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# CITY OF EMERYVILLE, CALIFORNIA

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

# FOR FISCAL YEAR ENDED JUNE 30, 2011

Prepared by:

FINANCE DIVISION
ADMINISTRATIVE SERVICES DEPARTMENT

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# CITY OF EMERYVILLE, CALIFORNIA

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

# FOR FISCAL YEAR ENDED JUNE 30, 2011

Prepared by:

FINANCE DEPARTMENT

KARAN REID, CHIEF FINANCIAL OFFICER

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CITY OF EMERYVILLE

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2011

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November xx, 2011

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, 2011. State law requires that general-purpose local governments publish a complete set of audited financial statements within six months of the close of each fiscal year.

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 Principals (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, 2011. 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, 2011, are free of material misstatement. In addition, the City is required to undergo a Single Audit of Federal programs conducted under the provisions of OMB Circular A-133. The City's independent auditors, Lance, Soll & Lunghard have issued an unqualified opinion on the City of Emeryville's financial statements for the year ended June 30, 2011. The independent auditors' report is located at the front of the financial section of this report.

GAAP also requires that management prepare a narrative introduction, overview and analysis to accompany the basic financial statements. This narrative is presented in the form of Management's Discussion and Analysis (MD&A) which can be found immediately following the independent auditor's report.

***The Reporting Entity***

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 manger, 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 2011 population of 10,125. Emeryville has evolved from an industrial town to an emerging retail/technology-based community.

The financial statements included in this CAFR present the City of Emeryville (the primary government) and the Community Development Commission of Emeryville (the Commission) as its component unit. The Commission, although legally a separate entity, is in substance a part of the City's operations. Members of the City Council serve as members of the Commission Board. The Commission is combined and included in the operations of the City in the accompanying financial statements as required by the provisions of GASB statement Number 14, The Financial Reporting Entity.

***Economic Condition and Outlook***

Recovery, since the end of the Great Recession in June 2009, has been slow. According to Ben Bernanke in September 2011, the recession was even deeper and the recovery weaker than previously thought; aggregate output in the United States still has not returned to the level that it had attained before the crisis. Importantly, economic growth over the past two years has, for the most part, been at rates insufficient to achieve sustained reductions in the unemployment rate, which has recently been fluctuating a bit above 9 percent nationally. The unemployment rate in Emeryville was 7.9% in June 2011, compared to 7.7% in June 2010. The rate is significantly lower than the Alameda County unemployment rate of 10.9% and the statewide rate of 12.1%.

Housing prices appear to be stabilizing. According to Beacon Economics, while defaults and foreclosures remain elevated well above historical norms, both have been falling steadily over the past year. And while the expiration of the federal homebuyer tax credit did shift some sales into 2010 that would have otherwise happened in 2011, sales activity has been rising for nearly a year. The fact that prices fell so far as the housing market collapsed means that home prices are back down to levels that make sense for given incomes. This affordability, coupled with low interest rates and a recovering economy, should prevent prices from falling much further. According to Data Quick, the one year decline in median home prices in Emeryville was 5.5% to $264,500.

The state continues to struggle with its own financial challenges, which have and will continue to negatively impact local governments and agencies. In June 2011, the Governor signed legislation negatively impacting redevelopment activities in the State. AB1x 26 (Dissolution Act) dissolves redevelopment agencies effective October 1, 2011 and AB1x 27 (Continuation Act) gives redevelopment agencies an option to avoid dissolution if it commits to making defined payments for the benefit of the State, school districts and certain special districts. Emeryville's obligation under the Dissolution Act for 2011-12 is estimated at $13.1 million. This take away negatively impacts 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. See Note 18 to the Financial Statements for additional information.

Emeryville is beginning to see signs of recovery. Sales taxes increased $1.3 million or 25% over the prior year and Transient Occupancy Taxes increased $300,000 or 9%. Increases in these revenue streams reflect improvements in consumer spending, an important revenue base in Emeryville. However, the increases were offset by decreases of $925,000 or 30% in Licenses and Permits, which reflect decreases in building activity, and $500,000 or 28% drop in Property

Taxes, supporting the continued downward reassessment of property values. Other revenue sources such as business license tax, card room and utility users' tax have remained stable. To address revenue shortfalls, the City continued $1.3 million in reductions from fiscal year 2010 and incorporated additional cuts of $1.3 million in its fiscal year 2011 budget. The City has placed two revenue measures increasing the City's business license tax rate and cap on the November 2011 ballot; if approved, this would further strengthen the City's financial position. Pension reform is a high priority as well, the City has recently negotiated terms with all of its miscellaneous workers whereby the employees will begin sharing in the cost of the retirement benefit. The City will continue to take steps to exercise fiscal discipline and manage the revenue shortfalls through diligent cost control and enhanced operating efficiencies.

***Major Initiatives, Accomplishments, and Capital Projects***

Despite the financial challenges, the City proceeded with many of its planned initiatives. Significant activities and accomplishments for fiscal year 2011 include the following:

***City/School Partnership***
The City continued to expand its partnership with the Emery Unified School District (EUSD) to develop a truly comprehensive approach to addressing the needs of Emeryville's youth. Milestones included supporting joint planning of facilities, developing plans and identifying funding to establish high quality learning environments for Emeryville's youth and providing facilities for a range of essential services, such as adult education, job training and after-school activities, and continuing to provide grants for local artists to work with school-aged youth.

The City also negotiated a successor Memorandum of Understanding (MOU) with Emery Unified School District to take the Center of Community Life project to the construction drawings phase.

***Livable City***
During the past year, the City adopted a new citywide Park and Recreation Strategic Plan to support the new General Plan which was adopted in fiscal year 2010. The Plan includes recommendations for improving existing parks, developing future parks, improving parks programs and prioritizing projects.

***Economic Development and Other Initiatives***
Accomplishments include the following:

- Completed the acquisition of 6150 Christie Avenue and 3706 San Pablo Avenue as sites for future affordable housing development
- Commenced development of the 59th Street Greenway
- Completed the Streetscape Design Plan for the Powell Street/Christie Avenue intersection
- Obtained a $50,000 State grant to support development of the 48th Street Community Garden
- Initiated predevelopment process for development of the Stanford-Powell Greenway
- Completed development of Magnolia Terraces – 5 units of special needs housing
- Provided 25 First Time Homebuyer loans for nine, newly constructed Below Market Rate (BMR) units, seven BMR resales, and nine Market Rate units for loans totaling $883,000 in fiscal year 2011
- Received $1 million Cal Home grant from the State Department of Housing and Community Development for the First Time Homebuyer Programs.

- Completed the remediation of the following sites:
  - Ambassador Housing Site
  - Bay Street Site B
  - EmeryStation Greenway
  - Art Center Site
  - Magnolia Terrace
- Recovered $22.4 million of its costs from responsible parties in connection with completing remediation of hazardous materials in soil on Site B, the parcels north of the Bay Street shopping center
- Negotiated new Garbage Franchise Agreement with Waste Management meeting the City's stated priorities of meeting sustainability and waste diversion goals while maintaining solid waste management fees at rates lower than surrounding communities

***Community Development Commission of Emeryville (Commission)***

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. This legislation would terminate the Emeryville Redevelopment Agency (Agency) as of October 1, 2011 and prevent the Agency from amending any agreements to which it is a party. The City Council and Agency Board established the Commission to continue the City's economic development and affordable housing initiatives, regardless of whether the State abolishes redevelopment agencies, and to also safeguard the City's general operations and bonding procedures that are currently conducted through joint exercise of power agreements between the City and the Agency. Prior to the formation of the Commission, the City had two agencies that were established pursuant to the exercise of joint power agreements of the City and the Agency: the Management of Emeryville Services Authority (MESA) and the Emeryville Public Financing Authority (PFA). MESA was created to employ non-sworn staff including represented miscellaneous employees and executive, unrepresented staff (City Manager, Assistant City Manager and City Attorney) and the PFA was created to issue bonds and other debt obligations. Both of these joint powers authorities would have ceased upon the termination of the agency.

***Financial Information***

***Internal and Budgetary 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.

The City and Commission adopt operating budgets 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 2010, the City adopted a balanced two-year operating budget for the fiscal years 2010-11 and 2011-12.

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, such as the proposed Emeryville Center of Community Life (ECCL), the Emeryville Arts Center, and renovations to the City's Police Department building. The Commission provides most funding for CIP projects through redevelopment bond financing with some funds also coming from the City's General Fund or state/regional/federal grants. The five-year capital plan was last updated and approved in December 2006 and included 95 projects costing a total of approximately $380.6 million. An update of the Capital Improvement Program (CIP) was started in January 2011. Due to the uncertainties regarding redevelopment funding, the CIP update is on hold until the Supreme Court rules on current litigation. Please see footnote 18 for more information on the redevelopment litigation.

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 which 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 operating expenditures with a target level of 50% including the Economic Uncertainty Fund. The City's auditors have stressed the importance of maintaining a strong General Fund balance and have recommended that once an acceptable level is achieved, any current year excess revenues should be set aside into long term reserves for unfunded liabilities and economic uncertainties. The City Council/Commission has endorsed this recommendation.

3. Unfunded liabilities should be identified and funded with surplus funds when they are available. Liabilities that are currently accruing should be funded currently.

4. 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.

5. 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. The City continues to hold a reserve of 25% of operating expenditures in our General Fund Balance. In addition, the Economic Uncertainty Fund balance represents approximately 18% of the General Fund budgeted expenditures for fiscal year 2011-12.

***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, 2010. This was the 16th 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.

***Acknowledgments***

Preparation of the CAFR was made possible through the dedicated work of the Finance Division, in particular Michelle Strawson O'Hara and Peggy Xu, who are commended for their continued high level of performance. Appreciation also is 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,

Patrick O'Keeffe
City Manager

Karan Reid
Chief Financial Officer

# GFOA CERTIFICATE

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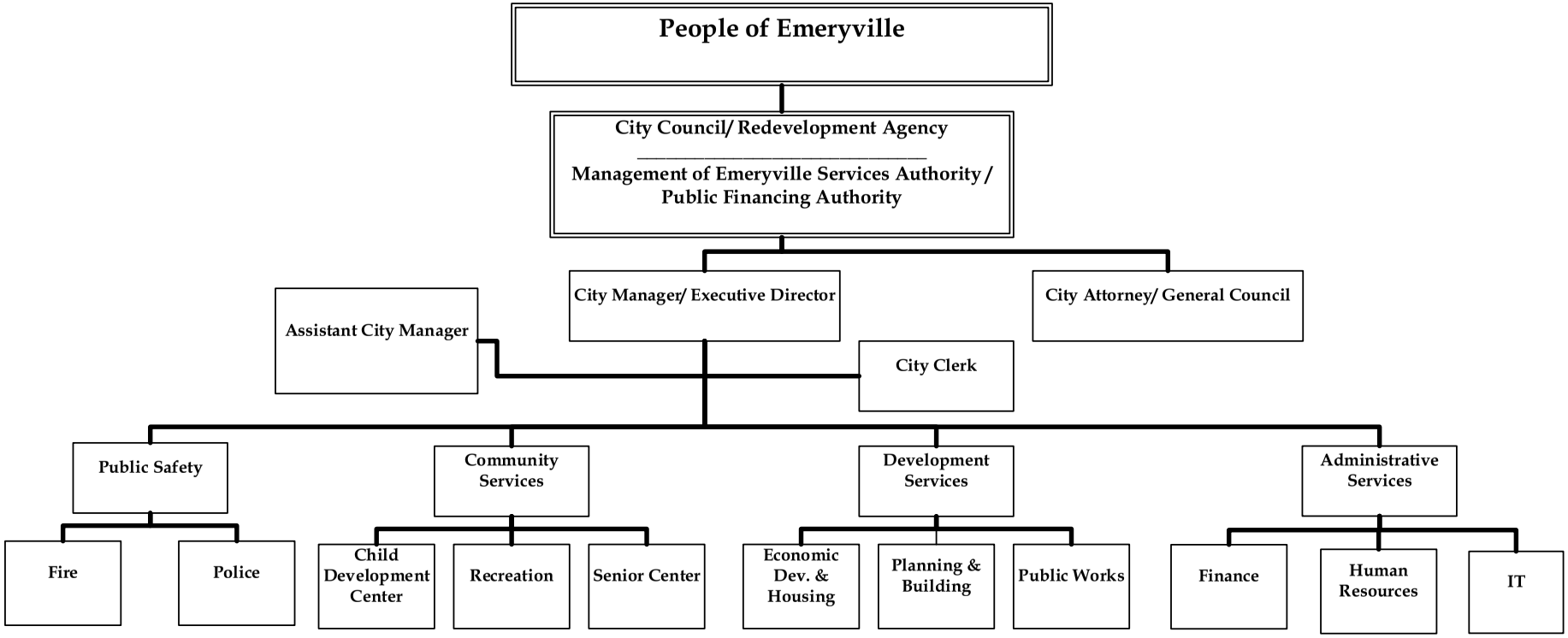
# City of Emeryville Organization Chart

June 30, 2011




* 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 Redevelopment Agency oversees the City's redevelopment 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**

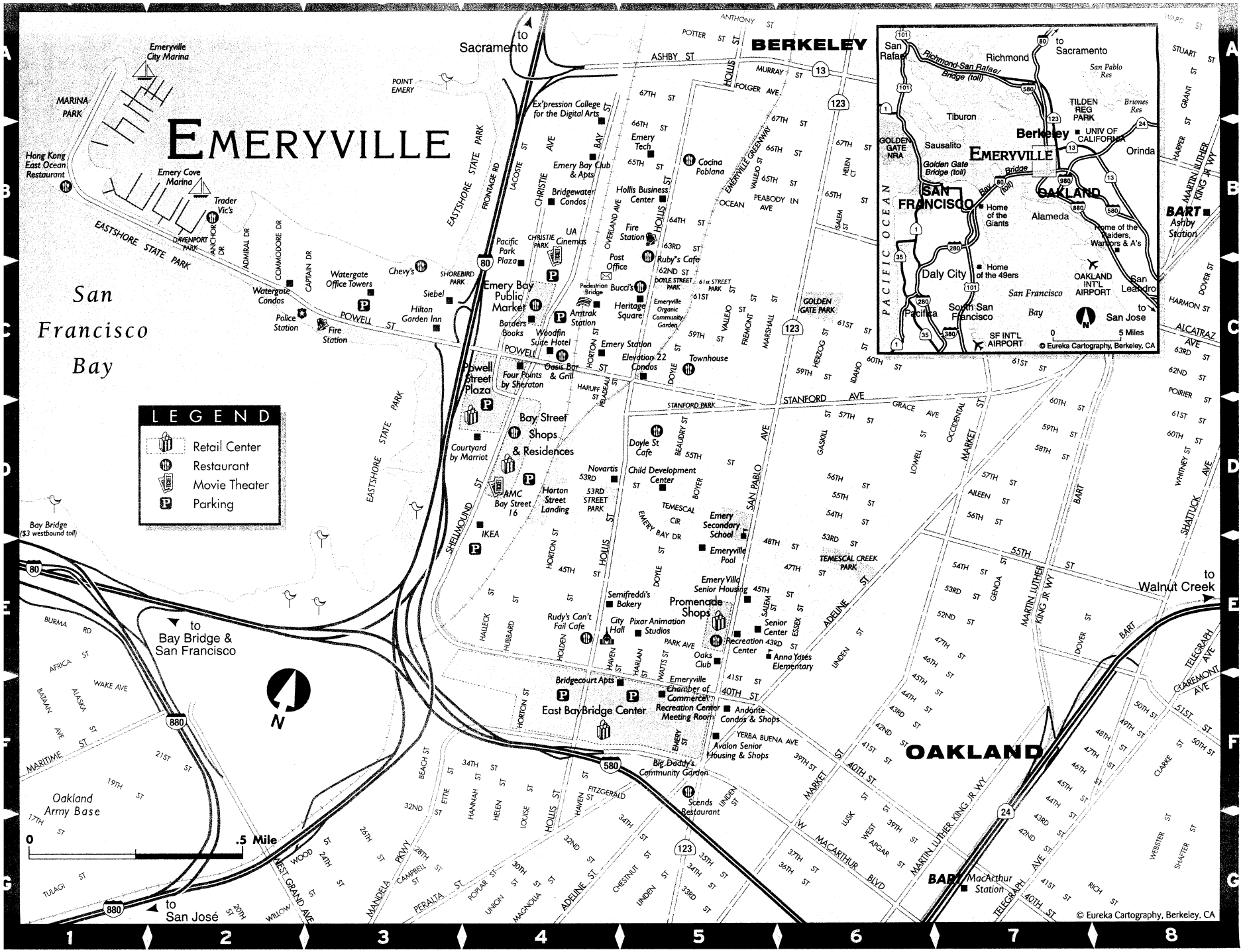
**List of City Officials**
(as of June 30, 2011)

*City Council and Redevelopment Agency Board*

Mayor ..... Nora Davis
Vice-Mayor ..... Jennifer West
Councilmember ..... Ruth Atkin
Councilmember ..... Kurt Brinkman
Councilmember ..... Ken Bukowski

*Appointed Officials and Department Heads*

City Manager/Redevelopment Agency Executive Director ..... Patrick O'Keeffe
City Attorney/Redevelopment Agency General Counsel ..... Michael Biddle
Assistant City Manager ..... Delores Turner
City Clerk/Assistant to the City Manager ..... Karen Hemphill
Community Services Director ..... Melinda Chinn
Economic Development and Housing Director ..... Helen Bean
Chief Financial Officer/Treasurer ..... Karan Reid
Fire Chief ..... Kevin Johnston
Planning and Building Director ..... Charles Bryant
Police Chief ..... Ken James
Public Works Director/City Engineer ..... Maurice Kaufman


EMERYVILLE
San Francisco Bay
BERKELEY
OAKLAND
LEGEND
Retail Center
Restaurant
Movie Theater
Parking
Emeryville City Marina
Emery Cove Marina
MARINA PARK
Hong Kong East Ocean Restaurant
Trader Vic's
EASTSHORE STATE PARK
DAVENPORT PARK
ANCHOR DR
ADMIRAL DR
COMMODORE DR
CAPTAIN DR
Watergate Condos
Watergate Office Towers
Chevy's
SHOREBIRD PARK
Siebel
Hilton Garden Inn
Police Station
Fire Station
POWELL ST
POINT EMERY
to Sacramento
Ex'pression College for the Digital Arts
Emery Tech
Emery Bay Club & Apts
Bridgewater Condos
Cocina Poblana
Hollis Business Center
UA Cinemas
Pacific Park Plaza
Fire Station
Post Office
Ruby's Cafe
Emery Bay Public Market
Bucci's
Heritage Square
Emeryville Organic Community Garden
Borders Books
Amtrak Station
Woodfin Suite Hotel
Oasis Bar & Grill
Emery Station
Elevation 22 Condos
Townhouse
Four Points by Sheraton
Powell Street Plaza
Courtyard by Marriot
Bay Street Shops & Residences
AMC Bay Street 16
IKEA
Horton Street Landing
Novartis
Child Development Center
Doyle St Cafe
Emery Secondary School
Emeryville Pool
Emery Villa Senior Housing
Semifreddi's Bakery
Rudy's Can't Fail Cafe
City Hall
Pixar Animation Studios
Promenade Shops
Senior Center
Recreation Center
Anna Yates Elementary
Oaks Club
Bridgecourt Apts
East Bay Bridge Center
Emeryville Chamber of Commerce
Recreation Center Meeting Room
Andante Condos & Shops
Avalon Senior Housing & Shops
Big Daddy's Community Garden
Scends Restaurant
GOLDEN GATE PARK
TEMESCAL CREEK PARK
53RD STREET PARK
STANFORD PARK
EMERYVILLE GREENWAY
to Bay Bridge & San Francisco
to San José
to Walnut Creek
Bay Bridge ($3 westbound toll)
Oakland Army Base
0 .5 Mile
BART Ashby Station
BART MacArthur Station
San Rafael
Richmond
Richmond-San Rafael Bridge (toll)
to Sacramento
San Pablo Res
Briones Res
TILDEN REG PARK
Tiburon
Sausalito
GOLDEN GATE NRA
Golden Gate Bridge (toll)
Berkeley
UNIV OF CALIFORNIA
Orinda
EMERYVILLE
SAN FRANCISCO
Home of the Giants
OAKLAND
Alameda
Home of the Raiders, Warriors & A's
Bay Bridge (toll)
Daly City
Home of the 49ers
OAKLAND INT'L AIRPORT
San Leandro
Pacifica
South San Francisco
San Francisco Bay
to San Jose
SF INT'L AIRPORT
0 5 Miles
PACIFIC OCEAN
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# INDEPENDENT AUDITOR'S REPORT

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

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, as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the City of Emeryville's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We would like to draw the reader's attention to Note 18 – "California Redevelopment Agency Uncertainty". The note provides information on two bills passed, AB1X26 and 27 which dissolve redevelopment agencies effective October 1, 2011, and provide an option to avoid dissolution by making certain defined payments.

In accordance with *Government Auditing Standards*, we have also issued our report dated _____, 2011, on our consideration of the City of Emeryville'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* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Emeryville's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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.

Lance, Soll & Lunghard, LLP

Brea, California
_____, 2011

# 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, 2011. 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 2010-11 and 2009-10. All increases and decreases are expressed relative to fiscal year 2009-10 results. Highlights of fiscal year 2010-11 include the following:

- The assets of the City of Emeryville exceeded its liabilities at the close of the most recent fiscal year by $187.8 million (*net assets*), an increase of $3.5 million from the prior year. Of this amount, $58.1 million represents investment in capital assets, net of related debt, and $161.4 million represents resources restricted for debt service payments, community development, public safety, public works and capital projects. The remaining negative amount of $31.7 million represents the accumulated unrestricted deficit at the close of fiscal year 2011.

- The governmental activities total net assets increased $3.5 million. Business-Type total net assets decreased slightly by $80,000.

- At the close of the current fiscal year, the City of Emeryville's governmental funds reported combined ending fund balances of $196.0 million, a decrease of $2.5 million in comparison with the prior year.

- At the end of the current fiscal year, the unassigned General Fund Balance comprised $17.9 million of the total $21.5 General Fund Balance or 51.7 percent and 62.0 percent of total General Fund budgeted expenditures excluding mid-year reserve transfers.

## *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 assets* presents all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases and decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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, Property Based Improvement District, Police, Fire, Public Works, Community Services, Child Development, Youth and Adult Services, and General Government 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 redevelopment agency 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 50 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 and six (6) capital project funds. These seven (7) funds are considered to be major funds. Data from the other forty three (43) 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 for employee services and MESA, in turn, reimburses the City for providing payroll services for staff.

*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. 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*

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Emeryville's General Fund and its budget appropriations. Required supplementary information can be found in the table of contents under the section Required Supplemental Information and includes Notes to the Required Supplementary Information and a General Fund Budgetary Comparison Schedule.

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

## *FINANCIAL ANALYSIS*

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**Analysis of Net Assets**: As noted earlier, net assets 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 $187.8 million at the close of the most recent fiscal year, which is $3.5 million more than the previous year.

The largest portion of the City of Emeryville's net assets is $161.4 million restricted for various programs including community development, public safety, public works, capital projects and debt service. Net assets invested in capital assets, net of related debt, totals $52.9 million. The City of Emeryville uses these assets to provide services to citizens; consequently, these assets are not available for future spending. The remaining negative balance of $35.7 million represents a deficit, which will be eliminated from future revenue collections. The largest portion of this deficit is the result of outstanding long-term debt obligations of $175.4 million.

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

**Statement of Net Assets**
($ In millions)

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | **2011** | **2010** | **2011** | **2010** | **2011** | **2010** |
| Cash and Investments | $ 190.3 | $ 203.3 | $ 4.7 | $ 5.6 | $ 195.0 | $ 208.9 |
| Other Assets | 86.4 | 77.5 | 0.1 | - | 86.5 | 77.5 |
| Capital Assets | 88.9 | 87.7 | 5.2 | 3.9 | 94.1 | 91.6 |
| **Total Assets** | 365.6 | 368.5 | 10.0 | 9.5 | 375.6 | 378.0 |
| Long-Term Debt | 175.4 | 180.8 | - | 0.1 | 175.4 | 180.9 |
| Other Liabilities | 11.6 | 12.6 | 0.8 | 0.2 | 12.4 | 12.8 |
| **Total Liabilities** | 187.0 | 193.4 | 0.8 | 0.3 | 187.8 | 193.7 |
| **Net Assets:** | | | | | | |
| Invested in Capital Assets, net of debt | 52.9 | 51.1 | 5.2 | 2.7 | 58.1 | 53.8 |
| Restricted | 161.3 | 168.7 | - | - | 161.3 | 168.7 |
| Unrestricted | (35.6) | (44.7) | 4.0 | 6.5 | (31.6) | (38.2) |
| **Total Net Assets** | $ 178.6 | $ 175.1 | $ 9.2 | $ 9.2 | $ 187.8 | $ 184.3 |

**Analysis of activities:** At the end of fiscal 2011, the City of Emeryville's governmental net assets increased $3.5 million. Key elements of these changes are reflected in the following table.

