):</b>                       |                       |                          |                     |                       |
| Transfers in   | -                     | -                        | -                   | -                     |
| Proceeds from sale of capital asset                          | -                     | -                        | -                   | -                     |
| <b>Total Other Financing Sources<br/>(Uses)</b>              | <b>-</b>              | <b>-</b>                 | <b>-</b>            | <b>-</b>              |
| Net Change in Fund Balances                                  | 248,002               | 50,940                   | 232                 | (4,388)               |
| Fund Balances, Beginning of Year                             | 107,798               | 1,400,509                | 2,880,312           | 373,493               |
| <b>Fund Balances, End of Year</b>                            | <b>\$ 355,800</b>     | <b>\$ 1,451,449</b>      | <b>\$ 2,880,544</b> | <b>\$ 369,105</b>     |

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2014

(CONTINUED)

|  | Special Revenue Funds              |                                  |                                   |                  |
|--|------------------------------------|----------------------------------|-----------------------------------|------------------|
|  | Supplemental<br>Law<br>Enforcement | Emergency<br>Medical<br>Services | Recycling/<br>Source<br>Reduction | Measure D        |
| <b>Revenues:</b>   |                                    |                                  |                                   |                  |
| Taxes  | \$ -                               | \$ -                             | \$ -                              | \$ -             |
| Licenses and permits   | -                                  | -                                | -                                 | -                |
| Intergovernmental  | 100,484                            | -                                | -                                 | -                |
| Charges for services   | -                                  | 180,134                          | -                                 | -                |
| Use of money and property                                    | 155                                | -                                | 59                                | 239              |
| Rents  | -                                  | -                                | -                                 | -                |
| Contributions  | -                                  | -                                | -                                 | -                |
| Miscellaneous  | -                                  | 1,125                            | -                                 | 28,275           |
| <b>Total Revenues</b>  | <b>100,639</b>                     | <b>181,259</b>                   | <b>59</b>                         | <b>28,514</b>    |
| <b>Expenditures:</b>   |                                    |                                  |                                   |                  |
| Current:   |                                    |                                  |                                   |                  |
| City council   | -                                  | -                                | -                                 | -                |
| Planning and building  | -                                  | -                                | -                                 | -                |
| Economic development   | -                                  | -                                | -                                 | -                |
| Redevelopment  | -                                  | -                                | -                                 | -                |
| Non-departmental operations                                  | -                                  | -                                | -                                 | -                |
| Property based improvement district                          | -                                  | -                                | -                                 | -                |
| Police   | 102,879                            | -                                | -                                 | -                |
| Fire   | -                                  | 181,633                          | -                                 | -                |
| Public works   | -                                  | -                                | -                                 | 17,653           |
| Child development  | -                                  | -                                | -                                 | -                |
| Capital outlay   | -                                  | -                                | -                                 | -                |
| <b>Total Expenditures</b>                                    | <b>102,879</b>                     | <b>181,633</b>                   | <b>-</b>                          | <b>17,653</b>    |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (2,240)                            | (374)                            | 59                                | 10,861           |
| <b>Other Financing Sources (Uses):</b>                       |                                    |                                  |                                   |                  |
| Transfers in   | -                                  | -                                | -                                 | -                |
| Proceeds from sale of capital asset                          | -                                  | -                                | -                                 | -                |
| <b>Total Other Financing Sources<br/>(Uses)</b>              | <b>-</b>                           | <b>-</b>                         | <b>-</b>                          | <b>-</b>         |
| Net Change in Fund Balances                                  | (2,240)                            | (374)                            | 59                                | 10,861           |
| Fund Balances, Beginning of Year                             | 55,786                             | 1,966                            | 9,388                             | 42,070           |
| <b>Fund Balances, End of Year</b>                            | <b>\$ 53,546</b>                   | <b>\$ 1,592</b>                  | <b>\$ 9,447</b>                   | <b>\$ 52,931</b> |

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2014

|  | <u>Special Revenue Funds</u> |                              |                                |                                   |
|--|------------------------------|------------------------------|--------------------------------|-----------------------------------|
|  | <u>Homebuyer<br/>Program</u> | <u>Major<br/>Maintenance</u> | <u>Vehicle<br/>Replacement</u> | <u>Information<br/>Technology</u> |
| <b>Revenues:</b>   |                              |                              |                                |                                   |
| Taxes  | \$ -                         | \$ -                         | \$ -                           | \$ -                              |
| Licenses and permits   | -                            | -                            | -                              | -                                 |
| Intergovernmental  | -                            | 19,050                       | -                              | -                                 |
| Charges for services   | -                            | -                            | -                              | -                                 |
| Use of money and property                                    | 2,262                        | -                            | -                              | -                                 |
| Rents  | -                            | -                            | -                              | -                                 |
| Contributions  | -                            | 1,022,070                    | -                              | -                                 |
| Miscellaneous  | -                            | 370,700                      | 246,800                        | 208,120                           |
| <b>Total Revenues</b>  | <b><u>2,262</u></b>          | <b><u>1,411,820</u></b>      | <b><u>246,800</u></b>          | <b><u>208,120</u></b>             |
| <b>Expenditures:</b>   |                              |                              |                                |                                   |
| Current:   |                              |                              |                                |                                   |
| City council   | -                            | -                            | -                              | -                                 |
| Planning and building  | -                            | -                            | -                              | -                                 |
| Economic development   | -                            | -                            | -                              | -                                 |
| Redevelopment  | -                            | -                            | -                              | -                                 |
| Non-departmental operations                                  | -                            | 150,750                      | -                              | 85,411                            |
| Property based improvement district                          | -                            | -                            | -                              | -                                 |
| Police   | -                            | -                            | -                              | -                                 |
| Fire   | -                            | -                            | -                              | -                                 |
| Public works   | -                            | -                            | -                              | -                                 |
| Child development  | -                            | -                            | -                              | -                                 |
| Capital outlay   | -                            | 1,609,526                    | -                              | 175,991                           |
| <b>Total Expenditures</b>                                    | <b><u>-</u></b>              | <b><u>1,760,276</u></b>      | <b><u>-</u></b>                | <b><u>261,402</u></b>             |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | 2,262                        | (348,456)                    | 246,800                        | (53,282)                          |
| <b>Other Financing Sources (Uses):</b>                       |                              |                              |                                |                                   |
| Transfers in   | -                            | -                            | -                              | 200,000                           |
| Proceeds from sale of capital asset                          | -                            | -                            | 55,997                         | -                                 |
| <b>Total Other Financing Sources<br/>(Uses)</b>              | <b><u>-</u></b>              | <b><u>-</u></b>              | <b><u>55,997</u></b>           | <b><u>200,000</u></b>             |
| Net Change in Fund Balances                                  | 2,262                        | (348,456)                    | 302,797                        | 146,718                           |
| Fund Balances, Beginning of Year                             | 360,561                      | 7,609,783                    | 4,731,046                      | 856,825                           |
| <b>Fund Balances, End of Year</b>                            | <b><u>\$ 362,823</u></b>     | <b><u>\$ 7,261,327</u></b>   | <b><u>\$ 5,033,843</u></b>     | <b><u>\$ 1,003,543</u></b>        |

## CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2014

(CONTINUED)

|  | Special Revenue Funds |  |                  |                       |
|--|-----------------------|--|------------------|-----------------------|
|  | HELP<br>Housing       | Property<br>Based<br>Improvement<br>District | PEG<br>Program   | Urban<br>Forestry Fee |
| <b>Revenues:</b>   |                       |  |                  |                       |
| Taxes  | \$ -                  | \$ 2,635,700                                 | \$ 2,554         | \$ -                  |
| Licenses and permits   | -                     | -  | -                | -                     |
| Intergovernmental  | -                     | -  | -                | -                     |
| Charges for services   | -                     | -  | -                | 27,400                |
| Use of money and property                                    | 1,164                 | 3,127  | 134              | 868                   |
| Rents  | -                     | -  | -                | 28,800                |
| Contributions  | -                     | -  | -                | -                     |
| Miscellaneous  | -                     | -  | -                | -                     |
| <b>Total Revenues</b>  | <b>1,164</b>          | <b>2,638,827</b>                             | <b>2,688</b>     | <b>57,068</b>         |
| <b>Expenditures:</b>   |                       |  |                  |                       |
| Current:   |                       |  |                  |                       |
| City council   | -                     | 5,000  | -                | -                     |
| Planning and building  | -                     | -  | -                | -                     |
| Economic development   | -                     | -  | -                | -                     |
| Redevelopment  | -                     | -  | -                | -                     |
| Non-departmental operations                                  | -                     | -  | -                | -                     |
| Property based improvement district                          | -                     | 2,781,500                                    | -                | -                     |
| Police   | -                     | -  | -                | -                     |
| Fire   | -                     | -  | -                | -                     |
| Public works   | -                     | -  | -                | 950                   |
| Child development  | -                     | -  | -                | -                     |
| Capital outlay   | -                     | -  | 9,813            | -                     |
| <b>Total Expenditures</b>                                    | <b>-</b>              | <b>2,786,500</b>                             | <b>9,813</b>     | <b>950</b>            |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | 1,164                 | (147,673)                                    | (7,125)          | 56,118                |
| <b>Other Financing Sources (Uses):</b>                       |                       |  |                  |                       |
| Transfers in   | -                     | 400,000                                      | -                | -                     |
| Proceeds from sale of capital asset                          | -                     | -  | -                | -                     |
| <b>Total Other Financing Sources<br/>(Uses)</b>              | <b>-</b>              | <b>400,000</b>                               | <b>-</b>         | <b>-</b>              |
| Net Change in Fund Balances                                  | 1,164                 | 252,327                                      | (7,125)          | 56,118                |
| Fund Balances, Beginning of Year                             | 183,803               | 71,639                                       | 20,996           | 104,930               |
| <b>Fund Balances, End of Year</b>                            | <b>\$ 184,967</b>     | <b>\$ 323,966</b>                            | <b>\$ 13,871</b> | <b>\$ 161,048</b>     |

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2014

|  | Special<br>Revenue<br>Funds | Capital Projects Funds  |                       |                                       |
|--|-----------------------------|-------------------------|-----------------------|---------------------------------------|
|  | Affordable<br>Housing       | 1999<br>Revenue<br>Bond | Marina<br>Improvement | East<br>Baybridge<br>Housing<br>Trust |
| <b>Revenues:</b>   |                             |                         |                       |                                       |
| Taxes  | \$ 544,886                  | \$ -                    | \$ -                  | \$ -                                  |
| Licenses and permits   | -                           | -                       | -                     | -                                     |
| Intergovernmental  | -                           | -                       | -                     | -                                     |
| Charges for services   | -                           | -                       | -                     | -                                     |
| Use of money and property                                    | 9,885                       | 1,140                   | 30,643                | 3,155                                 |
| Rents  | -                           | -                       | 510,203               | -                                     |
| Contributions  | -                           | -                       | 53,945                | -                                     |
| Miscellaneous  | -                           | -                       | 36,363                | -                                     |
| <b>Total Revenues</b>  | <b>554,771</b>              | <b>1,140</b>            | <b>631,154</b>        | <b>3,155</b>                          |
| <b>Expenditures:</b>   |                             |                         |                       |                                       |
| Current:   |                             |                         |                       |                                       |
| City council   | -                           | -                       | -                     | -                                     |
| Planning and building  | -                           | -                       | -                     | -                                     |
| Economic development   | -                           | -                       | -                     | -                                     |
| Redevelopment  | 6,505                       | -                       | -                     | -                                     |
| Non-departmental operations                                  | -                           | -                       | -                     | -                                     |
| Property based improvement district                          | -                           | -                       | -                     | -                                     |
| Police   | -                           | -                       | -                     | -                                     |
| Fire   | -                           | -                       | -                     | -                                     |
| Public works   | -                           | -                       | 11,592                | -                                     |
| Child development  | -                           | -                       | -                     | -                                     |
| Capital outlay   | -                           | -                       | -                     | -                                     |
| <b>Total Expenditures</b>                                    | <b>6,505</b>                | <b>-</b>                | <b>11,592</b>         | <b>-</b>                              |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | 548,266                     | 1,140                   | 619,562               | 3,155                                 |
| <b>Other Financing Sources (Uses):</b>                       |                             |                         |                       |                                       |
| Transfers in   | -                           | -                       | 100,000               | -                                     |
| Proceeds from sale of capital asset                          | -                           | -                       | -                     | -                                     |
| <b>Total Other Financing Sources<br/>(Uses)</b>              | <b>-</b>                    | <b>-</b>                | <b>100,000</b>        | <b>-</b>                              |
| Net Change in Fund Balances                                  | 548,266                     | 1,140                   | 719,562               | 3,155                                 |
| Fund Balances, Beginning of Year                             | 1,522,565                   | 180,056                 | 1,081,772             | 498,343                               |
| <b>Fund Balances, End of Year</b>                            | <b>\$ 2,070,831</b>         | <b>\$ 181,196</b>       | <b>\$ 1,801,334</b>   | <b>\$ 501,498</b>                     |

CITY OF EMERYVILLE

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2014**

|  | <b>Total<br/>Governmental<br/>Funds</b> |
|--|---|
| <b>Revenues:</b>   |   |
| Taxes  | \$ 3,431,048                            |
| Licenses and permits   | 237,133                                 |
| Intergovernmental  | 1,080,132                               |
| Charges for services   | 1,214,380                               |
| Use of money and property                                    | 99,160                                  |
| Rents  | 539,003                                 |
| Contributions  | 1,116,015                               |
| Miscellaneous  | 1,050,036                               |
|  | <hr/>                                   |
| <b>Total Revenues</b>  | <b>8,766,907</b>                        |
| <b>Expenditures:</b>   |   |
| Current:   |   |
| City council   | 5,000                                   |
| Planning and building  | 260,549                                 |
| Economic development   | 20,778                                  |
| Redevelopment  | 6,505                                   |
| Non-departmental operations                                  | 657,793                                 |
| Property based improvement district                          | 2,781,500                               |
| Police   | 102,879                                 |
| Fire   | 181,633                                 |
| Public works   | 830,174                                 |
| Child development  | 1,720,257                               |
| Capital outlay   | 1,803,182                               |
|  | <hr/>                                   |
| <b>Total Expenditures</b>                                    | <b>8,370,250</b>                        |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <hr/><br>396,657                        |
| <b>Other Financing Sources (Uses):</b>                       |   |
| Transfers in   | 1,467,550                               |
| Proceeds from sale of capital asset                          | 55,997                                  |
|  | <hr/>                                   |
| <b>Total Other Financing Sources<br/>(Uses)</b>              | <b>1,523,547</b>                        |
| Net Change in Fund Balances                                  | <hr/> 1,920,204                         |
| Fund Balances, Beginning of Year                             | <hr/> 24,588,912                        |
| <b>Fund Balances, End of Year</b>                            | <b><u><u>\$ 26,509,116</u></u></b>      |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
HOUSING COMMUNITY DEVELOPMENT  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                   | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|-------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>      |                           |   |
| Budgetary Fund Balance, July 1              | \$ 173,482            | \$ 173,482        | \$ 173,482                | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                   |                           |   |
| Intergovernmental                           | 75,300                | 75,300            | 20,472                    | (54,828)  |
| Use of money and property                   | 400                   | 400               | 4,246                     | 3,846   |
| Miscellaneous                               | -                     | -                 | 14,612                    | 14,612  |
| <b>Amounts Available for Appropriations</b> | <b>249,182</b>        | <b>249,182</b>    | <b>212,812</b>            | <b>(36,370)</b>   |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                   |                           |   |
| Economic development                        | 69,400                | 69,400            | 20,778                    | 48,622  |
| <b>Total Charges to Appropriations</b>      | <b>69,400</b>         | <b>69,400</b>     | <b>20,778</b>             | <b>48,622</b>   |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 179,782</b>     | <b>\$ 179,782</b> | <b>\$ 192,034</b>         | <b>\$ 12,252</b>  |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
SPECIAL GAS TAX STREET IMPROVEMENT  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                  | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>     |                           |   |
| Budgetary Fund Balance, July 1              | \$ 430,816            | \$ 430,816       | \$ 430,816                | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                  |                           |   |
| Intergovernmental                           | 272,300               | 272,300          | 327,990                   | 55,690  |
| Use of money and property                   | 1,100                 | 1,100            | 1,465                     | 365   |
| <b>Amounts Available for Appropriations</b> | <b>704,216</b>        | <b>704,216</b>   | <b>760,271</b>            | <b>56,055</b>   |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                  |                           |   |
| Public works                                | 270,000               | 617,395          | 597,384                   | 20,011  |
| Transfers out                               | -                     | -                | -                         | -   |
| <b>Total Charges to Appropriations</b>      | <b>270,000</b>        | <b>617,395</b>   | <b>597,384</b>            | <b>20,011</b>   |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 434,216</b>     | <b>\$ 86,821</b> | <b>\$ 162,887</b>         | <b>\$ 76,066</b>  |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
GENERAL PLAN MAINTENANCE  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                     | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|---------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>        |                           |   |
| Budgetary Fund Balance, July 1              | \$ 1,157,650          | \$ 1,157,650        | \$ 1,157,650              | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                     |                           |   |
| Licenses and permits                        | 300,000               | 300,000             | 215,044                   | (84,956)  |
| Use of money and property                   | 500                   | 500                 | 7,628                     | 7,128   |
| <b>Amounts Available for Appropriations</b> | <b>1,458,150</b>      | <b>1,458,150</b>    | <b>1,380,322</b>          | <b>(77,828)</b>   |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                     |                           |   |
| Planning and building                       | 397,700               | 444,180             | 260,549                   | 183,631   |
| <b>Total Charges to Appropriations</b>      | <b>397,700</b>        | <b>444,180</b>      | <b>260,549</b>            | <b>183,631</b>  |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 1,060,450</b>   | <b>\$ 1,013,970</b> | <b>\$ 1,119,773</b>       | <b>\$ 105,803</b>   |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
CHILD DEVELOPMENT  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                   | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|-------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>      |                           |   |
| Budgetary Fund Balance, July 1              | \$ 177,732            | \$ 177,732        | \$ 177,732                | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                   |                           |   |
| Intergovernmental                           | 153,500               | 153,500           | 162,310                   | 8,810   |
| Charges for services                        | 1,397,500             | 1,397,500         | 1,002,507                 | (394,993)   |
| Use of money and property                   | 1,000                 | 1,000             | 909                       | (91)  |
| Miscellaneous                               | 700                   | 700               | 372                       | (328)   |
| Transfers in                                | 250,100               | 750,100           | 756,512                   | 6,412   |
| <b>Amounts Available for Appropriations</b> | <b>1,980,532</b>      | <b>2,480,532</b>  | <b>2,100,342</b>          | <b>(380,190)</b>  |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                   |                           |   |
| Child development                           | 1,805,600             | 1,866,018         | 1,720,257                 | 145,761   |
| <b>Total Charges to Appropriations</b>      | <b>1,805,600</b>      | <b>1,866,018</b>  | <b>1,720,257</b>          | <b>145,761</b>  |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 174,932</b>     | <b>\$ 614,514</b> | <b>\$ 380,085</b>         | <b>\$ (234,429)</b>   |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
MEASURE B  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                   | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|-------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>      |                           |   |
| Budgetary Fund Balance, July 1              | \$ 107,798            | \$ 107,798        | \$ 107,798                | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                   |                           |   |
| Taxes                                       | 219,900               | 219,900           | 247,908                   | 28,008  |
| Intergovernmental                           | 114,000               | 114,000           | 170,829                   | 56,829  |
| Charges for services                        | -                     | -                 | 1,490                     | 1,490   |
| Use of money and property                   | 4,000                 | 4,000             | 1,473                     | (2,527)   |
| <b>Amounts Available for Appropriations</b> | <b>445,698</b>        | <b>445,698</b>    | <b>529,498</b>            | <b>83,800</b>   |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                   |                           |   |
| Public works                                | 71,100                | 142,128           | 173,698                   | (31,570)  |
| <b>Total Charges to Appropriations</b>      | <b>71,100</b>         | <b>142,128</b>    | <b>173,698</b>            | <b>(31,570)</b>   |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 374,598</b>     | <b>\$ 303,570</b> | <b>\$ 355,800</b>         | <b>\$ 52,230</b>  |