**Changes in Net Assets**
**Net Assets at June 30**
**($ in millions)**

| | Governmental Activities | | Business Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | **2011** | **2010** | **2011** | **2010** | **2011** | **2010** |
| **Revenues** | | | | | | |
| Charges for services | $ 8.0 | $ 9.8 | $ 0.9 | $ 1.0 | $ 8.8 | $ 10.8 |
| Operating contributions & grants | 3.9 | 21.9 | - | - | 3.9 | 21.9 |
| Capital contributions & grants | 0.5 | 1.3 | - | - | 0.5 | 1.3 |
| Property Taxes | 1.4 | 1.8 | - | - | 1.4 | 1.8 |
| Incremental Property Tax | 37.6 | 36.6 | - | - | 37.6 | 36.6 |
| Franchise Tax | 1.2 | 1.1 | - | - | 1.2 | 1.1 |
| Sales Taxes | 6.9 | 5.7 | - | - | 6.9 | 5.7 |
| Business License Taxes | 5.7 | 5.9 | - | - | 5.7 | 5.9 |
| Transient Occupancy Tax | 3.6 | 3.3 | - | - | 3.6 | 3.3 |
| Utility Users Tax | 2.9 | 2.9 | - | - | 2.9 | 2.9 |
| Other Taxes and Fines | 0.7 | 0.1 | - | - | 0.7 | 0.1 |
| Motor Vehicle In Lieu | 0.7 | 0.7 | - | - | 0.7 | 0.7 |
| Use of Money and Property | 3.1 | 4.5 | 0.1 | 0.1 | 3.2 | 4.6 |
| Miscellaneous | 0.1 | 1.7 | - | - | 0.1 | 1.7 |
| **Total Revenues** | **76.1** | **97.3** | **1.0** | **1.1** | **77.0** | **98.4** |
| **Expenses** | | | | | | |
| City Council | 0.2 | 0.1 | - | - | 0.2 | 0.1 |
| City Manager | 0.8 | 0.8 | - | - | 0.8 | 0.8 |
| City Attorney | 0.6 | 0.7 | - | - | 0.6 | 0.7 |
| Finance | 1.0 | 1.4 | - | - | 1.0 | 1.4 |
| Human Resources | 0.5 | 0.5 | - | - | 0.5 | 0.5 |
| Planning & Building | 2.4 | 2.9 | - | - | 2.4 | 2.9 |
| Economic development | 1.3 | 2.1 | - | - | 1.3 | 2.1 |
| Redevelopment | 24.8 | 37.2 | - | - | 24.8 | 37.2 |
| General Government | 2.4 | 3.2 | - | - | 2.4 | 3.2 |
| Property Based Improvement District | 2.3 | 2.4 | - | - | 2.3 | 2.4 |
| Police | 11.4 | 9.9 | - | - | 11.4 | 9.9 |
| Fire | 6.6 | 5.8 | - | - | 6.6 | 5.8 |
| Public works | 6.3 | 8.9 | - | - | 6.3 | 8.9 |
| Community Services | 0.5 | 0.4 | - | - | 0.5 | 0.4 |
| Child development | 1.5 | 1.6 | - | - | 1.5 | 1.6 |
| Youth Services | 0.8 | 0.9 | - | - | 0.8 | 0.9 |
| Adult Serivces | 0.5 | 0.6 | - | - | 0.5 | 0.6 |
| Information Technology | 0.9 | 0.7 | | | 0.9 | 0.7 |
| Interest on long-term debt | 8.6 | 8.9 | - | - | 8.6 | 8.9 |
| Sewer | - | - | 0.9 | 1.0 | 0.9 | 1.0 |
| **Total Expenses** | **73.4** | **88.9** | **0.9** | **1.0** | **74.3** | **89.9** |
| **Increase(Decrease) in Net Assets, before Transfers** | **2.7** | **8.4** | **0.1** | **0.1** | **2.7** | **8.5** |
| **Transfers** | **0.1** | **0.1** | **(0.1)** | **(0.1)** | **(0.1)** | **-** |
| **Increase (Decrease) in Net Assets** | **2.7** | **8.5** | **(0.0)** | **0.0** | **2.6** | **8.5** |
| **Beginning Net Assets, restated** | **175.1** | **169.2** | **9.2** | **9.2** | **184.3** | **178.4** |
| **Restatement of Net Assets** | **0.9** | **(2.6)** | **-** | **-** | **0.9** | **(2.6)** |
| **Ending Net Assets** | **$ 178.7** | **$ 175.1** | **$ 9.2** | **$ 9.2** | **$ 187.8** | **$ 184.3** |

## *Governmental Activities – Revenues*

Governmental revenues totaled $76.1 million in fiscal year 2011, a decrease of $21.2 million.

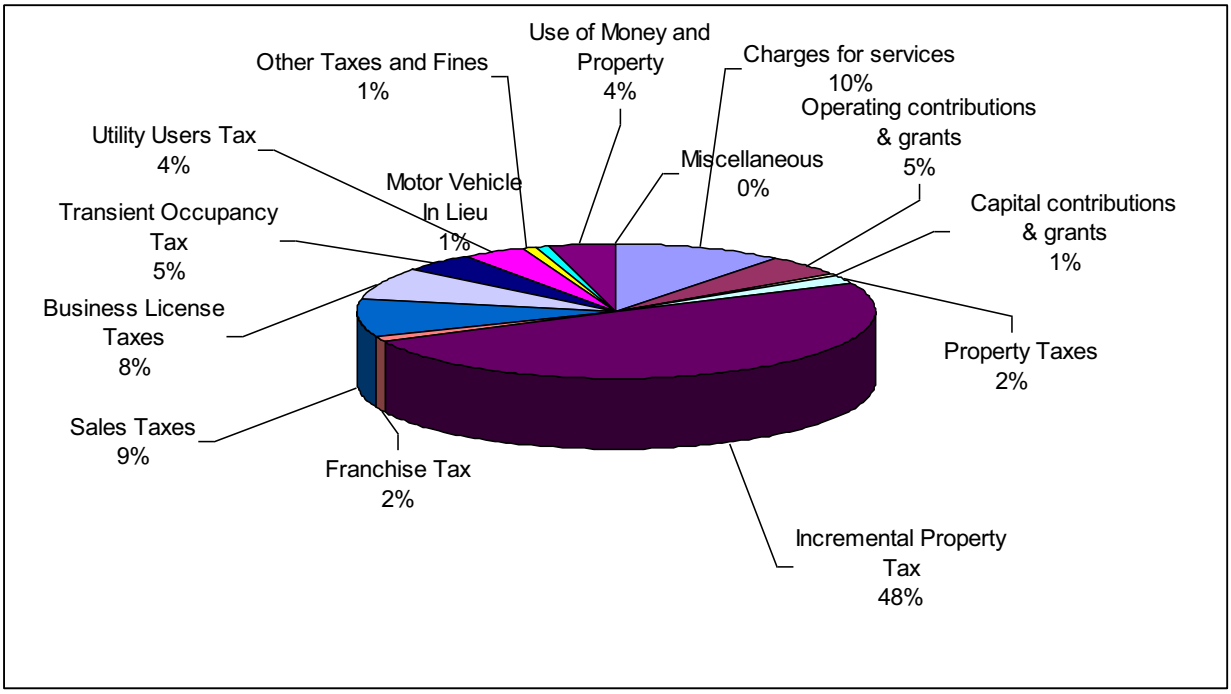
Program revenues, including charges for services, operating grants and contributions, and capital grants and contributions are generated from or restricted to each activity. Together, they totaled $12.4 million; a decrease of $20.6 million. The decrease resulted from the following:

- Operating contributions and grants decreased $18.0 million primarily a result of prior year receipt of a $15.5 million legal settlement regarding the land assemblage and remediation of the Site B property (north of Bay Street Shopping Center) and $2.4 million decrease in deferred revenue associated with the City's loan portfolio. At the fund level, the City records deferred revenue for those loans it does not expect to collect within 60 days of fiscal year end. Deferred revenue is eliminated for government wide financial presentation; therefore, downward changes in the outstanding loan balance between the current and prior fiscal years will create negative revenues as loans are repaid or forgiven.
- Charges for services decreased $1.8 million due to the transfer of fuel dock operations to a third party ($.5 million), reduction in building permit activity ($.9 million) and a reduction in Public Works fees ($.4 million).

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 slightly by $.6 million to $63.7 million in fiscal year 2011 primarily due to a decline in the use of money and property of $1.6 million as investment yields and corresponding earnings declined as the Federal Reserve kept the federal funds rate between zero to ¼ percent, offset by an increase in sales tax of $1.1 million reflecting improvements in consumer spending.

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

### *Total Revenues, Governmental Activities – 2011*

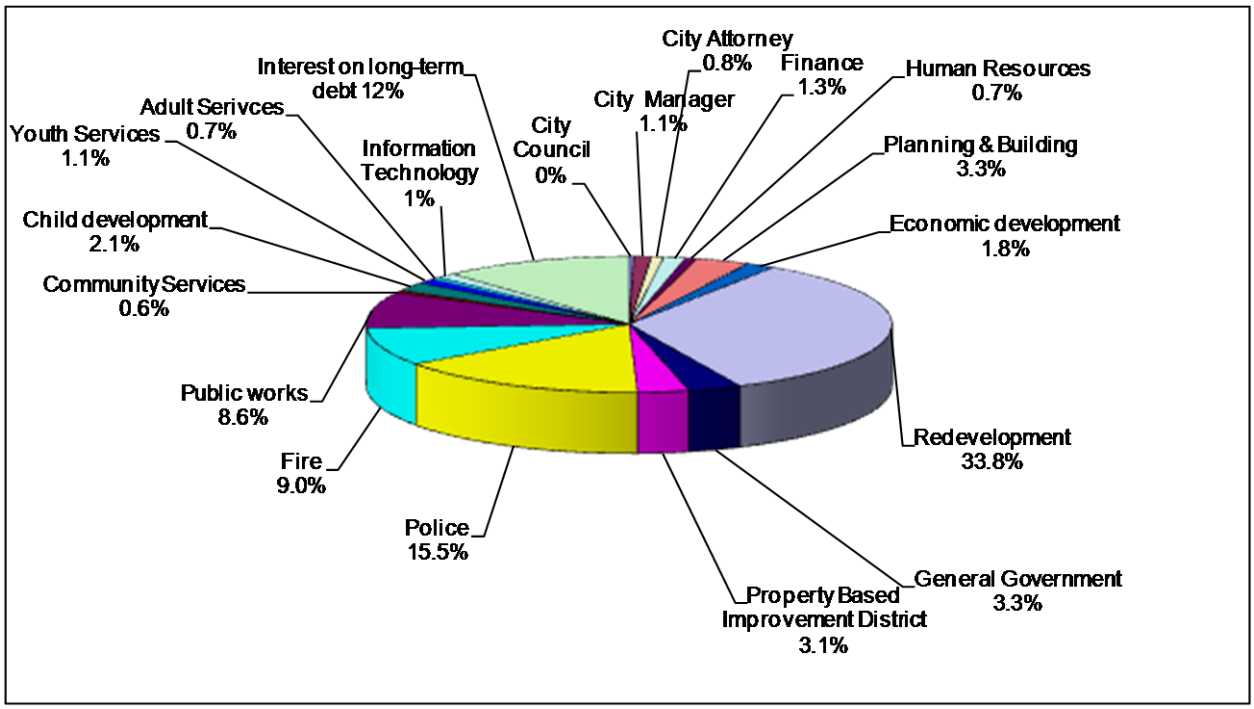


### *Governmental Activities – Expenses*

Total expenses from governmental activities were $73.4 million in fiscal year 2011, a decrease of $15.6 million. Redevelopment agency expenses decreased by $12.4 million, a result of the a reduction in the State mandated shift of redevelopment funds to the County Supplemental Educational Relief fund (SERAF) of $9.0 million and a reduction in capital projects spending of $3.4 million. Public Works expenditures decreased by $2.6 million primarily related reduced capital outlay costs associated with capital projects as projects were completed including Site B land assemblage and remediation, Park Avenue Beautification, and building fees for the Pixar campus expansion.

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 – 2011***




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

Revenues from business-type activities remained stable compared to the prior year with revenues totaling $.8 million in fiscal 2011.

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

Expenses from business-type activities also remained constant compared to the prior year at $.9 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, unreserved 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)**

| | 2011 | 2010 | Increase (Decrease) |
|---|---|---|---|
| Total Assets | $ 259.7 | $ 269.5 | $ (9.8) |
| Total Liabilities | 63.7 | 71.0 | (7.3) |
| Total Fund Balances | 196.0 | 198.5 | (2.5) |
| Total Revenues | 75.7 | 93.6 | (17.9) |
| Total Expenditures | 77.8 | 98.8 | (21.0) |
| Total Other Financing Sources (uses) | (2.5) | (0.2) | (2.3) |

At the end of the current fiscal year, the City's Governmental Funds reported combined fund balances of $196.0 million, a decrease of $2.5 million or 1.3%. Governmental Fund revenues decreased $17.9 million to $75.7 million primarily as a result of a prior year legal settlement receipt of $15.0 million. Investment earnings decreased by $1.3 million due to the continued low interest rate environment. Net Other Financing Sources decreased $2.3 million primarily due to increases in transfers out for unfunded liabilities including $1.9 million to the PERS Liability fund and $.3 million to the City's dental and unemployment self-insurance funds.

Governmental Fund expenditures decreased $21.0 million this year to $77.8 million due to a combination of factors:

- Redevelopment expenditures decreased mainly due to a reduction of $9.0 million for the State of California take away for the County's Supplemental Educational Relief Fund (SERAF). This take away was imposed on redevelopment agencies by the State of California in fiscal years 2010 and 2011. Expenses for capital projects decreased $6.8 million as various projects were completed or nearing completion including Site B land assemblage and remediation and renovation of the Police Building.
- Capital outlay costs decreased $3.1 million as various project and development project were completed, including Site B land assemblage and remediation, Park Avenue Beautification, renovation of the Police Building and a new office building at the Pixar campus.

**General Fund** - The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was $17.9 million while total fund balance was $21.5 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 63.0 percent of General Fund expenditures (including transfers out) of $28.5 million while total fund balance represents 76.0 percent of that same base.

General Fund revenues were relatively flat at $27.2 million compared $27.6 million in 2010. Decreases in licenses and permits, charges for services and use of money and property were offset with increases in taxes and intergovernmental.

General Fund expenditures increased $1.8 million to $29.1 million in 2011 primarily as a result of a $1.9 million pay down of the unfunded liability of the City's retirement plans. The unfunded liability at June 30, 2010 was approximately $3.6 million.

**Emeryville 1976 Project Area Operating Fund** – This fund accounts for receipt of tax increment revenue allocated to the project area and expenditures for operations. The Fund also transfers monies to meet debt service requirements.

Total revenues increased by $1.0 million to $23.6 million primarily a result of increased supplemental tax collections received in 2011 of $.7 million compared to 2010 of $.2 million.

Total expenditures were $4.8 million in 2011 compared to $10.0 million in 2010; the difference was primarily attributable to a reduction of $5.8 million in the State mandated shift to the County's Supplemental Educational Relief Fund (SERAF). Transfers out decreased $8.7 million to $14.4 primarily due to a decrease in the transfers to the Capital Projects fund of $8.9 million that occurred in the prior year.

**Shellmound Project Area Operating Fund –** This Fund accounts for the receipt of tax increment revenue allocated to the Project Area and expenditures for operations and capital projects, and transfers monies to fund debt service requirements.

Total fiscal 2011 revenues decreased $.3 million or 2.3% from fiscal 2010 revenues of $14.7 million primarily a result of lower supplemental tax collections received in 2011 of $.3 million compared to 2010 of $.5 million.

Total expenditures decreased $3.2 million to $5.3 million, a result of a reduction of $3.1 million in the State mandated shift to the County's Supplemental Educational Relief Fund (SERAF) Transfers out decreased $3.0 million to $6.6 million, primarily due to a decrease in transfers to the Capital Projects Fund of $3.0 million which occurred in 2010.

**Housing Revolving Loan Fund -** This fund accounts for the Community Development Commission of Emeryville's (Commission) First Time Homebuyer Loans. Fund Balance remained relatively flat at $2.2 million compared to the prior year.

**2004 Series A Revenue Bond Capital Projects Fund** – This fund accounts for bond proceeds from the 2004 Series A Revenue bond issue. Funds are dedicated for capital projects within the redevelopment project areas and for low/moderate income housing projects. At the close of fiscal 2011, this fund had a Fund balance of $39.6 million, a decrease of $5.0 million for the year as various projects were completed or nearing completion in the prior year; these projects include Site B land assemblage and remediation, Doyle-Hollis Park, and Park Avenue Beautification.

**Emeryville 1976 Project Area Capital Projects Fund** – This Fund accounts for resources from the Emeryville 1976 Redevelopment Project Area dedicated by the Commission for specific capital projects of the Project Area. Revenues decreased $15.3 million to $.9 million in 2011 due to a legal settlement of $15.0 million received in the previous year.

Expenditures increased $1.2 million to $6.3 million as various project and development costs were expended for projects including Site B land assemblage and remediation and renovation of the Police Building.

**Shellmound Capital Projects Fund** - This Fund accounts for resources from the Shellmound Redevelopment Project Area dedicated by the Commission for specific capital projects of the Project Area. Fiscal year 2011 revenues remained relatively flat at $.3 million compared to $.4 million in 2010. Transfers In from the Shellmound Operating Fund decreased $3.0 million, the result of a prior year transfer; no transfers were received in 2011.

Expenditures decreased $1.3 million to $3.7 million as various projects were completed or nearing completion including Pixar expansion, renovation of the Police Building, and Emery Station Greenway.

**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 2011, net assets remained approximately the same as the prior at $9.2 million Sewer Enterprise revenues may vary from year to year due to 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 of $.1 million and an increase in appropriations and transfers out of $5.9 million. The increases in appropriations were primarily a result of $3.0 million in transfers out to the PERS Liability Fund of $1.9 million, $.6 million to capital projects funds, $.3 million to self insurance funds and $.2 million to the traffic impact fee fund to help fund an updated impact fee study. In addition, an expenditure of approximately $1.9 million was made to CalPERS to reduce the City's unfunded pension liability.

Overall, General Fund revenues performed better than expectations, exceeding budgeted revenues by $1.6 million. Actual tax revenue performed better than revised expectations; sales tax receipts were $1.3 million higher than expectations, real estate transfer fees exceed the revised budget by $.5 million, transient occupancy taxes were $.3 million higher than expectations, and business license tax was $.1 million above budget. A mark to market loss of $.6 million was recognized as the market value of investments held decreased due to the decline of interest rates. Expenditures were $1.7 million lower than budget as savings were achieved in most City departments.

The Council has a policy to maintain an undesignated General Fund balance of at least 25 percent of annual expenditures with a goal of 50 percent. 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, 2011 for Governmental and Business-type Activities (further detail may be found in Note 7 to the financial statements).

**Capital Assets**
**at Fiscal Year Ended June 30**
**($ in millions)**

| | 2011 | 2010 |
|---|---|---|
| **Governmental Activities** | | |
| **Capital Asset** | | |
| Land and Construction in Progress | $ 37.5 | $ 36.8 |
| Park Improvements and other Improvements | 12.1 | 9.6 |
| Buildings and Improvements | 36.8 | 35.9 |
| Furnishings, Vehicles and Equipment | 8.8 | 8.7 |
| Marina Improvements | 8.7 | 8.7 |
| Grading, Curb & Gutter, Sidewalks & Driveways | 33.8 | 33.8 |
| Less Accumulated Depreciation | (48.8) | (45.7) |
| **Total Governmental** | $ 88.9 | $ 87.8 |
| **Business-Type Activities (Sewer)** | | |
| Construction in progress | $ 2.5 | $ 1.1 |
| Automobile and Equipment | - | - |
| Improvements | 4.0 | 4.0 |
| Less Accumulated Depreciation | (1.3) | (1.2) |
| **Total Business-Type** | $ 5.2 | $ 3.9 |

Governmental Activities capital assets net of depreciation, increased $1.1 million compared to fiscal 2010. The primary change is attributable to construction of the Park Avenue Beautification and Police Building Renovation projects. Business-type Activities capital assets increased $1.3 million as a result of ongoing sewer rehabilitation work.

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 7.

## DEBT ADMINISTRATION

Each of the City's debt issues is discussed in detail in Note 8 to the financial statements. At June 30, 2011, the City's debt is as follows:

**Long-Term Debt**
**at Fiscal Year Ended June 30**
**($ in millions)**

| | 2011 | 2010 |
|---|---|---|
| **Government Activity Debt:** | | |
| Redevelopment Agency Bonds: | | |
| Public Financing Authority Revenue Bonds, | | |
| 2004 Series A, 3.50% - 5.00%, due 9/01/34 | $ 68.5 | $ 70.7 |
| 2002 Series A, 2.00% - 5.25% due 9/01/21 | 15.0 | 16.0 |
| 2001 Series A, 4.00% - 5.20%, due 9/01/31 | 18.1 | 18.8 |
| 2001 Series B, 7.02% - 7.20%, due 9/01/31 | 3.1 | 3.2 |
| 1998 Series B, 4.00% - 5.00%, due 9/01/28 | 39.4 | 40.6 |
| 1998 Series C, 5.75% - 6.75%, due 9/01/26 | 14.0 | 14.5 |
| Series 1995, 4.00% - 6.20%, due 9/01/25 | 5.1 | 5.3 |
| Unamortized Bond Premium | 1.2 | 1.3 |
| **Total Redevelopment Agency Bonds** | 164.5 | 170.3 |
| City Obligations: | | |
| Capital Lease | 0.0 | 0.0 |
| Public Financing Authority Lease Revenue Bonds | | |
| 1998 Series A, 3.80% - 5.00%, due 5/01/28 | 5.2 | 5.3 |
| Compensated Absences | 3.9 | 3.6 |
| Claims and Judgments | 1.8 | 1.5 |
| **Total City Obligations** | 10.9 | 10.5 |
| **Total Governmental Activity Debt** | 175.4 | 180.8 |
| **Business-Type Debt (Sewer)** | | |
| Loan Payable, 3.00%, due 5/18/13 | 0.0 | 0.1 |
| **Total Debt** | $ 175.5 | $ 180.9 |

## 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 CAFR 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 Division in the Administrative Services 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.

## STATEMENT OF NET ASSETS AND STATEMENT OF ACTIVITIES

The Statement of Net Assets and the Statement of Activities are required by Governmental Accounting Standards Board Statement No. 34. Their purpose is to summarize the financial activities and financial position of the City and its component units including the Community Development Commission of Emeryville, 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 all the 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 Assets reports the difference between the City's total assets and the City's total liabilities, including all the City's capital assets and all its long-term debt. The Statement of Net Assets 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 assets, by subtracting total liabilities from total assets.

The Statement of Net Assets summarizes the financial position of all the City's Governmental Activities in a single column, and the financial position of all the 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 assets. 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 Assets is computed and reconciled with the Statement of Net Assets.

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**CITY OF EMERYVILLE**

**STATEMENT OF NET ASSETS**
**JUNE 30, 2011**

| | Primary Government | | |
|---|---|---|---|
| | **Governmental Activities** | **Business-Type Activities** | **Total** |
| **Assets:** | | | |
| Cash and investments | $ 175,630,765 | $ 4,718,238 | $ 180,349,003 |
| Receivables: | | | |
| Accounts | 1,604,442 | 64,301 | 1,668,743 |
| Taxes | 3,774,703 | - | 3,774,703 |
| Notes and loans | 42,974,725 | - | 42,974,725 |
| Accrued interest | 72,106 | 2,084 | 74,190 |
| Prepaid costs | 238,266 | - | 238,266 |
| Deferred charges | 1,638,275 | - | 1,638,275 |
| Land held for resale | 26,888,408 | - | 26,888,408 |
| Restricted assets: | | | |
| Cash with fiscal agent | 14,731,261 | - | 14,731,261 |
| Net pension asset | 8,103,003 | - | 8,103,003 |
| Net other post employment benefits asset | 1,020,632 | - | 1,020,632 |
| Capital assets not being depreciated | 37,542,555 | 2,546,067 | 40,088,622 |
| Capital assets, net of depreciation | 51,389,094 | 2,691,427 | 54,080,521 |
| **Total Assets** | **365,608,235** | **10,022,117** | **375,630,352** |
| **Liabilities:** | | | |
| Accounts payable | 7,425,287 | 792,507 | 8,217,794 |
| Accrued liabilities | 222,635 | - | 222,635 |
| Accrued interest | 2,747,502 | - | 2,747,502 |
| Unearned revenue | 769,724 | - | 769,724 |
| Deposits payable | 389,744 | - | 389,744 |
| Noncurrent liabilities: | | | |
| Due within one year | 7,735,691 | 23,121 | 7,758,812 |
| Due in more than one year | 167,682,090 | 23,803 | 167,705,893 |
| **Total Liabilities** | **186,979,672** | **839,431** | **187,819,103** |
| **Net Assets:** | | | |
| Invested in capital assets, net of related debt | 52,917,776 | 5,190,570 | 58,108,346 |
| Restricted for: | | | |
| Community development | 2,954,732 | - | 2,954,732 |
| Public safety | 266,814 | - | 266,814 |
| Public works | 932,959 | - | 932,959 |
| Capital projects | 142,412,157 | - | 142,412,157 |
| Debt service | 14,737,646 | - | 14,737,646 |
| Small business incentive | 100,000 | - | 100,000 |
| Unrestricted | (35,693,521) | 3,992,116 | (31,701,405) |
| **Total Net Assets** | **$ 178,628,563** | **$ 9,182,686** | **$ 187,811,249** |

**See Notes to Financial Statements**

**CITY OF EMERYVILLE**

**STATEMENT OF ACTIVITIES**
**YEAR ENDED JUNE 30, 2011**

| | | Program Revenues | | |
|---|---|---|---|---|
| **Functions/Programs** | **Expenses** | **Charges for Services** | **Operating Contributions and Grants** | **Capital Contributions and Grants** |
| **Primary Government:** | | | | |
| Governmental Activities: | | | | |
| City council | $ 198,545 | $ - | $ - | $ - |
| City manager | 785,948 | - | - | - |
| City attorney | 575,138 | - | - | - |
| Finance | 980,690 | 91,944 | - | - |
| Human resources | 519,904 | - | - | - |
| Planning and building | 2,431,549 | 1,473,693 | 91,354 | - |
| Economic development | 1,332,486 | - | 1,165,181 | - |
| Redevelopment | 24,835,711 | 100,444 | 869,871 | 168,000 |
| Non-departmental operations | 2,403,558 | 681,879 | 257,586 | - |
| Property based improvement district | 2,333,268 | 2,317,000 | - | - |
| Police | 11,378,218 | 927,271 | 472,559 | - |
| Fire | 6,609,451 | 132,932 | 285,898 | - |
| Public works | 6,315,903 | 1,105,986 | 418,055 | 289,353 |
| Community services | 462,352 | 4,800 | - | - |
| Child development | 1,532,716 | 1,016,489 | 286,844 | - |
| Youth services | 789,805 | 118,527 | 45,085 | - |
| Adult services | 493,312 | - | 36,552 | - |
| Information technology | 851,621 | - | - | - |
| Interest on long-term debt | 8,601,997 | - | - | - |
| **Total Governmental Activities** | **73,432,172** | **7,970,965** | **3,928,985** | **457,353** |
| Business-Type Activities: | | | | |
| Sewer | 917,778 | 836,303 | - | - |
| **Total Business-Type Activities** | **917,778** | **836,303** | **-** | **-** |
| **Total Primary Government** | **$ 74,349,950** | **$ 8,807,268** | **$ 3,928,985** | **$ 457,353** |

**General Revenues:**
Taxes:
Property taxes, levied for general purpose
Tax increment
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
**Transfers**

**Total General Revenues and Transfers**

Change in Net Assets

Net Assets at Beginning of Year
Restatement of Net Assets

**Net Assets at End of Year**

**See Notes to Financial Statements**

| Net (Expenses) Revenues and Changes in Net Assets | | |
|---|---|---|
| Primary Government | | |
| Governmental Activities | Business-Type Activities | Total |
| $ (198,545) | $ - | $ (198,545) |
| (785,948) | - | (785,948) |
| (575,138) | - | (575,138) |
| (888,746) | - | (888,746) |
| (519,904) | - | (519,904) |
| (866,502) | - | (866,502) |
| (167,305) | - | (167,305) |
| (23,697,396) | - | (23,697,396) |
| (1,464,093) | - | (1,464,093) |
| (16,268) | - | (16,268) |
| (9,978,388) | - | (9,978,388) |
| (6,190,621) | - | (6,190,621) |
| (4,502,509) | - | (4,502,509) |
| (457,552) | - | (457,552) |
| (229,383) | - | (229,383) |
| (626,193) | - | (626,193) |
| (456,760) | - | (456,760) |
| (851,621) | - | (851,621) |
| (8,601,997) | - | (8,601,997) |
| **(61,074,869)** | **-** | **(61,074,869)** |
| - | (81,475) | (81,475) |
| **-** | **(81,475)** | **(81,475)** |
| **(61,074,869)** | **(81,475)** | **(61,156,344)** |
| 1,385,512 | - | 1,385,512 |
| 37,569,786 | - | 37,569,786 |
| 3,598,234 | - | 3,598,234 |
| 6,849,909 | - | 6,849,909 |
| 1,176,642 | - | 1,176,642 |
| 5,723,477 | - | 5,723,477 |
| 2,906,638 | - | 2,906,638 |
| 681,311 | - | 681,311 |
| 662,256 | - | 662,256 |
| 3,032,246 | 82,504 | 3,114,750 |
| 58,330 | - | 58,330 |
| 81,500 | (81,500) | - |
| **63,725,841** | **1,004** | **63,726,845** |
| 2,650,972 | (80,471) | 2,570,501 |
| 175,087,055 | 9,263,157 | 184,350,212 |
| 890,536 | - | 890,536 |
| **$ 178,628,563** | **$ 9,182,686** | **$ 187,811,249** |

**See Notes to Financial Statements**

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## FUND FINANCIAL STATEMENTS

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 2011. 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 **1976 Project Area Operating Fund** accounts for the receipt of tax increment revenue allocated to the 1976 Redevelopment Project Area, expenditures for operations and for debt service of the project area.