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE  
 EMERYVILLE PUBLIC ART  
 YEAR ENDED JUNE 30, 2014

|   | Budget Amounts      |                   | Actual<br>Amounts   | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|---------------------|-------------------|---------------------|---|
|   | Original            | Final             |                     |   |
| Budgetary Fund Balance, July 1              | \$ 1,400,509        | \$ 1,400,509      | \$ 1,400,509        | \$ -  |
| <b>Resources (Inflows):</b>                 |                     |                   |                     |   |
| Use of money and property                   | 4,000               | 4,000             | 10,296              | 6,296   |
| Miscellaneous                               | 30,000              | 30,000            | 135,763             | 105,763   |
| <b>Amounts Available for Appropriations</b> | <b>1,434,509</b>    | <b>1,434,509</b>  | <b>1,546,568</b>    | <b>112,059</b>  |
| <b>Charges to Appropriation (Outflow):</b>  |                     |                   |                     |   |
| Non-departmental operations                 | 149,600             | 754,077           | 95,119              | 658,958   |
| <b>Total Charges to Appropriations</b>      | <b>149,600</b>      | <b>754,077</b>    | <b>95,119</b>       | <b>658,958</b>  |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 1,284,909</b> | <b>\$ 680,432</b> | <b>\$ 1,451,449</b> | <b>\$ 771,017</b>                                       |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
OTHER GRANTS  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                     | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|---------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>        |                           |   |
| Budgetary Fund Balance, July 1              | \$ 2,880,312          | \$ 2,880,312        | \$ 2,880,312              | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                     |                           |   |
| Intergovernmental                           | -                     | 560,000             | 278,997                   | (281,003)   |
| Charges for services                        | -                     | -                   | 2,849                     | 2,849   |
| Use of money and property                   | -                     | -                   | 12,751                    | 12,751  |
| Contributions                               | -                     | 40,000              | 40,000                    | -   |
| <b>Amounts Available for Appropriations</b> | <b>2,880,312</b>      | <b>3,480,312</b>    | <b>3,214,909</b>          | <b>(265,403)</b>  |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                     |                           |   |
| Non-departmental operations                 | 1,000                 | 579,252             | 326,513                   | 252,739   |
| Capital outlay                              | -                     | 10,000              | 7,852                     | 2,148   |
| <b>Total Charges to Appropriations</b>      | <b>1,000</b>          | <b>589,252</b>      | <b>334,365</b>            | <b>254,887</b>  |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 2,879,312</b>   | <b>\$ 2,891,060</b> | <b>\$ 2,880,544</b>       | <b>\$ (10,516)</b>  |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
SUPPLEMENTAL LAW ENFORCEMENT  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                  | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>     |                           |   |
| Budgetary Fund Balance, July 1              | \$ 55,786             | \$ 55,786        | \$ 55,786                 | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                  |                           |   |
| Intergovernmental                           | 100,000               | 100,000          | 100,484                   | 484   |
| Use of money and property                   | 300                   | 300              | 155                       | (145)   |
| <b>Amounts Available for Appropriations</b> | <b>156,086</b>        | <b>156,086</b>   | <b>156,425</b>            | <b>339</b>  |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                  |                           |   |
| Police                                      | 100,000               | 100,000          | 102,879                   | (2,879)   |
| <b>Total Charges to Appropriations</b>      | <b>100,000</b>        | <b>100,000</b>   | <b>102,879</b>            | <b>(2,879)</b>  |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 56,086</b>      | <b>\$ 56,086</b> | <b>\$ 53,546</b>          | <b>\$ (2,540)</b>   |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
EMERGENCY MEDICAL SERVICES  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                 | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|-----------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>    |                           |   |
| Budgetary Fund Balance, July 1              | \$ 1,966              | \$ 1,966        | \$ 1,966                  | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                 |                           |   |
| Charges for services                        | 182,000               | 182,000         | 180,134                   | (1,866)   |
| Miscellaneous                               | -                     | -               | 1,125                     | 1,125   |
| <b>Amounts Available for Appropriations</b> | <b>183,966</b>        | <b>183,966</b>  | <b>183,225</b>            | <b>(741)</b>  |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                 |                           |   |
| Fire  | 182,000               | 182,000         | 181,633                   | 367   |
| <b>Total Charges to Appropriations</b>      | <b>182,000</b>        | <b>182,000</b>  | <b>181,633</b>            | <b>367</b>  |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 1,966</b>       | <b>\$ 1,966</b> | <b>\$ 1,592</b>           | <b>\$ (374)</b>   |

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE  
 MEASURE D  
 YEAR ENDED JUNE 30, 2014

|   | Budget Amounts   |                  | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|------------------|------------------|-------------------|---|
|   | Original         | Final            |                   |   |
| Budgetary Fund Balance, July 1              | \$ 42,070        | \$ 42,070        | \$ 42,070         | \$ -  |
| <b>Resources (Inflows):</b>                 |                  |                  |                   |   |
| Use of money and property                   | 100              | 100              | 239               | 139   |
| Miscellaneous                               | 25,000           | 25,000           | 28,275            | 3,275   |
| <b>Amounts Available for Appropriations</b> | <b>67,170</b>    | <b>67,170</b>    | <b>70,584</b>     | <b>3,414</b>  |
| <b>Charges to Appropriation (Outflow):</b>  |                  |                  |                   |   |
| Public works                                | 25,000           | 25,000           | 17,653            | 7,347   |
| <b>Total Charges to Appropriations</b>      | <b>25,000</b>    | <b>25,000</b>    | <b>17,653</b>     | <b>7,347</b>  |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 42,170</b> | <b>\$ 42,170</b> | <b>\$ 52,931</b>  | <b>\$ 10,761</b>  |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
 HOMEBUYER PROGRAM  
 YEAR ENDED JUNE 30, 2014**

|   | <u>Budget Amounts</u> |                   | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-----------------------|-------------------|---------------------------|---|
|   | <u>Original</u>       | <u>Final</u>      |                           |   |
| Budgetary Fund Balance, July 1              | \$ 360,561            | \$ 360,561        | \$ 360,561                | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                   |                           |   |
| Use of money and property                   | -                     | -                 | 2,262                     | 2,262   |
| <b>Amounts Available for Appropriations</b> | <b>360,561</b>        | <b>360,561</b>    | <b>362,823</b>            | <b>2,262</b>  |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                   |                           |   |
| Redevelopment                               | -                     | 46,200            | -                         | 46,200  |
| <b>Total Charges to Appropriations</b>      | <b>-</b>              | <b>46,200</b>     | <b>-</b>                  | <b>46,200</b>   |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 360,561</b>     | <b>\$ 314,361</b> | <b>\$ 362,823</b>         | <b>\$ 48,462</b>  |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
MAJOR MAINTENANCE  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                     | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|---------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>        |                           |   |
| Budgetary Fund Balance, July 1              | \$ 7,609,783          | \$ 7,609,783        | \$ 7,609,783              | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                     |                           |   |
| Intergovernmental                           | -                     | 19,050              | 19,050                    | -   |
| Use of money and property                   | 9,900                 | 9,900               | -                         | (9,900)   |
| Contributions                               | -                     | -                   | 1,022,070                 | 1,022,070   |
| Miscellaneous                               | 386,500               | 386,500             | 370,700                   | (15,800)  |
| <b>Amounts Available for Appropriations</b> | <b>8,006,183</b>      | <b>8,025,233</b>    | <b>9,021,603</b>          | <b>996,370</b>  |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                     |                           |   |
| Non-departmental operations                 | 125,400               | 923,704             | 150,750                   | 772,954   |
| Capital outlay                              | -                     | 1,224,050           | 1,609,526                 | (385,476)   |
| <b>Total Charges to Appropriations</b>      | <b>125,400</b>        | <b>2,147,754</b>    | <b>1,760,276</b>          | <b>387,478</b>  |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 7,880,783</b>   | <b>\$ 5,877,479</b> | <b>\$ 7,261,327</b>       | <b>\$ 1,383,848</b>   |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
VEHICLE REPLACEMENT  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                     | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|---------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>        |                           |   |
| Budgetary Fund Balance, July 1              | \$ 4,731,046          | \$ 4,731,046        | \$ 4,731,046              | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                     |                           |   |
| Use of money and property                   | 21,700                | 21,700              | -                         | (21,700)  |
| Miscellaneous                               | 246,800               | 246,800             | 246,800                   | -   |
| Proceeds from sale of capital asset         | -                     | -                   | 55,997                    | 55,997  |
| <b>Amounts Available for Appropriations</b> | <b>4,999,546</b>      | <b>4,999,546</b>    | <b>5,033,843</b>          | <b>34,297</b>   |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                     |                           |   |
| Capital outlay                              | 163,700               | 163,700             | -                         | 163,700   |
| <b>Total Charges to Appropriations</b>      | <b>163,700</b>        | <b>163,700</b>      | <b>-</b>                  | <b>163,700</b>  |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 4,835,846</b>   | <b>\$ 4,835,846</b> | <b>\$ 5,033,843</b>       | <b>\$ 197,997</b>   |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
INFORMATION TECHNOLOGY  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                   | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|-------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>      |                           |   |
| Budgetary Fund Balance, July 1              | \$ 856,825            | \$ 856,825        | \$ 856,825                | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                   |                           |   |
| Use of money and property                   | 4,200                 | 4,200             | -                         | (4,200)   |
| Miscellaneous                               | 195,100               | 195,100           | 208,120                   | 13,020  |
| Transfers in                                | -                     | 100,000           | 200,000                   | 100,000   |
| <b>Amounts Available for Appropriations</b> | <b>1,056,125</b>      | <b>1,156,125</b>  | <b>1,264,945</b>          | <b>108,820</b>  |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                   |                           |   |
| Non-departmental operations                 | -                     | 102,504           | 85,411                    | 17,093  |
| Capital outlay                              | 124,200               | 124,200           | 175,991                   | (51,791)  |
| <b>Total Charges to Appropriations</b>      | <b>124,200</b>        | <b>226,704</b>    | <b>261,402</b>            | <b>(34,698)</b>   |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 931,925</b>     | <b>\$ 929,421</b> | <b>\$ 1,003,543</b>       | <b>\$ 74,122</b>  |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
PROPERTY BASED IMPROVEMENT DISTRICT  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                   | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|-------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>      |                           |   |
| Budgetary Fund Balance, July 1              | \$ 71,639             | \$ 71,639         | \$ 71,639                 | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                   |                           |   |
| Taxes                                       | 2,805,200             | 2,805,200         | 2,635,700                 | (169,500)   |
| Use of money and property                   | -                     | -                 | 3,127                     | 3,127   |
| Transfers in                                | -                     | 400,000           | 400,000                   | -   |
| <b>Amounts Available for Appropriations</b> | <b>2,876,839</b>      | <b>3,276,839</b>  | <b>3,110,466</b>          | <b>(166,373)</b>  |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                   |                           |   |
| City Council                                | 5,000                 | 5,000             | 5,000                     | -   |
| Property based improvement district         | 2,797,000             | 2,797,000         | 2,781,500                 | 15,500  |
| <b>Total Charges to Appropriations</b>      | <b>2,802,000</b>      | <b>2,802,000</b>  | <b>2,786,500</b>          | <b>15,500</b>   |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 74,839</b>      | <b>\$ 474,839</b> | <b>\$ 323,966</b>         | <b>\$ (150,873)</b>   |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
URBAN FORESTRY FEE  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                  | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>     |                           |   |
| Budgetary Fund Balance, July 1              | \$ 104,930            | \$ 104,930       | \$ 104,930                | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                  |                           |   |
| Charges for services                        | -                     | -                | 27,400                    | 27,400  |
| Use of money and property                   | 100                   | 100              | 868                       | 768   |
| Fines and forfeitures                       | -                     | -                | 28,800                    | 28,800  |
| <b>Amounts Available for Appropriations</b> | <b>105,030</b>        | <b>105,030</b>   | <b>161,998</b>            | <b>56,968</b>   |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                  |                           |   |
| Non-departmental operations                 | 5,000                 | 5,000            | -                         | 5,000   |
| Public works                                | 8,000                 | 8,000            | 950                       | 7,050   |
| <b>Total Charges to Appropriations</b>      | <b>13,000</b>         | <b>13,000</b>    | <b>950</b>                | <b>12,050</b>   |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 92,030</b>      | <b>\$ 92,030</b> | <b>\$ 161,048</b>         | <b>\$ 69,018</b>  |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
GENERAL CAPITAL IMPROVEMENTS  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                      | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|----------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>         |                           |   |
| Budgetary Fund Balance, July 1              | \$ 13,817,146         | \$ 13,817,146        | \$ 13,817,146             | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                      |                           |   |
| Taxes                                       | -                     | -                    | 2,043,324                 | 2,043,324   |
| Use of money and property                   | -                     | -                    | 86,468                    | 86,468  |
| Developer participation                     | -                     | -                    | 110,000                   | 110,000   |
| Transfers in                                | -                     | 800,000              | 811,500                   | 11,500  |
| <b>Amounts Available for Appropriations</b> | <b>13,817,146</b>     | <b>14,617,146</b>    | <b>16,868,438</b>         | <b>2,251,292</b>  |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                      |                           |   |
| Non-departmental operations                 | -                     | 43,000               | 534,929                   | (491,929)   |
| Capital outlay                              | -                     | 1,451,361            | 26,361                    | 1,425,000   |
| Transfers out                               | -                     | 18,236               | 18,236                    | -   |
| <b>Total Charges to Appropriations</b>      | <b>-</b>              | <b>1,512,597</b>     | <b>579,526</b>            | <b>933,071</b>  |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 13,817,146</b>  | <b>\$ 13,104,549</b> | <b>\$ 16,288,912</b>      | <b>\$ 3,184,363</b>   |

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE  
1998 LEASE REVENUE SERIES A BOND  
YEAR ENDED JUNE 30, 2014**

|   | <b>Budget Amounts</b> |                  | <b>Actual<br/>Amounts</b> | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>     |                           |   |
| Budgetary Fund Balance, July 1              | \$ 517,284            | \$ 517,284       | \$ 517,284                | \$ -  |
| <b>Resources (Inflows):</b>                 |                       |                  |                           |   |
| Use of money and property                   | -                     | -                | (3,335)                   | (3,335)   |
| Miscellaneous                               | -                     | -                | 9,581                     | 9,581   |
| Transfers in                                | -                     | -                | 366,874                   | 366,874   |
| Refunding bonds issued                      | -                     | -                | 4,390,300                 | 4,390,300   |
| <b>Amounts Available for Appropriations</b> | <b>517,284</b>        | <b>517,284</b>   | <b>5,280,704</b>          | <b>4,763,420</b>  |
| <b>Charges to Appropriation (Outflow):</b>  |                       |                  |                           |   |
| Debt service:                               |                       |                  |                           |   |
| Principal retirement                        | 220,000               | 220,000          | 4,980,900                 | (4,760,900)   |
| Interest and fiscal charges                 | 231,750               | 231,750          | 296,753                   | (65,003)  |
| <b>Total Charges to Appropriations</b>      | <b>451,750</b>        | <b>451,750</b>   | <b>5,277,653</b>          | <b>(4,825,903)</b>  |
| <b>Budgetary Fund Balance, June 30</b>      | <b>\$ 65,534</b>      | <b>\$ 65,534</b> | <b>\$ 3,051</b>           | <b>\$ (62,483)</b>  |

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## CITY OF EMERYVILLE

### INTERNAL SERVICE FUNDS

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Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies on a cost-sharing basis.

The *Litigation Fund* accounts for all litigation expenses of the City and the Commission except for activity specifically associated with a Capital Improvement Project. The fund is supported by interfund transfers from the General Fund, the Sewer Fund and, when appropriate, the Commission.

The *MESA Fund* accounts for activities of the Management of Emeryville Services Authority.

The *Workers' Compensation Self-Insurance Fund* pays for the City's Workers' Compensation Program, under which the City is self-insured for the first \$350,000 of each claim. The fund is supported through premium rates charged to departmental budgets on each covered employee.

The *Dental Self-Insurance Fund* pays for dental coverage provided to City employees. The fund is supported through premium rates charged to departmental budgets based on employees covered. The Self-Insurance Fund pays monthly claims for active and retired employees plus an administrative surcharge.

The *Unemployment Self-Insurance Fund* pays for required unemployment premiums. The fund is supported through premium rates charged to departmental budgets on each covered employee.

The *Accrued Benefit Fund* was established to support the City's unfunded liability for accrued leave buyouts paid to City employees upon separation of service. These leaves include accrued sick leave, vacation leave and compensatory time. The fund is supported by interdepartmental payroll changes.

The *Post Employment Fund* accounts for the City's retiree medical, dental and vision benefits.

CITY OF EMERYVILLE

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
JUNE 30, 2014

|   | Litigation          | MESA        | Worker's<br>Compensation<br>Self-Insurance | Dental Self-<br>Insurance |
|---|---------------------|-------------|--|---------------------------|
| <b>Assets:</b>                            |                     |             |  |                           |
| Cash and investments                      | \$ 1,475,411        | \$ -        | \$ 4,171,895                               | \$ 24,040                 |
| Receivables:                              |                     |             |  |                           |
| Accounts                                  | -                   | -           | 121,089                                    | -                         |
| Accrued interest                          | 305                 | -           | 850  | 3                         |
| <b>Total Assets</b>                       | <b>\$ 1,475,716</b> | <b>\$ -</b> | <b>\$ 4,293,834</b>                        | <b>\$ 24,043</b>          |
| <b>Liabilities and Net Position:</b>      |                     |             |  |                           |
| <b>Liabilities:</b>                       |                     |             |  |                           |
| Current:                                  |                     |             |  |                           |
| Accounts payable                          | \$ 4,250            | \$ -        | \$ 71,171                                  | \$ 51,006                 |
| Accrued compensated absences              | -                   | -           | -  | -                         |
| Accrued claims and judgments              | 96,739              | -           | 254,461                                    | -                         |
| <b>Total Current Liabilities</b>          | <b>100,989</b>      | <b>-</b>    | <b>325,632</b>                             | <b>51,006</b>             |
| Noncurrent:                               |                     |             |  |                           |
| Accrued compensated absences              | -                   | -           | -  | -                         |
| Accrued claims and judgments              | 17,592              | -           | 1,053,265                                  | -                         |
| <b>Total Noncurrent Liabilities</b>       | <b>17,592</b>       | <b>-</b>    | <b>1,053,265</b>                           | <b>-</b>                  |
| <b>Total Liabilities</b>                  | <b>118,581</b>      | <b>-</b>    | <b>1,378,897</b>                           | <b>51,006</b>             |
| <b>Net Position:</b>                      |                     |             |  |                           |
| Unrestricted                              | 1,357,135           | -           | 2,914,937                                  | (26,963)                  |
| <b>Total Net Position</b>                 | <b>1,357,135</b>    | <b>-</b>    | <b>2,914,937</b>                           | <b>(26,963)</b>           |
| <b>Total Liabilities and Net Position</b> | <b>\$ 1,475,716</b> | <b>\$ -</b> | <b>\$ 4,293,834</b>                        | <b>\$ 24,043</b>          |

CITY OF EMERYVILLE

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
JUNE 30, 2014

|   | <u>Unemployment<br/>Self-Insurance</u> | <u>Accrued<br/>Benefits</u> | <u>Post<br/>Employment</u> | <u>Totals</u>               |
|---|--|-----------------------------|----------------------------|-----------------------------|
| <b>Assets:</b>                            |  |                             |                            |                             |
| Cash and investments                      | \$ 100,416                             | \$ 2,940,652                | \$ 6,815,113               | \$ 15,527,527               |
| Receivables:                              |  |                             |                            |                             |
| Accounts                                  | -                                      | -                           | 1,232                      | 122,321                     |
| Accrued interest                          | 21                                     | 610                         | 1,341                      | 3,130                       |
| <b>Total Assets</b>                       | <b><u>\$ 100,437</u></b>               | <b><u>\$ 2,941,262</u></b>  | <b><u>\$ 6,817,686</u></b> | <b><u>\$ 15,652,978</u></b> |
| <b>Liabilities and Net Position:</b>      |  |                             |                            |                             |
| <b>Liabilities:</b>                       |  |                             |                            |                             |
| Current:                                  |  |                             |                            |                             |
| Accounts payable                          | \$ -                                   | \$ 101                      | \$ 1,821                   | \$ 128,349                  |
| Accrued compensated absences              | -                                      | 493,390                     | -                          | 493,390                     |
| Accrued claims and judgments              | -                                      | -                           | -                          | 351,200                     |
| <b>Total Current Liabilities</b>          | <b><u>-</u></b>                        | <b><u>493,491</u></b>       | <b><u>1,821</u></b>        | <b><u>972,939</u></b>       |
| Noncurrent:                               |  |                             |                            |                             |
| Accrued compensated absences              | -                                      | 2,456,087                   | -                          | 2,456,087                   |
| Accrued claims and judgments              | -                                      | -                           | -                          | 1,070,857                   |
| <b>Total Noncurrent Liabilities</b>       | <b><u>-</u></b>                        | <b><u>2,456,087</u></b>     | <b><u>-</u></b>            | <b><u>3,526,944</u></b>     |
| <b>Total Liabilities</b>                  | <b><u>-</u></b>                        | <b><u>2,949,578</u></b>     | <b><u>1,821</u></b>        | <b><u>4,499,883</u></b>     |
| <b>Net Position:</b>                      |  |                             |                            |                             |
| Unrestricted                              | 100,437                                | (8,316)                     | 6,815,865                  | 11,153,095                  |
| <b>Total Net Position</b>                 | <b><u>100,437</u></b>                  | <b><u>(8,316)</u></b>       | <b><u>6,815,865</u></b>    | <b><u>11,153,095</u></b>    |
| <b>Total Liabilities and Net Position</b> | <b><u>\$ 100,437</u></b>               | <b><u>\$ 2,941,262</u></b>  | <b><u>\$ 6,817,686</u></b> | <b><u>\$ 15,652,978</u></b> |

## CITY OF EMERYVILLE

**COMBINING STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2014**

|   | <u>Litigation</u>   | <u>MESA</u>      | <u>Worker's<br/>Compensation<br/>Self-Insurance</u> | <u>Dental Self-<br/>Insurance</u> |
|---|---------------------|------------------|---|-----------------------------------|
| <b>Operating Revenues:</b>                        |                     |                  |   |                                   |
| Service charges                                   | \$ 101,072          | \$ 8,149,168     | \$ 501,490  | \$ 141,606                        |
| <b>Total Operating Revenues</b>                   | <b>101,072</b>      | <b>8,149,168</b> | <b>501,490</b>                                      | <b>141,606</b>                    |
| <b>Operating Expenses:</b>                        |                     |                  |   |                                   |
| Administration and general                        | -                   | 8,149,168        | 189,572   | 25,190                            |
| Claims expense                                    | 181,075             | -                | 105,589   | 190,460                           |
| <b>Total Operating Expenses</b>                   | <b>181,075</b>      | <b>8,149,168</b> | <b>295,161</b>                                      | <b>215,650</b>                    |
| Operating Income (Loss)                           | (80,003)            | -                | 206,329   | (74,044)                          |
| <b>Nonoperating Revenues (Expenses):</b>          |                     |                  |   |                                   |
| Interest revenue                                  | 9,184               | -                | 25,590  | 58                                |
| <b>Total Nonoperating<br/>Revenues (Expenses)</b> | <b>9,184</b>        | <b>-</b>         | <b>25,590</b>                                       | <b>58</b>                         |
| Income (Loss) Before Transfers                    | (70,819)            | -                | 231,919   | (73,986)                          |
| Transfers in                                      | 180,000             | -                | -   | 50,000                            |
| Changes in Net Position                           | 109,181             | -                | 231,919   | (23,986)                          |
| <b>Net Position:</b>                              |                     |                  |   |                                   |
| Beginning of Year                                 | 1,247,954           | -                | 2,683,018   | (2,977)                           |
| <b>End of Fiscal Year</b>                         | <b>\$ 1,357,135</b> | <b>\$ -</b>      | <b>\$ 2,914,937</b>                                 | <b>\$ (26,963)</b>                |

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2014

|   | Unemployment<br>Self-Insurance | Accrued<br>Benefits | Post<br>Employment  | Totals               |
|---|--------------------------------|---------------------|---------------------|----------------------|
| <b>Operating Revenues:</b>                        |                                |                     |                     |                      |
| Service charges                                   | \$ 11,449                      | \$ 104,958          | \$ 216,415          | \$ 9,226,158         |
| <b>Total Operating Revenues</b>                   | <b>11,449</b>                  | <b>104,958</b>      | <b>216,415</b>      | <b>9,226,158</b>     |
| <b>Operating Expenses:</b>                        |                                |                     |                     |                      |
| Administration and general                        | -                              | 324,921             | 208,631             | 8,897,482            |
| Claims expense                                    | 18,494                         | -                   | -                   | 495,618              |
| <b>Total Operating Expenses</b>                   | <b>18,494</b>                  | <b>324,921</b>      | <b>208,631</b>      | <b>9,393,100</b>     |
| Operating Income (Loss)                           | (7,045)                        | (219,963)           | 7,784               | (166,942)            |
| <b>Nonoperating Revenues (Expenses):</b>          |                                |                     |                     |                      |
| Interest revenue                                  | 643                            | 18,775              | 40,099              | 94,349               |
| <b>Total Nonoperating<br/>Revenues (Expenses)</b> | <b>643</b>                     | <b>18,775</b>       | <b>40,099</b>       | <b>94,349</b>        |
| Income (Loss) Before Transfers                    | (6,402)                        | (201,188)           | 47,883              | (72,593)             |
| Transfers in                                      | -                              | -                   | 450,000             | 680,000              |
| Changes in Net Position                           | (6,402)                        | (201,188)           | 497,883             | 607,407              |
| <b>Net Position:</b>                              |                                |                     |                     |                      |
| Beginning of Year                                 | 106,839                        | 192,872             | 6,317,982           | 10,545,688           |
| <b>End of Fiscal Year</b>                         | <b>\$ 100,437</b>              | <b>\$ (8,316)</b>   | <b>\$ 6,815,865</b> | <b>\$ 11,153,095</b> |

## CITY OF EMERYVILLE

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2014**

|   | Litigation          | MESA         | Worker's<br>Compensation<br>Self-Insurance | Dental Self-<br>Insurance |
|---|---------------------|--------------|--|---------------------------|
| <b>Cash Flows from Operating Activities:</b>  |                     |              |  |                           |
| Cash received from customers and users  | \$ 101,072          | \$ 8,149,168 | \$ 382,826                                 | \$ 141,606                |
| Cash paid to suppliers for goods and services   | (190,016)           | -            | -  | -                         |
| Cash paid to employees for services   | (108,768)           | (8,149,168)  | (183,873)                                  | (25,190)                  |
| Claims Paid   | -                   | -            | (290,427)                                  | (153,601)                 |
| <b>Net Cash Provided (Used)<br/>by Operating Activities</b>   | <b>(197,712)</b>    | <b>-</b>     | <b>(91,474)</b>                            | <b>(37,185)</b>           |
| <b>Cash Flows from Non-Capital<br/>Financing Activities:</b>  |                     |              |  |                           |
| Cash transfers in   | 180,000             | -            | -  | 50,000                    |
| <b>Net Cash Provided (Used) by<br/>Non-Capital Financing Activities</b>                                       | <b>180,000</b>      | <b>-</b>     | <b>-</b>                                   | <b>50,000</b>             |
| <b>Cash Flows from Investing Activities:</b>  |                     |              |  |                           |
| Interest received   | 9,292               | -            | 25,916                                     | 58                        |
| <b>Net Cash Provided (Used) by<br/>Investing Activities</b>   | <b>9,292</b>        | <b>-</b>     | <b>25,916</b>                              | <b>58</b>                 |
| <b>Net Increase (Decrease) in Cash<br/>and Cash Equivalents</b>   | <b>(8,420)</b>      | <b>-</b>     | <b>(65,558)</b>                            | <b>12,873</b>             |
| Cash and Cash Equivalents at Beginning of Year  | 1,483,831           | -            | 4,237,453                                  | 11,167                    |
| <b>Cash and Cash Equivalents at End of Year</b>   | <b>\$ 1,475,411</b> | <b>\$ -</b>  | <b>\$ 4,171,895</b>                        | <b>\$ 24,040</b>          |
| <b>Reconciliation of Operating Income to Net Cash<br/>Provided (Used) by Operating Activities:</b>            |                     |              |  |                           |
| Operating income (loss)   | \$ (80,003)         | \$ -         | \$ 206,329                                 | \$ (74,044)               |
| <b>Adjustments to reconcile operating income (loss)<br/>net cash provided (used) by operating activities:</b> |                     |              |  |                           |
| (Increase) decrease in accounts receivable  | -                   | -            | (40,234)                                   | -                         |
| (Increase) decrease in prepaid expense  | -                   | -            | 10,188                                     | -                         |
| Increase (decrease) in accounts payable   | (8,941)             | -            | (4,489)                                    | 36,859                    |
| Increase (decrease) in deferred revenue   | -                   | -            | (78,430)                                   | -                         |
| Increase (decrease) in claims and judgments   | (108,768)           | -            | (184,838)                                  | -                         |
| Increase (decrease) in compensated absences   | -                   | -            | -  | -                         |
| <b>Total Adjustments</b>  | <b>(117,709)</b>    | <b>-</b>     | <b>(297,803)</b>                           | <b>36,859</b>             |
| <b>Net Cash Provided (Used) by<br/>Operating Activities</b>   | <b>\$ (197,712)</b> | <b>\$ -</b>  | <b>\$ (91,474)</b>                         | <b>\$ (37,185)</b>        |

## CITY OF EMERYVILLE

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2014**

|   | Unemployment<br>Self-Insurance | Accrued<br>Benefits | Post<br>Employment  | Totals               |
|---|--------------------------------|---------------------|---------------------|----------------------|
| <b>Cash Flows from Operating Activities:</b>  |                                |                     |                     |                      |
| Cash received from customers and users  | \$ 11,449                      | \$ 104,958          | \$ 219,373          | \$ 9,110,452         |
| Cash paid to suppliers for goods and services   | -                              | -                   | -                   | (190,016)            |
| Cash paid to employees for services   | -                              | (140,049)           | (186,211)           | (8,793,259)          |
| Claims Paid   | (18,494)                       | -                   | -                   | (462,522)            |
| <b>Net Cash Provided (Used)<br/>by Operating Activities</b>   | <b>(7,045)</b>                 | <b>(35,091)</b>     | <b>33,162</b>       | <b>(335,345)</b>     |
| <b>Cash Flows from Non-Capital<br/>Financing Activities:</b>  |                                |                     |                     |                      |
| Cash transfers in   | -                              | -                   | 450,000             | 680,000              |
| <b>Net Cash Provided (Used) by<br/>Non-Capital Financing Activities</b>                                       | <b>-</b>                       | <b>-</b>            | <b>450,000</b>      | <b>680,000</b>       |
| <b>Cash Flows from Investing Activities:</b>  |                                |                     |                     |                      |
| Interest received   | 652                            | 19,033              | 40,510              | 95,461               |
| <b>Net Cash Provided (Used) by<br/>Investing Activities</b>   | <b>652</b>                     | <b>19,033</b>       | <b>40,510</b>       | <b>95,461</b>        |
| <b>Net Increase (Decrease) in Cash<br/>and Cash Equivalents</b>   | <b>(6,393)</b>                 | <b>(16,058)</b>     | <b>523,672</b>      | <b>440,116</b>       |
| Cash and Cash Equivalents at Beginning of Year  | 106,809                        | 2,956,710           | 6,291,441           | 15,087,411           |
| <b>Cash and Cash Equivalents at End of Year</b>   | <b>\$ 100,416</b>              | <b>\$ 2,940,652</b> | <b>\$ 6,815,113</b> | <b>\$ 15,527,527</b> |
| <b>Reconciliation of Operating Income to Net Cash<br/>Provided (Used) by Operating Activities:</b>            |                                |                     |                     |                      |
| Operating income (loss)   | \$ (7,045)                     | \$ (219,963)        | \$ 7,784            | \$ (166,942)         |
| <b>Adjustments to reconcile operating income (loss)<br/>net cash provided (used) by operating activities:</b> |                                |                     |                     |                      |
| (Increase) decrease in accounts receivable  | -                              | -                   | 2,958               | (37,276)             |
| (Increase) decrease in prepaid expense  | -                              | -                   | 20,599              | 30,787               |
| Increase (decrease) in accounts payable   | -                              | 51                  | 1,821               | 25,301               |
| Increase (decrease) in deferred revenue   | -                              | -                   | -                   | (78,430)             |
| Increase (decrease) in claims and judgments   | -                              | -                   | -                   | (293,606)            |
| Increase (decrease) in compensated absences   | -                              | 184,821             | -                   | 184,821              |
| <b>Total Adjustments</b>  | <b>-</b>                       | <b>184,872</b>      | <b>25,378</b>       | <b>(168,403)</b>     |
| <b>Net Cash Provided (Used) by<br/>Operating Activities</b>   | <b>\$ (7,045)</b>              | <b>\$ (35,091)</b>  | <b>\$ 33,162</b>    | <b>\$ (335,345)</b>  |

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## CITY OF EMERYVILLE

### **AGENCY FUNDS**

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The *Assessment District Funds and 1999 Revenue Bonds Fund* account for the receipt of special assessments and the payment of principal, interest, and bond administration costs on Assessment District Bonds. These funds are treated as Agency Funds because there is no City liability for their repayment.

CITY OF EMERYVILLE

COMBINING STATEMENT OF NET POSITION  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2014

|   | 1999 Revenue<br>Bonds | East<br>Baybridge<br>Assessment | Bay<br>Shellmound<br>Assessment | West<br>Emeryville<br>Assessment |
|---|-----------------------|---------------------------------|---------------------------------|----------------------------------|
| <b>Assets:</b>                          |                       |                                 |                                 |                                  |
| Pooled cash and investments             | \$ -                  | \$ 766,919                      | \$ 2,271,419                    | \$ 88,094                        |
| Receivables:                            |                       |                                 |                                 |                                  |
| Accounts                                | -                     | -                               | 7,715                           | -                                |
| Accrued interest                        | -                     | 10,067                          | 9,913                           | 18                               |
| Restricted assets:                      |                       |                                 |                                 |                                  |
| Cash and investments with fiscal agents | -                     | 508,475                         | 484,387                         | -                                |
| <b>Total Assets</b>                     | <b><u>\$ -</u></b>    | <b><u>\$ 1,285,461</u></b>      | <b><u>\$ 2,773,434</u></b>      | <b><u>\$ 88,112</u></b>          |
| <b>Liabilities:</b>                     |                       |                                 |                                 |                                  |
| Due to bondholders                      | \$ -                  | \$ 1,285,461                    | \$ 2,773,434                    | \$ 88,112                        |
| <b>Total Liabilities</b>                | <b><u>\$ -</u></b>    | <b><u>\$ 1,285,461</u></b>      | <b><u>\$ 2,773,434</u></b>      | <b><u>\$ 88,112</u></b>          |

CITY OF EMERYVILLE

COMBINING STATEMENT OF NET POSITION  
ALL AGENCY FUNDS  
YEAR ENDED JUNE 30, 2014

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|   | <u>Totals</u>              |
|---|----------------------------|
| <b>Assets:</b>                          |                            |
| Pooled cash and investments             | \$ 3,126,432               |
| Receivables:                            |                            |
| Accounts                                | 7,715                      |
| Accrued interest                        | 19,998                     |
| Restricted assets:                      |                            |
| Cash and investments with fiscal agents | <u>992,862</u>             |
| <b>Total Assets</b>                     | <b><u>\$ 4,147,007</u></b> |
| <br>                                    |                            |
| <b>Liabilities:</b>                     |                            |
| Due to bondholders                      | <u>\$ 4,147,007</u>        |
| <b>Total Liabilities</b>                | <b><u>\$ 4,147,007</u></b> |

CITY OF EMERYVILLE

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2014

|  | Balance<br>7/1/2013        | Additions                  | Deductions                 | Balance<br>6/30/2014       |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| <b><u>1999 Revenue Bonds</u></b>                 |                            |                            |                            |                            |
| <b>Assets:</b>                                   |                            |                            |                            |                            |
| Restricted assets:                               |                            |                            |                            |                            |
| Cash and investments with fiscal agents          | \$ 32,094                  | \$ 996,689                 | \$ 1,028,783               | \$ -                       |
| <b>Total Assets</b>                              | <b><u>\$ 32,094</u></b>    | <b><u>\$ 996,689</u></b>   | <b><u>\$ 1,028,783</u></b> | <b><u>\$ -</u></b>         |
| <b>Liabilities:</b>                              |                            |                            |                            |                            |
| Due to external parties/other agencies           | \$ 32,094                  | \$ 996,689                 | \$ 1,028,783               | \$ -                       |
| <b>Total Liabilities</b>                         | <b><u>\$ 32,094</u></b>    | <b><u>\$ 996,689</u></b>   | <b><u>\$ 1,028,783</u></b> | <b><u>\$ -</u></b>         |
| <b><u>East Baybridge Assessment District</u></b> |                            |                            |                            |                            |
| <b>Assets:</b>                                   |                            |                            |                            |                            |
| Pooled cash and investments                      | \$ 752,078                 | \$ 579,616                 | \$ 564,775                 | \$ 766,919                 |
| Receivables:                                     |                            |                            |                            |                            |
| Accrued interest                                 | 9,396                      | 10,067                     | 9,396                      | 10,067                     |
| Restricted assets:                               |                            |                            |                            |                            |
| Cash and investments with fiscal agents          | 481,120                    | 614,127                    | 586,772                    | 508,475                    |
| <b>Total Assets</b>                              | <b><u>\$ 1,242,594</u></b> | <b><u>\$ 1,203,810</u></b> | <b><u>\$ 1,160,943</u></b> | <b><u>\$ 1,285,461</u></b> |
| <b>Liabilities:</b>                              |                            |                            |                            |                            |
| Due to external parties/other agencies           | \$ 1,242,594               | \$ 1,203,810               | \$ 1,160,943               | \$ 1,285,461               |
| <b>Total Liabilities</b>                         | <b><u>\$ 1,242,594</u></b> | <b><u>\$ 1,203,810</u></b> | <b><u>\$ 1,160,943</u></b> | <b><u>\$ 1,285,461</u></b> |
| <b><u>Bay Shellmound Assessment District</u></b> |                            |                            |                            |                            |
| <b>Assets:</b>                                   |                            |                            |                            |                            |
| Pooled cash and investments                      | \$ 2,112,341               | \$ 636,650                 | \$ 477,572                 | \$ 2,271,419               |
| Receivables:                                     |                            |                            |                            |                            |
| Accounts   | 8,007                      | 7,715                      | 8,007                      | 7,715                      |
| Accrued interest                                 | 9,337                      | 10,387                     | 9,811                      | 9,913                      |
| Restricted assets:                               |                            |                            |                            |                            |
| Cash and investments with fiscal agents          | 458,331                    | 489,382                    | 463,326                    | 484,387                    |
| <b>Total Assets</b>                              | <b><u>\$ 2,588,016</u></b> | <b><u>\$ 1,144,134</u></b> | <b><u>\$ 958,716</u></b>   | <b><u>\$ 2,773,434</u></b> |
| <b>Liabilities:</b>                              |                            |                            |                            |                            |
| Due to external parties/other agencies           | \$ 2,588,016               | \$ 1,144,134               | \$ 958,716                 | \$ 2,773,434               |
| <b>Total Liabilities</b>                         | <b><u>\$ 2,588,016</u></b> | <b><u>\$ 1,144,134</u></b> | <b><u>\$ 958,716</u></b>   | <b><u>\$ 2,773,434</u></b> |

CITY OF EMERYVILLE

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2014

|   | Balance<br>7/1/2013        | Additions                  | Deductions                | Balance<br>6/30/2014       |
|---|----------------------------|----------------------------|---------------------------|----------------------------|
| <b><u>West Emeryville Assessment District</u></b> |                            |                            |                           |                            |
| <b>Assets:</b>                                    |                            |                            |                           |                            |
| Pooled cash and investments                       | \$ 83,631                  | \$ 5,636                   | \$ 1,173                  | \$ 88,094                  |
| Receivables:                                      |                            |                            |                           |                            |
| Accrued interest                                  | 23                         | 18                         | 23                        | 18                         |
| <b>Total Assets</b>                               | <b><u>\$ 83,654</u></b>    | <b><u>\$ 5,654</u></b>     | <b><u>\$ 1,196</u></b>    | <b><u>\$ 88,112</u></b>    |
| <b>Liabilities:</b>                               |                            |                            |                           |                            |
| Due to external parties/other agencies            | \$ 83,654                  | \$ 5,654                   | \$ 1,196                  | \$ 88,112                  |
| <b>Total Liabilities</b>                          | <b><u>\$ 83,654</u></b>    | <b><u>\$ 5,654</u></b>     | <b><u>\$ 1,196</u></b>    | <b><u>\$ 88,112</u></b>    |
| <b><u>Totals - All Agency Funds</u></b>           |                            |                            |                           |                            |
| <b>Assets:</b>                                    |                            |                            |                           |                            |
| Pooled cash and investments                       | \$ 2,948,050               | \$ 1,221,902               | \$1,043,520               | \$ 3,126,432               |
| Receivables:                                      |                            |                            |                           |                            |
| Accounts  | 8,007                      | 7,715                      | 8,007                     | 7,715                      |
| Accrued interest                                  | 18,756                     | 20,472                     | 19,230                    | 19,998                     |
| Restricted assets:                                |                            |                            |                           |                            |
| Cash and investments with fiscal agents           | 971,545                    | 2,100,198                  | 2,078,881                 | 992,862                    |
| <b>Total Assets</b>                               | <b><u>\$ 3,946,358</u></b> | <b><u>\$ 3,350,287</u></b> | <b><u>\$3,149,638</u></b> | <b><u>\$ 4,147,007</u></b> |
| <b>Liabilities:</b>                               |                            |                            |                           |                            |
| Due to external parties/other agencies            | \$ 3,946,358               | \$ 3,350,287               | \$3,149,638               | \$ 4,147,007               |
| <b>Total Liabilities</b>                          | <b><u>\$ 3,946,358</u></b> | <b><u>\$ 3,350,287</u></b> | <b><u>\$3,149,638</u></b> | <b><u>\$ 4,147,007</u></b> |

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## CITY OF EMERYVILLE

### PRIVATE PURPOSE TRUST FUNDS

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The *Private Purpose Trust Funds* are used to account for the assets and liabilities of the Successor Agency of the former Redevelopment Agency per the Redevelopment dissolution laws AB 1X 26 and AB 1484. The funds receive revenue to pay estimated installment payments of the enforceable obligations until obligations of the former Redevelopment Agency are paid in full and assets have been liquidated.