The **Shellmound Project Area Operating Fund** accounts for the receipt of tax increment revenue allocated to the Shellmound Redevelopment Project Area, expenditures for operations and for debt service of the project area.

The **Housing Revolving Loan Operating Fund** accounts for the Commission's First-Time Homebuyer and Rehabilitation loans. The fund was established in 2000. The fund segregates funds available for first-time homebuyers and rehabilitation loans from other Commission assets. The loan program was previously included as part of the Low/Moderate Income Housing Fund.

The **2004 Series A Revenue Bond Capital Projects Fund** accounts for the bond proceeds from the 2004 Redevelopment Agency Bond Issue.

The **1976 Area Capital Project Fund** accounts for resources dedicated by the Community Development Commission of Emeryville for specific capital projects.

The **Shellmound Capital Project Fund** accounts for resources from the Shellmound Park Redevelopment Project Area dedicated by the Development Commission of Emeryville for specific capital projects of the project area.

**CITY OF EMERYVILLE**

**BALANCE SHEET**
**GOVERNMENTAL FUNDS**
**JUNE 30, 2011**

| | | Capital Projects Funds | | |
|---|---|---|---|---|
| | **General** | **1976 Project Area Operating** | **Shellmound Project Area Operating** | **Housing Revolving Loan Operating** |
| **Assets:** | | | | |
| Pooled cash and investments | $ 21,253,445 | $ 16,991,748 | $ 6,003,444 | $ 2,128,949 |
| Receivables: | | | | |
| Accounts | 786,469 | 28,500 | - | 104,298 |
| Taxes | 3,665,947 | - | - | - |
| Notes and loans | - | 1,560,811 | - | 9,329,624 |
| Accrued interest | 15,146 | 7,129 | 2,721 | 940 |
| Prepaid costs | 189,434 | 21,874 | 1,760 | - |
| Due from other funds | 508 | - | - | - |
| Advances to other funds | - | - | - | - |
| Land held for resale | - | - | - | - |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | - | - | - | - |
| **Total Assets** | **$ 25,910,949** | **$ 18,610,062** | **$ 6,007,925** | **$ 11,563,811** |
| **Liabilities and Fund Balances:** | | | | |
| **Liabilities:** | | | | |
| Accounts payable | $ 1,533,331 | $ 2,017,377 | $ 221,346 | $ 350 |
| Accrued liabilities | 222,635 | - | - | - |
| Deferred revenues | 1,927,231 | 1,560,811 | - | 9,329,624 |
| Unearned revenues | 522,778 | 50,000 | - | - |
| Deposits payable | 241,310 | 49,268 | - | - |
| Due to other funds | - | - | - | - |
| Advances from other funds | - | 7,024,700 | 2,986,941 | - |
| **Total Liabilities** | **4,447,285** | **10,702,156** | **3,208,287** | **9,329,974** |
| **Fund Balances:** | | | | |
| **Nonspendable:** | | | | |
| Prepaid costs | 189,434 | 21,874 | 1,760 | - |
| Land held for resale | - | - | - | - |
| Advances to other funds | - | - | - | - |
| **Restricted for:** | | | | |
| Community development projects | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Capital Projects | - | 7,886,032 | 2,797,878 | 2,233,837 |
| Debt service | - | - | - | - |
| Small business incentive | 100,000 | - | - | - |
| **Committed to:** | | | | |
| Homebuyer program loans | - | - | - | - |
| Major maintenance | - | - | - | - |
| Vehicle replacement | - | - | - | - |
| Information technology | - | - | - | - |
| PERS liability | 1,945,339 | - | - | - |
| **Assigned to:** | | | | |
| Capital Projects | - | - | - | - |
| Unfunded liabilities | - | - | - | - |
| Earthquake insurance | 1,298,468 | - | - | - |
| **Unassigned** | | | | |
| Economic uncertainty | 5,367,334 | - | - | - |
| Unassigned | 12,563,089 | - | - | - |
| **Total Fund Balances** | **21,463,664** | **7,907,906** | **2,799,638** | **2,233,837** |
| **Total Liabilities and Fund Balances** | **$ 25,910,949** | **$ 18,610,062** | **$ 6,007,925** | **$ 11,563,811** |

**See Notes to Financial Statements**

CITY OF EMERYVILLE

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011 (Continued)

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | 2004 Series A Revenue Bond | 1976 Area Capital Project | Shellmound Capital Project | Other Governmental Funds |
| **Assets:** | | | | |
| Pooled cash and investments | $ 27,664,287 | $ 25,737,764 | $ 11,724,851 | $ 47,947,156 |
| Receivables: | | | | |
| Accounts | - | - | 612 | 680,587 |
| Taxes | - | - | - | 108,756 |
| Notes and loans | - | 1,915,882 | 21,028,893 | 9,139,515 |
| Accrued interest | 824 | 11,393 | 5,214 | 19,065 |
| Prepaid costs | - | - | - | 4,300 |
| Due from other funds | - | - | - | - |
| Advances to other funds | - | - | - | 10,011,641 |
| Land held for resale | 12,246,370 | 7,116,312 | - | 7,525,726 |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | - | - | - | 14,731,261 |
| **Total Assets** | **$ 39,911,481** | **$ 34,781,351** | **$ 32,759,570** | **$ 90,168,007** |
| **Liabilities and Fund Balances:** | | | | |
| **Liabilities:** | | | | |
| Accounts payable | $ 352,495 | $ 834,925 | $ 341,519 | $ 1,976,834 |
| Accrued liabilities | - | - | - | - |
| Deferred revenues | - | 1,915,882 | 21,028,893 | 9,260,607 |
| Unearned revenues | - | - | - | 196,946 |
| Deposits payable | - | 76,500 | - | 22,666 |
| Due to other funds | - | - | - | 508 |
| Advances from other funds | - | - | - | - |
| **Total Liabilities** | **352,495** | **2,827,307** | **21,370,412** | **11,464,560** |
| **Fund Balances:** | | | | |
| **Nonspendable:** | | | | |
| Prepaid costs | - | - | - | 4,300 |
| Land held for resale | 12,246,370 | 7,116,312 | - | 7,525,726 |
| Advances to other funds | - | - | - | 10,011,641 |
| **Restricted for:** | | | | |
| Community development projects | - | - | - | 2,955,239 |
| Public safety | - | - | - | 266,814 |
| Public works | - | - | - | 1,976,114 |
| Capital Projects | 27,312,616 | 24,837,732 | 11,389,158 | 27,631,847 |
| Debt service | - | - | - | 14,737,646 |
| Small business incentive | - | - | - | - |
| **Committed to:** | | | | |
| Homebuyer program loans | - | - | - | 354,619 |
| Major maintenance | - | - | - | 8,088,327 |
| Vehicle replacement | - | - | - | 4,367,800 |
| Information technology | - | - | - | 785,015 |
| PERS liability | - | - | - | - |
| **Assigned to:** | | | | |
| Capital Projects | - | - | - | - |
| Unfunded liabilities | - | - | - | - |
| Earthquake insurance | - | - | - | - |
| **Unassigned** | | | | |
| Economic uncertainty | - | - | - | - |
| Unassigned | - | - | - | (1,641) |
| **Total Fund Balances** | **39,558,986** | **31,954,044** | **11,389,158** | **78,703,447** |
| **Total Liabilities and Fund Balances** | **$ 39,911,481** | **$ 34,781,351** | **$ 32,759,570** | **$ 90,168,007** |

See Notes to Financial Statements

**CITY OF EMERYVILLE**

**BALANCE SHEET**
**GOVERNMENTAL FUNDS**
**JUNE 30, 2011**

| | Total Governmental Funds |
|---|---|
| **Assets:** | |
| Pooled cash and investments | $ 159,451,644 |
| Receivables: | |
| Accounts | 1,600,466 |
| Taxes | 3,774,703 |
| Notes and loans | 42,974,725 |
| Accrued interest | 62,432 |
| Prepaid costs | 217,368 |
| Due from other funds | 508 |
| Advances to other funds | 10,011,641 |
| Land held for resale | 26,888,408 |
| Restricted assets: | |
| Cash and investments with fiscal agents | 14,731,261 |
| **Total Assets** | **$ 259,713,156** |
| **Liabilities and Fund Balances:** | |
| **Liabilities:** | |
| Accounts payable | $ 7,278,177 |
| Accrued liabilities | 222,635 |
| Deferred revenues | 45,023,048 |
| Unearned revenues | 769,724 |
| Deposits payable | 389,744 |
| Due to other funds | 508 |
| Advances from other funds | 10,011,641 |
| **Total Liabilities** | **63,702,476** |
| **Fund Balances:** | |
| **Nonspendable:** | |
| Prepaid costs | 217,368 |
| Land held for resale | 26,888,408 |
| Advances to other funds | 10,011,641 |
| **Restricted for:** | |
| Community development projects | 2,955,239 |
| Public safety | 266,814 |
| Public works | 1,976,114 |
| Capital Projects | 104,089,100 |
| Debt service | 14,737,646 |
| Small business incentive | 100,000 |
| **Committed to:** | |
| Homebuyer program loans | 354,619 |
| Major maintenance | 8,088,327 |
| Vehicle replacement | 4,367,800 |
| Information technology | 785,015 |
| PERS liability | 1,945,339 |
| **Assigned to:** | |
| Capital Projects | - |
| Unfunded liabilities | - |
| Earthquake insurance | 1,298,468 |
| **Unassigned** | |
| Economic uncertainty | 5,367,334 |
| Unassigned | 12,561,448 |
| **Total Fund Balances** | **196,010,680** |
| **Total Liabilities and Fund Balances** | **$ 259,713,156** |

**See Notes to Financial Statements**

**CITY OF EMERYVILLE**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS**
**JUNE 30, 2011**

| | |
|---|---|
| Fund balances of governmental funds | $ 196,010,680 |
| Amounts reported for governmental activities in the Statement of Net Assets are different because: | |
| Net pensions assets and net other post retirement benefits assets 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. | 9,123,635 |
| Capital assets net of depreciation have not been included as financial resources in governmental fund activity. | 88,931,649 |
| Bond issuance cost is an expenditure in the governmental funds, but it is a deferred charge in the Statement of Net Assets. | 1,638,275 |
| Long-term debt and compensated absences that have not been included in the governmental fund activity: | |
| Long-term liabilities | (169,684,590) |
| Accrued interest payable for the current portion of interest due on bonds has not been reported in the governmental funds. | (2,747,502) |
| Revenues reported as deferred revenue in the governmental funds and recognized in the Statement of Activities. These are included in the intergovernmental revenues in the governmental fund activity. | 45,023,048 |
| 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 Assets. | 10,333,368 |
| **Net assets of governmental activities** | **$ 178,628,563** |

**CITY OF EMERYVILLE**

**STATEMENT OF REVENUES,**
**EXPENDITURES AND CHANGES IN FUND BALANCES**
**GOVERNMENTAL FUNDS**
**YEAR ENDED JUNE 30, 2011**

| | | Capital Projects Funds | | |
|---|---|---|---|---|
| | **General** | **1976 Project Area Operating** | **Shellmound Project Area Operating** | **Housing Revolving Loan Operating** |
| **Revenues:** | | | | |
| Taxes | $ 21,912,420 | $ 23,260,337 | $ 14,309,449 | $ - |
| Licenses and permits | 2,127,475 | - | - | - |
| Intergovernmental | 1,284,402 | - | - | - |
| Contribution from property owners | - | - | - | - |
| Charges for services | 1,189,219 | - | - | - |
| Use of money and property | (12,784) | 240,660 | 72,475 | 128,868 |
| Rents | 287,904 | 90,000 | - | - |
| Fines and forfeitures | - | - | - | - |
| Contributions | 1,814 | - | - | - |
| Developer participation | - | - | - | - |
| Miscellaneous | 384,344 | 28,398 | 503 | 336,331 |
| **Total Revenues** | **27,174,794** | **23,619,395** | **14,382,427** | **465,199** |
| **Expenditures:** | | | | |
| Current: | | | | |
| City council | 147,508 | - | - | - |
| City manager | 760,533 | - | - | - |
| City attorney | 541,624 | - | - | - |
| Finance | 917,673 | - | - | - |
| Human resources | 491,723 | - | - | - |
| Planning and building | 1,838,461 | - | - | - |
| Economic development | 918,796 | - | - | - |
| Redevelopment | - | 4,816,401 | 5,209,926 | 633,930 |
| General government | 2,924,710 | - | - | - |
| Property based improvement district | - | - | - | - |
| Police | 10,283,294 | - | - | - |
| Fire | 5,757,111 | - | - | - |
| Public works | 2,405,872 | - | - | - |
| Community services | 462,352 | - | - | - |
| Child development | - | - | - | - |
| Youth services | 708,542 | - | - | - |
| Adult services | 472,716 | - | - | - |
| Information technology | 444,276 | - | - | - |
| Capital outlay | 17,893 | - | - | - |
| Debt service: | | | | |
| Principal retirement | 14,749 | - | - | - |
| Interest and fiscal charges | 3,311 | - | 48,591 | - |
| **Total Expenditures** | **29,111,144** | **4,816,401** | **5,258,517** | **633,930** |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (1,936,350) | 18,802,994 | 9,123,910 | (168,731) |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | 3,241,837 | - | - | 220,000 |
| Transfers out | (3,801,808) | (14,426,096) | (6,569,813) | - |
| Proceeds from sale of capital asset | - | - | - | - |
| **Total Other Financing Sources (Uses)** | **(559,971)** | **(14,426,096)** | **(6,569,813)** | **220,000** |
| Net Change in Fund Balances | (2,496,321) | 4,376,898 | 2,554,097 | 51,269 |
| Fund Balances, Beginning of Year, as previously reported | 23,673,354 | 2,813,729 | 245,541 | 2,182,568 |
| Restatements | 286,631 | 717,279 | - | - |
| Fund Balances, Beginning of Year, as restated | 23,959,985 | 3,531,008 | 245,541 | 2,182,568 |
| **Fund Balances, End of Year** | **$ 21,463,664** | **$ 7,907,906** | **$ 2,799,638** | **$ 2,233,837** |

**See Notes to Financial Statements**

**CITY OF EMERYVILLE**

**STATEMENT OF REVENUES,**
**EXPENDITURES AND CHANGES IN FUND BALANCES**
**GOVERNMENTAL FUNDS**
**YEAR ENDED JUNE 30, 2011** **(Continued)**

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | **2004 Series A Revenue Bond** | **1976 Area Capital Project** | **Shellmound Capital Project** | **Other Governmental Funds** |
| **Revenues:** | | | | |
| Taxes | $ - | $ - | $ - | $ 2,540,530 |
| Licenses and permits | - | - | - | 430,798 |
| Intergovernmental | - | - | - | 2,126,260 |
| Contribution from property owners | - | - | - | 50,000 |
| Charges for services | - | - | - | 1,085,676 |
| Use of money and property | (38,200) | 525,974 | 288,227 | 804,820 |
| Rents | - | - | - | 403,903 |
| Fines and forfeitures | - | - | - | 9,300 |
| Contributions | - | - | - | 3,158 |
| Developer participation | - | 168,000 | - | - |
| Miscellaneous | - | 174,388 | 19,671 | 1,437,720 |
| **Total Revenues** | **(38,200)** | **868,362** | **307,898** | **8,892,165** |
| **Expenditures:** | | | | |
| Current: | | | | |
| City council | - | - | - | 433 |
| City manager | - | - | - | - |
| City attorney | - | - | - | - |
| Finance | - | - | - | - |
| Human resources | - | - | - | - |
| Planning and building | - | - | - | 465,683 |
| Economic development | - | - | - | 323,960 |
| Redevelopment | 4,087,819 | 2,247,525 | 444,952 | 1,340,589 |
| General government | - | - | - | 1,081,185 |
| Property based improvement district | - | - | - | 2,333,268 |
| Police | - | - | - | 103,160 |
| Fire | - | - | - | 180,409 |
| Public works | - | - | - | 230,531 |
| Community services | - | - | - | - |
| Child development | - | - | - | 1,364,844 |
| Youth services | - | - | - | - |
| Adult services | - | - | - | - |
| Information technology | - | - | - | - |
| Capital outlay | 899,356 | 4,055,625 | 3,295,976 | 911,584 |
| Debt service: | | | | |
| Principal retirement | - | - | - | 5,970,000 |
| Interest and fiscal charges | - | - | - | 8,623,646 |
| **Total Expenditures** | **4,987,175** | **6,303,150** | **3,740,928** | **22,929,292** |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (5,025,375) | (5,434,788) | (3,433,030) | (14,037,127) |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | - | - | - | 25,784,044 |
| Transfers out | - | - | - | (6,946,664) |
| Proceeds from sale of capital asset | - | - | - | 15,000 |
| **Total Other Financing Sources (Uses)** | **-** | **-** | **-** | **18,852,380** |
| Net Change in Fund Balances | (5,025,375) | (5,434,788) | (3,433,030) | 4,815,253 |
| Fund Balances, Beginning of Year, as previously reported | 44,584,361 | 37,388,832 | 14,822,188 | 72,786,568 |
| Restatements | - | - | - | 1,101,626 |
| Fund Balances, Beginning of Year, as restated | 44,584,361 | 37,388,832 | 14,822,188 | 73,888,194 |
| **Fund Balances, End of Year** | **$ 39,558,986** | **$ 31,954,044** | **$ 11,389,158** | **$ 78,703,447** |

**See Notes to Financial Statements**

**CITY OF EMERYVILLE**

**STATEMENT OF REVENUES,**
**EXPENDITURES AND CHANGES IN FUND BALANCES**
**GOVERNMENTAL FUNDS**
**YEAR ENDED JUNE 30, 2011**

| | Total Governmental Funds |
|---|---|
| **Revenues:** | |
| Taxes | $ 62,022,736 |
| Licenses and permits | 2,558,273 |
| Intergovernmental | 3,410,662 |
| Contribution from property owners | 50,000 |
| Charges for services | 2,274,895 |
| Use of money and property | 2,010,040 |
| Rents | 781,807 |
| Fines and forfeitures | 9,300 |
| Contributions | 4,972 |
| Developer participation | 168,000 |
| Miscellaneous | 2,381,355 |
| **Total Revenues** | **75,672,040** |
| **Expenditures:** | |
| Current: | |
| City council | 147,941 |
| City manager | 760,533 |
| City attorney | 541,624 |
| Finance | 917,673 |
| Human resources | 491,723 |
| Planning and building | 2,304,144 |
| Economic development | 1,242,756 |
| Redevelopment | 18,781,142 |
| General government | 4,005,895 |
| Property based improvement district | 2,333,268 |
| Police | 10,386,454 |
| Fire | 5,937,520 |
| Public works | 2,636,403 |
| Community services | 462,352 |
| Child development | 1,364,844 |
| Youth services | 708,542 |
| Adult services | 472,716 |
| Information technology | 444,276 |
| Capital outlay | 9,180,434 |
| Debt service: | |
| Principal retirement | 5,984,749 |
| Interest and fiscal charges | 8,675,548 |
| **Total Expenditures** | **77,780,537** |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (2,108,497) |
| **Other Financing Sources (Uses):** | |
| Transfers in | 29,245,881 |
| Transfers out | (31,744,381) |
| Proceeds from sale of capital asset | 15,000 |
| **Total Other Financing Sources (Uses)** | **(2,483,500)** |
| Net Change in Fund Balances | (4,591,997) |
| Fund Balances, Beginning of Year, as previously reported | 198,497,141 |
| Restatements | 2,105,536 |
| Fund Balances, Beginning of Year, as restated | 200,602,677 |
| **Fund Balances, End of Year** | **$ 196,010,680** |

**See Notes to Financial Statements**

**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, 2011**

| | |
|---|---|
| Net change in fund balances - total governmental funds | $ (4,591,997) |
| Amounts reported for governmental activities in the Statement of Activities are different because: | |
| 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. | 1,558,664 |
| 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. | 1,224,754 |
| The issuance of long-term debt provides current financial resources to governmental funds, while repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds reports the effect of issuance cost, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. | 5,966,771 |
| Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period. | 91,529 |
| Revenues reported as deferred revenue in the governmental funds and recognized in the Statement of Activities. These are included in the intergovernmental revenues in the governmental fund activity. | (1,908,491) |
| 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. | 309,742 |
| **Change in net assets of governmental activities** | **$ 2,650,972** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON STATEMENT BY DEPARTMENT**
**GENERAL FUND**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1, as restated | $ 23,959,985 | $ 23,959,985 | $ 23,959,985 | $ - |
| **Resources (Inflows):** | | | | |
| Taxes | 19,704,000 | 19,717,000 | 21,912,420 | 2,195,420 |
| Licenses and permits | 1,818,978 | 1,818,978 | 2,127,475 | 308,497 |
| Intergovernmental | 1,133,671 | 1,283,671 | 1,284,402 | 731 |
| Charges for services | 1,359,314 | 1,324,314 | 1,189,219 | (135,095) |
| Use of money and property | 636,572 | 636,572 | (12,784) | (649,356) |
| Rents | 289,175 | 289,175 | 287,904 | (1,271) |
| Contributions | - | 4,172 | 1,814 | (2,358) |
| Miscellaneous | 340,895 | 340,895 | 384,344 | 43,449 |
| Transfers in | 3,395,093 | 3,395,093 | 3,241,837 | (153,256) |
| **Amounts Available for Appropriation** | **52,637,683** | **52,769,855** | **54,376,616** | **1,606,761** |
| **Charges to Appropriation (Outflow):** | | | | |
| City council | 144,590 | 144,590 | 147,508 | (2,918) |
| City manager | 734,641 | 741,467 | 760,533 | (19,066) |
| City attorney | 565,341 | 570,572 | 541,624 | 28,948 |
| Finance | 1,022,187 | 1,037,551 | 917,673 | 119,878 |
| Human resources | 524,294 | 532,831 | 491,723 | 41,108 |
| Planning and building | 1,772,267 | 1,792,372 | 1,838,461 | (46,089) |
| Economic development | 1,076,594 | 1,091,653 | 918,796 | 172,857 |
| Non-departmental operations | 1,354,013 | 2,980,991 | 2,924,710 | 56,281 |
| Police | 9,968,579 | 10,708,037 | 10,283,294 | 424,743 |
| Fire | 5,679,998 | 6,164,615 | 5,757,111 | 407,504 |
| Public works | 2,511,567 | 2,552,649 | 2,405,872 | 146,777 |
| Community services | 491,361 | 498,888 | 462,352 | 36,536 |
| Recreation | 798,871 | 770,872 | 708,542 | 62,330 |
| Senior Center | 697,374 | 705,769 | 472,716 | 233,053 |
| Information technology | 457,428 | 464,742 | 444,276 | 20,466 |
| Capital outlay | 6,500 | 6,500 | 17,893 | (11,393) |
| Debt service: | | | | |
| Principal retirement | - | - | 14,749 | (14,749) |
| Interest and fiscal charges | 20,000 | 20,000 | 3,311 | 16,689 |
| Transfers out | 830,000 | 3,801,982 | 3,801,808 | 174 |
| **Total Charges to Appropriations** | **28,655,605** | **34,586,081** | **32,912,952** | **1,673,129** |
| **Budgetary Fund Balance, June 30** | **$ 23,982,078** | **$ 18,183,774** | **$ 21,463,664** | **$ 3,279,890** |

**See Notes to Financial Statements**

## PROPRIETY FUNDS STATEMENTS

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 ASSETS**
**PROPRIETARY FUNDS**
**JUNE 30, 2011**

| | Business-Type Activities - Enterprise Funds | Governmental Activities |
|---|---|---|
| | **Sewer** | **Internal Service Funds** |
| **Assets:** | | |
| Current: | | |
| Cash and investments | $ 4,718,238 | $ 16,186,502 |
| Receivables: | | |
| Accounts | 64,301 | 3,976 |
| Accrued interest | 2,084 | 9,674 |
| Prepaid costs | - | 20,898 |
| **Total Current Assets** | **4,784,623** | **16,221,050** |
| Noncurrent: | | |
| Capital assets - net of accumulated depreciation | 5,237,494 | - |
| **Total Noncurrent Assets** | **5,237,494** | **-** |
| **Total Assets** | **$ 10,022,117** | **$ 16,221,050** |
| **Liabilities and Net Assets:** | | |
| **Liabilities:** | | |
| Current: | | |
| Accounts payable | $ 792,507 | $ 147,110 |
| Loans payable | 23,121 | - |
| **Total Current Liabilities** | **815,628** | **147,110** |
| Noncurrent: | | |
| Accrued compensated absences | - | 3,930,673 |
| Accrued claims and judgments | - | 1,802,518 |
| Loans payable | 23,803 | - |
| **Total Noncurrent Liabilities** | **23,803** | **5,733,191** |
| **Total Liabilities** | **839,431** | **5,880,301** |
| **Net Assets:** | | |
| Invested in capital assets, net of related debt | 5,190,570 | - |
| Unrestricted | 3,992,116 | 10,340,749 |
| **Total Net Assets** | **9,182,686** | **10,340,749** |
| **Total Liabilities and Net Assets** | **$ 10,022,117** | **$ 16,221,050** |