The *RDA Retirement Fund* accounts for the redevelopment property tax trust fund (RPTTF) revenues allocated to the Successor Agency to pay for approved recognized obligations of the former redevelopment agency.

The *Low/Moderate Income Housing Fund* accounts for the activities of the previously mandated 20% set-aside of redevelopment tax increment revenue from the 1976 and Shellmound Project Areas for Low/Moderate Income Housing Programs.

The *Housing Revolving Loan Fund* accounts for the First-Time Homebuyer and Rehabilitation loans. The fund segregates funds available for first-time homebuyers and rehabilitation loans from other Successor Agency assets.

The *1976 Project Fund* accounts for resources dedicated to the former redevelopment agency 1976 Project Area for specific capital projects.

The *Shellmound Project Fund* accounts for resources dedicated to the former redevelopment agency Shellmound Park Project Area for specific capital projects.

The *1998C Taxable Housing Capital Bonds Fund* accounts for bond proceeds and other revenue associated with the 1998C Taxable Housing Capital Bonds.

The *2004A Housing Capital Bonds Fund* accounts for the bond proceeds and other revenue associated with the 2004A Housing Capital Bonds.

The *Housing Capital Project Fund* accounts for bond proceeds and other revenue associated with the 1976 Project Area 1985 Revenue Bonds.

The *1998C 76 Taxable Capital Bonds Fund* accounts for bond proceeds from the 1998 taxable bonds that were issued in fiscal year 1999.

The *2001A Tax Exempt Shellmound Capital Bonds Fund* accounts for bond proceeds from the 2001 bonds Series A that were issued in fiscal year 2002.

The *2001A Tax Exempt 76 Capital Bonds Fund* accounts for bond proceeds from the 2001 bonds Series A that were issued in fiscal year 2002.

The *2002A Revenue Capital Bonds Fund* accounts for bond proceeds from the 2002 bonds Series A that were issued in fiscal year 2003.

The *2004A 76 Area Capital Bonds Fund* accounts for the bond proceeds from the 2004 Redevelopment Agency Bond Issue.

The *2004A Shellmound Area Capital Bonds Fund* accounts for the bond proceeds from the 2004 Redevelopment Agency Bond Issue.

The *1976 Capital Projects Fund* accounts for the receipt of tax increment revenue allocated to the 1976 Redevelopment Project Area.

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## CITY OF EMERYVILLE

### PRIVATE PURPOSE TRUST FUNDS

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The *Shellmound Project Capital Projects Fund* accounts for the receipt of tax increment revenue allocated to the Shellmound Redevelopment Project Area.

The *Housing Bonds Payable Fund* accounts for payments of principal and interest on all housing bonds of the former redevelopment agency.

The *1976 Bonds Payable Fund* accounts for payments of principal and interest on the 1976 project area bonds of the former redevelopment agency.

The *Shellmound Bonds Payable Fund* accounts for payments of principal and interest on all the Shellmound Project Area Bonds of the former redevelopment agency.

CITY OF EMERYVILLE

COMBINING STATEMENT OF NET POSITION  
 ALL PRIVATE-PURPOSE TRUST FUNDS  
 YEAR ENDED JUNE 30, 2014

|   | RDA<br>Retirement<br>Fund | Low Mod<br>Income<br>Housing Fund | Housing<br>Revolving<br>Loan Fund | 1976 Project<br>Fund |
|---|---------------------------|-----------------------------------|-----------------------------------|----------------------|
| <b>Assets:</b>                                  |                           |                                   |                                   |                      |
| Pooled cash and investments                     | \$ 10,842,553             | \$ 167,751                        | \$ -                              | \$ 7,843,997         |
| Receivables:                                    |                           |                                   |                                   |                      |
| Accounts  | -                         | -                                 | -                                 | -                    |
| Taxes   | -                         | -                                 | -                                 | -                    |
| Notes and loans                                 | -                         | -                                 | -                                 | 1,173,377            |
| Accrued interest                                | 4,603                     | 82                                | -                                 | 4,273                |
| Land held for resale                            | -                         | -                                 | -                                 | -                    |
| Restricted assets:                              |                           |                                   |                                   |                      |
| Cash and investments with fiscal agents         | -                         | -                                 | -                                 | -                    |
| Capital assets:                                 |                           |                                   |                                   |                      |
| Capital assets, not being depreciated           | -                         | -                                 | -                                 | 935,810              |
| Capital assets, net of accumulated depreciation | -                         | -                                 | -                                 | -                    |
| <b>Total Assets</b>                             | <b>10,847,156</b>         | <b>167,833</b>                    | <b>-</b>                          | <b>9,957,457</b>     |
| <b>Liabilities:</b>                             |                           |                                   |                                   |                      |
| Accounts payable                                | -                         | -                                 | -                                 | 85                   |
| Accrued interest                                | -                         | -                                 | -                                 | -                    |
| Unearned revenues                               | -                         | -                                 | -                                 | 50,000               |
| Deposits payable                                | -                         | -                                 | -                                 | 50,000               |
| Long-term liabilities:                          |                           |                                   |                                   |                      |
| Due in one year                                 | -                         | -                                 | -                                 | -                    |
| Due in more than one year                       | -                         | -                                 | -                                 | 7,024,700            |
| <b>Total Liabilities</b>                        | <b>-</b>                  | <b>-</b>                          | <b>-</b>                          | <b>7,124,785</b>     |
| <b>Net Position:</b>                            |                           |                                   |                                   |                      |
| Held in trust for other purposes                | 10,847,156                | 167,833                           | -                                 | 2,832,672            |
| <b>Total Net Position</b>                       | <b>\$ 10,847,156</b>      | <b>\$ 167,833</b>                 | <b>\$ -</b>                       | <b>\$ 2,832,672</b>  |

CITY OF EMERYVILLE

COMBINING STATEMENT OF NET POSITION  
 ALL PRIVATE-PURPOSE TRUST FUNDS  
 YEAR ENDED JUNE 30, 2014

(CONTINUED)

|   | <u>Shellmound<br/>Project Fund</u> | <u>1998C Taxable<br/>Housing<br/>Capital Bonds</u> | <u>2004A<br/>Housing<br/>Capital Bonds</u> | <u>Housing<br/>Capital Project<br/>Fund</u> |
|---|------------------------------------|--|--|---|
| <b>Assets:</b>                                  |                                    |  |  |   |
| Pooled cash and investments                     | \$ 5,909,584                       | \$ 132,221   | \$ 33,995                                  | \$ 182,800                                  |
| Receivables:                                    |                                    |  |  |   |
| Accounts  | -                                  | -  | -  | -   |
| Taxes   | -                                  | -  | -  | 437   |
| Notes and loans                                 | -                                  | -  | -  | -   |
| Accrued interest                                | 786                                | 58   | 19   | 91  |
| Land held for resale                            | -                                  | -  | -  | -   |
| Restricted assets:                              |                                    |  |  |   |
| Cash and investments with fiscal agents         | -                                  | -  | -  | -   |
| Capital assets:                                 |                                    |  |  |   |
| Capital assets, not being depreciated           | 10,887,573                         | -  | -  | -   |
| Capital assets, net of accumulated depreciation | 4,151,108                          | -  | -  | -   |
| <b>Total Assets</b>                             | <b><u>20,949,051</u></b>           | <b><u>132,279</u></b>                              | <b><u>34,014</u></b>                       | <b><u>183,328</u></b>                       |
| <b>Liabilities:</b>                             |                                    |  |  |   |
| Accounts payable                                | 86                                 | -  | -  | 105   |
| Accrued interest                                | -                                  | -  | -  | -   |
| Unearned revenues                               | -                                  | -  | -  | -   |
| Deposits payable                                | -                                  | -  | -  | -   |
| Long-term liabilities:                          |                                    |  |  |   |
| Due in one year                                 | -                                  | -  | -  | -   |
| Due in more than one year                       | 2,986,941                          | -  | -  | -   |
| <b>Total Liabilities</b>                        | <b><u>2,987,027</u></b>            | <b><u>-</u></b>                                    | <b><u>-</u></b>                            | <b><u>105</u></b>                           |
| <b>Net Position:</b>                            |                                    |  |  |   |
| Held in trust for other purposes                | 17,962,024                         | 132,279  | 34,014                                     | 183,223                                     |
| <b>Total Net Position</b>                       | <b><u>\$ 17,962,024</u></b>        | <b><u>\$ 132,279</u></b>                           | <b><u>\$ 34,014</u></b>                    | <b><u>\$ 183,223</u></b>                    |

CITY OF EMERYVILLE

COMBINING STATEMENT OF NET POSITION  
 ALL PRIVATE-PURPOSE TRUST FUNDS  
 YEAR ENDED JUNE 30, 2014

|   | <u>1998C 76<br/>Taxable<br/>Capital Bonds</u> | <u>2001A Tax<br/>Exempt SM<br/>Capital Bonds</u> | <u>2001A Tax<br/>Exempt 76<br/>Capital Bonds</u> | <u>2002A<br/>Revenue<br/>Capital Bonds</u> |
|---|---|--|--|--|
| <b>Assets:</b>                                  |   |  |  |  |
| Pooled cash and investments                     | \$ -  | \$ -   | \$ -   | \$ -                                       |
| Receivables:                                    |   |  |  |  |
| Accounts  | -   | -  | -  | -  |
| Taxes   | -   | -  | -  | -  |
| Notes and loans                                 | -   | -  | -  | -  |
| Accrued interest                                | -   | -  | -  | -  |
| Land held for resale                            | -   | -  | 2,407,365  | 2,000,000                                  |
| Restricted assets:                              |   |  |  |  |
| Cash and investments with fiscal agents         | -   | -  | -  | -  |
| Capital assets:                                 |   |  |  |  |
| Capital assets, not being depreciated           | -   | -  | -  | -  |
| Capital assets, net of accumulated depreciation | -   | -  | -  | -  |
| <b>Total Assets</b>                             | <u>-</u>                                      | <u>-</u>   | <u>2,407,365</u>                                 | <u>2,000,000</u>                           |
| <b>Liabilities:</b>                             |   |  |  |  |
| Accounts payable                                | -   | -  | -  | -  |
| Accrued interest                                | -   | -  | -  | -  |
| Unearned revenues                               | -   | -  | -  | -  |
| Deposits payable                                | -   | -  | -  | -  |
| Long-term liabilities:                          |   |  |  |  |
| Due in one year                                 | -   | -  | -  | -  |
| Due in more than one year                       | -   | -  | -  | -  |
| <b>Total Liabilities</b>                        | <u>-</u>                                      | <u>-</u>   | <u>-</u>   | <u>-</u>                                   |
| <b>Net Position:</b>                            |   |  |  |  |
| Held in trust for other purposes                | -   | -  | 2,407,365  | 2,000,000                                  |
| <b>Total Net Position</b>                       | <u>\$ -</u>                                   | <u>\$ -</u>                                      | <u>\$ 2,407,365</u>                              | <u>\$ 2,000,000</u>                        |

CITY OF EMERYVILLE

COMBINING STATEMENT OF NET POSITION  
 ALL PRIVATE-PURPOSE TRUST FUNDS  
 YEAR ENDED JUNE 30, 2014

(CONTINUED)

|   | <u>2004A 76 Area<br/>Capital Bonds</u> | <u>2004A SM<br/>Area Capital<br/>Bonds</u> | <u>1976 Capital<br/>Projects</u> | <u>SM Capital<br/>Projects</u> |
|---|--|--|----------------------------------|--------------------------------|
| <b>Assets:</b>                                  |  |  |                                  |                                |
| Pooled cash and investments                     | \$ -                                   | \$ 3,367,955                               | \$ 18,333,059                    | \$ 7,015,265                   |
| Receivables:                                    |  |  |                                  |                                |
| Accounts  | -                                      | -  | -                                | 436                            |
| Taxes   | -                                      | -  | -                                | -                              |
| Notes and loans                                 | -                                      | -  | 1,327,441                        | 17,495,871                     |
| Accrued interest                                | -                                      | 2,011                                      | 3,940                            | 1,727                          |
| Land held for resale                            | 3,114,853                              | 3,430,732                                  | 11,181,012                       | -                              |
| Restricted assets:                              |  |  |                                  |                                |
| Cash and investments with fiscal agents         | -                                      | -  | -                                | -                              |
| Capital assets:                                 |  |  |                                  |                                |
| Capital assets, not being depreciated           | -                                      | -  | 73,459                           | -                              |
| Capital assets, net of accumulated depreciation | -                                      | -  | -                                | -                              |
| <b>Total Assets</b>                             | <b><u>3,114,853</u></b>                | <b><u>6,800,698</u></b>                    | <b><u>30,918,911</u></b>         | <b><u>24,513,299</u></b>       |
| <b>Liabilities:</b>                             |  |  |                                  |                                |
| Accounts payable                                | -                                      | -  | 102,922                          | 20,814                         |
| Accrued interest                                | -                                      | -  | -                                | -                              |
| Unearned revenues                               | -                                      | -  | -                                | -                              |
| Deposits payable                                | -                                      | -  | -                                | -                              |
| Long-term liabilities:                          |  |  |                                  |                                |
| Due in one year                                 | -                                      | -  | -                                | -                              |
| Due in more than one year                       | -                                      | -  | -                                | -                              |
| <b>Total Liabilities</b>                        | <b><u>-</u></b>                        | <b><u>-</u></b>                            | <b><u>102,922</u></b>            | <b><u>20,814</u></b>           |
| <b>Net Position:</b>                            |  |  |                                  |                                |
| Held in trust for other purposes                | 3,114,853                              | 6,800,698                                  | 30,815,989                       | 24,492,485                     |
| <b>Total Net Position</b>                       | <b><u>\$ 3,114,853</u></b>             | <b><u>\$ 6,800,698</u></b>                 | <b><u>\$ 30,815,989</u></b>      | <b><u>\$ 24,492,485</u></b>    |

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CITY OF EMERYVILLE

COMBINING STATEMENT OF NET POSITION  
 ALL PRIVATE-PURPOSE TRUST FUNDS  
 YEAR ENDED JUNE 30, 2014

|   | <u>Housing<br/>Bonds Payable</u> | <u>1976 Bonds<br/>Payable</u> | <u>Shellmound<br/>Bonds Payable</u> | <u>Total Private<br/>Purpose Trust</u> |
|---|----------------------------------|-------------------------------|-------------------------------------|--|
| <b>Assets:</b>                                  |                                  |                               |                                     |  |
| Pooled cash and investments                     | \$ -                             | \$ -                          | \$ -                                | \$ 53,829,180                          |
| Receivables:                                    |                                  |                               |                                     |  |
| Accounts  | -                                | -                             | -                                   | 436                                    |
| Taxes   | -                                | -                             | -                                   | 437                                    |
| Notes and loans                                 | -                                | -                             | -                                   | 19,996,689                             |
| Accrued interest                                | -                                | -                             | -                                   | 17,590                                 |
| Land held for resale                            | -                                | -                             | -                                   | 22,133,962                             |
| Restricted assets:                              |                                  |                               |                                     |  |
| Cash and investments with fiscal agents         | 3,149,790                        | 8,606,557                     | 2,502,896                           | 14,259,243                             |
| Capital assets:                                 |                                  |                               |                                     |  |
| Capital assets, not being depreciated           | -                                | -                             | -                                   | 11,896,842                             |
| Capital assets, net of accumulated depreciation | -                                | -                             | -                                   | 4,151,108                              |
| <b>Total Assets</b>                             | <b><u>3,149,790</u></b>          | <b><u>8,606,557</u></b>       | <b><u>2,502,896</u></b>             | <b><u>126,285,487</u></b>              |
| <b>Liabilities:</b>                             |                                  |                               |                                     |  |
| Accounts payable                                | -                                | -                             | -                                   | 124,012                                |
| Accrued interest                                | 587,183                          | 1,363,251                     | 487,766                             | 2,438,200                              |
| Unearned revenues                               | -                                | -                             | -                                   | 50,000                                 |
| Deposits payable                                | -                                | -                             | -                                   | 50,000                                 |
| Long-term liabilities:                          |                                  |                               |                                     |  |
| Due in one year                                 | 1,375,000                        | 4,565,000                     | 1,020,000                           | 6,960,000                              |
| Due in more than one year                       | 31,096,356                       | 76,787,734                    | 30,446,343                          | 148,342,074                            |
| <b>Total Liabilities</b>                        | <b><u>33,058,539</u></b>         | <b><u>82,715,985</u></b>      | <b><u>31,954,109</u></b>            | <b><u>157,964,286</u></b>              |
| <b>Net Position:</b>                            |                                  |                               |                                     |  |
| Held in trust for other purposes                | (29,908,749)                     | (74,109,428)                  | (29,451,213)                        | (31,678,799)                           |
| <b>Total Net Position</b>                       | <b><u>\$ (29,908,749)</u></b>    | <b><u>\$ (74,109,428)</u></b> | <b><u>\$ (29,451,213)</u></b>       | <b><u>\$ (31,678,799)</u></b>          |

## CITY OF EMERYVILLE

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 ALL PRIVATE-PURPOSE TRUST FUNDS  
 YEAR ENDED JUNE 30, 2014**

|  | <b>RDA<br/>Retirement<br/>Fund</b> | <b>Low Mod<br/>Income<br/>Housing Fund</b> | <b>Housing<br/>Revolving<br/>Loan Fund</b> | <b>1976 Project<br/>Fund</b> |
|--|------------------------------------|--|--|------------------------------|
| <b>Additions:</b>                                |                                    |  |  |                              |
| Taxes  | \$ 17,288,367                      | \$ -                                       | \$ -                                       | \$ -                         |
| Interest and change in fair value of investments | 17,753                             | (1,248)                                    | 926  | 152,901                      |
| Transfers In                                     | 2,250,992                          | 40,296                                     | -  | 102,179                      |
| Miscellaneous                                    | -                                  | 83,394                                     | -  | -                            |
| <b>Total Additions</b>                           | <b>19,557,112</b>                  | <b>122,442</b>                             | <b>926</b>                                 | <b>255,080</b>               |
| <b>Deductions:</b>                               |                                    |  |  |                              |
| Administrative expenses                          | -                                  | 22,991                                     | -  | 64,677                       |
| Contractual services                             | -                                  | 17,304                                     | -  | 23,430                       |
| Interest expense                                 | -                                  | -  | -  | 14,072                       |
| Depreciation Expense                             | -                                  | -  | -  | 28,895                       |
| Contributions to other governments               | -                                  | -  | 6,422                                      | -                            |
| Transfers out                                    | 16,903,361                         | -  | -  | -                            |
| Distribution to other taxing entities            | -                                  | -  | -  | 84,768                       |
| <b>Total Deductions</b>                          | <b>16,903,361</b>                  | <b>40,295</b>                              | <b>6,422</b>                               | <b>215,842</b>               |
| <b>Changes in Net Position</b>                   | <b>2,653,751</b>                   | <b>82,147</b>                              | <b>(5,496)</b>                             | <b>39,238</b>                |
| Net Position - Beginning of the Year             | 8,193,405                          | 85,686                                     | 5,496                                      | 2,793,434                    |
| <b>Net Position - End of the Year</b>            | <b>\$ 10,847,156</b>               | <b>\$ 167,833</b>                          | <b>\$ -</b>                                | <b>\$ 2,832,672</b>          |

## CITY OF EMERYVILLE

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 ALL PRIVATE-PURPOSE TRUST FUNDS  
 YEAR ENDED JUNE 30, 2014**

(CONTINUED)

|  | Shellmound<br>Project Fund | 1998C<br>Taxable<br>Housing<br>Capital Bonds | 2004A<br>Housing<br>Capital Bonds | Housing<br>Capital Project<br>Fund |
|--|----------------------------|--|-----------------------------------|------------------------------------|
| <b>Additions:</b>                                |                            |  |                                   |                                    |
| Taxes  | \$ -                       | \$ -   | \$ -                              | \$ -                               |
| Interest and change in fair value of investments | 5,686                      | 254  | 76                                | 565                                |
| Transfers In                                     | 1,374,988                  | 40,000                                       | -                                 | 100,666                            |
| Miscellaneous                                    | -                          | -  | -                                 | -                                  |
| <b>Total Additions</b>                           | <b>1,380,674</b>           | <b>40,254</b>                                | <b>76</b>                         | <b>101,231</b>                     |
| <b>Deductions:</b>                               |                            |  |                                   |                                    |
| Administrative expenses                          | 64,677                     | -  | -                                 | 10,667                             |
| Contractual services                             | 16,018                     | -  | -                                 | 66,382                             |
| Interest expense                                 | -                          | -  | -                                 | -                                  |
| Depreciation Expense                             | 106,700                    | -  | -                                 | -                                  |
| Contributions to other governments               | -                          | 40,000                                       | -                                 | -                                  |
| Transfers out                                    | -                          | -  | -                                 | -                                  |
| Distribution to other taxing entities            | 110,865                    | -  | -                                 | 23,618                             |
| <b>Total Deductions</b>                          | <b>298,260</b>             | <b>40,000</b>                                | <b>-</b>                          | <b>100,667</b>                     |
| <b>Changes in Net Position</b>                   | <b>1,082,414</b>           | <b>254</b>                                   | <b>76</b>                         | <b>564</b>                         |
| Net Position - Beginning of the Year             | 16,879,610                 | 132,025                                      | 33,938                            | 182,659                            |
| <b>Net Position - End of the Year</b>            | <b>\$ 17,962,024</b>       | <b>\$ 132,279</b>                            | <b>\$ 34,014</b>                  | <b>\$ 183,223</b>                  |

CITY OF EMERYVILLE

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
ALL PRIVATE-PURPOSE TRUST FUNDS  
YEAR ENDED JUNE 30, 2014**

|  | <b>1998C 76<br/>Taxable<br/>Capital Bonds</b> | <b>2001A Tax<br/>Exempt SM<br/>Capital Bonds</b> | <b>2001A Tax<br/>Exempt 76<br/>Capital Bonds</b> | <b>2002A<br/>Revenue<br/>Capital Bonds</b> |
|--|---|--|--|--|
| <b>Additions:</b>                                |   |  |  |  |
| Taxes  | \$ -  | \$ -   | \$ -   | \$ -                                       |
| Interest and change in fair value of investments | 69  | 241  | 2,698  | 348  |
| Transfers In                                     | -   | -  | -  | -  |
| Miscellaneous                                    | -   | -  | -  | -  |
| <b>Total Additions</b>                           | <b>69</b>                                     | <b>241</b>                                       | <b>2,698</b>                                     | <b>348</b>                                 |
| <b>Deductions:</b>                               |   |  |  |  |
| Administrative expenses                          | -   | -  | -  | -  |
| Contractual services                             | -   | -  | -  | -  |
| Interest expense                                 | -   | -  | -  | -  |
| Depreciation Expense                             | -   | -  | -  | -  |
| Contributions to other governments               | 629,879                                       | 129,731  | 1,453,216  | 239,255                                    |
| Transfers out                                    | -   | -  | -  | -  |
| Distribution to other taxing entities            | -   | -  | -  | -  |
| <b>Total Deductions</b>                          | <b>629,879</b>                                | <b>129,731</b>                                   | <b>1,453,216</b>                                 | <b>239,255</b>                             |
| <b>Changes in Net Position</b>                   | <b>(629,810)</b>                              | <b>(129,490)</b>                                 | <b>(1,450,518)</b>                               | <b>(238,907)</b>                           |
| Net Position - Beginning of the Year             | 629,810                                       | 129,490  | 3,857,883  | 2,238,907                                  |
| <b>Net Position - End of the Year</b>            | <b>\$ -</b>                                   | <b>\$ -</b>                                      | <b>\$ 2,407,365</b>                              | <b>\$ 2,000,000</b>                        |

## CITY OF EMERYVILLE

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 ALL PRIVATE-PURPOSE TRUST FUNDS  
 YEAR ENDED JUNE 30, 2014**

(CONTINUED)

|  | <b>2004A 76 Area<br/>Capital Bonds</b> | <b>2004A SM<br/>Area Capital<br/>Bonds</b> | <b>1976 Capital<br/>Projects</b> | <b>SM Capital<br/>Projects</b> |
|--|--|--|----------------------------------|--------------------------------|
| <b>Additions:</b>                                |  |  |                                  |                                |
| Taxes  | \$ -                                   | \$ -                                       | \$ -                             | \$ -                           |
| Interest and change in fair value of investments | 1,151                                  | 6,368                                      | 95,747                           | 1,249,479                      |
| Transfers In                                     | -                                      | -  | 638,696                          | 498,924                        |
| Miscellaneous                                    | -                                      | -  | 525,000                          | -                              |
| <b>Total Additions</b>                           | <b>1,151</b>                           | <b>6,368</b>                               | <b>1,259,443</b>                 | <b>1,748,403</b>               |
| <b>Deductions:</b>                               |  |  |                                  |                                |
| Administrative expenses                          | -                                      | -  | 570,754                          | -                              |
| Contractual services                             | -                                      | -  | 56,883                           | 498,925                        |
| Interest expense                                 | -                                      | -  | -                                | -                              |
| Depreciation Expense                             | -                                      | -  | -                                | -                              |
| Contributions to other governments               | 9,418,460                              | 9,329,459                                  | 992,998                          | 29,071                         |
| Transfers out                                    | -                                      | -  | -                                | -                              |
| Distribution to other taxing entities            | -                                      | -  | 11,060                           | -                              |
| <b>Total Deductions</b>                          | <b>9,418,460</b>                       | <b>9,329,459</b>                           | <b>1,631,695</b>                 | <b>527,996</b>                 |
| <b>Changes in Net Position</b>                   | <b>(9,417,309)</b>                     | <b>(9,323,091)</b>                         | <b>(372,252)</b>                 | <b>1,220,407</b>               |
| Net Position - Beginning of the Year             | 12,532,162                             | 16,123,789                                 | 31,188,241                       | 23,272,078                     |
| <b>Net Position - End of the Year</b>            | <b>\$ 3,114,853</b>                    | <b>\$ 6,800,698</b>                        | <b>\$ 30,815,989</b>             | <b>\$ 24,492,485</b>           |

## CITY OF EMERYVILLE

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 ALL PRIVATE-PURPOSE TRUST FUNDS  
 YEAR ENDED JUNE 30, 2014**

|  | <u>Housing<br/>Bonds Payable</u>     | <u>1976 Bonds<br/>Payable</u>        | <u>Shellmound<br/>Bonds Payable</u>  | <u>Total</u>                         |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>Additions:</b>                                |                                      |                                      |                                      |                                      |
| Taxes  | \$ -                                 | \$ -                                 | \$ -                                 | \$ 17,288,367                        |
| Interest and change in fair value of investments | -                                    | 1                                    | -                                    | 1,533,015                            |
| Transfers In                                     | 3,105,273                            | 8,527,066                            | 2,475,273                            | 19,154,353                           |
| Miscellaneous                                    | -                                    | -                                    | -                                    | 608,394                              |
| <b>Total Additions</b>                           | <b><u>3,105,273</u></b>              | <b><u>8,527,067</u></b>              | <b><u>2,475,273</u></b>              | <b><u>38,584,129</u></b>             |
| <b>Deductions:</b>                               |                                      |                                      |                                      |                                      |
| Administrative expenses                          | -                                    | -                                    | -                                    | 733,766                              |
| Contractual services                             | -                                    | -                                    | -                                    | 678,942                              |
| Interest expense                                 | 1,772,633                            | 4,049,884                            | 1,477,925                            | 7,314,514                            |
| Depreciation Expense                             | -                                    | -                                    | -                                    | 135,595                              |
| Contributions to other governments               | -                                    | -                                    | -                                    | 22,268,491                           |
| Transfers out                                    | 504,441                              | 1,462,645                            | 283,906                              | 19,154,353                           |
| Distribution to other taxing entities            | -                                    | -                                    | -                                    | 230,311                              |
| <b>Total Deductions</b>                          | <b><u>2,277,074</u></b>              | <b><u>5,512,529</u></b>              | <b><u>1,761,831</u></b>              | <b><u>50,515,972</u></b>             |
| <b>Changes in Net Position</b>                   | <b><u>828,199</u></b>                | <b><u>3,014,538</u></b>              | <b><u>713,442</u></b>                | <b><u>(11,931,843)</u></b>           |
| Net Position - Beginning of the Year             | <u>(30,736,948)</u>                  | <u>(77,123,966)</u>                  | <u>(30,164,655)</u>                  | <u>(19,746,956)</u>                  |
| <b>Net Position - End of the Year</b>            | <b><u><u>\$ (29,908,749)</u></u></b> | <b><u><u>\$ (74,109,428)</u></u></b> | <b><u><u>\$ (29,451,213)</u></u></b> | <b><u><u>\$ (31,678,799)</u></u></b> |

# Statistical Section

This part of the City of Statistical's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

GASB issued Statement no. 44, *Economic Condition Reporting; The Statistical Section - an amendment of NCGA Statement 1*. This statement amends the portions of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles, that guide the preparation of the statistical section. The statistical section presents details information, typically in ten-year statements, and required supplementary information to assess the economic condition of a government. During fiscal year 2005-2006, the City implemented this statement and added new information that financial statement users have identified as important and eliminated certain schedules previously required.

GASB issued Statement no. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This changed the reporting requirements for fund balances in the financial statements. The City implemented this statement effective fiscal year 2010-2011.

| <b><u>Contents</u></b>  | <b><u>Schedule</u></b> |
|---|------------------------|
| <b>Financial Trends</b><br><i>These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.</i>   | <b>I - IV</b>          |
| <b>Revenue Capacity</b><br><i>These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.</i>  | <b>V - VIII</b>        |
| <b>Debt Capacity</b><br><i>These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.</i>                                    | <b>IX - XIII</b>       |
| <b>Demographic and Economic Information</b><br><i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.</i>  | <b>XIV - XVI</b>       |
| <b>Operating Information</b><br><i>These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.</i> | <b>XVII - XVIII</b>    |

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Schedule I

City of Emeryville  
 Net position by Component,  
 Last Ten Fiscal Years  
 (accrual basis of accounting)

|   | 2005          | 2006           | 2007           | 2008           | 2009           | 2010           | 2011           | 2012           | 2013           | 2014           |
|---|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Governmental activities</b>              |               |                |                |                |                |                |                |                |                |                |
| Net investment in capital assets            | \$ 39,589,974 | \$ 39,741,298  | \$ 44,679,385  | \$ 45,624,891  | \$ 47,455,979  | \$ 51,086,554  | \$ 52,917,776  | \$ 71,117,064  | \$ 70,942,145  | \$ 69,332,175  |
| Restricted                                  | 20,444,469    | 22,001,010     | 25,361,875     | 31,928,191     | 27,566,548     | 28,694,740     | 161,404,308    | 28,022,282     | 24,847,447     | 59,193,273     |
| Unrestricted                                | 30,924,365    | 42,314,439     | 58,347,347     | 76,120,953     | 94,167,245     | 95,305,761     | (35,693,521)   | 81,076,521     | 91,803,642     | 85,724,838     |
| Total governmental activities net position  | \$ 90,958,808 | \$ 104,056,747 | \$ 128,388,607 | \$ 153,674,035 | \$ 169,189,772 | \$ 175,087,055 | \$ 178,628,563 | \$ 180,215,867 | \$ 187,593,234 | \$ 214,250,286 |
| <b>Business-type activities</b>             |               |                |                |                |                |                |                |                |                |                |
| Net investment in capital assets            | \$ 2,420,237  | \$ 2,400,187   | \$ 2,815,484   | \$ 2,768,244   | \$ 2,726,354   | \$ 2,685,102   | \$ 5,190,570   | \$ 5,660,931   | \$ 5,621,688   | \$ 6,698,183   |
| Restricted                                  | -             | -              | -              | -              | -              | -              | -              | -              | 4,061,654      | 4,120,256      |
| Unrestricted                                | 3,760,457     | 4,765,037      | 4,973,781      | 5,766,411      | 6,516,549      | 6,578,055      | 3,992,116      | 4,122,213      | 526,498        | (332,233)      |
| Total business-type activities net position | \$ 6,180,694  | \$ 7,165,224   | \$ 7,789,265   | \$ 8,534,655   | \$ 9,242,903   | \$ 9,263,157   | \$ 9,182,686   | \$ 9,783,144   | \$ 10,209,840  | \$ 10,486,206  |
| <b>Primary government</b>                   |               |                |                |                |                |                |                |                |                |                |
| Net investment in capital assets            | \$ 42,010,211 | \$ 42,141,485  | \$ 47,494,869  | \$ 48,393,135  | \$ 50,182,333  | \$ 53,771,656  | \$ 58,108,346  | \$ 76,777,995  | \$ 76,563,833  | \$ 76,030,358  |
| Restricted                                  | 20,444,469    | 22,001,010     | 25,361,875     | 31,928,191     | 27,566,548     | 28,694,740     | 161,404,308    | 28,022,282     | 28,909,101     | 63,313,529     |
| Unrestricted                                | 34,684,822    | 47,079,476     | 63,321,128     | 81,887,364     | 100,683,794    | 101,883,816    | (31,701,405)   | 85,198,734     | 92,330,140     | 85,392,605     |
| Total primary government net position       | \$ 97,139,502 | \$ 111,221,971 | \$ 136,177,872 | \$ 162,208,690 | \$ 178,432,675 | \$ 184,350,212 | \$ 187,811,249 | \$ 189,999,011 | \$ 197,803,074 | \$ 224,736,492 |

City of Emeryville  
 Changes in Net Position Last Ten Fiscal Years  
 (accrual basis of accounting)

|   | 2005          | 2006          | 2007          | 2008          | 2009          | 2010          | 2011          | 2012          | 2013          | 2014          |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Expenses</b>                                 |               |               |               |               |               |               |               |               |               |               |
| Governmental activities:                        |               |               |               |               |               |               |               |               |               |               |
| City council                                    | \$ 124,236    | \$ 125,752    | \$ 119,703    | \$ 123,826    | \$ 139,372    | \$ 141,431    | \$ 198,545    | \$ 156,464    | \$ 135,680    | \$ 147,451    |
| City manager                                    | 631,382       | 629,595       | 567,851       | 805,612       | 760,588       | 777,540       | 785,948       | 828,254       | 735,876       | 727,135       |
| City attorney                                   | 528,833       | 621,655       | 620,662       | 615,743       | 696,673       | 687,990       | 575,138       | 551,094       | 611,437       | 563,063       |
| Finance   | 1,797,089     | 1,864,206     | 2,039,000     | 2,001,973     | 2,050,675     | 1,362,144     | 980,690       | 994,340       | 927,811       | 877,587       |
| Information technology (1)                      |               |               |               |               |               | 682,399       | 851,621       | 458,198       | 414,117       | 508,324       |
| Human resources                                 | 462,966       | 521,857       | 595,072       | 550,701       | 531,416       | 545,760       | 519,904       | 501,198       | 484,534       | 531,949       |
| Planning and building                           | 2,441,484     | 2,880,131     | 2,957,202     | 2,978,736     | 2,932,602     | 2,855,451     | 2,431,549     | 2,342,453     | 2,029,904     | 2,813,429     |
| Economic development                            | 1,651,443     | 1,181,689     | 1,414,540     | 1,719,988     | 1,482,903     | 2,092,230     | 1,332,486     | 1,158,471     | 851,573       | 985,197       |
| Redevelopment                                   | 15,090,595    | 12,671,911    | 16,022,636    | 16,941,774    | 26,016,656    | 37,230,877    | 24,835,711    | 6,234,608     | 13,217        | 14,760        |
| Non-departmental operations                     | 5,582,209     | 2,516,411     | 4,018,092     | 3,301,852     | 3,078,565     | 3,189,056     | 2,403,558     | 4,278,814     | 6,112,564     | 2,706,578     |
| Property Based Improvement District             | 1,721,352     | 1,574,734     | 2,043,197     | 2,092,145     | 2,063,870     | 2,384,609     | 2,333,268     | 2,595,503     | 2,595,430     | 2,781,500     |
| Police  | 7,590,800     | 7,180,308     | 8,286,959     | 10,272,438    | 10,303,278    | 9,907,348     | 11,378,218    | 10,798,775    | 9,562,030     | 9,752,016     |
| Fire  | 5,560,464     | 5,838,347     | 6,557,802     | 5,760,401     | 5,912,612     | 5,763,592     | 6,609,451     | 5,999,409     | 5,756,509     | 5,822,379     |
| Public Works                                    | 3,546,299     | 3,921,640     | 3,307,206     | 6,064,185     | 4,154,511     | 8,938,989     | 6,315,903     | 5,849,696     | 7,740,917     | 6,694,496     |
| Community services                              | -             | -             | 193,360       | 265,439       | 357,290       | 358,905       | 462,352       | 503,917       | 528,468       | 565,762       |
| Child development                               | 1,468,195     | 1,378,616     | 1,453,714     | 1,530,760     | 1,693,305     | 1,603,991     | 1,532,716     | 1,612,081     | 1,636,046     | 1,761,693     |
| Youth services                                  | 1,149,469     | 1,206,877     | 1,142,167     | 1,015,084     | 1,029,780     | 937,924       | 789,805       | 758,726       | 690,136       | 749,982       |
| Adult services                                  | 418,237       | 449,857       | 440,690       | 530,964       | 536,909       | 567,625       | 493,312       | 568,824       | 513,434       | 613,182       |
| Interest on long-term debt                      | 9,268,716     | 9,687,190     | 9,504,584     | 9,241,792     | 9,104,600     | 8,937,852     | 8,601,997     | 1,684,396     | 254,261       | 288,239       |
| Total governmental activities expenses          | \$ 59,033,769 | \$ 54,250,776 | \$ 61,284,437 | \$ 65,813,423 | \$ 72,845,605 | \$ 88,965,713 | \$ 73,432,172 | \$ 47,875,221 | \$ 41,593,944 | \$ 38,904,722 |
| Business-type activities:                       |               |               |               |               |               |               |               |               |               |               |
| Sewer   | 388,761       | 395,854       | 525,578       | 349,292       | 439,523       | 975,257       | 917,778       | 287,866       | 683,694       | 561,301       |
| Total business-type activities expenses         | 388,761       | 395,854       | 525,578       | 349,292       | 439,523       | 975,257       | 917,778       | 287,866       | 683,694       | 561,301       |
| Total primary government expenses               | \$ 59,422,530 | \$ 54,646,630 | \$ 61,810,015 | \$ 66,162,715 | \$ 73,285,128 | \$ 89,940,970 | \$ 74,349,950 | \$ 48,163,087 | \$ 42,277,638 | \$ 39,466,023 |
| <b>Program Revenues</b>                         |               |               |               |               |               |               |               |               |               |               |
| Governmental activities:                        |               |               |               |               |               |               |               |               |               |               |
| Charges for services:                           |               |               |               |               |               |               |               |               |               |               |
| General Government                              | \$ 3,067,806  | \$ 4,389,675  | \$ 5,280,940  | \$ 4,650,934  | \$ 5,503,928  | \$ 5,462,010  | \$ 3,476,829  | \$ 4,359,415  | \$ 3,201,642  | \$ 3,527,580  |
| Public Safety                                   | 665,541       | 1,129,658     | 872,314       | 966,343       | 1,077,967     | 1,373,872     | 1,060,203     | 1,046,790     | 960,653       | 723,200       |
| Redevelopment                                   | -             | -             | -             | -             | -             | -             | 100,444       | 91,756        | -             | -             |
| Property Based Improvement District             | 1,597,419     | 1,493,675     | 1,970,868     | 2,051,664     | 2,189,409     | 2,172,072     | 2,317,000     | 2,658,783     | 2,599,561     | 2,635,700     |
| Child Development                               | 612,371       | 644,744       | 863,899       | 1,139,586     | 869,110       | 797,967       | 1,016,489     | 1,158,535     | 1,082,712     | 1,153,904     |
| Operating grants and contributions              | 3,571,353     | 2,980,946     | 4,236,333     | 10,773,461    | 5,179,992     | 21,942,183    | 3,928,985     | 3,289,333     | 7,444,528     | 1,600,076     |
| Capital grants and contributions                | -             | 400,249       | 120,000       | 794,347       | 2,556,389     | 1,335,791     | 457,353       | 275,311       | 462,268       | 22,662,691    |
| Total governmental activities program revenues  | 9,514,490     | 11,038,647    | 13,324,354    | 20,376,335    | 17,378,795    | 33,083,895    | 12,357,303    | 12,879,923    | 15,751,364    | 32,303,151    |
| Business-type activities:                       |               |               |               |               |               |               |               |               |               |               |
| Charges for services:                           |               |               |               |               |               |               |               |               |               |               |
| Sewer   | 929,189       | 1,314,538     | 830,248       | 941,668       | 1,016,606     | 967,023       | 836,303       | 923,876       | 1,164,788     | 823,223       |
| Total business-type activities program revenues | 929,189       | 1,314,538     | 830,248       | 941,668       | 1,016,606     | 967,023       | 836,303       | 923,876       | 1,164,788     | 823,223       |
| Total primary government program revenues       | \$ 10,443,679 | \$ 12,353,385 | \$ 14,154,602 | \$ 21,318,003 | \$ 18,395,401 | \$ 34,050,918 | \$ 13,193,606 | \$ 13,803,799 | \$ 16,916,152 | \$ 33,126,374 |

(1) Information technology division previously reported in the Finance department.