**See Notes to Financial Statements**

**CITY OF EMERYVILLE**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS PROPRIETARY FUNDS YEAR ENDED JUNE 30, 2011**

| | Business-Type Activities - Enterprise Funds | Governmental Activities |
|---|---|---|
| | Sewer | Internal Service Funds |
| **Operating Revenues:** | | |
| Sales and service charges | $ 836,303 | $ 9,006,714 |
| **Total Operating Revenues** | **836,303** | **9,006,714** |
| **Operating Expenses:** | | |
| Administration and general | 688,527 | 10,184,204 |
| Cost of sales and services | 164,123 | - |
| Claims expense | - | 1,325,786 |
| Depreciation expense | 63,046 | - |
| **Total Operating Expenses** | **915,696** | **11,509,990** |
| Operating Income (Loss) | (79,393) | (2,503,276) |
| **Nonoperating Revenues (Expenses):** | | |
| Interest revenue | 82,504 | 240,399 |
| Interest expense | (2,082) | - |
| **Total Nonoperating Revenues (Expenses)** | **80,422** | **240,399** |
| Income (Loss) Before Transfers | 1,029 | (2,262,877) |
| Transfers in | - | 2,580,000 |
| Transfers out | (81,500) | - |
| Changes in Net Assets | (80,471) | 317,123 |
| **Net Assets:** | | |
| Beginning of Year | 9,263,157 | 10,023,626 |
| **End of Fiscal Year** | **$ 9,182,686** | **$ 10,340,749** |

**See Notes to Financial Statements**

**CITY OF EMERYVILLE**

**STATEMENT OF CASH FLOWS**
**PROPRIETARY FUNDS**
**YEAR ENDED JUNE 30, 2011**

| | Business-Type Activities - Enterprise Funds | Governmental Activities |
|---|---|---|
| | Sewer | Internal Service Funds |
| **Cash Flows from Operating Activities:** | | |
| Cash received from customers and users | $ 850,542 | $ 9,007,423 |
| Cash paid to suppliers for goods and services | 424,290 | - |
| Cash paid to employees for services | (688,527) | (9,857,407) |
| Claims paid | - | (956,383) |
| **Net Cash Provided (Used) by Operating Activities** | **586,305** | **(1,806,367)** |
| **Cash Flows from Non-Capital Financing Activities:** | | |
| Cash transfers out | (81,500) | - |
| Cash transfers in | - | 2,580,000 |
| Advance to other funds | - | (49,165) |
| **Net Cash Provided (Used) by Non-Capital Financing Activities** | **(81,500)** | **2,530,835** |
| **Cash Flows from Capital and Related Financing Activities:** | | |
| Acquisition and construction of capital assets | (1,431,072) | - |
| Principal paid on capital debt | (22,447) | - |
| Interest paid on capital debt | (2,082) | - |
| **Net Cash Provided (Used) by Capital and Related Financing Activities** | **(1,455,601)** | **-** |
| **Cash Flows from Investing Activities:** | | |
| Interest received | 82,119 | 235,207 |
| **Net Cash Provided (Used) by Investing Activities** | **82,119** | **235,207** |
| **Net Increase (Decrease) in Cash and Cash Equivalents** | **(868,677)** | **959,675** |
| Cash and Cash Equivalents at Beginning of Year | 5,586,915 | 15,226,827 |
| **Cash and Cash Equivalents at End of Year** | **$ 4,718,238** | **$ 16,186,502** |
| **Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:** | | |
| Operating income (loss) | $ (79,393) | $ (2,503,276) |
| **Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:** | | |
| Depreciation | 63,046 | - |
| (Increase) decrease in accounts receivable | 14,239 | 709 |
| (Increase) decrease in prepaid expense | - | 1,531 |
| Increase (decrease) in accounts payable | 588,413 | 27,607 |
| Increase (decrease) in claims and judgments | - | 341,796 |
| Increase (decrease) in compensated absences | - | 325,266 |
| **Total Adjustments** | **665,698** | **696,909** |
| **Net Cash Provided (Used) by Operating Activities** | **$ 586,305** | **$ (1,806,367)** |

**Non-Cash Investing, Capital, and Financing Activities:**
No noncash investing, capital, or financing activities.

**See Notes to Financial Statements**

## 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 (see Note 10b).

**CITY OF EMERYVILLE**

**STATEMENT OF FIDUCIARY NET ASSETS**
**FIDUCIARY FUNDS**
**JUNE 30, 2011**

| | Agency Funds | Pension Trust Fund |
|---|---|---|
| **Assets:** | | |
| Pooled cash and investments | $ 2,852,313 | $ 435,557 |
| Receivables: | | |
| Accounts | 18,401 | - |
| Accrued interest | 20,634 | 191 |
| Restricted assets: | | |
| Cash and investments with fiscal agents | 1,053,631 | - |
| **Total Assets** | **$ 3,944,979** | **$ 435,748** |
| **Liabilities:** | | |
| Accounts payable | $ 3,153 | $ - |
| Deposits payable | 6,163 | - |
| Due to bondholders | 3,935,663 | - |
| **Total Liabilities** | **$ 3,944,979** | **-** |
| **Net Assets:** | | |
| Held in trust for pension | | **$ 435,748** |

**CITY OF EMERYVILLE**

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**
**FIDUCIARY FUNDS**
**YEAR ENDED JUNE 30, 2011**

| | Pension Trust Fund |
|---|---|
| **Additions:** | |
| Contributions: | |
| Employers | $ 400,000 |
| Investment earnings: | |
| Interest and change in fair value of investments | 2,570 |
| **Total Additions** | **402,570** |
| **Deductions:** | |
| Pension benefits | 54,517 |
| **Total Deductions** | **54,517** |
| **Changes in Net Assets** | **348,053** |
| Net Assets - Beginning of the Year | 87,695 |
| **Net Assets - End of the Year** | **$ 435,748** |

**See Notes to Financial Statements**

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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; economic planning and development; general administrative services; and redevelopment.

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 Development Commission of Emeryville (the Commission), the Emeryville Public Financing Authority (Authority) and the Management of Emeryville Services Authority. 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 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 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 Redevelopment Agency Capital Projects Funds and Debt Service Funds.

Financial statements for the Commission, the only separately issued component unit financial statements, may be obtained from the City of Emeryville at 1333 Park Avenue, Emeryville, California 94608.

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 the Debt Service Funds.

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

**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 Assets 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. 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 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.

**c. Major Funds and Fund Types**

GASB Statement 34 defines major funds 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.

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

Major funds are defined as funds that have assets, liabilities, 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 ***1976 Project Area Operating Fund*** accounts for the receipt of tax increment revenue allocated to the 1976 Redevelopment Project Area and for debt service of the project area.

The ***Shellmound Project Area Operating Fund*** accounts for the receipt of tax increment revenue allocated to the Shellmound Redevelopment Project Area and for debt service of the project area.

The ***Housing Revolving Loan Operating Fund*** accounts for the Commission's First-Time Homebuyer and Rehabilitation loans. The fund was established in 2000. The fund segregates funds available for first-time homebuyers and rehabilitation loans from other Commission assets. The loan program was previously included as part of the Low/Moderate Income Housing Fund.

The ***2004 Series A Revenue Bond Capital Projects Fund*** accounts for bond proceeds from the 2004 Redevelopment Agency Bond issue.

The **1976 Area Capital Projects Fund** accounts for resources dedicated by the Commission for specific capital projects.

The ***Shellmound Capital Projects Fund*** accounts for resources from the Shellmound Park Redevelopment Project Area dedicated by the Commission for specific capital projects of the project area.

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.

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.

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

***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 accrued leave and for 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 and community facilities districts and retirees.

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.

**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. Revenues for services provided but not billed at the end of a fiscal period are not material and are not accrued.

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 and state gas tax revenue which are 90 and 310 days, respectively. 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.

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

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 assets 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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City follows government has elected not to follow subsequent private-sector guidance.

**e. Assets, Liabilities and Net Assets 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.

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.

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

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:

| | Years | Thresholds |
|---|---|---|
| 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 assets were increased by the undepreciated balance of infrastructure.

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 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

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

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 revenue 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 either on a flat 1% rate applied 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.

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 and Commission.

The Commission receives the full 1% tax on the increase in assessed valuation occurring in the City's two Redevelopment Project Areas since the date of their formation (tax increment). In one of the project areas (Shellmound Park Project Area), the Commission passes on approximately 35% of this tax increment to other agencies under a pass-through agreement that was executed at the time of the plan formation. The City receives a share of the 1% general property tax net of the tax increment received by the Commission. The City's share of the general property tax, which is approximately 20%, is based on a County-wide allocation formula that is promulgated by state law.

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

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

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 and Issuance Costs

Bond discounts and issuance costs 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 Assets and Fund Balances

Net Assets

Net assets are the excess of all the City's assets over all its liabilities, regardless of fund. Net assets are divided into three captions under GASB Statement 34. These captions apply only to net assets, which is determined only at the government-wide level, and are described below:

***Invested in capital assets, net of related debt*** describes the portion of net assets 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 assets 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, redevelopment funds restricted to low and moderate income purposes and funds for use in sewer operations and sewer connection fees.

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

Fund Balances

In the fund financial statements, government funds report the following fund balance classification in accordance with GASB Statement 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.

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

***Committed*** include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government'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.

***Assigned*** include amounts that are constrained by the government'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 balance as of June 30, 2011, is $_____ and is included in the unassigned fund balance.

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 emergency situations 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

The balance as of June 30, 2011, is $_____ and is included in the unassigned fund balance.

The goal is to bringing the total level of fund balance reserves, including the economic uncertainty reserve, up to 50% of General Fund operating expenditures

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

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

expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

**f. Reconciliation of Government-Wide and Fund Financial Statements**

Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Assets:

The governmental fund balance sheet includes reconciliation between fund balance of governmental funds and net assets of governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term debts have not been included in the governmental fund activity." The detail of the $(169,684,590) long-term debt difference is as follows:

| | |
|---|---|
| Long-term debt: | |
| Public Financing Authority revenue bonds | $ (163,275,000) |
| Public Financing Authority lease revenue bonds | (5,155,000) |
| Capital lease | (32,868) |
| Bond premiums to be amortized | (1,221,722) |
| Net adjustment to reduce fund balance of total governmental funds to arrive at net assets of governmental activities | $ (169,684,590) |

Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide Statement of Activities:

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains, "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The detail of this $1,224,754 difference is as follows:

| | |
|---|---|
| Capital outlay | $ 4,407,068 |
| Depreciation expense | (3,182,314) |
| Net adjustment to increase net changes in fund balances of total governmental funds to arrive at changes in net assets of governmental activities | $ 1,224,754 |

Another element of that reconciliation states that “the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and

**Note 2: Budgets and Budgetary Accounting**

amortized in the Statement of Activities." The detail of this $5,966,771 difference is as follows:

| | |
|---|---|
| Principal repayments: | |
| Public Financing Authority revenue bonds | $ 5,780,000 |
| Public Financing Authority lease revenue bonds | 190,000 |
| Capital lease | 14,749 |
| Cost of issuance amortization | (70,704) |
| Bond premium amortization | 52,726 |
| Net adjustment to decrease net changes in fund balance of total governmental funds to arrive at changes in net assets of governmental activities | $ 5,966,771 |

**a. Budgeting Procedures**

The City, including the Commission, 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/Commission Board and controlled by the City Manager/Executive Director at the fund level, the amounts stated therein as proposed expenditures become appropriations to the various departments. The City Council/Commission Board may amend the budget by resolution during the fiscal year. The City Manager/Executive Director 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/Commission Board during the year ended June 30, 2011, 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.

Capital projects expenditures in Capital Project Funds are budgeted on a project length basis, except for 1976 Project Area Operating Fund, Shellmound Project Area Operating Fund, Low/Moderate Income Housing Operating Fund, and the Housing Revolving Loan Operating Fund. Budgets are not adopted for the following special revenue funds: Catellus Contingent, Source Reduction, San Pablo Ave. Street Lighting Assessment District and Urban Forestry Fund. Budgets are not adopted for the following Capital Project Funds: E Baybridge Housing OPA, 1995 Low/Mod Housing, and 1998 C Taxable Bond fund, and the Low/Moderate Housing – 1998 C Taxable Bonds.

**c. Deficit Fund Balances or Net Assets:**

The following funds have a deficit at June 30, 2011:

| Fund | Amount |
|---|---|
| Special Revenue Funds: | |
| Help Housing Loan Program | $ 507 |

The deficit in these funds will be eliminated as deferred revenues become available.

## Note 2: Budgets and Budgetary Accounting (Continued)

### d. Excess Expenditures

For the year ended June 30, 2011, the following General Fund departments had expenditures in excess of budget:

| Fund | Expenditures | Appropriations | Excess |
|---|---|---|---|
| General Fund: | | | |
| City council | $ 147,508 | $ 144,590 | $ 2,918 |
| City manager | 760,533 | 741,467 | 19,066 |
| Planning and building | 1,838,461 | 1,792,372 | 46,089 |

Overall, the expenditures of the General Fund were within the total appropriated for the fiscal year. The City Council budget was $144,590, less than one-half percent of the total General Fund budget. The overages relate to higher than anticipated costs for printing and postage, a reflection of increased community outreach performed during the year. The City Manager budget includes the operations of the City Clerk. The bulk of the overages relate to higher than anticipated professional services for updating the Municipal Code and broadcasting public meetings as well as increased costs associated with records storage rental fees. The excess in Planning and Building relates to professional services associated with planning cost recovery projects and building services. The City typically does not budget for cost recovery projects as the amount is unknown and there are offsetting revenues to cover the expenditures. Building permit activity is difficult to predict as any large project will have a noticeable impact to the budget. As is the case with cost recovery projects, there are offsetting building fee revenues to absorb the excess building professional services.

## Note 3: Cash and Investments

As of June 30, 2011, cash and investments were reported in the accompanying financial statements as follows:

| | |
|---|---|
| Governmental activities | |
| Cash and investments | $ 175,630,765 |
| Restricted cash and investments | 14,731,261 |
| Business-type activities | |
| Cash and investments | 4,718,238 |
| Fiduciary funds | |
| Cash and investments | 3,287,870 |
| Restricted cash and investments | 1,053,631 |
| Total Cash and Investments | $ 199,421,765 |

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.

## Note 3: Cash and Investments (Continued)

### Deposits

At June 30, 2011, the carrying amount of the City's deposits was $802,050 and the bank balance was $1,763,970. The $961,920 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.

### 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.

## Note 3: Cash and Investments (Continued)

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, 2011, the City's Federal Agency investments were rated AAA 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, 2011, the City's investments in money market mutual funds are rated AAA by S&P and the City's investment in external investment pools, California Local Agency Investment Fund, is unrated.

On Aug. 5, 2011, Standard & Poor's Ratings Services lowered its long-term sovereign credit rating on the United States of America to AA+ from AAA. As a result, on Aug. 8, 2011, Standard & Poor's Ratings Services lowered its issuer credit ratings and related issue ratings on various Federal Home Loan Bank, Federal Farm Credit Bank, Fannie Mae and Freddie Mac to AA+ from AAA. In addition, the ratings on 126 Federal Deposit Insurance Corp. guaranteed debt issues from 30 financial institutions under the Temporary Liquidity Guarantee Program (TLGP), and four National Credit Union Association-guaranteed debt issues from two corporate credit unions under the Temporary Corporate Credit Union Guarantee Program (TCCUGP) have also been downgraded to AA+ from AAA. The City also invests in LAIF which invests in various underlying securities, including the federal agency securities listed above. While LAIF is not rated, the federal agency securities are, and these have been affected by this rating change as well.

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, 2011, none of the City's deposits or investments was exposed to custodial credit risk.

## Note 3: Cash and Investments (Continued)

### 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, 2011, 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, 2011, the City has invested $38,030,303 (19.15%) in Federal Home Loan Bank investments and $27,527,375 (13.86%) 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.

### 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, 2011, the City had the following investments and maturities:

| | Investment Maturities (in Years) | | | | | |
|---|---|---|---|---|---|---|
| | 6 months or less | 6 months to 1 year | 1 to 3 years | 3 to 5 years | More than 5 years | Fair Value |
| Federal Agency Securities | $ 3,034,890 | $ 1,025,940 | $ 8,113,910 | $ 65,481,375 | $ - | $ 77,656,115 |
| Certificates of Deposit | 200,000 | - | - | | - | 200,000 |
| Money Market Mutual Funds | 45,242,259 | - | - | - | - | 45,242,259 |
| California Local Agency Investment Fund | 59,736,449 | - | - | - | - | 59,736,449 |
| Cash with Fiscal Agents: | | | | | | |
| Money Market Mutual Funds | 14,314,656 | - | - | - | - | 14,314,656 |
| Guaranteed Investment Contracts | - | - | - | - | 1,470,236 | 1,470,236 |
| | $ 122,528,254 | $ 1,025,940 | $ 8,113,910 | $ 65,481,375 | $ 1,470,236 | $ 198,619,715 |

## Note 4: Interfund Receivable, Payable and Transfers

The composition of interfund balances as of June 30, 2011, is as follows:

**Due To/From Other Funds:**

| Due To Other Funds | Due From Other Funds<br>General Fund |
|---|---|
| Non-major Governmental Funds | $ 508 |

The due to General Fund of $508 from was a result of temporary deficit cash balances in non major funds.

**Advances To/From Other Funds**

| Funds | Advances from Other Funds<br>1976 Project Area Operating | Shellmound Project Area Operating | Total |
|---|---|---|---|
| Advances to Other Funds: | | | |
| Other Governmental Funds | $ 7,024,700 | $ 2,986,941 | $ 10,011,641 |

Park Avenue Park

The Commission received a loan from the City to remediate 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 balance at June 30, 2011 is $766,898.

Doyle-Hollis Park

On June 5, 2007, the Commission 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 Commission 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 balance at June 30, 2011, is $211,143. Debt service requirements to maturity for this loan as of June 30, 2011, is as follows:

| | Principal | Interest |
|---|---|---|
| 2011-2012 | $ 211,143 | $ 4,095 |

## Note 4: Interfund Receivable, Payable and Transfers

Supplemental Educational Revenue Augmentation Fund (SERAF)

On May 4, 2010, the Commission's Board 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. If it is not repaid by that date, then the set-aside percentage to Low and Moderate Income Housing will increase from 20% to 25% for the remainder of the life of the Commission. There were repayments totaling $2,258,400 to repay one-fifth of this advance during the current year.

The ending balance of the advance as of June 30, 2011, is $9,033,600.

### Interfund Transfers:

| | Transfers Out | | | | | |
|---|---|---|---|---|---|---|
| | Governmental Activities | | | | Business-Type Activities | |
| Transfers In | General Fund | 1976 Project Area Operating Fund | Shellmound Project Area Operating Fund | Nonmajor Governmental Funds | Sewer Fund | Total |
| Governmental-Type Funds: | | | | | | |
| General Fund | $ - | $ 1,207,518 | $ 1,207,519 | $ 775,300 | $ 51,500 | $ 3,241,837 |
| Housing Revolving Loan Operating Fund | - | - | - | 220,000 | - | 220,000 |
| Nonmajor Governmental Funds | 1,221,808 | 13,218,578 | 5,362,294 | 5,951,364 | 30,000 | 25,784,044 |
| Internal Service Funds | 2,580,000 | - | - | - | - | 2,580,000 |
| Total | $ 3,801,808 | $ 14,426,096 | $ 6,569,813 | $ 6,946,664 | $ 81,500 | $ 31,825,881 |

The General Fund received $1,207,518 from the 1976 Project Area Operating Fund, $1,207,519 from the Shellmound Project Area Operating Fund, $51,500 from the Sewer Fund, and $775,300 from other various non-major governmental funds for reimbursed administrative costs.

The General Fund transferred $2,580,000 to cover insurance and post employment costs.

The transfer to the Housing Revolving Loan Operating Fund of $220,000 was to provide funding for additional loans throughout the year.

The transfers of $25,784,044 to various nonmajor funds were the result of routine transactions to fund debt service payment, capital projects and administrative costs.

## Note 5: Notes and Loans Receivable

The City and the Commission engage 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 and the Commission'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, 2011, the notes and loans receivable totaled:

| | |
|---|---|
| **Community Development Commission of Emeryville:** | |
| Home Rehabilitation and Assistance | $ 310,357 |
| First-Time Home Buyer | 6,851,054 |
| Ownership Housing Assistance | 4,504,802 |
| Oliver Lofts Special Assessment Loan Program | 260,877 |
| Artists Cooperative | 492,240 |
| Bayfront Industrial Center | 167,779 |
| Business Development | 2,485,003 |
| AIDS Housing Deferred | 471,535 |
| Remar Lofts | 250,000 |
| Bay Street | 19,344,000 |
| Emeryville Unified School District | 2,958,769 |
| Avalon Commercial LLC | 892,948 |
| **City of Emeryville:** | |
| Rehab and Assistance | 211,923 |
| Cal-Home Loans | 1,817,475 |
| Help Housing Loan Program | 1,484,569 |
| Marinas International | 471,394 |
| Total | $ 42,974,725 |

### a. Home Rehabilitation and Assistance Loans

The Commission administers a housing rehabilitation loan program using Community Development Block Grant funds and Redevelopment Agency Low/Moderate Income Housing Funds. Under these programs, individuals with incomes 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.

### b. First-Time Homebuyer Loans

The Commission'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 5%, 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.

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

### c. Ownership Housing Assistance Loans

The Commission'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 a rate that is 75% of the interest rate on the first mortgage, or 5%, whichever is less. The loans 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.

### d. Oliver Lofts Special Assessment Loan Program

In February 2009, the Commission 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.

### e. Artists Cooperative Loan

The Commission has a receivable from the 45th 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.

### f. Bayfront Industrial Center Loan

The Commission 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.

### g. Business Development Loans

The Commission 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.

### h. Bay Bridge Corporation (Aids Housing) Deferred Loan

In May 1995, the Commission 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 as a result 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.

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

### i. Remar Lofts Loan

During the fiscal year ended June 30, 2001, the Commission loaned $250,000 to a developer to finance the development of eight residential units at affordable 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 Commission at 8% interest per annum in the event of a violation of the affordability agreement.

### j. Bay Street Loans

The Commission 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, provides for the Commission sale of the property for the construction of a one million square foot mixed-use project consisting of 400,000 square feet of retail space, 350 residential units and a 250-room hotel.

During fiscal year ended June 30, 2001, the Commission sold the property for $25,500,000. The developer paid $1,800,000 to the Commission and executed a loan payable to the Commission in the amount of $23,700,000 secured by an option agreement under which the Commission may purchase the retail parking parcel and structure from the developer for $1. $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 Town Center 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 2010, $1,056,000 was forgiven in lieu of the developer paying for remediation costs on the property.

### k. Emeryville Unified School District

On March 25, 2008, the Commission made a facilities loan of $2,836,648 to the Emery Unified School District (EUSD) for the Emeryville Center of Community Life (ECCL) Project. The ECCL is a vision for the centralized and coordinated delivery of social, educational, and recreation resources for all members of the Emeryville community and includes the enhancement of existing facilities and programs provided by 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.

### l. Avalon Commercial LLC

On December 4, 1998, the Commission loaned the developer of the Avalon Senior Housing Project $475,000 to cover development costs associated with the commercial space of the project. The interest rate is 7% 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.

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

### m. Rehab and Assistance Loans

The Economic Development and Housing Department administers a 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.

### n. 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.

### o. 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 properly 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.

### p. 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.

## Note 6: Development Agreements

The City and the Commission have 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 City and the Commission have other agreements that entitle them to collect certain loans or notes receivables, which are disclosed above.

### a. Development of Emeryville Amtrak Station

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

**Note 6: Development Agreements (Continued)**

The Commission is paying annual lease payments of $164,942 for the next 14 years. Under the lease terms, the Commission is also responsible for property taxes. Under the terms of the Commission's sublease of the Amtrak Station to the National Railroad Passenger Cooperation (Amtrak), the Commission will receive payments as follows:

| Year Ending June 30, | Amount |
|---|---|
| 2012 | $ 90,000 |
| 2013 | 90,000 |
| 2014 | 90,000 |
| 2015 | 90,000 |
| 2016 | 90,000 |
| 2017-2018 | 180,000 |
| Total | $ 630,000 |

**b. Novartis Corporation Project**

The Commission has a Development Agreement with Novartis Corporation under which the Commission will 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 is 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. Payments during the current year totaled $423,606.

**c. Emeryville Town Center (Bay Street)**

The developer has acquired parcels from the Commission for use as a site for the Emeryville Town Center (Bay Street) in exchange for a note receivable due to the Commission, which is disclosed in Note 5 above.

**d. EmeryStation Greenway**

The Commission has entered into an Owner Participation Agreement with EmeryStation Triangle, LLC, and EmeryStation Triangle II, LLC, under which the Commission will reimburse EmeryStation Triangle II certain permitted costs including relocation, site assessment and remediation and sound mitigation costs not to exceed $1,753,000. The Commission will also compensate 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 Commission will provide 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 Commission will 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 will be payable from future tax increment revenue generated by the project. As of June 30, 2011, the Commission had paid $600,529 of the permitted costs.