**Schedule II (continued)**

**City of Emeryville**  
**Changes in Net Position Last Ten Fiscal Years**  
*(accrual basis of accounting)*

|                                      | 2005            | 2006            | 2007            | 2008            | 2009            | 2010            | 2011            | 2012            | 2013            | 2014           |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|
| <b>Net (Expense)/Revenue</b>         |                 |                 |                 |                 |                 |                 |                 |                 |                 |                |
| Governmental activities              | \$ (49,519,279) | \$ (43,211,929) | \$ (47,960,083) | \$ (45,437,088) | \$ (55,466,810) | \$ (55,881,818) | \$ (61,074,869) | \$ (34,995,298) | \$ (25,842,580) | \$ (6,601,571) |
| Business-type activities             | 540,428         | 918,684         | 304,670         | 592,376         | 577,083         | (8,234)         | (81,475)        | 636,010         | 481,094         | 261,922        |
| Total primary government net expense | \$ (48,978,851) | \$ (42,293,245) | \$ (47,655,413) | \$ (44,844,712) | \$ (54,889,727) | \$ (55,890,052) | \$ (61,156,344) | \$ (34,359,288) | \$ (25,361,486) | \$ (6,339,649) |

**General Revenues and Other Changes in Net Assets**

|                                  | 2005          | 2006          | 2007          | 2008          | 2009          | 2010          | 2011          | 2012          | 2013          | 2014          |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Governmental activities:</b>  |               |               |               |               |               |               |               |               |               |               |
| <b>Taxes</b>                     |               |               |               |               |               |               |               |               |               |               |
| Property taxes                   | \$ 1,252,010  | \$ 1,825,989  | \$ 1,351,860  | \$ 1,624,465  | \$ 1,798,545  | \$ 1,824,396  | \$ 1,385,512  | \$ 2,505,928  | \$ 8,582,917  | \$ 4,510,321  |
| Tax Increment                    | 22,487,012    | 25,189,937    | 30,156,114    | 33,982,231    | 38,363,304    | 36,644,379    | 37,569,786    | 16,341,753    | -             | -             |
| Transient occupancy taxes        | 3,194,690     | 3,158,631     | 3,681,085     | 4,247,032     | 3,877,678     | 3,298,492     | 3,598,234     | 4,233,189     | 4,851,768     | 5,276,554     |
| Sales taxes                      | 7,344,186     | 7,786,248     | 7,406,050     | 6,473,304     | 6,411,968     | 5,741,125     | 6,849,909     | 7,021,597     | 7,513,925     | 8,038,150     |
| Franchise taxes                  | 949,735       | 1,061,325     | 1,129,301     | 1,131,489     | 1,141,576     | 1,062,273     | 1,176,642     | 1,483,662     | 1,325,775     | 1,597,846     |
| Business license taxes           | 4,961,252     | 5,025,409     | 4,980,950     | 5,724,761     | 5,904,689     | 5,929,317     | 5,723,477     | 6,919,263     | 7,321,687     | 7,531,077     |
| Other taxes                      | 2,623,059     | 2,856,848     | 3,178,491     | 2,614,811     | 3,202,474     | 2,976,049     | 3,587,949     | 2,919,399     | 3,080,911     | 3,520,812     |
| Motor Vehicle in lieu            | 612,366       | 531,919       | 578,137       | 598,245       | 667,790       | 665,517       | 662,256       | 617,024       | 630,599       | 651,661       |
| Use of money and property        | 6,978,546     | 6,164,623     | 10,167,903    | 10,011,985    | 7,627,702     | 4,437,068     | 3,032,246     | 2,298,784     | 399,545       | 2,004,475     |
| Miscellaneous                    | 5,201,000     | 2,639,133     | 4,350,809     | 685,366       | 712,318       | 1,722,367     | 58,330        | 101,901       | 459,536       | 115,963       |
| Sale of air rights               | -             | -             | 5,693,580     | -             | -             | -             | -             | -             | -             | -             |
| Gain (loss) on capital asset     | -             | -             | 302,381       | (92,755)      | -             | -             | -             | -             | -             | -             |
| Extraordinary Gain/(Loss)        | -             | -             | -             | -             | -             | -             | -             | (3,903,786)   | 1,465,064     | -             |
| Transfers                        | 76,500        | (118,495)     | 81,500        | 81,500        | 81,500        | 81,500        | 81,500        | 81,500        | 81,500        | 11,764        |
| Total governmental activities    | 55,680,356    | 56,121,567    | 73,058,161    | 67,082,434    | 69,789,544    | 64,382,483    | 63,725,841    | 40,620,214    | 35,713,227    | 33,258,623    |
| <b>Business-type activities:</b> |               |               |               |               |               |               |               |               |               |               |
| Use of money and property        | 110,653       | 147,351       | 191,518       | 234,514       | 212,665       | 107,628       | 82,504        | 45,948        | 27,102        | 26,208        |
| Miscellaneous                    | -             | -             | 209,353       | -             | -             | 2,360         | -             | -             | -             | -             |
| Transfers                        | (76,500)      | (81,505)      | (81,500)      | (81,500)      | (81,500)      | (81,500)      | (81,500)      | (81,500)      | (81,500)      | (11,764)      |
| Total business-type activities   | 34,153        | 65,846        | 319,371       | 153,014       | 131,165       | 28,488        | 1,004         | (35,552)      | (54,398)      | 14,444        |
| Total primary government         | \$ 55,714,509 | \$ 56,187,413 | \$ 73,377,532 | \$ 67,235,448 | \$ 69,920,709 | \$ 64,410,971 | \$ 63,726,845 | \$ 40,584,662 | \$ 35,658,829 | \$ 33,273,067 |

**Change in Net Position**

|                          |              |               |               |               |               |              |              |              |               |               |
|--------------------------|--------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|---------------|---------------|
| Governmental activities  | \$ 6,161,077 | \$ 12,909,638 | \$ 25,098,078 | \$ 21,645,346 | \$ 14,322,734 | \$ 8,500,665 | \$ 2,650,972 | \$ 5,624,916 | \$ 9,870,647  | \$ 26,657,052 |
| Business-type activities | 574,581      | 984,530       | 624,041       | 745,390       | 708,248       | 20,254       | (80,471)     | 600,458      | 426,696       | 276,366       |
| Total primary government | \$ 6,735,658 | \$ 13,894,168 | \$ 25,722,119 | \$ 22,390,736 | \$ 15,030,982 | \$ 8,520,919 | \$ 2,570,501 | \$ 6,225,374 | \$ 10,297,343 | \$ 26,933,418 |

**Schedule III**

**City of Emeryville  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

|                                    | <u>2005</u>    | <u>2006</u>    | <u>2007</u>    | <u>2008</u>    | <u>2009</u>    | <u>2010</u>    | <u>2011</u>    | <u>2012</u>   | <u>2013</u>   | <u>2014</u>   |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|---------------|---------------|
| General Fund                       |                |                |                |                |                |                |                |               |               |               |
| Reserved                           | \$ 935,212     | \$ 1,006,218   | \$ 1,302,567   | \$ 1,450,715   | \$ 2,062,314   | \$ 1,211,802   | \$ -           | \$ 30,970     | \$ 448,058    | \$ 161,402    |
| Unreserved                         | 9,163,793      | 10,375,140     | 10,212,690     | 9,831,543      | 9,493,564      | 11,749,778     | -              | 10,498,027    | 8,354,747     | 8,354,747     |
| Total general fund                 | \$ 10,099,005  | \$ 11,381,358  | \$ 11,515,257  | \$ 11,282,258  | \$ 11,555,878  | \$ 12,961,580  | \$ 189,434     | \$ 10,498,027 | \$ 3,302,270  | \$ 5,104,540  |
| All Other Governmental Funds       |                |                |                |                |                |                |                |               |               |               |
| Reserved                           | \$ 10,323,979  | \$ 12,481,766  | \$ 16,701,779  | \$ 19,860,004  | \$ 32,703,444  | \$ 40,529,689  | \$ -           | \$ -          | \$ -          | \$ -          |
| Unreserved, reported in:           |                |                |                |                |                |                |                |               |               |               |
| Special revenue funds              | 19,032,831     | 24,506,637     | 30,114,927     | 29,748,247     | 28,360,608     | 26,771,369     | -              | -             | -             | -             |
| Capital projects funds             | 128,156,255    | 124,349,034    | 121,354,023    | 124,419,613    | 119,307,997    | 103,496,938    | 1,845,339      | 2,600,164     | 5,124,791     | 5,156,915     |
| Debt service funds                 | 19,051,135     | 19,116,643     | 19,200,288     | 19,196,120     | 14,745,692     | 14,737,565     | 5,367,334      | 5,423,439     | 5,457,272     | 5,487,298     |
| Total all other governmental funds | \$ 176,564,200 | \$ 180,454,080 | \$ 187,371,017 | \$ 193,223,984 | \$ 195,117,741 | \$ 185,535,561 | \$ 100,000     | \$ 100,000    | \$ 100,000    | \$ 100,000    |
| General Fund                       |                |                |                |                |                |                |                |               |               |               |
| Nonspendable:                      |                |                |                |                |                |                |                |               |               |               |
| Prepaid costs                      |                |                |                |                |                |                |                |               |               |               |
| Land held for resale               |                |                |                |                |                |                |                |               |               |               |
| Advances to other funds            |                |                |                |                |                |                |                |               |               |               |
| Restricted for:                    |                |                |                |                |                |                |                |               |               |               |
| Small Business Incentive           |                |                |                |                |                |                | 100,000        | 100,000       | 100,000       | 100,000       |
| Committed to:                      |                |                |                |                |                |                |                |               |               |               |
| Economic development               |                |                |                |                |                |                |                |               |               |               |
| PERS liability                     |                |                |                |                |                |                |                |               |               |               |
| Economic uncertainty               |                |                |                |                |                |                | 1,845,339      | 2,600,164     | 5,124,791     | 5,156,915     |
| Assigned to:                       |                |                |                |                |                |                |                |               |               |               |
| Capital Projects                   |                |                |                |                |                |                | 1,921,000      | 1,921,000     | -             | -             |
| Unfunded liabilities               |                |                |                |                |                |                | 1,900,000      | 1,900,000     | -             | -             |
| Earthquake Insurance               |                |                |                |                |                |                | 1,298,468      | 1,312,044     | 1,320,228     | 1,328,589     |
| Unassigned:                        |                |                |                |                |                |                |                |               |               |               |
| Assigned                           |                |                |                |                |                |                | 8,742,089      | 12,361,223    | 10,298,184    | 11,977,384    |
| Total General Fund                 | \$ 21,463,664  | \$ 36,146,867  | \$ 34,786,117  | \$ 34,786,117  | \$ 34,786,117  | \$ 38,187,664  | \$ 21,463,664  | \$ 36,146,867 | \$ 34,786,117 | \$ 38,187,664 |
| All other government funds:        |                |                |                |                |                |                |                |               |               |               |
| Nonspendable:                      |                |                |                |                |                |                |                |               |               |               |
| Prepaid costs                      |                |                |                |                |                |                |                |               |               |               |
| Land held for resale               |                |                |                |                |                |                |                |               |               |               |
| Due from Successor Agency          |                |                |                |                |                |                |                |               |               |               |
| Restricted for:                    |                |                |                |                |                |                |                |               |               |               |
| Community development projects     |                |                |                |                |                |                |                |               |               |               |
| Public safety                      |                |                |                |                |                |                |                |               |               |               |
| Public works                       |                |                |                |                |                |                |                |               |               |               |
| Capital Projects                   |                |                |                |                |                |                | 2,955,239      | 3,500,053     | 4,967,500     | 35,144,367    |
| Debt service                       |                |                |                |                |                |                | 266,814        | 253,795       | 126,949       | 143,755       |
| Community services                 |                |                |                |                |                |                | 1,976,114      | 1,883,151     | 1,130,746     | 1,425,737     |
| Committed to:                      |                |                |                |                |                |                |                |               |               |               |
| Homebuyer program loans            |                |                |                |                |                |                | 104,089,100    | 11,168,742    | 17,806,440    | 21,982,407    |
| Major maintenance                  |                |                |                |                |                |                | 14,737,646     | 4,789,976     | 517,284       | 3,051         |
| Vehicle replacement                |                |                |                |                |                |                |                |               | 198,528       | 393,956       |
| Information technology             |                |                |                |                |                |                |                |               |               |               |
| Unassigned:                        |                |                |                |                |                |                |                |               |               |               |
| Assigned                           |                |                |                |                |                |                | 354,619        |               |               |               |
| Total all other governmental funds | \$ 174,547,016 | \$ 40,620,407  | \$ 46,867,592  | \$ 46,867,592  | \$ 46,867,592  | \$ 72,391,986  | \$ 174,547,016 | \$ 40,620,407 | \$ 46,867,592 | \$ 72,391,986 |

**Note:** In Fiscal Year 2010-2011, the City implemented GASB 54 which changed the reporting requirements for fund balances in the financial statements. The table has been updated to reflect the impact of GASB 54 for Fiscal Year 2010-11 onward.

Schedule IV

City of Emeryville  
Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

|  | 2005                 | 2006                | 2007                | 2008                | 2009              | 2010                  | 2011                  | 2012                    | 2013                | 2014                 |
|--|----------------------|---------------------|---------------------|---------------------|-------------------|-----------------------|-----------------------|-------------------------|---------------------|----------------------|
| <b>Revenues</b>  |                      |                     |                     |                     |                   |                       |                       |                         |                     |                      |
| Taxes  | \$ 44,182,848        | \$ 48,793,624       | \$ 54,286,845       | \$ 57,416,080       | \$ 62,260,327     | \$ 59,594,232         | \$ 62,022,736         | \$ 44,714,476           | \$ 35,376,452       | \$ 32,977,187        |
| Licenses, fees, and permits                                      | 2,510,410            | 3,848,477           | 4,369,694           | 3,061,480           | 3,665,600         | 4,039,437             | 2,568,273             | 3,052,139               | 2,614,809           | 2,838,908            |
| Intergovernmental  | 1,555,486            | 1,910,627           | 2,079,639           | 4,769,391           | 2,448,418         | 2,965,319             | 3,410,662             | 3,256,511               | 3,104,155           | 2,229,424            |
| Contribution from property owners                                | -                    | -                   | -                   | -                   | -                 | -                     | -                     | -                       | 50,000              | -                    |
| Charges for services   | 1,733,807            | 2,215,720           | 2,389,562           | 2,777,655           | 2,422,894         | 2,442,332             | 2,274,895             | 2,412,242               | 2,033,755           | 2,160,395            |
| Investment earnings  | 5,866,104            | 4,839,796           | 8,633,397           | 9,361,636           | 6,375,524         | 3,331,913             | 2,010,040             | 1,337,619               | (364,063)           | 1,211,943            |
| Rents  | 632,628              | 771,979             | 779,194             | 609,815             | 715,484           | 845,542               | 781,807               | 788,017                 | 665,282             | 726,993              |
| Contributions  | -                    | -                   | -                   | -                   | -                 | -                     | -                     | -                       | -                   | 64,859               |
| Developer participation  | -                    | -                   | -                   | -                   | -                 | -                     | -                     | -                       | -                   | 110,000              |
| Other revenues   | 5,303,256            | 3,810,803           | 4,613,959           | 5,112,149           | 6,314,830         | 20,332,670            | 2,613,627             | 2,662,328               | 2,892,047           | 1,883,198            |
| <b>Total revenues</b>  | <b>61,784,539</b>    | <b>66,191,028</b>   | <b>77,362,290</b>   | <b>83,108,206</b>   | <b>84,203,077</b> | <b>93,551,345</b>     | <b>75,672,040</b>     | <b>58,123,332</b>       | <b>46,437,276</b>   | <b>66,561,885</b>    |
| <b>Expenditures</b>  |                      |                     |                     |                     |                   |                       |                       |                         |                     |                      |
| City Council   | 119,292              | 125,094             | 117,919             | 122,078             | 131,274           | 132,389               | 147,941               | 144,437                 | 135,680             | 137,582              |
| City Manager   | 632,358              | 636,025             | 554,207             | 785,851             | 738,751           | 763,775               | 760,533               | 794,438                 | 736,876             | 722,230              |
| City Attorney  | 518,690              | 629,813             | 606,042             | 594,227             | 675,627           | 678,656               | 541,624               | 627,034                 | 611,437             | 563,063              |
| Finance  | 1,775,306            | 1,872,501           | 2,008,647           | 1,977,740           | 2,017,656         | 1,351,689             | 917,673               | 951,575                 | 927,611             | 876,395              |
| Information Technology (1)                                       | -                    | -                   | -                   | -                   | -                 | 440,670               | 444,276               | 440,049                 | 414,117             | 435,804              |
| Human Resources  | 453,707              | 527,248             | 580,868             | 534,250             | 514,965           | 539,778               | 491,723               | 481,470                 | 484,534             | 531,949              |
| Planning and Building  | 2,412,669            | 2,862,572           | 2,877,907           | 2,862,487           | 2,838,860         | 2,793,409             | 2,304,144             | 2,290,201               | 2,029,904           | 2,813,429            |
| Economic Development   | 1,634,941            | 1,189,289           | 1,383,764           | 1,700,746           | 1,428,830         | 2,041,803             | 1,242,756             | 1,125,218               | 861,573             | 819,501              |
| Redevelopment  | 14,105,682           | 9,284,404           | 14,750,608          | 19,294,331          | 24,887,274        | 34,623,788            | 18,781,142            | 5,935,117               | 13,217              | 14,760               |
| Non-Departmental Operations                                      | 4,298,597            | 2,184,445           | 2,448,212           | 2,002,667           | 2,402,666         | 2,168,993             | 4,005,895             | 3,901,109               | 5,187,691           | 2,371,880            |
| Property Based Improvement District                              | 1,721,352            | 1,574,734           | 2,043,197           | 2,092,145           | 2,063,870         | 2,394,609             | 2,333,268             | 2,595,503               | 2,596,430           | 2,781,500            |
| Police   | 7,164,649            | 7,279,845           | 8,030,793           | 9,898,521           | 12,155,789        | 9,706,465             | 10,284,431            | 10,284,431              | 9,562,030           | 9,569,271            |
| Fire   | 5,135,035            | 5,831,401           | 6,365,550           | 10,547,177          | 5,504,167         | 5,695,918             | 5,637,520             | 5,666,539               | 5,756,509           | 5,633,392            |
| Public Works   | 2,079,964            | 2,494,546           | 2,622,510           | 2,732,077           | 3,216,528         | 5,170,171             | 2,636,403             | 3,746,043               | 4,203,173           | 3,403,038            |
| Community Services   | -                    | 193,360             | 263,874             | 352,167             | 358,087           | 388,087               | 462,352               | 493,124                 | 528,468             | 565,762              |
| Child Development  | 1,383,093            | 1,347,742           | 1,350,070           | 1,443,670           | 1,573,957         | 1,594,044             | 1,364,844             | 1,504,029               | 1,636,048           | 1,720,257            |
| Youth Services   | 1,126,425            | 1,208,298           | 1,106,571           | 964,295             | 969,904           | 899,054               | 899,054               | 899,054                 | 708,136             | 721,432              |
| Adult Services   | 409,491              | 448,370             | 420,379             | 514,210             | 520,093           | 558,459               | 472,716               | 555,907                 | 513,434             | 611,513              |
| Capital outlay   | 5,653,415            | 8,415,265           | 11,933,912          | 5,926,581           | 6,623,829         | 12,342,884            | 9,180,434             | 3,839,928               | 1,569,071           | 1,833,881            |
| Debt service   | -                    | -                   | -                   | -                   | -                 | -                     | -                     | -                       | -                   | -                    |
| Principal Retirement   | 3,123,670            | 3,248,301           | 5,075,000           | 5,285,000           | 5,517,241         | 5,753,867             | 5,984,749             | 6,265,686               | 227,182             | 4,980,900            |
| Interest   | 8,127,335            | 9,718,709           | 9,563,180           | 9,341,317           | 9,113,633         | 8,995,617             | 8,675,548             | 4,380,048               | 256,940             | 306,466              |
| Debt Issuance Costs  | -                    | -                   | -                   | -                   | -                 | -                     | -                     | -                       | -                   | -                    |
| Total expenditures   | 63,994,989           | 60,858,602          | 74,032,696          | 78,913,254          | 83,246,341        | 98,945,255            | 77,780,537            | 86,517,910              | 38,930,259          | 41,414,005           |
| Excess of revenues over (under) expenditures                     | (2,200,430)          | 5,332,426           | 3,319,594           | 4,194,952           | 956,736           | (5,393,910)           | (2,108,497)           | 1,605,422               | 7,507,017           | 25,147,880           |
| <b>Other Financing Sources (Uses)</b>                            |                      |                     |                     |                     |                   |                       |                       |                         |                     |                      |
| Bonds issued   | 80,371,777           | -                   | -                   | -                   | -                 | -                     | -                     | -                       | -                   | -                    |
| Transfers in   | 32,034,524           | 26,338,864          | 30,751,036          | 34,373,549          | 36,587,324        | 36,586,573            | 29,245,881            | 25,761,833              | 4,117,235           | 2,645,924            |
| Transfers out  | (32,153,024)         | (26,667,359)        | (32,049,536)        | (36,604,049)        | (36,935,824)      | (38,935,073)          | (31,744,381)          | (26,489,500)            | (4,265,735)         | (3,314,160)          |
| Sale of Air Rights   | -                    | -                   | 5,693,580           | -                   | -                 | -                     | -                     | -                       | -                   | -                    |
| Other debt issued  | -                    | -                   | -                   | 78,726              | -                 | -                     | -                     | -                       | -                   | -                    |
| Proceeds from the sale capital assets                            | -                    | -                   | -                   | -                   | 78,726            | -                     | -                     | -                       | -                   | -                    |
| Gain on Sale of Land   | -                    | -                   | 302,381             | -                   | 287,380           | 169,314               | 15,000                | 10,024                  | 21,188              | 55,997               |
| Refunding of bonds issued  | -                    | -                   | -                   | -                   | -                 | -                     | -                     | -                       | -                   | -                    |
| Total other financing sources (uses)                             | 80,255,277           | (348,095)           | 4,697,461           | (2,230,500)         | 17,606            | (179,186)             | (2,483,500)           | (717,643)               | (127,302)           | 4,390,300            |
| Extraordinary gain/(loss) on dissolution of redevelopment agency | -                    | -                   | -                   | -                   | -                 | -                     | -                     | (123,195,381)           | -                   | -                    |
| <b>Net change in Fund Balance</b>                                | <b>\$ 78,052,847</b> | <b>\$ 4,963,931</b> | <b>\$ 8,017,055</b> | <b>\$ 1,964,452</b> | <b>\$ 974,342</b> | <b>\$ (5,573,096)</b> | <b>\$ (4,591,997)</b> | <b>\$ (122,307,602)</b> | <b>\$ 7,379,715</b> | <b>\$ 28,925,941</b> |
| Debt service as a percentage noncapital expenditures             | 28.6%                | 41.7%               | 41.2%               | 27.9%               | 26.4%             | 24.8%                 | 32.8%                 | 27.9%                   | 1.4%                | 16.3%                |