## Note 7: Capital Assets

a. Capital asset activity for the year ending June 30, 2011, is as follows:

| | Balance at July 1, 2010 | Transfers | Additions | Deletions | Balance at June 30, 2011 |
|---|---|---|---|---|---|
| **Governmental Activities:** | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | $ 26,788,676 | $ - | $ - | $ - | $ 26,788,676 |
| Construction in progress | 9,991,350 | (3,427,816) | 4,190,345 | - | 10,753,879 |
| Total Capital Assets Not Being Depreciated | 36,780,026 | (3,427,816) | 4,190,345 | - | 37,542,555 |
| Capital assets being depreciated: | | | | | |
| Park and other improvements | 9,619,907 | 2,490,104 | - | - | 12,110,011 |
| Buildings and improvements | 35,858,100 | 937,712 | - | - | 36,795,812 |
| Furnishings, vehicles and equipment | 8,677,451 | - | 216,723 | (103,772) | 8,790,402 |
| Marina improvements | 8,679,176 | - | - | - | 8,679,176 |
| Grading, curbs, gutters, sidewalks and driveway approaches | 33,803,647 | - | - | - | 33,803,647 |
| Total Capital Assets Being Depreciated | 96,638,281 | 3,427,816 | 216,723 | (103,772) | 100,179,048 |
| Less accumulated depreciation for: | | | | | |
| Park and other improvements | 3,297,124 | - | 486,473 | - | 3,783,597 |
| Buildings and improvements | 13,273,923 | - | 743,011 | - | 14,016,934 |
| Furnishings, vehicles and equipment | 5,665,747 | - | 485,122 | (103,772) | 6,047,097 |
| Marina improvements | 3,169,554 | - | 591,166 | - | 3,760,720 |
| Grading, curbs, gutters, sidewalks and driveway approaches | 20,305,064 | - | 876,542 | - | 21,181,606 |
| Total Accumulated Depreciation | 45,711,412 | - | 3,182,314 | (103,772) | 48,789,954 |
| Net capital assets being depreciated | 50,926,869 | 3,427,816 | (2,965,591) | - | 51,389,094 |
| Governmental Activity Capital Assets, Net | $ 87,706,895 | $ - | $ 1,224,754 | $ - | $ 88,931,649 |

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

| | |
|---|---|
| Governmental Activities: | |
| City council | $ 6,712 |
| City manager | 5,398 |
| City attorney | 65 |
| Finance | 98 |
| Information technology | 10,720 |
| Human resources | 180 |
| Planning and building | 49,550 |
| Economic development | 43,495 |
| Redevelopment | 50,410 |
| Non-departmental operations | 227,213 |
| Police | 63,176 |
| Fire | 211,593 |
| Public works | 2,436,066 |
| Child development | 41,281 |
| Recreation | 32,430 |
| Senior center | 3,927 |
| Total Depreciation Expense | $ 3,182,314 |

## Note 7: Capital Assets (Continued)

| | Balance at July 1, 2010 | Additions | Deletions | Balance at June 30, 2011 |
|---|---|---|---|---|
| **Business-Type Activities:** | | | | |
| Capital Assets, not being depreciated | | | | |
| Construction in progress | $ 1,114,994 | $ 1,431,073 | $ - | $ 2,546,067 |
| Total Capital Assets Not Being Depreciated: | 1,114,994 | 1,431,073 | - | 2,546,067 |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 487,482 | - | - | 487,482 |
| Automobile and equipment | 5,396 | - | - | 5,396 |
| Sewer improvements | 3,486,934 | - | - | 3,486,934 |
| Total Capital Assets Being Depreciated | 3,979,812 | - | - | 3,979,812 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 29,252 | 9,750 | - | 39,002 |
| Automobile and equipment | 5,396 | - | - | 5,396 |
| Sewer improvements | 1,190,691 | 53,296 | - | 1,243,987 |
| Total Accumulated Depreciation | 1,225,339 | 63,046 | - | 1,288,385 |
| Net capital assets being depreciated | 2,754,473 | (63,046) | - | 2,691,427 |
| Business-Type Activity Capital Assets, Net | $ 3,869,467 | $ 1,368,027 | $ - | $ 5,237,494 |

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

| | |
|---|---|
| Business-Type Activities: | |
| Sewer | $ 63,046 |

## Note 8: Long-Term Debt

The following is a summary of the changes in long-term debt for the fiscal year ended June 30, 2011:

| | Balance at July 1, 2010 | Additions | Refunding and Retirements | Balance at June 30, 2011 | Current Portion |
|---|---|---|---|---|---|
| **Governmental Activity Long-Term Liabilities:** | | | | | |
| Commission Bonds: | | | | | |
| Public Financing Authority Revenue Bonds, Series 2004A, | $ 70,745,000 | $ - | $ 2,205,000 | $ 68,540,000 | $ 2,310,000 |
| Public Financing Authority Revenue Bonds, 2002 Series A, 2.00%-5.25%, due 9/01/21 | 16,000,000 | - | 1,050,000 | 14,950,000 | 1,080,000 |
| Public Financing Authority Revenue Bonds, 2001 Series A, 4.00%-5.20%, due 9/01/31 | 18,760,000 | - | 650,000 | 18,110,000 | 680,000 |
| Public Financing Authority Revenue Bonds, 2001 Series B, 7.02%-7.20%, due 9/01/31 | 3,175,000 | - | 50,000 | 3,125,000 | 50,000 |
| Public Financing Authority Revenue Bonds, 1998 Series B, 4.00%-5.00%, due 9/01/28 | 40,590,000 | - | 1,180,000 | 39,410,000 | 1,235,000 |
| Public Financing Authority Revenue Bonds, 1998 Series C, 5.75%-6.75%, due 9/01/26 | 14,470,000 | - | 440,000 | 14,030,000 | 475,000 |
| Public Financing Authority Revenue Bonds, Series 1995, 4.00%-6.20%, due 9/01/25 | 5,315,000 | - | 205,000 | 5,110,000 | 220,000 |
| Total Commission Bonds | 169,055,000 | - | 5,780,000 | 163,275,000 | 6,050,000 |
| Add: | | | | | |
| Unamortized bond premium | 1,274,448 | - | 52,726 | 1,221,722 | |
| Net Commission Debt | 170,329,448 | - | 5,832,726 | 164,496,722 | |
| City Obligations: | | | | | |
| Capital lease | 47,617 | - | 14,749 | 32,868 | 15,686 |
| Public Financing Authority Lease Revenue Bonds, 1998 Series A, 3.80%-5.00%, due 5/01/28 | 5,345,000 | - | 190,000 | 5,155,000 | 200,000 |
| Compensated absences | 3,605,407 | 609,028 | 283,762 | 3,930,673 | 260,420 |
| Claims and judgment | 1,460,722 | 1,322,018 | 980,222 | 1,802,518 | 1,209,585 |
| Total City obligations | 10,458,746 | 1,931,046 | 1,468,733 | 10,921,059 | 1,685,691 |
| Total Governmental Activity Long-Term Liabilities | $ 180,788,194 | $ 1,931,046 | $ 7,301,459 | $ 175,417,781 | $ 7,735,691 |
| **Business-Type Activity Long-Term Liabilities:** | | | | | |
| Sewer Loan Payable, 3.00%, due 5/18/13 | $ 69,371 | $ - | $ 22,447 | $ 46,924 | $ 23,121 |
| Total Business-Type Activity Long-Term Liabilities | $ 69,371 | $ - | $ 22,447 | $ 46,924 | $ 23,121 |

### a. 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 Commission'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.

**Note 8: Long-Term Debt (Continued)**

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2011, including interest, are as follows:

| | Public Financing Authority, Revenue Bonds, 2004 Series A | |
|---|---|---|
| | Principal | Interest |
| 2011 - 2012 | $ 2,310,000 | $ 3,092,550 |
| 2012 - 2013 | 2,420,000 | 2,980,075 |
| 2013 - 2014 | 2,535,000 | 2,856,200 |
| 2014 - 2015 | 2,660,000 | 2,726,325 |
| 2015 - 2016 | 2,800,000 | 2,604,525 |
| 2016 - 2021 | 15,805,000 | 11,160,874 |
| 2021 - 2026 | 19,545,000 | 7,293,108 |
| 2026 - 2031 | 10,590,000 | 3,350,788 |
| 2031 - 2036 | 9,875,000 | 1,071,486 |
| Totals | $ 68,540,000 | $ 37,135,931 |

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

On November 19, 2002, the City and the Commission jointly issued, through a financing intermediary called the Emeryville Public Financing Authority, $22,120,000 in Revenue Bonds Series A (2002 Bonds). The bonds' 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 Commission'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, 2011, including interest, are as follows:

| | Public Financing Authority, Revenue Bonds, 2002 Series A | |
|---|---|---|
| | Principal | Interest |
| 2011 - 2012 | $ 1,080,000 | $ 709,535 |
| 2012 - 2013 | 1,120,000 | 671,575 |
| 2013 - 2014 | 1,160,000 | 630,225 |
| 2014 - 2015 | 1,205,000 | 576,844 |
| 2015 - 2016 | 1,265,000 | 512,006 |
| 2016 - 2021 | 7,400,000 | 1,462,913 |
| 2021 - 2026 | 1,720,000 | 45,150 |
| Totals | $ 14,950,000 | $ 4,608,248 |

**Note 8: Long-Term Debt (Continued)**

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

On July 1, 2001, the City and the Commission 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 Commission'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, 2011, including interest, are as follows:

| | Public Financing Authority, Revenue Bonds, 2001 Series A | | Public Financing Authority, Revenue Bonds, 2001 Series B | |
|---|---|---|---|---|
| | Principal | Interest | Principal | Interest |
| 2011 - 2012 | $ 680,000 | $ 890,830 | $ 50,000 | $ 222,021 |
| 2012 - 2013 | 705,000 | 860,524 | 55,000 | 218,336 |
| 2013 - 2014 | 740,000 | 828,188 | 55,000 | 214,475 |
| 2014 - 2015 | 775,000 | 793,713 | 60,000 | 210,438 |
| 2015 - 2016 | 805,000 | 756,568 | 65,000 | 206,051 |
| 2016 - 2021 | 4,660,000 | 3,126,090 | 395,000 | 952,682 |
| 2021 - 2026 | 5,980,000 | 1,763,148 | 550,000 | 785,880 |
| 2026 - 2031 | 3,045,000 | 527,747 | 1,495,000 | 450,180 |
| 2031 - 2036 | 720,000 | 18,450 | 400,000 | 14,400 |
| Totals | $ 18,110,000 | $ 9,565,258 | $ 3,125,000 | $ 3,274,463 |

**d. Public Financing Authority Lease Revenue Bonds, 1998 Series A**

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. The bonds are special obligations payable solely from and secured by lease payments to be made from the General Fund of the City. The bonds pay interest semi-annually at rates ranging from 3.80% to 5.00% and mature from May 2000 through May 2028.

**Note 8: Long-Term Debt (Continued)**

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2011, including interest, are as follows:

| | Lease Revenue Bonds, 1998 Series A | |
|---|---|---|
| | Principal | Interest |
| 2011 - 2012 | $ 200,000 | $ 256,625 |
| 2012 - 2013 | 210,000 | 247,225 |
| 2013 - 2014 | 220,000 | 237,250 |
| 2014 - 2015 | 230,000 | 226,250 |
| 2015 - 2016 | 245,000 | 214,750 |
| 2016 - 2021 | 1,405,000 | 879,000 |
| 2021 - 2026 | 1,795,000 | 490,500 |
| 2026 - 2031 | 850,000 | 64,250 |
| Totals | $ 5,155,000 | $ 2,615,850 |

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

On July 23, 1998, the City and the Commission 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 bonds' 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 Commission'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%.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2011, including interest, are as follows:

| | Public Financing Authority, Revenue Bonds, 1998 Series B | | Public Financing Authority, Revenue Bonds, 1998 Series C | |
|---|---|---|---|---|
| | Principal | Interest | Principal | Interest |
| 2011 - 2012 | $ 1,235,000 | $ 1,935,491 | $ 475,000 | $ 924,284 |
| 2012 - 2013 | 1,295,000 | 1,875,080 | 505,000 | 891,822 |
| 2013 - 2014 | 1,350,000 | 1,810,250 | 545,000 | 857,041 |
| 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 - 2021 | 8,680,000 | 7,108,500 | 3,745,000 | 3,213,741 |
| 2021 - 2026 | 18,865,000 | 3,895,875 | 5,200,000 | 1,726,313 |
| 2026 - 2031 | 5,060,000 | 193,750 | 2,375,000 | 80,156 |
| Totals | $ 39,410,000 | $ 20,227,571 | $ 14,030,000 | $ 9,293,986 |

## Note 8: Long-Term Debt (Continued)

### f. Public Financing Authority Revenue Bonds, Series 1995

The Revenue Bonds, Series 1995 were issued in the principal amount of $6,740,000 to refinance the Commission's share of the cost of acquisition, construction and funding for low and moderate income housing projects. The bonds are special obligations of the Commission 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 Commission's financial statements.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2011, including interest, are as follows:

| | Public Financing Authority, Revenue Bonds, Series 1995 | |
|---|---|---|
| | Principal | Interest |
| 2011 - 2012 | $ 220,000 | $ 309,476 |
| 2012 - 2013 | 230,000 | 295,751 |
| 2013 - 2014 | 245,000 | 281,233 |
| 2014 - 2015 | 260,000 | 265,670 |
| 2015 - 2016 | 275,000 | 249,085 |
| 2016 - 2021 | 1,650,000 | 959,450 |
| 2021 - 2026 | 2,230,000 | 361,460 |
| Totals | $ 5,110,000 | $ 2,722,125 |

### g. Capital Lease

The City has entered into lease agreements for a Ford vehicle. For accounting purposes, the lease agreements qualify as capital leases and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date. The interest rate on all of the capital leases is 6.35%. The assets acquired through capital leases are included in capital assets at a cost of $78,226.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2011, including interest, are as follows:

| Years Ending June 30, | Total |
|---|---|
| 2012 | $ 17,741 |
| 2013 | 18,241 |
| Total Payments | 35,982 |
| Less Amount Representing Interest | 3,114 |
| Outstanding Principal | $ 32,868 |

## Note 8: Long-Term Debt (Continued)

### h. Sewer Loan Payable

The City borrowed $363,467 from the State Water Resources Control Board, which was used to replace sewers on Landregan, Peladeau and Hollis Streets north of Powell Street. The principal and interest payments are due annually on May 1 until 2013.

At June 30, 2011, the annual requirements to repay the outstanding indebtedness were as follows:

| | Sewer Loan Payable | |
|---|---|---|
| | Principal | Interest |
| 2011 - 2012 | $ 23,121 | $ 1,408 |
| 2012 - 2013 | 23,803 | 714 |
| Totals | $ 46,924 | $ 2,122 |

### i. Pledged Revenue

As previously discussed, the Commission has pledged, as security for bonds it has issued, either directly or through the Financing Authority, a portion of the tax increment revenue (including Low and Moderate Income Housing set-inside) that it receives. These bonds were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. The Commission has committed to appropriate each year, from these resources amounts sufficient to cover the principal and interest requirements on the debt. Total principal and interest remaining on the debt is $250,102,582 with annual debt service requirements as indicated above. For the current year, the total tax increment revenue, net of pass through payments, recognized by the Commission was $31,805,185. and the debt service obligation on the bonds was $14,138,279.

## Note 9: Debt Without City/Commission 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.

### b. Housing Revenue Bonds Without City/Commission Commitment

On August 15, 1996, the Commission 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.

**Note 9: Debt Without City/Commission Commitment (Continued)**

On October 9, 2002, the Commission assisted in the issuance of $66,715,000 in Multifamily Housing Refunding Revenue Bonds, Series 2002 A 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 Commission has no legal or moral commitment for the repayment of these bonds.

The Commission assisted in the issuance of $21,000,000 in Multifamily Housing Refunding Revenue Bonds, Series 2005 A 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 2002 A. Due to cost overruns in connection with the project, the Borrower requested that the Commission sell the additional bonds. The Commission has no legal or moral commitment for the repayment of these bonds.

**c. Defeased Bonds**

On June 30, 2011, outstanding balances for defeased debt were $4,955,000, $38,175,000 and $13,555,000 for the refunded portion of the Public Financing Authority Revenue Bonds Series 1998 A, 1998 B and 1998 C, respectively and $645,000 for the 1979 Residential Mortgage Revenue Bonds.

**Note 10: 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 provides 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.

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.

## Note 10: Retirement Benefits (Continued)

### Miscellaneous Employees Plan

Plan Description

The City of Emeryville contributes to CALPERS, an agent multiple-employer public employee defined benefit pension plan.

Funding Policy

The Plans' provisions and benefits in effect at June 30, 2011, are summarized as follows:

| | Miscellaneous |
|---|---|
| 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 | 9.972% |

Annual Pension Cost and Net Pension Asset

For the year ended June 30, 2011, the City's annual pension cost (employer contribution) of $2,175,472 was more than the City's required contributions due to a prepayment of $1,000,000 made during the current year. The required contribution was determined as part of the June 30, 2008 actuarial valuation using the entry age normal actuarial cost method.

The City's annual pension cost and change in net pension asset for fiscal year ending June 30, 2011, were as follows:

| | |
|---|---|
| Annual required contribution | $ 1,175,472 |
| Interest on net pension asset | - |
| Adjustment to annual required contribution | - |
| Annual pension cost (expense) | 1,175,472 |
| Contributions made | 2,175,472 |
| (Increase)/decrease in net pension asset | (1,000,000) |
| Net pension asset - beginning of year | - |
| Net pension asset - end of year | $ 1,000,000 |

The required contribution was determined as part of the June 30, 2008, actuarial valuation using the entry age normal actuarial cost method.

Three Year Trend Information For PERS
(Amounts in Thousands)

| Fiscal Year | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Asset |
|---|---|---|---|
| 6/30/2009 | 1,229,443 | 100% | $ - |
| 6/30/2010 | 1,232,505 | 100% | - |
| 6/30/2011 | 1,175,472 | 185% | 1,000,000 |

**Note 10: Retirement Benefits (Continued)**

A summary of principal assumptions and methods used to determine the ARC is shown below.

| | |
|---|---|
| Valuation Date | June 30, 2010 |
| Actuarial Cost Method | Entry Age Actuarial Cost Method |
| Amortization Method | Level Percent of Payroll |
| Average Remaining Period | 30 Years as of the Valuation Date |
| Asset Valuation Method | 15 Year Smoothed Market |
| Actuarial Assumptions | |
| Investment Rate of Return | 7.75% (net of administrative expenses) |
| Projected Salary Increases | 3.55% to 14.45% depending on Age, Service, and type of employment |
| Inflation | 3.00% |
| Payroll Growth | 3.25% |
| Individual Salary Growth | A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 3.00% 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.

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 | Entry Age Accrued Liability | Value of Assets | Unfunded Liability | Funded Ratio (AVA) | Funded Ratio Market Value | Annual Covered Payroll | Unfunded Liability as % of Payroll |
|---|---|---|---|---|---|---|---|
| 6/30/2008 | $ 31,165,038 | $ 29,718,026 | $ 1,447,012 | 95.4% | 96.4% | $ 7,009,591 | 20.6% |
| 6/30/2009 | 34,143,713 | 31,660,933 | 2,482,780 | 92.7% | 67.5% | 7,453,085 | 33.3% |
| 6/30/2010 | 36,817,349 | 33,822,434 | 2,994,915 | 91.9% | 72.1% | 7,218,515 | 41.5% |

**Safety Employees Plan**

Plan Description

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

**Note 10: Retirement Benefits (Continued)**

Funding Policy

The Plans' provisions and benefits in effect at June 30, 2011, 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 | 9% | 9% |
| Required employer contribution rates | 19.448% | 32.645% |

For fiscal year 2010-2011, the City of Emeryville participated in 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 will 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 assets for safety employees. The contribution requirement of plan member and the City are established and may be amended by CALPERS.

The City has made various contributions to CALPERS to pay off the side fund for past service cost. This amount will be amortized as a level percentage of payroll over various time periods.

The contributions to pay off the side fund are as follows:

| | | |
|---|---|---|
| Fiscal Year 2007-2008 | $ | 5,000,000 |
| Fiscal Year 2008-2009 | | 2,500,000 |
| Fiscal Year 2010-2011 | | 902,223 |
| Total | $ | 8,402,223 |

Annual Pension Cost and Net Pension Asset

The City's annual pension cost and change in net pension asset for fiscal year ending June 30, 2011, were as follows:

**Note 10: Retirement Benefits (Continued)**

| | |
|---|---|
| Annual required contribution | $ 2,356,735 |
| Interest on net pension asset | (530,928) |
| Adjustment to annual required contribution | 1,180,835 |
| Annual pension cost (expense) | 3,006,642 |
| Contributions made | 3,258,958 |
| (Increase)/decrease in net pension asset | (252,316) |
| Net pension asset (obligation) - beginning of year | 7,378,940 |
| Adjustment to correct amortization period | (528,253) |
| Net pension asset (obligation) - end of year | $ 7,103,003 |

The required contribution was determined as part of the June 30, 2008, actuarial valuation using the entry age normal actuarial cost method.

Three Year Trend Information For PERS
(Amounts in Thousands)

| Fiscal Year | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Asset |
|---|---|---|---|
| 6/30/2009 | $ 4,521,110 | 219% | $ 7,453,849 |
| 6/30/2010 | 2,369,554 | 100% | 7,378,940 |
| 6/30/2011 | 3,006,642 | 108% | 7,103,003 |

**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 three participants. The plan is closed and no new members may participate. Benefits are paid monthly and increase 2% annually as required by the City.

Funding Policy

During the year ended June 30, 2011, the City paid $54,517 in retirement benefits. The activities of the plan are included in the Pension Trust Fund. The plan does not issue separate financial statements.

Under the City's old retirement plan, the actuarial accrued liability presented below was determined as part of an actuarial valuation performed at June 30, 2009 (actuarial valuations for this plan are performed every three years). The projected unit cost method and significant actuarial assumptions used in determining the actuarial accrued liability included a rate of return on the investment of present and future assets of 4.5% per year compounded annually and a projected salary increases of 2.0% per year compounded annually attributable to inflation for pension benefits.

**Note 10: 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, 2009.

| | |
|---|---|
| Actuarial accrued liability at June 30, 2009 | $ 512,000 |
| Book value of assets available for benefits, as of June 30, 2009 | (156,132) |
| Actuarial unfunded liability | $ 355,868 |

**Note 11: 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.

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 fiscal year 2010-2011, the City contributed $1,234,631, 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) | $ 400,816 |
| Interest on net pension asset | (9,302) |
| Adjustment to ARC | 8,516 |
| Annual OPEB cost | 400,030 |
| Contribution made | 1,234,631 |
| Increase in net OPEB asset | (834,601) |
| Net OPEB asset - July 1, 2010 | (186,031) |
| Net OPEB asset - June 30, 2011 | $ (1,020,632) |

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset for the 2010-2011 fiscal year and the two preceding years were as follows:

**Note 11: Post-Employment Benefits Other Than Pensions (Continued)**

| Fiscal Year Ended | Annual OPEB Cost | Percentage of Annual OPEB Cost Contributed | Net OPEB Asset |
|---|---|---|---|
| 06/30/09 | $ 400,816 | 192.10% | $ (369,163) |
| 06/30/10 | 398,841 | 54.08% | (186,031) |
| 06/30/11 | 400,030 | 308.63% | (1,020,632) |

**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.

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 Accrued 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% | $ 70,414 | 8.7% |
| 3/1/2011 | | | | | | |

*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.

## Note 11: Post-Employment Benefits Other Than Pensions (Continued)

The actuarial valuation dated March 1, 2008, used the Entry Age Normal actuarial cost method, an annual inflation rate of 3% and a discount rate of 5% which is the long-term expected rate of return on plan assets or the City's investment fund. The unfunded accrued actuarial liability (UAAL) is being amortized as a level dollar on an closed basis over a 30-year period as a level percentage of payroll beginning with the 2009-10 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, 93 retirees are receiving medical benefits and 165 employees are covered by the plan.

## Note 12: 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 13: 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.

**Note 13: Risk Management (Continued)**

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.

**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.

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, 2011 and 2010:

**Note 13: Risk Management (Continued)**

| | 2011 | | | |
|---|---|---|---|---|
| | Workers' Compensation Claims | General Liability Claims | Total | 2010 |
| Beginning balance | $ 1,377,282 | $ 83,440 | $ 1,460,722 | $ 1,450,365 |
| Liability for current fiscal year claims and claims incurred but not reported (IBNR) | 573,707 | 748,311 | 1,322,018 | 745,335 |
| Claims paid | (522,888) | (457,334) | (980,222) | (734,978) |
| Ending balance | $ 1,428,101 | $ 374,417 | $ 1,802,518 | $ 1,460,722 |

**d. Environmental Insurance**

The Commission 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 Commission has a deductible or uninsured liability of $100,000 per claim. During fiscal year 2008-2009, the Commission 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 14: 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. Proposition 62**

In 1995, the California Supreme Court upheld the constitutionality of Proposition 62, a 1986 initiative that required voter approval of all new or increased taxes. The Court's ruling could have an effect on certain taxes collected by the City. The likelihood and amount of such an effect upon the financial position of the City is unknown.

**c. 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

## Note 14: Contingent Liabilities

by improving inadequate public facilities in order to benefit the public. As a result, a Reimbursement Agreement between the City and the Commission 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 15: SERAF Shift

On July 23, 2009, the State adopted legislation, requiring a shift of monies during fiscal years 2009-2010 and 2010-2011 to be deposited into the County "Supplemental" Educational Revenue Augmentation Fund (SERAF). These monies were to be distributed to meet the State's Prop 98 obligations to schools. The California Redevelopment Association (CRA) and its member agencies filed a legal action in an attempt to stop these amounts from having to be paid; however, in May 2010, the Sacramento Superior Court upheld the legislation. This decision is in the process of being appealed by CRA and its member agencies.

The payment of the SERAF was due on May 10, 2011 for fiscal year 2010-2011 and it was made in the amount of $2,324,740 utilizing available resources.

## Note 16: Fund Equity and Net Assets Restatements

Beginning fund equity has been restated as follows:

| | |
|---|---|
| Major governmental funds: | |
| General Fund | |
| To adjust receivable amounts that were incorrectly booked twice in prior years | $ 286,631 |
| 1976 Area Operating | |
| To adjust payable amounts that were incorrectly accrued twice in the prior year | 717,279 |
| Non major governmental funds: | |
| Other grants | |
| To adjust revenue that was recognized in prior year in error | (113,824) |
| To adjust expenditures relating to the EPA loan | 1,215,450 |
| | 1,101,626 |
| Total fund equity restatements | $ 2,105,536 |

Beginning net assets has been restated as follows:

| | |
|---|---|
| Fund balance adjustments noted above | $ 2,105,536 |
| Correct recognition of deferred revenue from prior years | (1,215,000) |
| Total net asset restatements | $ 890,536 |

## Note 17: Construction Commitments

The following material construction commitments existed at June 30, 2011:

| Project Name | Contract Amount | Expenditures to date as of June 30, 2011 | Remaining Commitments |
|---|---|---|---|
| Police Station Renovation | $ 8,530,000 | $ 6,920,000 | $ 1,610,000 |

## Note 18: California Redevelopment Agency Uncertainty

On July 18, 2011, the California Redevelopment Association ("CRA") and the League of California Cities ("League") filed a petition for writ of mandate with the California Supreme Court, requesting the Court to declare unconstitutional two bills that were passed as part of the 2011-12 State Budget, AB1X 26 and 27. AB1X 26 dissolves redevelopment agencies effective October 1, 2011. AB1X 27, give redevelopment agencies an option to avoid dissolution if it commits to making defined payments for the benefit of the State, school districts and certain special districts. In 2011-12, these payments amount to a state-wide total of $1.7 billion. In 2012-13 and subsequent years, the payments total $400 million, annually. Each city or county's share of these payments is determined based on its proportionate share of state-wide tax increment.

CRA and the League contend that AB1X 26 and 27 are unconstitutional because they violate Proposition 22 which was passed by the voters in November, 2010. The effect of the legislation is to achieve a possible unconstitutional result, the use of redevelopment agencies' tax increment funds to benefit the State and other units of local government, by way of threatening of the dissolution of redevelopment agencies.

Therefore, the CRA and the League have requested that the Court issue a stay, suspending the effectiveness of AB1X 26 and 27 until the Court can rule on its constitutionality. CRA and the League also asked the Court to expedite the briefing and hearing of the case so that a decision can be rendered by the Court before January 15, 2012, when the first payments are due. On August 11th, the California Supreme Court agreed to hear the case and granted a partial stay which was subsequently clarified.

As of the time of the issuance of this report, the outcome of AB1X 26 and 27 upon the Commission is unknown and consequently the status and even future existence of the Commission is uncertain as such. In accordance with AB1X 27, the Commission has passed a resolution of intent to continue and will be required to make a payment to the State by January 15, 2012, to avoid dissolution. The Department of Finance issued their estimated payments amounts and the Commission filed an appeal regarding the calculation. The Department of Finance reviewed the Commission's appeal regarding the calculation and on October 15, 2011, determined the estimated payment stands without revision, resulting in a payment amount of $13,126,571.

## Note 19: Subsequent Events

On March 15, 2011, the City Council/Commission Board approved a resolution to purchase two pieces of property. At June 30, 2011, the City/Commission was still in negotiations with the property owners, however, escrow is expected to close in October 2011. The estimated amount to purchase these units is $4,300,000 and will be paid for using $2,800,000 from the Housing Operating Fund and $1,500.000 from the Housing Capital Fund.

**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 *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.

**Special Revenue Funds (Continued)**

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

The *San Pablo Avenue Street Lighting Assessment District Fund* accounts for the maintenance of street lights on San Pablo Avenue, which is supported by annual assessments on property owners based on lineal feet of street frontage along San Pablo Avenue.

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

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.

**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 *General Capital Improvements Fund* accounts for general capital projects.

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 *Homebuyer Program Loans Fund* accounts for first-time homebuyer loans to the City of Emeryville staff and Emery Unified School District teachers.

The *E Bay Bridge Housing Owner Participation Agreement (OPA) Fund* accounts for developer contributions to provide down payment assistance to first-time buyers of affordable units upon conversion from rental to ownership units.

The *Low/Moderate Income Housing Operating Fund* accounts for the receipt of the mandated 20% set-aside of redevelopment tax increment revenue from the 1976 and Shellmound Project Areas for Low/Moderate Income Housing Programs, expenditures for operations and for debt service of the fund.

The *1995 Low/Moderate Housing Fund* accounts for bond proceeds and other revenue associated with the 1976 Project Area 1995 Housing Increment Revenue Bonds. The fund is expended for eligible Commission low and moderate income housing projects.

**Capital Project Funds (Continued)**

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

The *2001 A Revenue Bond Fund* accounts for bond proceeds from the 2001 bonds Series A that were issued in fiscal year 2002.

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

The *Housing Capital Project Fund* accounts for bond proceeds and other revenue associated with the 1976 Project Area 1985 Revenue Bonds. The fund is expended for eligible Commission capital projects.

**Debt Service Funds**

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

The *1995 Housing Revenue Bond Fund* accounts for payments of principal and interest on the 1995 Redevelopment Agency Housing Increment Revenue Bonds.

The *1998 Series B Revenue Bond Fund* account for payments of principal and interest on the 1998 Redevelopment Agency Revenue Bonds, Series B.

The *1998 Series C Revenue Bond Fund* account for payments of principal and interest on the 1998 Redevelopment Agency Revenue Bonds, Series C.

The *2001 A Revenue Bond Fund* account for payments of principal and interest on the 2001 Redevelopment Agency Revenue Bonds, Series A.

The *2001 B Revenue Bond Fund* account for payments of principal and interest on the 2001 Redevelopment Agency Revenue Bonds, Series B.

The *2002 Series A Revenue Bond Fund* accounts for payments of principal and interest on the 2002 Redevelopment Agency Revenue Bonds.

The *2004 Series A Revenue Bond Fund* accounts for payments of principal and interest on the 2004 Redevelopment Agency Revenue Bonds.

**CITY OF EMERYVILLE**

**COMBINING BALANCE SHEET**
**NONMAJOR GOVERNMENTAL FUNDS**
**JUNE 30, 2011**

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | **Housing Community Development** | **Cal - Home Loan Program** | **Police Impound** | **Catellus Contingent** |
| **Assets:** | | | | |
| Pooled cash and investments | $ 149,940 | $ 21,153 | $ 65,517 | $ 148,370 |
| Receivables: | | | | |
| Accounts | 28,391 | - | - | - |
| Taxes | - | - | - | - |
| Notes and loans | 211,923 | 1,817,475 | - | - |
| Accrued interest | 63 | 6 | 29 | 65 |
| Prepaid costs | - | - | - | - |
| Advances to other funds | - | - | - | - |
| Land held for resale | - | - | - | - |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | - | - | - | - |
| **Total Assets** | **$ 390,317** | **$ 1,838,634** | **$ 65,546** | **$ 148,435** |
| **Liabilities and Fund Balances:** | | | | |
| **Liabilities:** | | | | |
| Accounts payable | $ 6,716 | $ - | $ - | $ - |
| Deferred revenues | 213,154 | 1,817,475 | - | - |
| Unearned revenues | - | - | - | - |
| Deposits payable | - | - | - | - |
| Due to other governments | - | - | - | - |
| Due to other funds | - | - | - | - |
| **Total Liabilities** | **219,870** | **1,817,475** | **-** | **-** |
| **Fund Balances:** | | | | |
| **Nonspendable:** | | | | |
| Prepaid costs | - | - | - | - |
| Land held for resale | - | - | - | - |
| Advances to other funds | - | - | - | - |
| **Restricted for:** | | | | |
| Community development projects | 170,447 | 21,159 | - | - |
| Public safety | - | - | 65,546 | - |
| Public works | - | - | - | - |
| Capital projects | - | - | - | 148,435 |
| Debt service | - | - | - | - |
| **Committed to:** | | | | |
| Homebuyer program loans | - | - | - | - |
| Major maintenance | - | - | - | - |
| Vehicle replacement | - | - | - | - |
| Information technology | - | - | - | - |
| PERS liability | - | - | - | - |
| **Unassigned** | - | - | - | - |
| **Total Fund Balances** | **170,447** | **21,159** | **65,546** | **148,435** |
| **Total Liabilities and Fund Balances** | **$ 390,317** | **$ 1,838,634** | **$ 65,546** | **$ 148,435** |

CITY OF EMERYVILLE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011 (Continued)

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Special Gas Tax Street Improvement | Traffic Congestion Relief | General Plan Maintenance | Child Development |
| **Assets:** | | | | |
| Pooled cash and investments | $ 658,423 | $ 172,956 | $ 632,004 | $ 393,374 |
| Receivables: | | | | |
| Accounts | - | - | - | 8,918 |
| Taxes | 32,600 | - | - | - |
| Notes and loans | - | - | - | - |
| Accrued interest | 268 | 75 | 264 | 22 |
| Prepaid costs | - | - | - | - |
| Advances to other funds | - | - | - | - |
| Land held for resale | - | - | - | - |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | - | - | - | - |
| **Total Assets** | **$ 691,291** | **$ 173,031** | **$ 632,268** | **$ 402,314** |
| **Liabilities and Fund Balances:** | | | | |
| **Liabilities:** | | | | |
| Accounts payable | $ - | $ - | $ 32,771 | $ 62,029 |
| Deferred revenues | - | - | - | 749 |
| Unearned revenues | - | - | - | - |
| Deposits payable | - | - | - | 7,205 |
| Due to other governments | - | - | - | 6,999 |
| Due to other funds | - | - | - | - |
| **Total Liabilities** | **-** | **-** | **32,771** | **76,982** |
| **Fund Balances:** | | | | |
| **Nonspendable:** | | | | |
| Prepaid costs | - | - | - | - |
| Land held for resale | - | - | - | - |
| Advances to other funds | - | - | - | - |
| **Restricted for:** | | | | |
| Community development projects | - | - | 599,497 | 325,332 |
| Public safety | - | - | - | - |
| Public works | 691,291 | - | - | - |
| Capital projects | - | 173,031 | - | - |
| Debt service | - | - | - | - |
| **Committed to:** | | | | |
| Homebuyer program loans | - | - | - | - |
| Major maintenance | - | - | - | - |
| Vehicle replacement | - | - | - | - |
| Information technology | - | - | - | - |
| PERS liability | - | - | - | - |
| **Unassigned** | - | - | - | - |
| **Total Fund Balances** | **691,291** | **173,031** | **599,497** | **325,332** |
| **Total Liabilities and Fund Balances** | **$ 691,291** | **$ 173,031** | **$ 632,268** | **$ 402,314** |

**CITY OF EMERYVILLE**

**COMBINING BALANCE SHEET**
**NONMAJOR GOVERNMENTAL FUNDS**
**JUNE 30, 2011**

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | **Measure B** | **Emeryville Public Art** | **Other Grants** | **Traffic Impact Fee** |
| **Assets:** | | | | |
| Pooled cash and investments | $ 788,294 | $ 1,829,205 | $ 1,682,044 | $ 354,853 |
| Receivables: | | | | |
| Accounts | 50,605 | - | 548,960 | - |
| Taxes | 65,985 | - | - | - |
| Notes and loans | - | - | - | - |
| Accrued interest | 338 | 796 | 704 | 154 |
| Prepaid costs | - | - | - | - |
| Advances to other funds | - | - | 978,041 | - |
| Land held for resale | - | - | - | - |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | - | - | - | - |
| **Total Assets** | **$ 905,222** | **$ 1,830,001** | **$ 3,209,749** | **$ 355,007** |
| **Liabilities and Fund Balances:** | | | | |
| **Liabilities:** | | | | |
| Accounts payable | $ 23,006 | $ 28,805 | $ 22,161 | $ 3,143 |
| Deferred revenues | - | - | 119,113 | - |
| Unearned revenues | - | - | 196,946 | - |
| Deposits payable | - | - | - | - |
| Due to other governments | - | - | - | - |
| Due to other funds | - | - | - | - |
| **Total Liabilities** | **23,006** | **28,805** | **338,220** | **3,143** |
| **Fund Balances:** | | | | |
| **Nonspendable:** | | | | |
| Prepaid costs | - | - | - | - |
| Land held for resale | - | - | - | - |
| Advances to other funds | - | - | 978,041 | - |
| **Restricted for:** | | | | |
| Community development projects | - | 1,801,196 | - | - |
| Public safety | - | - | - | - |
| Public works | 882,216 | - | - | 351,864 |
| Capital projects | - | - | 1,893,488 | - |
| Debt service | - | - | - | - |
| **Committed to:** | | | | |
| Homebuyer program loans | - | - | - | - |
| Major maintenance | - | - | - | - |
| Vehicle replacement | - | - | - | - |
| Information technology | - | - | - | - |
| PERS liability | - | - | - | - |
| **Unassigned** | - | - | - | - |
| **Total Fund Balances** | **882,216** | **1,801,196** | **2,871,529** | **351,864** |
| **Total Liabilities and Fund Balances** | **$ 905,222** | **$ 1,830,001** | **$ 3,209,749** | **$ 355,007** |

CITY OF EMERYVILLE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011 (Continued)

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Supplemental Law Enforcement | Emergency Medical Services | Source Reduction | Measure D |
| **Assets:** | | | | |
| Pooled cash and investments | $ 117,500 | $ - | $ 9,229 | $ 38,384 |
| Receivables: | | | | |
| Accounts | 11,316 | - | - | - |
| Taxes | - | 1,831 | - | 7,318 |
| Notes and loans | - | - | - | - |
| Accrued interest | 50 | - | 4 | 18 |
| Prepaid costs | - | - | - | - |
| Advances to other funds | - | - | - | - |
| Land held for resale | - | - | - | - |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | - | - | - | - |
| **Total Assets** | **$ 128,866** | **$ 1,831** | **$ 9,233** | **$ 45,720** |
| **Liabilities and Fund Balances:** | | | | |
| **Liabilities:** | | | | |
| Accounts payable | $ - | $ - | $ - | $ - |
| Deferred revenues | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Deposits payable | - | - | - | - |
| Due to other governments | - | - | - | - |
| Due to other funds | - | - | - | - |
| **Total Liabilities** | **-** | **-** | **-** | **-** |
| **Fund Balances:** | | | | |
| **Nonspendable:** | | | | |
| Prepaid costs | - | - | - | - |
| Land held for resale | - | - | - | - |
| Advances to other funds | - | - | - | - |
| **Restricted for:** | | | | |
| Community development projects | - | - | 9,233 | - |
| Public safety | 128,866 | 1,831 | - | - |
| Public works | - | - | - | 45,720 |
| Capital projects | - | - | - | - |
| Debt service | - | - | - | - |
| **Committed to:** | | | | |
| Homebuyer program loans | - | - | - | - |
| Major maintenance | - | - | - | - |
| Vehicle replacement | - | - | - | - |
| Information technology | - | - | - | - |
| PERS liability | - | - | - | - |
| **Unassigned** | - | - | - | - |
| **Total Fund Balances** | **128,866** | **1,831** | **9,233** | **45,720** |
| **Total Liabilities and Fund Balances** | **$ 128,866** | **$ 1,831** | **$ 9,233** | **$ 45,720** |

**CITY OF EMERYVILLE**

**COMBINING BALANCE SHEET**
**NONMAJOR GOVERNMENTAL FUNDS**
**JUNE 30, 2011**

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | **Major Maintenance** | **Vehicle Replacement** | **Information Technology** | **Property Based Improvement District** |
| **Assets:** | | | | |
| Pooled cash and investments | $ 8,110,007 | $ 4,368,047 | $ 785,015 | $ 1,092,769 |
| Receivables: | | | | |
| Accounts | - | - | - | - |
| Taxes | - | - | - | 1,022 |
| Notes and loans | - | - | - | - |
| Accrued interest | - | - | - | 365 |
| Prepaid costs | - | - | - | 2,700 |
| Advances to other funds | - | - | - | - |
| Land held for resale | - | - | - | - |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | - | - | - | - |
| **Total Assets** | **$ 8,110,007** | **$ 4,368,047** | **$ 785,015** | **$ 1,096,856** |
| **Liabilities and Fund Balances:** | | | | |
| **Liabilities:** | | | | |
| Accounts payable | $ 21,680 | $ 247 | $ - | $ 1,095,290 |
| Deferred revenues | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Deposits payable | - | - | - | - |
| Due to other governments | - | - | - | - |
| Due to other funds | - | - | - | - |
| **Total Liabilities** | **21,680** | **247** | **-** | **1,095,290** |
| **Fund Balances:** | | | | |
| **Nonspendable:** | | | | |
| Prepaid costs | - | - | - | 2,700 |
| Land held for resale | - | - | - | - |
| Advances to other funds | - | - | - | - |
| **Restricted for:** | | | | |
| Community development projects | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Capital projects | - | - | - | - |
| Debt service | - | - | - | - |
| **Committed to:** | | | | |
| Homebuyer program loans | - | - | - | - |
| Major maintenance | 8,088,327 | - | - | - |
| Vehicle replacement | - | 4,367,800 | - | - |
| Information technology | - | - | 785,015 | - |
| PERS liability | - | - | - | - |
| **Unassigned** | - | - | - | (1,134) |
| **Total Fund Balances** | **8,088,327** | **4,367,800** | **785,015** | **1,566** |
| **Total Liabilities and Fund Balances** | **$ 8,110,007** | **$ 4,368,047** | **$ 785,015** | **$ 1,096,856** |

CITY OF EMERYVILLE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011 (Continued)

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | San Pablo Ave. Street Lighting Assessment District | Help Housing Loan Program | PEG Program | Urban Forestry Fee |
| **Assets:** | | | | |
| Pooled cash and investments | $ 6,633 | $ - | $ 23,324 | $ 62,074 |
| Receivables: | | | | |
| Accounts | - | - | 5,033 | 9,300 |
| Taxes | - | - | - | - |
| Notes and loans | - | 1,484,569 | - | - |
| Accrued interest | 3 | - | 18 | 22 |
| Prepaid costs | - | - | - | - |
| Advances to other funds | - | - | - | - |
| Land held for resale | - | - | - | - |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | - | - | - | - |
| **Total Assets** | **$ 6,636** | **$ 1,484,569** | **$ 28,375** | **$ 71,396** |
| **Liabilities and Fund Balances:** | | | | |
| **Liabilities:** | | | | |
| Accounts payable | $ 1,613 | $ - | $ - | $ 825 |
| Deferred revenues | - | 1,484,568 | - | - |
| Unearned revenues | - | - | - | - |
| Deposits payable | - | - | - | - |
| Due to other governments | - | - | - | - |
| Due to other funds | - | 508 | - | - |
| **Total Liabilities** | **1,613** | **1,485,076** | **-** | **825** |
| **Fund Balances:** | | | | |
| **Nonspendable:** | | | | |
| Prepaid costs | - | - | - | - |
| Land held for resale | - | - | - | - |
| Advances to other funds | - | - | - | - |
| **Restricted for:** | | | | |
| Community development projects | - | - | 28,375 | - |
| Public safety | - | - | - | 70,571 |
| Public works | 5,023 | - | - | - |
| Capital projects | - | - | - | - |
| Debt service | - | - | - | - |
| **Committed to:** | | | | |
| Homebuyer program loans | - | - | - | - |
| Major maintenance | - | - | - | - |
| Vehicle replacement | - | - | - | - |
| Information technology | - | - | - | - |
| PERS liability | - | - | - | - |
| **Unassigned** | - | (507) | - | - |
| **Total Fund Balances** | **5,023** | **(507)** | **28,375** | **70,571** |
| **Total Liabilities and Fund Balances** | **$ 6,636** | **$ 1,484,569** | **$ 28,375** | **$ 71,396** |

**CITY OF EMERYVILLE**

**COMBINING BALANCE SHEET**
**NONMAJOR GOVERNMENTAL FUNDS**
**JUNE 30, 2011**

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | **1999 Revenue Bond** | **General Capital Improvements** | **Marina Improvement** | **Homebuyer Program Loans** |
| **Assets:** | | | | |
| Pooled cash and investments | $ 177,011 | $ 5,087,796 | $ 778,956 | $ 354,465 |
| Receivables: | | | | |
| Accounts | - | - | 17,511 | - |
| Taxes | - | - | - | - |
| Notes and loans | - | - | 471,394 | - |
| Accrued interest | 77 | 2,225 | 328 | 154 |
| Prepaid costs | - | - | - | - |
| Advances to other funds | - | - | - | - |
| Land held for resale | - | - | - | - |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | - | - | - | - |
| **Total Assets** | **$ 177,088** | **$ 5,090,021** | **$ 1,268,189** | **$ 354,619** |
| **Liabilities and Fund Balances:** | | | | |
| **Liabilities:** | | | | |
| Accounts payable | $ - | $ 232,412 | $ - | $ - |
| Deferred revenues | - | - | 471,394 | - |
| Unearned revenues | - | - | - | - |
| Deposits payable | - | - | 5,461 | - |
| Due to other governments | - | - | - | - |
| Due to other funds | - | - | - | - |
| **Total Liabilities** | **-** | **232,412** | **476,855** | **-** |
| **Fund Balances:** | | | | |
| **Nonspendable:** | | | | |
| Prepaid costs | - | - | - | - |
| Land held for resale | - | - | - | - |
| Advances to other funds | - | - | - | - |
| **Restricted for:** | | | | |
| Community development projects | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Capital projects | 177,088 | 4,857,609 | 791,334 | - |
| Debt service | - | - | - | - |
| **Committed to:** | | | | |
| Homebuyer program loans | - | - | - | 354,619 |
| Major maintenance | - | - | - | - |
| Vehicle replacement | - | - | - | - |
| Information technology | - | - | - | - |
| PERS liability | - | - | - | - |
| **Unassigned** | - | - | - | - |
| **Total Fund Balances** | **177,088** | **4,857,609** | **791,334** | **354,619** |
| **Total Liabilities and Fund Balances** | **$ 177,088** | **$ 5,090,021** | **$ 1,268,189** | **$ 354,619** |

CITY OF EMERYVILLE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011 (Continued)

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | E Baybridge Housing OPA | Low/Moderate Income Housing Operating | 1995 Low/Mod Housing | 1998 C Taxable Bond |
| **Assets:** | | | | |
| Pooled cash and investments | $ 440,836 | $ 2,653,590 | $ - | $ 760,593 |
| Receivables: | | | | |
| Accounts | - | - | - | - |
| Taxes | - | - | - | - |
| Notes and loans | - | 250,000 | - | - |
| Accrued interest | 170 | - | - | 59 |
| Prepaid costs | - | 1,600 | - | - |
| Advances to other funds | - | 6,795,440 | - | - |
| Land held for resale | - | - | 394,511 | - |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | - | - | - | - |
| **Total Assets** | **$ 441,006** | **$ 9,700,630** | **$ 394,511** | **$ 760,652** |
| **Liabilities and Fund Balances:** | | | | |
| **Liabilities:** | | | | |
| Accounts payable | $ - | $ 37,197 | $ - | $ - |
| Deferred revenues | - | 250,000 | - | - |
| Unearned revenues | - | - | - | - |
| Deposits payable | - | - | - | - |
| Due to other governments | - | - | - | - |
| Due to other funds | - | - | - | - |
| **Total Liabilities** | **-** | **287,197** | **-** | **-** |
| **Fund Balances:** | | | | |
| **Nonspendable:** | | | | |
| Prepaid costs | - | 1,600 | - | - |
| Land held for resale | - | - | 394,511 | - |
| Advances to other funds | - | 6,795,440 | - | - |
| **Restricted for:** | | | | |
| Community development projects | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Capital projects | 441,006 | 2,616,393 | - | 760,652 |
| Debt service | - | - | - | - |
| **Committed to:** | | | | |
| Homebuyer program loans | - | - | - | - |
| Major maintenance | - | - | - | - |
| Vehicle replacement | - | - | - | - |
| Information technology | - | - | - | - |
| PERS liability | - | - | - | - |
| **Unassigned** | - | - | - | - |
| **Total Fund Balances** | **441,006** | **9,413,433** | **394,511** | **760,652** |
| **Total Liabilities and Fund Balances** | **$ 441,006** | **$ 9,700,630** | **$ 394,511** | **$ 760,652** |

**CITY OF EMERYVILLE**

**COMBINING BALANCE SHEET**
**NONMAJOR GOVERNMENTAL FUNDS**
**JUNE 30, 2011**

| | Capital Projects Funds | | | Debt Service Funds |
|---|---|---|---|---|
| | 2001 A Revenue Bond | 2002 A Revenue Bond | Housing Capital Project | 1998 Lease Revenue Series A Bond |
| **Assets:** | | | | |
| Pooled cash and investments | $ 1,732,047 | $ 245,885 | $ 14,206,862 | $ - |
| Receivables: | | | | |
| Accounts | 39 | - | 514 | - |
| Taxes | - | - | - | - |
| Notes and loans | - | - | 4,904,154 | - |
| Accrued interest | 42 | 105 | 6,256 | 6,385 |
| Prepaid costs | - | - | - | - |
| Advances to other funds | - | - | 2,238,160 | - |
| Land held for resale | 2,407,365 | 2,000,000 | 2,723,850 | - |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | - | - | - | 472,520 |
| **Total Assets** | **$ 4,139,493** | **$ 2,245,990** | **$ 24,079,796** | **$ 478,905** |
| **Liabilities and Fund Balances:** | | | | |
| **Liabilities:** | | | | |
| Accounts payable | $ 150,872 | $ 8,465 | $ 249,602 | $ - |
| Deferred revenues | - | - | 4,904,154 | - |
| Unearned revenues | - | - | - | - |
| Deposits payable | - | - | 10,000 | - |
| Due to other governments | - | - | - | - |
| Due to other funds | - | - | - | - |
| **Total Liabilities** | **150,872** | **8,465** | **5,163,756** | **-** |
| **Fund Balances:** | | | | |
| **Nonspendable:** | | | | |
| Prepaid costs | - | - | - | - |
| Land held for resale | 2,407,365 | 2,000,000 | 2,723,850 | - |
| Advances to other funds | - | - | 2,238,160 | - |
| **Restricted for:** | | | | |
| Community development projects | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Capital projects | 1,581,256 | 237,525 | 13,954,030 | - |
| Debt service | - | - | - | 478,905 |
| **Committed to:** | | | | |
| Homebuyer program loans | - | - | - | - |
| Major maintenance | - | - | - | - |
| Vehicle replacement | - | - | - | - |
| Information technology | - | - | - | - |
| PERS liability | - | - | - | - |
| **Unassigned** | - | - | - | - |
| **Total Fund Balances** | **3,988,621** | **2,237,525** | **18,916,040** | **478,905** |
| **Total Liabilities and Fund Balances** | **$ 4,139,493** | **$ 2,245,990** | **$ 24,079,796** | **$ 478,905** |

CITY OF EMERYVILLE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011 (Continued)

| | Debt Service Funds | | | |
|---|---|---|---|---|
| | 1995 Housing Revenue Bond | 1998 B Revenue Bond | 1998 C Revenue Bond | 2001 A Revenue Bond |
| **Assets:** | | | | |
| Pooled cash and investments | $ - | $ - | $ - | $ - |
| Receivables: | | | | |
| Accounts | - | - | - | - |
| Taxes | - | - | - | - |
| Notes and loans | - | - | - | - |
| Accrued interest | - | - | - | - |
| Prepaid costs | - | - | - | - |
| Advances to other funds | - | - | - | - |
| Land held for resale | - | - | - | - |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | 573,705 | 4,004,547 | 543,948 | 1,586,472 |
| **Total Assets** | **$ 573,705** | **$ 4,004,547** | **$ 543,948** | **$ 1,586,472** |
| **Liabilities and Fund Balances:** | | | | |
| **Liabilities:** | | | | |
| Accounts payable | $ - | $ - | $ - | $ - |
| Deferred revenues | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Deposits payable | - | - | - | - |
| Due to other governments | - | - | - | - |
| Due to other funds | - | - | - | - |
| **Total Liabilities** | **-** | **-** | **-** | **-** |
| **Fund Balances:** | | | | |
| **Nonspendable:** | | | | |
| Prepaid costs | - | - | - | - |
| Land held for resale | - | - | - | - |
| Advances to other funds | - | - | - | - |
| **Restricted for:** | | | | |
| Community development projects | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Capital projects | - | - | - | - |
| Debt service | 573,705 | 4,004,547 | 543,948 | 1,586,472 |
| **Committed to:** | | | | |
| Homebuyer program loans | - | - | - | - |
| Major maintenance | - | - | - | - |
| Vehicle replacement | - | - | - | - |
| Information technology | - | - | - | - |
| PERS liability | - | - | - | - |
| **Unassigned** | - | - | - | - |
| **Total Fund Balances** | **573,705** | **4,004,547** | **543,948** | **1,586,472** |
| **Total Liabilities and Fund Balances** | **$ 573,705** | **$ 4,004,547** | **$ 543,948** | **$ 1,586,472** |