(1) Information technology division previously reported in the Finance department.

Schedule V

City of Emeryville  
 Assessed Value and Estimated Actual Value of Taxable Property  
 Last Ten Fiscal Years

| Fiscal Year | Real Property    | Personal Property | Less: Tax-Exempt Property | Total Taxable Assessed Value | Total Direct Tax Rate (%) <sup>(1)</sup> |
|-------------|------------------|-------------------|---------------------------|------------------------------|--|
| 2005        | \$ 2,428,730,524 | \$ 300,120,138    | \$ (39,177,936)           | \$ 2,689,672,726             | 0.2182                                   |
| 2006        | 2,595,821,814    | 383,119,314       | (40,064,887)              | 2,938,876,241                | 0.2182                                   |
| 2007        | 2,955,333,520    | 364,433,594       | (40,018,015)              | 3,279,749,099                | 0.2182                                   |
| 2008        | 3,386,796,658    | 360,076,579       | (42,598,279)              | 3,704,274,958                | 0.2182                                   |
| 2009        | 3,756,458,531    | 368,822,559       | (36,923,017)              | 4,088,358,073                | 0.2182                                   |
| 2010        | 3,892,034,874    | 326,191,329       | (96,297,067)              | 4,121,929,136                | 0.2182                                   |
| 2011        | 3,846,729,282    | 344,584,129       | (89,955,403)              | 4,101,358,008                | 0.2182                                   |
| 2012        | 3,518,270,810    | 395,482,639       | (93,546,737)              | 3,820,206,712                | 0.2182                                   |
| 2013        | 3,587,063,228    | 479,029,792       | (96,907,938)              | 3,969,185,082                | 0.2182                                   |
| 2014        | 3,763,651,363    | 471,653,509       | (83,737,232)              | 4,151,567,640                | 0.2182                                   |

Source: County of Alameda - Auditor/Controllers Office: MuniServices LLC

<sup>(1)</sup> Total Direct Tax Rate is represented by TRA 014-000

**Notes:** In 1978, the voters of California passed Proposition 13, which limited property taxes to a maximum of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With some few exceptions, property is only reassessed at the time that it is sold to a new owner. At that time, the new assessed value is determined based on the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

**Schedule VI**

**City of Emeryville**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
*(rate per \$100 of assessed value)*

|                                   | Fiscal Year |             |             |             |             |             |             |             |             |             |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                   | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> |
| <b>Basic City and County Levy</b> |             |             |             |             |             |             |             |             |             |             |
| City of Emeryville                | 0.2182      | 0.2182      | 0.2182      | 0.2182      | 0.2182      | 0.2182      | 0.2182      | 0.2182      | 0.2182      | 0.2182      |
| Alameda County                    | 0.4371      | 0.4371      | 0.7818      | 0.7818      | 0.7818      | 0.7818      | 0.7818      | 0.7818      | 0.7818      | 0.7818      |
|                                   | 0.6553      | 0.6553      | 1.0000      | 1.0000      | 1.0000      | 1.0000      | 1.0000      | 1.0000      | 1.0000      | 1.0000      |
| <b>Override Assessments</b>       |             |             |             |             |             |             |             |             |             |             |
| Emery Unified School District     | 0.1354      | 0.1339      | 0.0166      | 0.0139      | 0.0133      | 0.0132      | 0.0136      | 0.0666      | 0.0663      | 0.0874      |
| Peralta Community College         | -           | -           | 0.0272      | 0.0223      | 0.0362      | 0.0430      | 0.0430      | 0.0436      | 0.0434      | 0.0419      |
| Bay Area Rapid Transit            | -           | -           | 0.0050      | 0.0076      | 0.0090      | 0.0057      | 0.0031      | 0.0041      | 0.0043      | 0.0075      |
| East Bay Regional Park I          | -           | -           | 0.0085      | 0.0080      | 0.0100      | 0.0108      | 0.0084      | 0.0071      | 0.0051      | 0.0078      |
| EBMUD Special District I          | -           | -           | 0.0068      | 0.0065      | 0.0064      | 0.0065      | 0.0067      | 0.0067      | 0.0068      | 0.0066      |
| Other Taxing Districts            | 0.2638      | 0.2712      | -           | -           | -           | -           | -           | -           | -           | -           |
|                                   | 0.3992      | 0.4051      | 0.0641      | 0.0583      | 0.0749      | 0.0792      | 0.0748      | 0.1281      | 0.1259      | 0.1512      |
|                                   | 1.0545      | 1.0604      | 1.0641      | 1.0563      | 1.0749      | 1.0792      | 1.0748      | 1.1281      | 1.1259      | 1.1512      |

**Source:** Alameda County Auditor/Controller data, MuniServices, LLC

**Notes:**

1. The above tax rates are applied per \$100 of assessed valuation for TRA 14-00.
2. In 1978, California voters passed Proposition 13, which sets property tax rate at a 1% fixed amount. This 1% is shared by all taxing agencies for which the subject property resides within.  
 In addition to the 1% fixed amount, property owners are charged taxes for the payment of various other agency levies.

**Schedule VII**

**City of Emeryville  
Principal Property Tax Payers  
Current Year and Nine Years Ago**

| <b>Taxpayer</b>                       | <b>Fiscal year 2013-14</b>    |             |  | <b>Fiscal year 2004-05</b>    |             |  |
|---------------------------------------|-------------------------------|-------------|--|-------------------------------|-------------|--|
|                                       | <b>Taxable Assessed Value</b> | <b>Rank</b> | <b>Percentage of Total City Taxable Assessed Value</b> | <b>Taxable Assessed Value</b> | <b>Rank</b> | <b>Percentage of Total City Taxable Assessed Value</b> |
| Pixar                                 | \$ 288,946,544                | 1           | 6.96%  | \$ 115,480,637                | 4           | 4.30%  |
| Emeryville Office LLC                 | 251,280,126                   | 2           | 6.05%  |                               |             |  |
| Emery Station Office II LLC           | 235,662,568                   | 3           | 5.68%  |                               |             |  |
| Madison Manhattan Village LLC         | 210,681,494                   | 4           | 5.07%  |                               |             |  |
| Chiron Corp                           | 196,330,234                   | 5           | 4.73%  | 295,549,651                   | 1           | 10.99%   |
| Novartis Vaccines Diagnostic          | 161,072,662                   | 6           | 3.88%  |                               |             |  |
| BRE Properties Inc                    | 111,459,157                   | 7           | 2.68%  |                               |             |  |
| Hines Reit Watergate LP               | 97,087,643                    | 8           | 2.34%  |                               |             |  |
| Bay Center Investor LLC               | 88,900,000                    | 9           | 2.14%  | 158,516,445                   | 2           | 5.90%  |
| Windor Metropolitan LP                | 82,836,491                    | 10          | 2.00%  |                               |             |  |
| Ag CCRP Public Market L P             | 64,275,000                    | 11          | 1.55%  |                               |             |  |
| East Bay Bridge Retail LLC            | 62,886,353                    | 12          | 1.51%  |                               |             |  |
| Mach I Emery Tech LLC                 | 62,500,000                    | 13          | 1.51%  |                               |             |  |
| ASN Emeryville LLC                    | 49,892,930                    | 14          | 1.20%  |                               |             |  |
| Amyris Inc.                           | 45,845,420                    | 15          | 1.10%  |                               |             |  |
| Regency Centers LP                    | 44,986,488                    | 16          | 1.08%  |                               |             |  |
| IKEA Property Inc.                    | 44,250,252                    | 17          | 1.07%  |                               |             |  |
| 6400 Christie Avenue Emeryville       | 42,709,569                    | 18          | 1.03%  |                               |             |  |
| Griffin Capital Atrium Investors      | 38,709,626                    | 19          | 0.93%  |                               |             |  |
| Agosong Emeryville Owner LLC          | 37,624,919                    | 20          | 0.91%  | 42,419,296                    | 9           | 1.58%  |
| HPTMI Properties Trust                | 36,000,000                    | 21          | 0.87%  |                               |             |  |
| Emeryville LLC                        | 35,254,343                    | 22          | 0.85%  |                               |             |  |
| RLJ Hgn Emeryville LP                 | 34,930,104                    | 23          | 0.84%  |                               |             |  |
| Hollis Street Investors II LLC'       | 34,673,993                    | 24          | 0.84%  |                               |             |  |
| Emeryville Homes                      | 25,096,288                    | 25          | 0.60%  |                               |             |  |
| SPK-Emeryville Properties LLC/Spieker |                               |             |  | 149,413,952                   | 3           | 5.56%  |
| Emery Station Joint Venture           |                               |             |  | 110,019,574                   | 5           | 4.09%  |
| Sand Hill Northwest Properties        |                               |             |  | 93,265,220                    | 6           | 3.47%  |
| Bay Center Office LLC                 |                               |             |  | 50,496,248                    | 7           | 1.88%  |
| Marketplace Mortgage LLC              |                               |             |  | 49,609,228                    | 8           | 1.85%  |
| BEP Emery Tech LLC                    |                               |             |  | 41,155,460                    | 10          | 1.53%  |
| <b>Total Top 25 Taxpayers</b>         | <b>\$ 2,383,892,204</b>       |             | <b>57.42%</b>  | <b>\$ 1,105,925,711</b>       |             | <b>41.14%</b>  |

Source: Alameda County Assessor data, MuniServices, LLC

**Schedule VIII**

**City of Emeryville  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

| Fiscal Year Ended June 30, | Taxes Levied for the Fiscal Year |                    | Collected within the Fiscal Year of the Levy |                    | Collections of Prior Years | Total Collections to Date |                        |
|----------------------------|----------------------------------|--------------------|--|--------------------|----------------------------|---------------------------|------------------------|
|                            | Amount                           | Percentage of Levy | Amount                                       | Percentage of Levy |                            | Amount                    | Percentage of Levy (1) |
| 2005                       | \$ 1,119,307                     |                    | \$ 994,648                                   | 88.86%             | \$ 136,357                 | \$ 1,131,005              | 101.05%                |
| 2006                       | 1,138,549                        |                    | 1,042,202                                    | 91.54%             | 88,860                     | 1,131,062                 | 99.34%                 |
| 2007                       | 1,277,208                        |                    | 1,031,806                                    | 80.79%             | 116,558                    | 1,148,364                 | 89.91%                 |
| 2008                       | 1,345,542                        |                    | 992,292                                      | 73.75%             | 117,578                    | 1,109,870                 | 82.49%                 |
| 2009                       | 1,393,185                        |                    | 1,003,781                                    | 72.05%             | 362,427                    | 1,366,208                 | 98.06%                 |
| 2010                       | 1,330,493                        |                    | 1,053,210                                    | 79.16%             | 415,377                    | 1,468,587                 | 110.38%                |
| 2011                       | 1,351,706                        |                    | 1,123,221                                    | 83.10%             | 304,745                    | 1,427,965                 | 105.64%                |
| 2012                       | 1,349,721                        |                    | 1,151,344                                    | 85.30%             | 300,792                    | 1,452,136                 | 107.59%                |
| 2013                       | 1,333,243                        |                    | 1,187,107                                    | 89.04%             | 232,398                    | 1,419,505                 | 106.47%                |
| 2014                       | 1,327,293                        |                    | 1,210,101                                    | 91.17%             | 203,219                    | 1,413,320                 | 106.48%                |

Source: Alameda County Auditor-Controller Agency

**Schedule IX**

**City of Emeryville  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years**

| Fiscal Year | Governmental Activities |                     |                           |                | Business-type Activities |                | Total Primary Government | Percentage of Property Value | Debt Per Capita |
|-------------|-------------------------|---------------------|---------------------------|----------------|--------------------------|----------------|--------------------------|------------------------------|-----------------|
|             | Lease Revenue Bonds     | Redevelopment Bonds | Assessment District Bonds | Capital Leases | Sewer Loans              |                |                          |                              |                 |
| 2005        | \$ 6,190,000            | \$ 192,870,000      | \$ -                      | \$ 188,301     | \$ 172,185               | \$ 199,420,486 | 7.41%                    | \$ 24,257                    |                 |
| 2006        | 6,035,000               | 189,965,000         | -                         | -              | 152,822                  | 196,152,822    | 6.67%                    | 22,977                       |                 |
| 2007        | 5,875,000               | 185,050,000         | -                         | -              | 132,877                  | 191,057,877    | 5.83%                    | 20,851                       |                 |
| 2008        | 5,705,000               | 179,935,000         | -                         | -              | 112,324                  | 185,752,324    | 5.01%                    | 19,097                       |                 |
| 2009        | 5,530,000               | 174,610,000         | -                         | 61,484         | 91,165                   | 180,292,649    | 4.41%                    | 18,564                       |                 |
| 2010        | 5,345,000               | 169,055,000         | -                         | 47,617         | 69,371                   | 174,516,988    | 4.23%                    | 17,286                       |                 |
| 2011        | 5,155,000               | 163,275,000         | -                         | 32,868         | 46,934                   | 168,509,802    | 4.11%                    | 16,643                       |                 |
| 2012        | 4,955,000               | -                   | -                         | 17,182         | 23,803                   | 4,995,985      | 0.13%                    | 490                          |                 |
| 2013        | 4,745,000               | -                   | -                         | -              | -                        | 4,745,000      | 0.12%                    | 462                          |                 |
| 2014        | 4,154,400               | -                   | -                         | -              | -                        | 4,154,400      | 0.10%                    | 396                          |                 |

Source: County of Alameda Auditor-Controller, City of Emeryville

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements. (Note 8 Long Term Debt)

**Schedule X**

**City of Emeryville  
Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years**

| Fiscal Year | Outstanding General Debt |                     |                           |                |       | Percent of Assessed Value | Debt Per Capita <sup>(1)</sup> |
|-------------|--------------------------|---------------------|---------------------------|----------------|-------|---------------------------|--------------------------------|
|             | Lease Revenue Bonds      | Redevelopment Bonds | Assessment District Bonds | Total          |       |                           |                                |
| 2005        | \$ 6,190,000             | \$ 194,408,078      | \$ -                      | \$ 200,598,078 | 7.46% | \$ 24,401                 |                                |
| 2006        | 6,035,000                | 189,965,000         | -                         | 196,000,000    | 6.67% | 22,959                    |                                |
| 2007        | 5,875,000                | 185,050,000         | -                         | 190,925,000    | 5.82% | 20,837                    |                                |
| 2008        | 5,705,000                | 179,935,000         | -                         | 185,640,000    | 5.01% | 19,085                    |                                |
| 2009        | 5,530,000                | 174,610,000         | -                         | 180,140,000    | 4.41% | 18,548                    |                                |
| 2010        | 5,345,000                | 169,055,000         | -                         | 174,400,000    | 4.23% | 17,274                    |                                |
| 2011        | 5,155,000                | 163,275,000         | -                         | 168,430,000    | 4.11% | 16,635                    |                                |
| 2012        | 4,955,000                | -                   | -                         | 4,955,000      | 0.13% | 486                       |                                |
| 2013        | 4,745,000                | -                   | -                         | 4,745,000      | 0.12% | 462                       |                                |
| 2014        | 4,154,400                | -                   | -                         | 4,154,400      | 0.10% | 396                       |                                |

Sources: County of Alameda Auditor-Controller; City of Emeryville

**City of Emeryville**  
**Statement of Direct and Overlapping Bonded Debt**  
**As of June 30, 2014**

2013-14 Assessed Valuation: \$4,046,671,447

|   | Total Debt       |                         | City's Share of     |
|---|------------------|-------------------------|---------------------|
|   | <u>6/30/2014</u> | <u>% Applicable (1)</u> | <u>Debt 6/30/14</u> |
| <b>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</b>               |                  |                         |                     |
| 1995 Revenue Bonds, Series B  | \$ 4,415,000     | 100.00%                 | \$ 4,415,000        |
| 1998 Revenue Bonds, Series B  | 35,530,000       | 100                     | 35,530,000          |
| 1998 Revenue Bonds, Series C (Taxable)                                  | 12,505,000       | 100                     | 12,505,000          |
| 2001 Revenue Bonds, Series A  | 15,985,000       | 100                     | 15,985,000          |
| 2001 Revenue Bonds, Series B (Taxable)                                  | 2,965,000        | 100                     | 2,965,000           |
| 2002 Revenue Bonds, Series A  | 11,590,000       | 100                     | 11,590,000          |
| 2004 Revenue Bonds, Series A  | 61,275,000       | 100                     | <u>61,275,000</u>   |
| TOTAL OVERLAPPING TAX INCREMENT DEBT                                    |                  |                         | 144,265,000         |
| <b>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</b>                  |                  |                         |                     |
| Bay Area Rapid Transit District   | 648,275,000      | 0.77%                   | 4,991,718           |
| Peralta Community College District                                      | 401,375,000      | 5.455                   | 21,895,006          |
| Emery Unified School District   | 68,894,747       | 100                     | 68,894,747          |
| Oakland Unified School District   | 842,680,000      | 0.001                   | 8,427               |
| <b>City of Emeryville</b>   | -                | <b>100</b>              | -                   |
| City of Emeryville 1915 Act Bonds                                       | 5,875,000        | 100                     | 5,875,000           |
| East Bay Municipal Utility District, Special District No. 1             | 14,160,000       | 5.094                   | 721,310             |
| East Bay Regional Park District   | 202,210,000      | 1.188                   | <u>2,402,255</u>    |
| TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT                    |                  |                         | 104,788,463         |
| <b>DIRECT AND OVERLAPPING TAX AND ASSESSMENT AND TAX INCREMENT DEBT</b> |                  |                         | 249,053,463         |
| <b>OVERLAPPING GENERAL FUND DEBT:</b>                                   |                  |                         |                     |
| Alameda County General Fund Obligations                                 | 893,799,500      | 1.95%                   | 17,384,400          |
| Alameda County Pension Obligations                                      | 87,787,424       | 1.945                   | 1,707,465           |
| Alameda-Contra Costa Transit District Certificates of Participation     | 28,155,000       | 2.303                   | 648,410             |
| Peralta Community College District Pension Obligations                  | 167,209,090      | 5.455                   | 9,121,256           |
| Oakland Unified School District Certificates of Participation           | 43,365,000       | 0.001                   | <u>434</u>          |
| TOTAL OVERLAPPING GENERAL FUND DEBT                                     |                  |                         | 28,861,965          |
| <b>TOTAL DIRECT DEBT</b>  |                  |                         | -                   |
| <b>TOTAL OVERLAPPING DEBT</b>   |                  |                         | 277,915,428         |
| <b>COMBINED TOTAL DEBT</b>  |                  |                         | 277,915,428 (2)     |
| <b>Ratios to Incremental Valuation (\$3,454,556,092):</b>               |                  |                         |                     |
| Overlapping Tax Increment Debt  | 4.18%            |                         |                     |
| <b>Ratios to 2013-14 Assessed Valuation:</b>                            |                  |                         |                     |
| <b>Direct Debt</b>  | <b>0.00%</b>     |                         |                     |
| Direct and Overlapping Tax and Assessment Debt                          | 2.59%            |                         |                     |
| Direct and Overlapping Tax, Assessment and Tax Increment Debt           | 6.15%            |                         |                     |
| Combined Total Debt   | 6.87%            |                         |                     |

Notes:

- (1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
- (2) Direct and overlapping tax and assessment debt combined with general fund debt and overlapping tax increment debt. Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue bonds and non-bonded capital lease obligations.

Overlapping governments are those that coincide, at least in part, within the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burdened borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt, of each overlapping government.

Source: California Municipal Statistics Inc.

Schedule XII

City of Emeryville  
 Legal Debt Margin Information,  
 Last Ten Fiscal Years

|   | Fiscal Year      |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|   | 2005             | 2006             | 2007             | 2008             | 2009             | 2010             | 2011             | 2012             | 2013             | 2014             |
| Total assessed value for fiscal year                                    | \$ 2,728,850,662 | \$ 2,978,941,128 | \$ 3,319,767,114 | \$ 3,746,873,237 | \$ 4,125,281,090 | \$ 4,218,226,203 | \$ 4,191,313,411 | \$ 3,913,753,449 | \$ 4,066,093,020 | \$ 4,235,304,872 |
| Debt limit (15% of assessed value)                                      | 409,327,599      | 446,841,169      | 497,965,067      | 562,030,986      | 618,792,164      | 632,733,930      | 628,697,012      | 587,063,017      | 609,913,953      | 635,295,731      |
| Legal debt margin   | \$ 409,327,599   | \$ 446,841,169   | \$ 497,965,067   | \$ 562,030,986   | \$ 618,792,164   | \$ 632,733,930   | \$ 628,697,012   | \$ 587,063,017   | \$ 609,913,953   | \$ 635,295,731   |
| Total net debt applicable to the limit<br>as a percentage of debt limit | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            | 0.00%            |

**Note:** Under state finance law, the city's outstanding general obligation debt should not exceed 15 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Source: Department of Finance; County of Alameda Auditor/Controller, MuniServices, LLP; City of Emeryville

**Schedule XIII**

**City of Emeryville  
Pledged-Revenue Coverage  
Last Ten Fiscal Years**

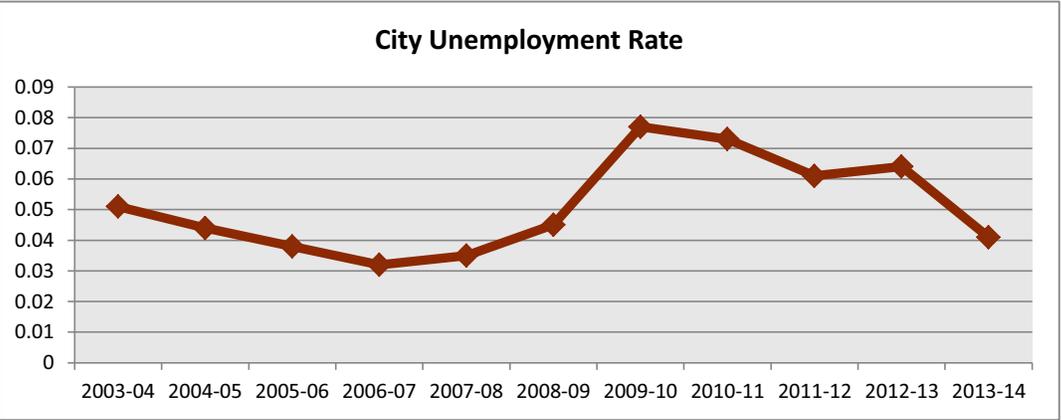
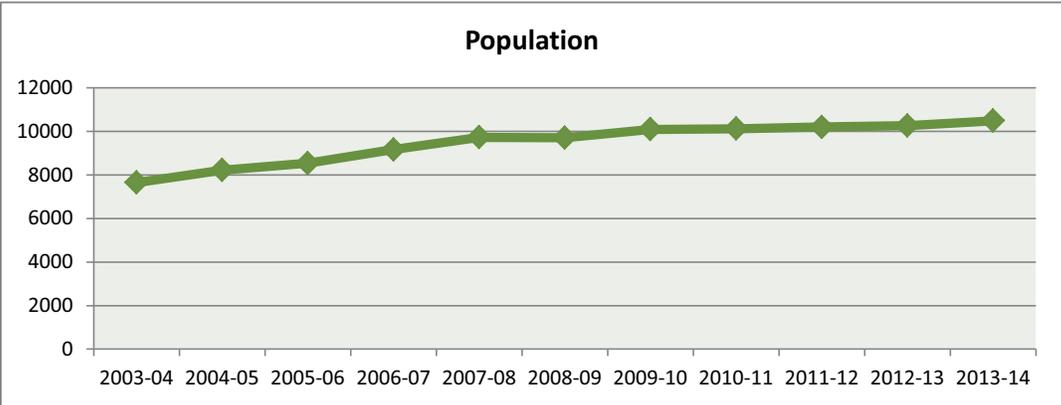
| Fiscal Year | Public Financing Authority Revenue Bonds |              |                       |          | Assessment District Improvement Bonds |           |                       |          |
|-------------|--|--------------|-----------------------|----------|---------------------------------------|-----------|-----------------------|----------|
|             | Tax Increment                            | Principal    | Debt Service Interest | Coverage | Tax Assessments                       | Principal | Debt Service Interest | Coverage |
| 2005        | \$ 22,487,012                            | \$ 2,795,000 | \$ 5,966,602          | 2.57     | \$ -                                  | \$ -      | \$ -                  | -        |
| 2006        | 25,189,937                               | 2,905,000    | 9,416,461             | 2.04     | -                                     | -         | -                     | -        |
| 2007        | 30,156,114                               | 4,915,000    | 9,257,517             | 2.13     | -                                     | -         | -                     | -        |
| 2008        | 33,982,231                               | 5,115,000    | 9,054,989             | 2.40     | -                                     | -         | -                     | -        |
| 2009        | 38,363,304                               | 5,325,000    | 8,832,241             | 2.71     | -                                     | -         | -                     | -        |
| 2010        | 36,644,379                               | 5,555,000    | 8,605,665             | 2.59     | -                                     | -         | -                     | -        |
| 2011        | 37,569,786                               | 5,780,000    | 8,358,279             | 2.66     | -                                     | -         | -                     | -        |
| 2012        | 16,341,753                               | 6,050,000    | 8,084,187             | 1.16     | -                                     | -         | -                     | -        |
| 2013        | -  | 6,330,000    | 7,793,163             | -        | -                                     | -         | -                     | -        |
| 2014        | -  | 6,630,000    | 7,477,612             | -        | -                                     | -         | -                     | -        |

Source: City of Emeryville

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

**City of Emeryville  
Demographic and Economic Statistics,  
Last Ten Fiscal Years**

| Fiscal Year | Population (1) | Personal Income (2) | Per Capita Personal Income (2) | Median Age | Public School Enrollment (3) | City Unemployment Rate (%) (4) |
|-------------|----------------|---------------------|--------------------------------|------------|------------------------------|--------------------------------|
| 2005        | 8,221          | \$ -                | \$ -                           | -          | -                            | 4.4%                           |
| 2006        | 8,537          | -                   | -                              | -          | -                            | 3.8%                           |
| 2007        | 9,163          | 381,391,549         | 41,623                         | 35.2       | 802                          | 3.2%                           |
| 2008        | 9,727          | 424,855,906         | 43,678                         | 35.2       | 815                          | 3.5%                           |
| 2009        | 9,712          | 417,450,896         | 42,983                         | 35.2       | 783                          | 4.5%                           |
| 2010        | 10,096         | 432,411,680         | 42,830                         | 35.2       | 765                          | 7.7%                           |
| 2011        | 10,125         | 499,932,000         | 49,376                         | 33.9       | 778                          | 7.3%                           |
| 2012        | 10,200         | 534,469,800         | 52,399                         | 34.4       | 721                          | 6.1%                           |
| 2013        | 10,269         | 547,248,976         | 53,291                         | 35.0       | 751                          | 6.4%                           |
| 2014        | 10,491         | 550,001,166         | 52,426                         | 34.9       | 726                          | 4.1%                           |



Source: MuniServices, LLC, U.S. Census Bureau, 2010 American Community Survey.  
 Source: 2005-06 and prior, previously published CAFR Report.  
 The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark.

- 1.) Population Projections are provided by the California Department of Finance Projections.
- 2.) Income Data is provided by the United States Census Data and is adjusted for inflation.
- 3.) Student Enrollment reflects the total number of students enrolled in the Emery Unified School District. Other school districts within the City are not accounted for in this statistic.
- 4.) Unemployment and Total Employment Data are provided by the EDD's Bureau of Labor Statistics Department.

**City of Emeryville  
Principal Employers,  
Current Year and Nine Years Ago**

| <u>Employer</u>                  | <u>2014</u>      |             |  | <u>2005</u>      |             |  |
|----------------------------------|------------------|-------------|--|------------------|-------------|--|
|                                  | <u>Employees</u> | <u>Rank</u> | <u>Percentage<br/>of Total City<br/>Employment</u> | <u>Employees</u> | <u>Rank</u> | <u>Percentage<br/>of Total City<br/>Employment</u> |
| Pixar                            | 1,155            | 1           | 24.57%   | 735              | 2           | 3.74%  |
| Grifols Diagnostic Solutions*    | 544              | 2           | 11.57%   | -                |             | 0.00%  |
| AC Transit                       | 511              | 3           | 10.87%   | 431              | 4           | 2.19%  |
| Oaks Card Club                   | 430              | 4           | 9.15%  | 410              | 5           | 2.08%  |
| Clif Bar & Co                    | 397              | 5           | 8.45%  | -                |             | 0.00%  |
| LeapFrog                         | 373              | 6           | 7.94%  | 465              | 3           | 2.36%  |
| IKEA                             | 348              | 7           | 7.40%  | 242              | 6           | 1.23%  |
| AAA of Northern CA, Nevada, Utah | 300              | 8           | 6.38%  | -                |             | 0.00%  |
| Novartis (Chiron)*               | 280              | 9           | 5.96%  | 2,290            | 1           | 11.64%   |
| Peet's Coffee & Tea Inc.         | 258              | 10          | 5.49%  | 202              | 9           | 1.03%  |
| Seibel Systems                   | -                |             | 0.00%  | 225              | 7           | 1.14%  |
| Home Depot                       | -                |             | 0.00%  | 202              | 8           | 1.03%  |
| City of Emeryville               | -                |             | 0.00%  | 201              | 10          | 1.02%  |
| <b>Total</b>                     | <b>4,596</b>     |             | <b>97.79%</b>                                      | <b>5,403</b>     |             | <b>27.47%</b>                                      |
| Total Work Force(1)              | 4,700            |             |  |                  |             |  |

Source: MuniServices, LLC

Results based on direct correspondence with city's local businesses.

\*Novartis split into two separate companies (Novartis and Grifols)

1.) Total City Labor Force is provided by EDD Labor Force Data and includes all employable adult residents of the City of Emeryville. Total labor force may be lower than actual employees due to outside residents working within the city of Emeryville.

**City of Emeryville  
Full-time-Equivalent City Government Employees by Function/Program,  
Last Ten Fiscal Years**

|                                    | <u>2005</u>   | <u>2006</u>  | <u>2007</u>  | <u>2008</u>  | <u>2009</u>  | <u>2010</u>  | <u>2011</u>  | <u>2012</u>  | <u>2013</u>  | <u>2014</u>  |
|------------------------------------|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                                    | <b>Full-time-Equivalent Employees as of June 30</b> |              |              |              |              |              |              |              |              |              |
| City Manager/City Clerk            | 5.0   | 4.5          | 4.5          | 4.7          | 4.7          | 4.2          | 4.2          | 4.2          | 4.2          | 4.2          |
| City Attorney                      | 3.5   | 4.0          | 4.0          | 4.0          | 4.0          | 4.0          | 3.0          | 3.0          | 2.0          | 2.0          |
| Administrative Services Department |   |              |              |              |              |              |              |              |              |              |
| Finance                            | 11.6  | 10.1         | 10.1         | 10.1         | 10.1         | 9.6          | 8.0          | 8.0          | 7.0          | 7.0          |
| Information Systems                | 3.0   | 3.0          | 3.0          | 3.0          | 3.0          | 3.0          | 3.0          | 3.0          | 3.0          | 3.0          |
| Human Resources                    | 3.6   | 4.6          | 4.6          | 4.4          | 4.4          | 4.6          | 3.7          | 3.7          | 3.7          | 3.7          |
| Planning and Building              | 10.0  | 10.0         | 10.0         | 11.0         | 11.0         | 10.0         | 10.0         | 10.0         | 10.3         | 10.0         |
| Economic Development and Housing   | 6.7   | 7.0          | 7.0          | 7.2          | 7.2          | 6.2          | 7.5          | 7.5          | 4.0          | 4.0          |
| Public Works                       | 15.4  | 15.4         | 16.2         | 16.2         | 17.2         | 15.2         | 15.2         | 15.2         | 14.9         | 14.9         |
| Police Department                  |   |              |              |              |              |              |              |              |              |              |
| Sworn                              | 39.0  | 39.0         | 39.0         | 40.5         | 40.0         | 39.5         | 38.0         | 38.0         | 38.0         | 38.0         |
| Unsworn                            | 20.0  | 20.0         | 20.0         | 17.5         | 18.0         | 17.0         | 17.0         | 17.0         | 17.0         | 17.0         |
| Fire                               |   |              |              |              |              |              |              |              |              |              |
| Sworn                              | 30.0  | 30.0         | 30.0         | 30.0         | 30.0         | 27.0         | 26.0         | 26.0         | -            | -            |
| Unsworn                            | 1.0   | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | -            | -            |
| Community Services                 |   |              |              |              |              |              |              |              |              |              |
| Administration                     | -   | -            | 3.3          | 3.4          | 3.4          | 3.0          | 5.1          | 5.1          | 6.2          | 6.2          |
| Youth & Adult Services             | 22.5  | 22.5         | 19.1         | 21.2         | 21.2         | 17.9         | 16.9         | 16.9         | 15.8         | 15.8         |
| Child Development Center           | 25.5  | 23.8         | 23.6         | 24.1         | 23.4         | 22.5         | 23.8         | 23.8         | 25.9         | 25.9         |
| <b>Total</b>                       | <b>196.8</b>  | <b>194.9</b> | <b>195.4</b> | <b>198.3</b> | <b>198.6</b> | <b>184.7</b> | <b>182.4</b> | <b>182.4</b> | <b>152.0</b> | <b>151.7</b> |

Source: City of Emeryville Two Year Operating Budget, Fiscal Years 2012-2013 + 2013-2014

Schedule XVII

City of Emeryville  
 Operating Indicators by Function/Program  
 Last Ten Fiscal Years

| Function/Program  | Fiscal Year |            |            |            |            |            |            |            |            |            |
|---|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|   | 2005        | 2006       | 2007       | 2008       | 2009       | 2010       | 2011       | 2012       | 2013       | 2014       |
| General government  |             |            |            |            |            |            |            |            |            |            |
| Commercial Construction permits issued                    |             |            |            |            |            |            |            |            |            |            |
| Value   | 815         | 992        | 893        | 778        | 754        | 707        | 708        | 707        | 735        | 673        |
| Residential Construction number of dwelling units         | 33,924,060  | 95,069,347 | 48,578,290 | 74,820,915 | 74,720,320 | 38,206,980 | 65,826,514 | 36,453,322 | 34,830,959 | 30,374,969 |
| Value   | 23          | 414        | 127        | 100        | 127        | 5          | 6          | 82         | 359        | -          |
| Police  | 13,673,566  | 88,048,145 | 39,901,193 | 42,332,385 | 6,855,399  | 6,303,079  | 18,986,497 | 24,406,053 | 90,515,346 | 8,854,994  |
| Physical arrests  | 722         | 651        | 751        | 840        | 759        | 703        | 931        | 966        | 834        | 1,069      |
| Traffic collisions  | 328         | 324        | 326        | 293        | 248        | 261        | 279        | 300        | 274        | 334        |
| Citations   | 5,238       | 5,799      | 5,674      | 7,852      | 7,627      | 6,515      | 4,595      | 4,248      | 3,519      | 5,525      |
| Investigations  | 3,280       | 3,338      | 6,282      | 7,906      | 7,198      | 7,060      | 7,066      | 7,704      | 7,883      | 8,700      |
| Total responses   | 42,486      | 41,584     | 39,536     | 45,681     | 41,853     | 40,235     | 38,447     | 34,494     | 36,452     | 42,535     |
| Fire  |             |            |            |            |            |            |            |            |            |            |
| Fire Responses  | 90          | 86         | 54         | 59         | 44         | 55         | 25         | 59         | 45         | 54         |
| Medical Responses   | 926         | 1,016      | 1,066      | 1,169      | 1,137      | 1,244      | 1,283      | 1,300      | 1,329      | 1,248      |
| Total Emergency Responses                                 | 1,441       | 1,554      | 1,404      | 1,626      | 1,607      | 1,739      | 1,729      | 1,825      | 1,863      | 1,841      |
| Community Services  |             |            |            |            |            |            |            |            |            |            |
| Child Development Program (enrollment in 12 month period) | 1,020       | 1,065      | 1,105      | 1,020      | 1,043      | 966        | 1,108      | 1,175      | 1,034      | 994        |

Source: Various city departments.

**Schedule XVIII**

**City of Emeryville  
Capital Asset Statistics by Function/Program  
Last Ten Fiscal Years**

| <u>Function/Program</u>                | <u>Fiscal Year</u> |             |             |             |             |             |             |             |             |             |
|--|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|  | <u>2005</u>        | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> |
| Police Stations                        | 1                  | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Police vehicles, including motorcycles | 27                 | 27          | 27          | 27          | 27          | 27          | 29          | 29          | 29          | 29          |
| Fire stations                          | 2                  | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           |
| Public Works                           |                    |             |             |             |             |             |             |             |             |             |
| Streets (miles)                        | 19                 | 19          | 19          | 19          | 19          | 19          | 19          | 19          | 19          | 19          |
| Miles of Sewer Lines                   | 15                 | 15          | 15          | 15          | 15          | 15          | 15          | 15          | 15          | 15          |
| Parks and Community Facilities         |                    |             |             |             |             |             |             |             |             |             |
| Parks                                  | 8                  | 8           | 8           | 8           | 8           | 9           | 9           | 12          | 12          | 12          |
| Acreage                                | 15                 | 15          | 15          | 15          | 15          | 16          | 16          | 21          | 21          | 21          |
| Senior Center                          | 1                  | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Child Development Center               | 1                  | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Recreation Center                      | 1                  | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |

Source: Various city departments.