**CITY OF EMERYVILLE**

**COMBINING BALANCE SHEET**
**NONMAJOR GOVERNMENTAL FUNDS**
**JUNE 30, 2011**

| | Debt Service Funds | | | |
|---|---|---|---|---|
| | 2001 B Revenue Bond | 2002 Series A Revenue Bond | 2004 Series A Revenue Bond | Total Governmental Funds |
| **Assets:** | | | | |
| Pooled cash and investments | $ - | $ - | $ - | $ 47,947,156 |
| Receivables: | | | | |
| Accounts | - | - | - | 680,587 |
| Taxes | - | - | - | 108,756 |
| Notes and loans | - | - | - | 9,139,515 |
| Accrued interest | - | - | - | 19,065 |
| Prepaid costs | - | - | - | 4,300 |
| Advances to other funds | - | - | - | 10,011,641 |
| Land held for resale | - | - | - | 7,525,726 |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | 278,002 | 1,815,515 | 5,456,552 | 14,731,261 |
| **Total Assets** | **$ 278,002** | **$ 1,815,515** | **$ 5,456,552** | **$ 90,168,007** |
| **Liabilities and Fund Balances:** | | | | |
| **Liabilities:** | | | | |
| Accounts payable | $ - | $ - | $ - | $ 1,976,834 |
| Deferred revenues | - | - | - | 9,260,607 |
| Unearned revenues | - | - | - | 196,946 |
| Deposits payable | - | - | - | 22,666 |
| Due to other governments | - | - | - | 6,999 |
| Due to other funds | - | - | - | 508 |
| **Total Liabilities** | **-** | **-** | **-** | **11,464,560** |
| **Fund Balances:** | | | | |
| **Nonspendable:** | | | | |
| Prepaid costs | - | - | - | 4,300 |
| Land held for resale | - | - | - | 7,525,726 |
| Advances to other funds | - | - | - | 10,011,641 |
| **Restricted for:** | | | | |
| Community development projects | - | - | - | 2,955,239 |
| Public safety | - | - | - | 266,814 |
| Public works | - | - | - | 1,976,114 |
| Capital projects | - | - | - | 27,631,847 |
| Debt service | 278,002 | 1,815,515 | 5,456,552 | 14,737,646 |
| **Committed to:** | | | | |
| Homebuyer program loans | - | - | - | 354,619 |
| Major maintenance | - | - | - | 8,088,327 |
| Vehicle replacement | - | - | - | 4,367,800 |
| Information technology | - | - | - | 785,015 |
| PERS liability | - | - | - | - |
| **Unassigned** | - | - | - | (1,641) |
| **Total Fund Balances** | **278,002** | **1,815,515** | **5,456,552** | **78,703,447** |
| **Total Liabilities and Fund Balances** | **$ 278,002** | **$ 1,815,515** | **$ 5,456,552** | **$ 90,168,007** |

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**CITY OF EMERYVILLE**

**COMBINING STATEMENT OF REVENUES,**
**EXPENDITURES AND CHANGES IN FUND BALANCE**
**NONMAJOR GOVERNMENTAL FUNDS**
**YEAR ENDED JUNE 30, 2011**

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | **Housing Community Development** | **Cal - Home Loan Program** | **Police Impound** | **Catellus Contingent** |
| **Revenues:** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Licenses and permits | - | - | - | - |
| Intergovernmental | 95,915 | 900,000 | - | - |
| Contribution from property owners | - | - | - | - |
| Charges for services | - | - | - | - |
| Use of money and property | 2,222 | 51 | 943 | 2,309 |
| Rents | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Contributions | - | - | - | - |
| Miscellaneous | 5,004 | - | - | - |
| **Total Revenues** | **103,141** | **900,051** | **943** | **2,309** |
| **Expenditures:** | | | | |
| Current: | | | | |
| City council | - | - | - | - |
| Planning and building | - | - | - | - |
| Economic development | 92,496 | 214,000 | - | - |
| Redevelopment | - | - | - | - |
| General government | - | - | - | - |
| Property based improvement district | - | - | - | - |
| Police | - | - | - | - |
| Fire | - | - | - | - |
| Public works | - | - | - | - |
| Child development | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| **Total Expenditures** | **92,496** | **214,000** | **-** | **-** |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 10,645 | 686,051 | 943 | 2,309 |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | (30,000) | - | - |
| Proceeds from sale of capital asset | - | - | - | - |
| **Total Other Financing Sources (Uses)** | **-** | **(30,000)** | **-** | **-** |
| Net Change in Fund Balances | 10,645 | 656,051 | 943 | 2,309 |
| Fund Balances, Beginning of Year | 159,802 | (634,892) | 64,603 | 146,126 |
| Restatements | - | - | - | - |
| Fund Balances, Beginning of Year, as Restated | 159,802 | (634,892) | 64,603 | 146,126 |
| **Fund Balances, End of Year** | **$ 170,447** | **$ 21,159** | **$ 65,546** | **$ 148,435** |

CITY OF EMERYVILLE

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2011** (Continued)

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Special Gas Tax Street Improvement | Traffic Congestion Relief | General Plan Maintenance | Child Development |
| **Revenues:** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Licenses and permits | - | - | 422,332 | 100 |
| Intergovernmental | 260,859 | - | - | 212,567 |
| Contribution from property owners | - | - | - | - |
| Charges for services | - | - | - | 885,021 |
| Use of money and property | 8,826 | 2,688 | 9,951 | 4,108 |
| Rents | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Contributions | - | - | - | - |
| Miscellaneous | - | - | - | 425 |
| **Total Revenues** | **269,685** | **2,688** | **432,283** | **1,102,221** |
| **Expenditures:** | | | | |
| Current: | | | | |
| City council | - | - | - | - |
| Planning and building | - | - | 465,683 | - |
| Economic development | - | - | - | - |
| Redevelopment | - | - | - | - |
| General government | - | - | - | - |
| Property based improvement district | - | - | - | - |
| Police | - | - | - | - |
| Fire | - | - | - | - |
| Public works | - | - | - | - |
| Child development | - | - | - | 1,364,844 |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| **Total Expenditures** | **-** | **-** | **465,683** | **1,364,844** |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 269,685 | 2,688 | (33,400) | (262,623) |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (150,000) | - | (10,000) | - |
| Proceeds from sale of capital asset | - | - | - | - |
| **Total Other Financing Sources (Uses)** | **(150,000)** | **-** | **(10,000)** | **-** |
| Net Change in Fund Balances | 119,685 | 2,688 | (43,400) | (262,623) |
| Fund Balances, Beginning of Year | 571,606 | 170,343 | 642,897 | 587,955 |
| Restatements | - | - | - | - |
| Fund Balances, Beginning of Year, as Restated | 571,606 | 170,343 | 642,897 | 587,955 |
| **Fund Balances, End of Year** | **$ 691,291** | **$ 173,031** | **$ 599,497** | **$ 325,332** |

**CITY OF EMERYVILLE**

**COMBINING STATEMENT OF REVENUES,**
**EXPENDITURES AND CHANGES IN FUND BALANCE**
**NONMAJOR GOVERNMENTAL FUNDS**
**YEAR ENDED JUNE 30, 2011**

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | **Measure B** | **Emeryville Public Art** | **Other Grants** | **Traffic Impact Fee** |
| **Revenues:** | | | | |
| Taxes | $ 203,797 | $ - | $ - | $ - |
| Licenses and permits | - | - | - | 8,366 |
| Intergovernmental | 97,790 | - | 459,129 | - |
| Contribution from property owners | - | - | - | - |
| Charges for services | - | - | - | - |
| Use of money and property | 11,698 | 26,445 | 69,892 | 4,012 |
| Rents | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Contributions | - | - | - | - |
| Miscellaneous | - | 251,247 | - | - |
| **Total Revenues** | **313,285** | **277,692** | **529,021** | **12,378** |
| **Expenditures:** | | | | |
| Current: | | | | |
| City council | - | - | - | - |
| Planning and building | - | - | - | - |
| Economic development | - | - | - | - |
| Redevelopment | - | - | - | - |
| General government | - | 73,556 | 187,912 | - |
| Property based improvement district | - | - | - | - |
| Police | - | - | - | - |
| Fire | - | - | - | - |
| Public works | 133,789 | - | - | 50,620 |
| Child development | - | - | - | - |
| Capital outlay | - | - | 24,128 | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| **Total Expenditures** | **133,789** | **73,556** | **212,040** | **50,620** |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 179,496 | 204,136 | 316,981 | (38,242) |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | - | - | - | 236,982 |
| Transfers out | (7,000) | - | (4,540) | - |
| Proceeds from sale of capital asset | - | - | - | - |
| **Total Other Financing Sources (Uses)** | **(7,000)** | **-** | **(4,540)** | **236,982** |
| Net Change in Fund Balances | 172,496 | 204,136 | 312,441 | 198,740 |
| Fund Balances, Beginning of Year | 709,720 | 1,597,060 | 1,457,462 | 153,124 |
| Restatements | - | - | 1,101,626 | - |
| Fund Balances, Beginning of Year, as Restated | 709,720 | 1,597,060 | 2,559,088 | 153,124 |
| **Fund Balances, End of Year** | **$ 882,216** | **$ 1,801,196** | **$ 2,871,529** | **$ 351,864** |

CITY OF EMERYVILLE

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2011** (Continued)

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Supplemental Law Enforcement | Emergency Medical Services | Source Reduction | Measure D |
| **Revenues:** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Licenses and permits | - | - | - | - |
| Intergovernmental | 100,000 | - | - | - |
| Contribution from property owners | - | - | - | - |
| Charges for services | - | 180,050 | - | - |
| Use of money and property | 1,464 | - | 143 | 581 |
| Rents | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Contributions | 3,158 | - | - | - |
| Miscellaneous | - | 489 | - | 44,480 |
| **Total Revenues** | **104,622** | **180,539** | **143** | **45,061** |
| **Expenditures:** | | | | |
| Current: | | | | |
| City council | - | - | - | - |
| Planning and building | - | - | - | - |
| Economic development | - | - | - | - |
| Redevelopment | - | - | - | - |
| General government | - | - | - | - |
| Property based improvement district | - | - | - | - |
| Police | 103,160 | - | - | - |
| Fire | - | 180,409 | - | - |
| Public works | - | - | - | 32,250 |
| Child development | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| **Total Expenditures** | **103,160** | **180,409** | **-** | **32,250** |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 1,462 | 130 | 143 | 12,811 |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from sale of capital asset | - | - | - | - |
| **Total Other Financing Sources (Uses)** | **-** | **-** | **-** | **-** |
| Net Change in Fund Balances | 1,462 | 130 | 143 | 12,811 |
| Fund Balances, Beginning of Year | 127,404 | 1,701 | 9,090 | 32,909 |
| Restatements | - | - | - | - |
| Fund Balances, Beginning of Year, as Restated | 127,404 | 1,701 | 9,090 | 32,909 |
| **Fund Balances, End of Year** | **$ 128,866** | **$ 1,831** | **$ 9,233** | **$ 45,720** |

CITY OF EMERYVILLE

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2011**

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Major Maintenance | Vehicle Replacement | Information Technology | Property Based Improvement District |
| **Revenues:** | | | | |
| Taxes | $ - | $ - | $ - | $ 2,317,000 |
| Licenses and permits | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Contribution from property owners | - | - | - | - |
| Charges for services | - | - | - | - |
| Use of money and property | - | - | - | 7,859 |
| Rents | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Contributions | - | - | - | - |
| Miscellaneous | 284,768 | 448,066 | 259,007 | - |
| **Total Revenues** | **284,768** | **448,066** | **259,007** | **2,324,859** |
| **Expenditures:** | | | | |
| Current: | | | | |
| City council | - | - | - | - |
| Planning and building | - | - | - | - |
| Economic development | - | - | - | - |
| Redevelopment | - | - | - | - |
| General government | 674,703 | - | 60,726 | - |
| Property based improvement district | - | - | - | 2,333,268 |
| Police | - | - | - | - |
| Fire | - | - | - | - |
| Public works | - | - | - | - |
| Child development | - | - | - | - |
| Capital outlay | - | 189,785 | 61,802 | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| **Total Expenditures** | **674,703** | **189,785** | **122,528** | **2,333,268** |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (389,935) | 258,281 | 136,479 | (8,409) |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | 335,000 | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from sale of capital asset | - | 15,000 | - | - |
| **Total Other Financing Sources (Uses)** | **335,000** | **15,000** | **-** | **-** |
| Net Change in Fund Balances | (54,935) | 273,281 | 136,479 | (8,409) |
| Fund Balances, Beginning of Year | 8,143,262 | 4,094,519 | 648,536 | 9,975 |
| Restatements | - | - | - | - |
| Fund Balances, Beginning of Year, as Restated | 8,143,262 | 4,094,519 | 648,536 | 9,975 |
| **Fund Balances, End of Year** | **$ 8,088,327** | **$ 4,367,800** | **$ 785,015** | **$ 1,566** |

CITY OF EMERYVILLE

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2011** (Continued)

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | San Pablo Ave. Street Lighting Assessment District | Help Housing Loan Program | PEG Program | Urban Forestry Fee |
| **Revenues:** | | | | |
| Taxes | $ - | $ - | $ 19,733 | $ - |
| Licenses and permits | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Contribution from property owners | - | - | - | - |
| Charges for services | - | - | - | 20,605 |
| Use of money and property | 174 | - | 518 | 667 |
| Rents | - | - | - | - |
| Fines and forfeitures | - | - | - | 9,300 |
| Contributions | - | - | - | - |
| Miscellaneous | - | - | - | - |
| **Total Revenues** | **174** | **-** | **20,251** | **30,572** |
| **Expenditures:** | | | | |
| Current: | | | | |
| City council | - | - | 433 | - |
| Planning and building | - | - | - | - |
| Economic development | - | - | 17,464 | - |
| Redevelopment | - | - | - | - |
| General government | - | - | - | - |
| Property based improvement district | - | - | - | - |
| Police | - | - | - | - |
| Fire | - | - | - | - |
| Public works | 9,627 | - | - | - |
| Child development | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| **Total Expenditures** | **9,627** | **-** | **17,897** | **-** |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (9,453) | - | 2,354 | 30,572 |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Proceeds from sale of capital asset | - | - | - | - |
| **Total Other Financing Sources (Uses)** | **-** | **-** | **-** | **-** |
| Net Change in Fund Balances | (9,453) | - | 2,354 | 30,572 |
| Fund Balances, Beginning of Year | 14,476 | (507) | 26,021 | 39,999 |
| Restatements | - | - | - | - |
| Fund Balances, Beginning of Year, as Restated | 14,476 | (507) | 26,021 | 39,999 |
| **Fund Balances, End of Year** | **$ 5,023** | **$ (507)** | **$ 28,375** | **$ 70,571** |

**CITY OF EMERYVILLE**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2011**

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | 1999 Revenue Bond | General Capital Improvements | Marina Improvement | Homebuyer Program Loans |
| **Revenues:** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Licenses and permits | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Contribution from property owners | - | - | - | - |
| Charges for services | - | - | - | - |
| Use of money and property | 2,755 | 81,441 | 57,737 | 5,518 |
| Rents | - | - | 259,903 | - |
| Fines and forfeitures | - | - | - | - |
| Contributions | - | - | - | - |
| Miscellaneous | - | - | 33,912 | - |
| **Total Revenues** | **2,755** | **81,441** | **351,552** | **5,518** |
| **Expenditures:** | | | | |
| Current: | | | | |
| City council | - | - | - | - |
| Planning and building | - | - | - | - |
| Economic development | - | - | - | - |
| Redevelopment | - | - | - | - |
| General government | - | 84,288 | - | - |
| Property based improvement district | - | - | - | - |
| Police | - | - | - | - |
| Fire | - | - | - | - |
| Public works | - | - | 4,245 | - |
| Child development | - | - | - | - |
| Capital outlay | - | 448,457 | - | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| **Total Expenditures** | **-** | **532,745** | **4,245** | **-** |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 2,755 | (451,304) | 347,307 | 5,518 |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | - | 300,000 | - | - |
| Transfers out | - | - | - | - |
| Proceeds from sale of capital asset | - | - | - | - |
| **Total Other Financing Sources (Uses)** | **-** | **300,000** | **-** | **-** |
| Net Change in Fund Balances | 2,755 | (151,304) | 347,307 | 5,518 |
| Fund Balances, Beginning of Year | 174,333 | 5,008,913 | 444,027 | 349,101 |
| Restatements | - | - | - | - |
| Fund Balances, Beginning of Year, as Restated | 174,333 | 5,008,913 | 444,027 | 349,101 |
| **Fund Balances, End of Year** | **$ 177,088** | **$ 4,857,609** | **$ 791,334** | **$ 354,619** |

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011 (Continued)

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | E Baybridge Housing OPA | Low/Moderate Income Housing Operating | 1995 Low/Mod Housing | 1998 C Taxable Bond |
| **Revenues:** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Licenses and permits | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Contribution from property owners | 50,000 | - | - | - |
| Charges for services | - | - | - | - |
| Use of money and property | 6,083 | (16,315) | - | 2,220 |
| Rents | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Contributions | - | - | - | - |
| Miscellaneous | - | 105,518 | - | - |
| **Total Revenues** | **56,083** | **89,203** | **-** | **2,220** |
| **Expenditures:** | | | | |
| Current: | | | | |
| City council | - | - | - | - |
| Planning and building | - | - | - | - |
| Economic development | - | - | - | - |
| Redevelopment | - | 338,760 | - | - |
| General government | - | - | - | - |
| Property based improvement district | - | - | - | - |
| Police | - | - | - | - |
| Fire | - | - | - | - |
| Public works | - | - | - | - |
| Child development | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| **Total Expenditures** | **-** | **338,760** | **-** | **-** |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 56,083 | (249,557) | - | 2,220 |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | - | 7,543,957 | - | - |
| Transfers out | - | (6,745,124) | - | - |
| Proceeds from sale of capital asset | - | - | - | - |
| **Total Other Financing Sources (Uses)** | **-** | **798,833** | **-** | **-** |
| Net Change in Fund Balances | 56,083 | 549,276 | - | 2,220 |
| Fund Balances, Beginning of Year | 384,923 | 8,864,157 | 394,511 | 758,432 |
| Restatements | - | - | - | - |
| Fund Balances, Beginning of Year, as Restated | 384,923 | 8,864,157 | 394,511 | 758,432 |
| **Fund Balances, End of Year** | **$ 441,006** | **$ 9,413,433** | **$ 394,511** | **$ 760,652** |

**CITY OF EMERYVILLE**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2011**

| | Capital Projects Funds | | | Debt Service Funds |
|---|---|---|---|---|
| | 2001 A Revenue Bond | 2002 A Revenue Bond | Housing Capital Project | 1998 Lease Revenue Series A Bond |
| **Revenues:** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Licenses and permits | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Contribution from property owners | - | - | - | - |
| Charges for services | - | - | - | - |
| Use of money and property | 18,912 | 4,818 | 461,478 | 25,539 |
| Rents | - | - | 144,000 | - |
| Fines and forfeitures | - | - | - | - |
| Contributions | - | - | - | - |
| Miscellaneous | - | - | 4,804 | - |
| **Total Revenues** | **18,912** | **4,818** | **610,282** | **25,539** |
| **Expenditures:** | | | | |
| Current: | | | | |
| City council | - | - | - | - |
| Planning and building | - | - | - | - |
| Economic development | - | - | - | - |
| Redevelopment | 12,378 | 51,950 | 937,501 | - |
| General government | - | - | - | - |
| Property based improvement district | - | - | - | - |
| Police | - | - | - | - |
| Fire | - | - | - | - |
| Public works | - | - | - | - |
| Child development | - | - | - | - |
| Capital outlay | - | 175,632 | 11,780 | - |
| Debt service: | | | | |
| Principal retirement | - | - | - | 190,000 |
| Interest and fiscal charges | - | - | - | 265,365 |
| **Total Expenditures** | **12,378** | **227,582** | **949,281** | **455,365** |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 6,534 | (222,764) | (338,999) | (429,826) |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | - | - | 2,800,000 | 429,826 |
| Transfers out | - | - | - | - |
| Proceeds from sale of capital asset | - | - | - | - |
| **Total Other Financing Sources (Uses)** | **-** | **-** | **2,800,000** | **429,826** |
| Net Change in Fund Balances | 6,534 | (222,764) | 2,461,001 | - |
| Fund Balances, Beginning of Year | 3,982,087 | 2,460,289 | 16,455,039 | 478,905 |
| Restatements | - | - | - | - |
| Fund Balances, Beginning of Year, as Restated | 3,982,087 | 2,460,289 | 16,455,039 | 478,905 |
| **Fund Balances, End of Year** | **$ 3,988,621** | **$ 2,237,525** | **$ 18,916,040** | **$ 478,905** |

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011 (Continued)

| | Debt Service Funds | | | |
|---|---|---|---|---|
| | 1995 Housing Revenue Bond | 1998 B Revenue Bond | 1998 C Revenue Bond | 2001 A Revenue Bond |
| **Revenues:** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Licenses and permits | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Contribution from property owners | - | - | - | - |
| Charges for services | - | - | - | - |
| Use of money and property | 3 | 21 | 3 | 8 |
| Rents | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Contributions | - | - | - | - |
| Miscellaneous | - | - | - | - |
| **Total Revenues** | **3** | **21** | **3** | **8** |
| **Expenditures:** | | | | |
| Current: | | | | |
| City council | - | - | - | - |
| Planning and building | - | - | - | - |
| Economic development | - | - | - | - |
| Redevelopment | - | - | - | - |
| General government | - | - | - | - |
| Property based improvement district | - | - | - | - |
| Police | - | - | - | - |
| Fire | - | - | - | - |
| Public works | - | - | - | - |
| Child development | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal retirement | 205,000 | 1,180,000 | 440,000 | 650,000 |
| Interest and fiscal charges | 322,336 | 1,992,110 | 954,595 | 919,100 |
| **Total Expenditures** | **527,336** | **3,172,110** | **1,394,595** | **1,569,100** |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (527,333) | (3,172,089) | (1,394,592) | (1,569,092) |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | 527,336 | 3,172,110 | 1,394,595 | 1,569,100 |
| Transfers out | - | - | - | - |
| Proceeds from sale of capital asset | - | - | - | - |
| **Total Other Financing Sources (Uses)** | **527,336** | **3,172,110** | **1,394,595** | **1,569,100** |
| Net Change in Fund Balances | 3 | 21 | 3 | 8 |
| Fund Balances, Beginning of Year | 573,702 | 4,004,526 | 543,945 | 1,586,464 |
| Restatements | - | - | - | - |
| Fund Balances, Beginning of Year, as Restated | 573,702 | 4,004,526 | 543,945 | 1,586,464 |
| **Fund Balances, End of Year** | **$ 573,705** | **$ 4,004,547** | **$ 543,948** | **$ 1,586,472** |

**CITY OF EMERYVILLE**

**COMBINING STATEMENT OF REVENUES,**
**EXPENDITURES AND CHANGES IN FUND BALANCE**
**NONMAJOR GOVERNMENTAL FUNDS**
**YEAR ENDED JUNE 30, 2011**

| | Debt Service Funds | | | |
|---|---|---|---|---|
| | **2001 B Revenue Bond** | **2002 Series A Revenue Bond** | **2004 Series A Revenue Bond** | **Total Governmental Funds** |
| **Revenues:** | | | | |
| Taxes | $ - | $ - | $ - | $ 2,540,530 |
| Licenses and permits | - | - | - | 430,798 |
| Intergovernmental | - | - | - | 2,126,260 |
| Contribution from property owners | - | - | - | 50,000 |
| Charges for services | - | - | - | 1,085,676 |
| Use of money and property | 2 | 12 | 34 | 804,820 |
| Rents | - | - | - | 403,903 |
| Fines and forfeitures | - | - | - | 9,300 |
| Contributions | - | - | - | 3,158 |
| Miscellaneous | - | - | - | 1,437,720 |
| **Total Revenues** | **2** | **12** | **34** | **8,892,165** |
| **Expenditures:** | | | | |
| Current: | | | | |
| City council | - | - | - | 433 |
| Planning and building | - | - | - | 465,683 |
| Economic development | - | - | - | 323,960 |
| Redevelopment | - | - | - | 1,340,589 |
| General government | - | - | - | 1,081,185 |
| Property based improvement district | - | - | - | 2,333,268 |
| Police | - | - | - | 103,160 |
| Fire | - | - | - | 180,409 |
| Public works | - | - | - | 230,531 |
| Child development | - | - | - | 1,364,844 |
| Capital outlay | - | - | - | 911,584 |
| Debt service: | | | | |
| Principal retirement | 50,000 | 1,050,000 | 2,205,000 | 5,970,000 |
| Interest and fiscal charges | 225,531 | 744,958 | 3,199,651 | 8,623,646 |
| **Total Expenditures** | **275,531** | **1,794,958** | **5,404,651** | **22,929,292** |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (275,529) | (1,794,946) | (5,404,617) | (14,037,127) |
| **Other Financing Sources (Uses):** | | | | |
| Transfers in | 275,531 | 1,794,957 | 5,404,650 | 25,784,044 |
| Transfers out | - | - | - | (6,946,664) |
| Proceeds from sale of capital asset | - | - | - | 15,000 |
| **Total Other Financing Sources (Uses)** | **275,531** | **1,794,957** | **5,404,650** | **18,852,380** |
| Net Change in Fund Balances | 2 | 11 | 33 | 4,815,253 |
| Fund Balances, Beginning of Year | 278,000 | 1,815,504 | 5,456,519 | 72,786,568 |
| Restatements | - | - | - | 1,101,626 |
| Fund Balances, Beginning of Year, as Restated | 278,000 | 1,815,504 | 5,456,519 | 73,888,194 |
| **Fund Balances, End of Year** | **$ 278,002** | **$ 1,815,515** | **$ 5,456,552** | **$ 78,703,447** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**HOUSING COMMUNITY DEVELOPMENT**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 159,802 | $ 159,802 | $ 159,802 | $ - |
| **Resources (Inflows):** | | | | |
| Intergovernmental | 95,915 | 95,915 | 95,915 | - |
| Use of money and property | 1,561 | 1,561 | 2,222 | 661 |
| Miscellaneous | - | - | 5,004 | 5,004 |
| **Amounts Available for Appropriation** | **257,278** | **257,278** | **262,943** | **5,665** |
| **Charges to Appropriation (Outflow):** | | | | |
| Economic development | 102,515 | 173,491 | 92,496 | 80,995 |
| **Total Charges to Appropriations** | **102,515** | **173,491** | **92,496** | **80,995** |
| **Budgetary Fund Balance, June 30** | **$ 154,763** | **$ 83,787** | **$ 170,447** | **$ 86,660** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**CAL - HOME LOAN PROGRAM**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ (634,892) | $ (634,892) | $ (634,892) | $ - |
| **Resources (Inflows):** | | | | |
| Intergovernmental | - | - | 900,000 | 900,000 |
| Use of money and property | - | - | 51 | 51 |
| **Amounts Available for Appropriation** | **(634,892)** | **(634,892)** | **265,159** | **900,051** |
| **Charges to Appropriation (Outflow):** | | | | |
| Economic development | - | 38,525 | 214,000 | (175,475) |
| Transfers out | - | - | 30,000 | (30,000) |
| **Total Charges to Appropriations** | **-** | **38,525** | **244,000** | **(205,475)** |
| **Budgetary Fund Balance, June 30** | **$ (634,892)** | **$ (673,417)** | **$ 21,159** | **$ 694,576** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**POLICE IMPOUND**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 64,603 | $ 64,603 | $ 64,603 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | 640 | 640 | 943 | 303 |
| **Amounts Available for Appropriation** | **65,243** | **65,243** | **65,546** | **303** |
| **Budgetary Fund Balance, June 30** | **$ 65,243** | **$ 65,243** | **$ 65,546** | **$ 303** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**CATELLUS CONTINGENT**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 146,126 | $ 146,126 | $ 146,126 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | - | - | 2,309 | 2,309 |
| **Amounts Available for Appropriation** | **146,126** | **146,126** | **148,435** | **2,309** |
| **Charges to Appropriation (Outflow):** | | | | |
| Capital outlay | - | 122,000 | - | 122,000 |
| **Total Charges to Appropriations** | **-** | **122,000** | **-** | **122,000** |
| **Budgetary Fund Balance, June 30** | **$ 146,126** | **$ 24,126** | **$ 148,435** | **$ 124,309** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**SPECIAL GAS TAX STREET IMPROVEMENT**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 571,606 | $ 571,606 | $ 571,606 | $ - |
| **Resources (Inflows):** | | | | |
| Intergovernmental | 161,131 | 161,131 | 260,859 | 99,728 |
| Use of money and property | 2,339 | 2,339 | 8,826 | 6,487 |
| **Amounts Available for Appropriation** | **735,076** | **735,076** | **841,291** | **106,215** |
| **Charges to Appropriation (Outflow):** | | | | |
| Capital outlay | - | 331,970 | - | 331,970 |
| Transfers out | 150,000 | 150,000 | 150,000 | - |
| **Total Charges to Appropriations** | **150,000** | **481,970** | **150,000** | **331,970** |
| **Budgetary Fund Balance, June 30** | **$ 585,076** | **$ 253,106** | **$ 691,291** | **$ 438,185** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**TRAFFIC CONGESTION RELIEF**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 170,343 | $ 170,343 | $ 170,343 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | - | - | 2,688 | 2,688 |
| **Amounts Available for Appropriation** | **170,343** | **170,343** | **173,031** | **2,688** |
| **Charges to Appropriation (Outflow):** | | | | |
| Capital outlay | - | 170,000 | - | 170,000 |
| **Total Charges to Appropriations** | **-** | **170,000** | **-** | **170,000** |
| **Budgetary Fund Balance, June 30** | **$ 170,343** | **$ 343** | **$ 173,031** | **$ 172,688** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**GENERAL PLAN MAINTENANCE**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 642,897 | $ 642,897 | $ 642,897 | $ - |
| **Resources (Inflows):** | | | | |
| Licenses and permits | 268,750 | 268,750 | 422,332 | 153,582 |
| Use of money and property | 529 | 529 | 9,951 | 9,422 |
| **Amounts Available for Appropriation** | **912,176** | **912,176** | **1,075,180** | **163,004** |
| **Charges to Appropriation (Outflow):** | | | | |
| Planning and building | 691,354 | 776,854 | 465,683 | 311,171 |
| Transfers out | 10,000 | 10,000 | 10,000 | - |
| **Total Charges to Appropriations** | **701,354** | **786,854** | **475,683** | **311,171** |
| **Budgetary Fund Balance, June 30** | **$ 210,822** | **$ 125,322** | **$ 599,497** | **$ 474,175** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**CHILD DEVELOPMENT**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 587,955 | $ 587,955 | $ 587,955 | $ - |
| **Resources (Inflows):** | | | | |
| Licenses and permits | 100 | 100 | 100 | - |
| Intergovernmental | 266,325 | 266,325 | 212,567 | (53,758) |
| Charges for services | 1,193,143 | 1,198,143 | 885,021 | (313,122) |
| Use of money and property | 5,511 | 5,511 | 4,108 | (1,403) |
| Miscellaneous | 100 | 1,300 | 425 | (875) |
| **Amounts Available for Appropriation** | **2,053,134** | **2,059,334** | **1,690,176** | **(369,158)** |
| **Charges to Appropriation (Outflow):** | | | | |
| Child development | 1,464,873 | 1,509,663 | 1,364,844 | 144,819 |
| **Total Charges to Appropriations** | **1,464,873** | **1,509,663** | **1,364,844** | **144,819** |
| **Budgetary Fund Balance, June 30** | **$ 588,261** | **$ 549,671** | **$ 325,332** | **$ (224,339)** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**MEASURE B**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 709,720 | $ 709,720 | $ 709,720 | $ - |
| **Resources (Inflows):** | | | | |
| Taxes | 170,000 | 170,000 | 203,797 | 33,797 |
| Intergovernmental | 39,000 | 39,000 | 97,790 | 58,790 |
| Use of money and property | 2,969 | 2,969 | 11,698 | 8,729 |
| **Amounts Available for Appropriation** | **921,689** | **921,689** | **1,023,005** | **101,316** |
| **Charges to Appropriation (Outflow):** | | | | |
| Public works | 79,631 | 173,004 | 133,789 | 39,215 |
| Capital outlay | 215,373 | 557,331 | - | 557,331 |
| Transfers out | 7,000 | 7,000 | 7,000 | - |
| **Total Charges to Appropriations** | **302,004** | **737,335** | **140,789** | **596,546** |
| **Budgetary Fund Balance, June 30** | **$ 619,685** | **$ 184,354** | **$ 882,216** | **$ 697,862** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**EMERYVILLE PUBLIC ART**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 1,597,060 | $ 1,597,060 | $ 1,597,060 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | 13,300 | 13,300 | 26,445 | 13,145 |
| Miscellaneous | 34,000 | 34,000 | 251,247 | 217,247 |
| **Amounts Available for Appropriation** | **1,644,360** | **1,644,360** | **1,874,752** | **230,392** |
| **Charges to Appropriation (Outflow):** | | | | |
| General government | 164,425 | 187,607 | 73,556 | 114,051 |
| Capital outlay | - | 42,974 | - | 42,974 |
| **Total Charges to Appropriations** | **164,425** | **230,581** | **73,556** | **157,025** |
| **Budgetary Fund Balance, June 30** | **$ 1,479,935** | **$ 1,413,779** | **$ 1,801,196** | **$ 387,417** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**OTHER GRANTS**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1, as restated | $ 2,559,088 | $ 2,559,088 | $ 2,559,088 | $ - |
| **Resources (Inflows):** | | | | |
| Intergovernmental | - | 116,158 | 459,129 | 342,971 |
| Use of money and property | - | - | 69,892 | 69,892 |
| **Amounts Available for Appropriation** | **2,559,088** | **2,675,246** | **3,088,109** | **412,863** |
| **Charges to Appropriation (Outflow):** | | | | |
| General government | - | 3,097,702 | 187,912 | 2,909,790 |
| Capital outlay | - | 5,972 | 24,128 | (18,156) |
| Transfers out | - | - | 4,540 | (4,540) |
| **Total Charges to Appropriations** | **-** | **3,103,674** | **216,580** | **2,887,094** |
| **Budgetary Fund Balance, June 30** | **$ 2,559,088** | **$ (428,428)** | **$ 2,871,529** | **$ 3,299,957** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**TRAFFIC IMPACT FEE**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 153,124 | $ 153,124 | $ 153,124 | $ - |
| **Resources (Inflows):** | | | | |
| Licenses and permits | - | - | 8,366 | 8,366 |
| Use of money and property | - | - | 4,012 | 4,012 |
| Transfers in | - | 236,982 | 236,982 | - |
| **Amounts Available for Appropriation** | **153,124** | **390,106** | **402,484** | **12,378** |
| **Charges to Appropriation (Outflow):** | | | | |
| Public works | - | 386,982 | 50,620 | 336,362 |
| Capital outlay | - | 1,388,345 | - | 1,388,345 |
| **Total Charges to Appropriations** | **-** | **1,775,327** | **50,620** | **1,724,707** |
| **Budgetary Fund Balance, June 30** | **$ 153,124** | **$ (1,385,221)** | **$ 351,864** | **$ 1,737,085** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**SUPPLEMENTAL LAW ENFORCEMENT**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 127,404 | $ 127,404 | $ 127,404 | $ - |
| **Resources (Inflows):** | | | | |
| Intergovernmental | 100,000 | 100,000 | 100,000 | - |
| Use of money and property | 787 | 787 | 1,464 | 677 |
| Contributions | - | - | 3,158 | 3,158 |
| **Amounts Available for Appropriation** | **228,191** | **228,191** | **232,026** | **3,835** |
| **Charges to Appropriation (Outflow):** | | | | |
| Police | 100,000 | 100,000 | 103,160 | (3,160) |
| **Total Charges to Appropriations** | **100,000** | **100,000** | **103,160** | **(3,160)** |
| **Budgetary Fund Balance, June 30** | **$ 128,191** | **$ 128,191** | **$ 128,866** | **$ 675** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**EMERGENCY MEDICAL SERVICES**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 1,701 | $ 1,701 | $ 1,701 | $ - |
| **Resources (Inflows):** | | | | |
| Charges for services | 170,000 | 170,000 | 180,050 | 10,050 |
| Miscellaneous | - | - | 489 | 489 |
| **Amounts Available for Appropriation** | **171,701** | **171,701** | **182,240** | **10,539** |
| **Charges to Appropriation (Outflow):** | | | | |
| Fire | 170,000 | 170,000 | 180,409 | (10,409) |
| **Total Charges to Appropriations** | **170,000** | **170,000** | **180,409** | **(10,409)** |
| **Budgetary Fund Balance, June 30** | **$ 1,701** | **$ 1,701** | **$ 1,831** | **$ 130** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**MEASURE D**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 32,909 | $ 32,909 | $ 32,909 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | 328 | 328 | 581 | 253 |
| Miscellaneous | 25,000 | 25,000 | 44,480 | 19,480 |
| **Amounts Available for Appropriation** | **58,237** | **58,237** | **77,970** | **19,733** |
| **Charges to Appropriation (Outflow):** | | | | |
| Public works | 32,457 | 32,457 | 32,250 | 207 |
| **Total Charges to Appropriations** | **32,457** | **32,457** | **32,250** | **207** |
| **Budgetary Fund Balance, June 30** | **$ 25,780** | **$ 25,780** | **$ 45,720** | **$ 19,940** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**MAJOR MAINTENANCE**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 8,143,262 | $ 8,143,262 | $ 8,143,262 | $ - |
| **Resources (Inflows):** | | | | |
| Miscellaneous | 284,768 | 284,768 | 284,768 | - |
| Transfers in | - | 335,000 | 335,000 | - |
| **Amounts Available for Appropriation** | **8,428,030** | **8,763,030** | **8,763,030** | **-** |
| **Charges to Appropriation (Outflow):** | | | | |
| General government | 1,854,200 | 3,835,265 | 674,703 | 3,160,562 |
| **Total Charges to Appropriations** | **1,854,200** | **3,835,265** | **674,703** | **3,160,562** |
| **Budgetary Fund Balance, June 30** | **$ 6,573,830** | **$ 4,927,765** | **$ 8,088,327** | **$ 3,160,562** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**VEHICLE REPLACEMENT**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 4,094,519 | $ 4,094,519 | $ 4,094,519 | $ - |
| **Resources (Inflows):** | | | | |
| Miscellaneous | 448,066 | 448,066 | 448,066 | - |
| Proceeds from sale of capital asset | - | - | 15,000 | 15,000 |
| **Amounts Available for Appropriation** | **4,542,585** | **4,542,585** | **4,557,585** | **15,000** |
| **Charges to Appropriation (Outflow):** | | | | |
| Capital outlay | 361,495 | 405,001 | 189,785 | 215,216 |
| **Total Charges to Appropriations** | **361,495** | **405,001** | **189,785** | **215,216** |
| **Budgetary Fund Balance, June 30** | **$ 4,181,090** | **$ 4,137,584** | **$ 4,367,800** | **$ 230,216** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**INFORMATION TECHNOLOGY**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 648,536 | $ 648,536 | $ 648,536 | $ - |
| **Resources (Inflows):** | | | | |
| Miscellaneous | 173,372 | 239,372 | 259,007 | 19,635 |
| **Amounts Available for Appropriation** | **821,908** | **887,908** | **907,543** | **19,635** |
| **Charges to Appropriation (Outflow):** | | | | |
| General government | - | - | 60,726 | (60,726) |
| Capital outlay | 125,000 | 125,000 | 61,802 | 63,198 |
| **Total Charges to Appropriations** | **125,000** | **125,000** | **122,528** | **2,472** |
| **Budgetary Fund Balance, June 30** | **$ 696,908** | **$ 762,908** | **$ 785,015** | **$ 22,107** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**PROPERTY BASED IMPROVEMENT DISTRICT**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 9,975 | $ 9,975 | $ 9,975 | $ - |
| **Resources (Inflows):** | | | | |
| Taxes | 2,266,000 | 2,266,000 | 2,317,000 | 51,000 |
| Use of money and property | 1,295 | 1,295 | 7,859 | 6,564 |
| **Amounts Available for Appropriation** | **2,277,270** | **2,277,270** | **2,334,834** | **57,564** |
| **Charges to Appropriation (Outflow):** | | | | |
| Property based improvement district | 2,220,500 | 2,220,500 | 2,333,268 | (112,768) |
| **Total Charges to Appropriations** | **2,220,500** | **2,220,500** | **2,333,268** | **(112,768)** |
| **Budgetary Fund Balance, June 30** | **$ 56,770** | **$ 56,770** | **$ 1,566** | **$ (55,204)** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**PEG PROGRAM**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 26,021 | $ 26,021 | $ 26,021 | $ - |
| **Resources (Inflows):** | | | | |
| Taxes | 18,000 | 18,000 | 19,733 | 1,733 |
| Use of money and property | 668 | 668 | 518 | (150) |
| **Amounts Available for Appropriation** | **44,689** | **44,689** | **46,272** | **1,583** |
| **Charges to Appropriation (Outflow):** | | | | |
| General government | - | - | 433 | (433) |
| Community development | - | - | 17,464 | (17,464) |
| Capital outlay | - | 41,141 | - | 41,141 |
| **Total Charges to Appropriations** | **-** | **41,141** | **17,897** | **23,244** |
| **Budgetary Fund Balance, June 30** | **$ 44,689** | **$ 3,548** | **$ 28,375** | **$ 24,827** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**1999 REVENUE BOND**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| Budgetary Fund Balance, July 1 | $ 174,333 | $ 174,333 | $ 174,333 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | - | - | 2,755 | 2,755 |
| **Amounts Available for Appropriation** | **174,333** | **174,333** | **177,088** | **2,755** |
| **Charges to Appropriation (Outflow):** | | | | |
| Capital outlay | - | 149,858 | - | 149,858 |
| **Total Charges to Appropriations** | **-** | **149,858** | **-** | **149,858** |
| **Budgetary Fund Balance, June 30** | **$ 174,333** | **$ 24,475** | **$ 177,088** | **$ 152,613** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**GENERAL CAPITAL IMPROVEMENTS**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 5,008,913 | $ 5,008,913 | $ 5,008,913 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | - | - | 81,441 | 81,441 |
| Transfers in | - | 300,000 | 300,000 | - |
| **Amounts Available for Appropriation** | **5,008,913** | **5,308,913** | **5,390,354** | **81,441** |
| **Charges to Appropriation (Outflow):** | | | | |
| General government | - | 854,924 | 84,288 | 770,636 |
| Capital outlay | - | 2,980,175 | 448,457 | 2,531,718 |
| **Total Charges to Appropriations** | **-** | **3,835,099** | **532,745** | **3,302,354** |
| **Budgetary Fund Balance, June 30** | **$ 5,008,913** | **$ 1,473,814** | **$ 4,857,609** | **$ 3,383,795** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**MARINA IMPROVENMENT**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 444,027 | $ 444,027 | $ 444,027 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | - | - | 57,737 | 57,737 |
| Rents | - | - | 259,903 | 259,903 |
| Miscellaneous | - | - | 33,912 | 33,912 |
| **Amounts Available for Appropriation** | **444,027** | **444,027** | **795,579** | **351,552** |
| **Charges to Appropriation (Outflow):** | | | | |
| Public works | - | 129,936 | 4,245 | 125,691 |
| **Total Charges to Appropriations** | **-** | **129,936** | **4,245** | **125,691** |
| **Budgetary Fund Balance, June 30** | **$ 444,027** | **$ 314,091** | **$ 791,334** | **$ 477,243** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**1976 PROJECT AREA OPERATING**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1, as restated | $ 3,531,008 | $ 3,531,008 | $ 3,531,008 | $ - |
| **Resources (Inflows):** | | | | |
| Taxes | 19,138,147 | 19,138,147 | 23,260,337 | 4,122,190 |
| Use of money and property | 237,636 | 237,636 | 240,660 | 3,024 |
| Rents | 90,000 | 90,000 | 90,000 | - |
| Miscellaneous | - | - | 28,398 | 28,398 |
| **Amounts Available for Appropriation** | **22,996,791** | **22,996,791** | **27,150,403** | **4,153,612** |
| **Charges to Appropriation (Outflow):** | | | | |
| Redevelopment | 5,456,781 | 5,506,781 | 4,816,401 | 690,380 |
| Transfers out | 13,628,266 | 13,634,290 | 14,426,096 | (791,806) |
| **Total Charges to Appropriations** | **19,085,047** | **19,141,071** | **19,242,497** | **(101,426)** |
| **Budgetary Fund Balance, June 30** | **$ 3,911,744** | **$ 3,855,720** | **$ 7,907,906** | **$ 4,052,186** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**SHELLMOUND PROJECT AREA OPERATING**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 245,541 | $ 245,541 | $ 245,541 | $ - |
| **Resources (Inflows):** | | | | |
| Taxes | 12,703,059 | 12,703,059 | 14,309,449 | 1,606,390 |
| Use of money and property | 65,434 | 65,434 | 72,475 | 7,041 |
| Miscellaneous | - | - | 503 | 503 |
| **Amounts Available for Appropriation** | **13,014,034** | **13,014,034** | **14,627,968** | **1,613,934** |
| **Charges to Appropriation (Outflow):** | | | | |
| Redevelopment | 7,378,479 | 7,403,479 | 5,209,926 | 2,193,553 |
| Debt service: | | | | |
| Interest and fiscal charges | - | - | 48,591 | (48,591) |
| Transfers out | 6,301,249 | 6,307,273 | 6,569,813 | (262,540) |
| **Total Charges to Appropriations** | **13,679,728** | **13,710,752** | **11,828,330** | **1,882,422** |
| **Budgetary Fund Balance, June 30** | **$ (665,694)** | **$ (696,718)** | **$ 2,799,638** | **$ 3,496,356** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**HOMEBUYER PROGRAM LOANS**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| Budgetary Fund Balance, July 1 | $ 349,101 | $ 349,101 | $ 349,101 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | 6,959 | 6,959 | 5,518 | (1,441) |
| **Amounts Available for Appropriation** | **356,060** | **356,060** | **354,619** | **(1,441)** |
| **Budgetary Fund Balance, June 30** | **$ 356,060** | **$ 356,060** | **$ 354,619** | **$ (1,441)** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**LOW/MODERATE INCOME HOUSING OPERATING**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 8,864,157 | $ 8,864,157 | $ 8,864,157 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | 46,631 | 46,631 | (16,315) | (62,946) |
| Miscellaneous | 1,790,860 | 1,790,860 | 105,518 | (1,685,342) |
| Transfers in | 6,368,241 | 6,368,241 | 7,543,957 | 1,175,716 |
| **Amounts Available for Appropriation** | **17,069,889** | **17,069,889** | **16,497,317** | **(572,572)** |
| **Charges to Appropriation (Outflow):** | | | | |
| Redevelopment | 597,596 | 597,596 | 338,760 | 258,836 |
| Transfers out | 3,965,319 | 6,768,331 | 6,745,124 | 23,207 |
| **Total Charges to Appropriations** | **4,562,915** | **7,365,927** | **7,083,884** | **282,043** |
| **Budgetary Fund Balance, June 30** | **$ 12,506,974** | **$ 9,703,962** | **$ 9,413,433** | **$ (290,529)** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**HOUSING REVOLVING LOAN OPERATING**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 2,182,568 | $ 2,182,568 | $ 2,182,568 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | 48,317 | 48,317 | 128,868 | 80,551 |
| Miscellaneous | - | - | 336,331 | 336,331 |
| Transfers in | 220,000 | 220,000 | 220,000 | - |
| **Amounts Available for Appropriation** | **2,450,885** | **2,450,885** | **2,867,767** | **416,882** |
| **Charges to Appropriation (Outflow):** | | | | |
| Redevelopment | 300,000 | 300,000 | 633,930 | (333,930) |
| **Total Charges to Appropriations** | **300,000** | **300,000** | **633,930** | **(333,930)** |
| **Budgetary Fund Balance, June 30** | **$ 2,150,885** | **$ 2,150,885** | **$ 2,233,837** | **$ 82,952** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**2001 A REVENUE BOND**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 3,982,087 | $ 3,982,087 | $ 3,982,087 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | - | - | 18,912 | 18,912 |
| **Amounts Available for Appropriation** | **3,982,087** | **3,982,087** | **4,000,999** | **18,912** |
| **Charges to Appropriation (Outflow):** | | | | |
| Redevelopment | - | 508,079 | 12,378 | 495,701 |
| Capital outlay | - | 2,834,571 | - | 2,834,571 |
| **Total Charges to Appropriations** | **-** | **3,342,650** | **12,378** | **3,330,272** |
| **Budgetary Fund Balance, June 30** | **$ 3,982,087** | **$ 639,437** | **$ 3,988,621** | **$ 3,349,184** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**2002 A REVENUE BOND**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 2,460,289 | $ 2,460,289 | $ 2,460,289 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | - | - | 4,818 | 4,818 |
| **Amounts Available for Appropriation** | **2,460,289** | **2,460,289** | **2,465,107** | **4,818** |
| **Charges to Appropriation (Outflow):** | | | | |
| Redevelopment | - | - | 51,950 | (51,950) |
| Capital outlay | - | 2,490,590 | 175,632 | 2,314,958 |
| **Total Charges to Appropriations** | **-** | **2,490,590** | **227,582** | **2,263,008** |
| **Budgetary Fund Balance, June 30** | **$ 2,460,289** | **$ (30,301)** | **$ 2,237,525** | **$ 2,267,826** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**2004 SERIES A REVENUE BOND**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 44,584,361 | $ 44,584,361 | $ 44,584,361 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | - | - | (38,200) | (38,200) |
| **Amounts Available for Appropriation** | **44,584,361** | **44,584,361** | **44,546,161** | **(38,200)** |
| **Charges to Appropriation (Outflow):** | | | | |
| Redevelopment | - | 23,268,385 | 4,087,819 | 19,180,566 |
| Capital outlay | - | 30,301,535 | 899,356 | 29,402,179 |
| **Total Charges to Appropriations** | **-** | **53,569,920** | **4,987,175** | **48,582,745** |
| **Budgetary Fund Balance, June 30** | **$ 44,584,361** | **$ (8,985,559)** | **$ 39,558,986** | **$ 48,544,545** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**1976 AREA CAPITAL PROJECTS**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 37,388,832 | $ 37,388,832 | $ 37,388,832 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | - | - | 525,974 | 525,974 |
| Developer participation | - | - | 168,000 | 168,000 |
| Miscellaneous | - | - | 174,388 | 174,388 |
| **Amounts Available for Appropriation** | **37,388,832** | **37,388,832** | **38,257,194** | **868,362** |
| **Charges to Appropriation (Outflow):** | | | | |
| Redevelopment | - | 41,247 | 2,247,525 | (2,206,278) |
| Capital outlay | - | 18,843,777 | 4,055,625 | 14,788,152 |
| **Total Charges to Appropriations** | **-** | **18,885,024** | **6,303,150** | **12,581,874** |
| **Budgetary Fund Balance, June 30** | **$ 37,388,832** | **$ 18,503,808** | **$ 31,954,044** | **$ 13,450,236** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**SHELLMOUND CAPITAL PROJECT**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 14,822,188 | $ 14,822,188 | $ 14,822,188 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | - | - | 288,227 | 288,227 |
| Miscellaneous | - | - | 19,671 | 19,671 |
| **Amounts Available for Appropriation** | **14,822,188** | **14,822,188** | **15,130,086** | **307,898** |
| **Charges to Appropriation (Outflow):** | | | | |
| Redevelopment | - | 1,926 | 444,952 | (443,026) |
| Capital outlay | - | 11,006,519 | 3,295,976 | 7,710,543 |
| **Total Charges to Appropriations** | **-** | **11,008,445** | **3,740,928** | **7,267,517** |
| **Budgetary Fund Balance, June 30** | **$ 14,822,188** | **$ 3,813,743** | **$ 11,389,158** | **$ 7,575,415** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**HOUSING CAPITAL PROJECT**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 16,455,039 | $ 16,455,039 | $ 16,455,039 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | - | - | 461,478 | 461,478 |
| Rents | - | - | 144,000 | 144,000 |
| Miscellaneous | - | - | 4,804 | 4,804 |
| Transfers in | - | 2,800,000 | 2,800,000 | - |
| **Amounts Available for Appropriation** | **16,455,039** | **19,255,039** | **19,865,321** | **610,282** |
| **Charges to Appropriation (Outflow):** | | | | |
| Redevelopment | - | 16,417,090 | 937,501 | 15,479,589 |
| Capital outlay | - | 2,836,373 | 11,780 | 2,824,593 |
| **Total Charges to Appropriations** | **-** | **19,253,463** | **949,281** | **18,304,182** |
| **Budgetary Fund Balance, June 30** | **$ 16,455,039** | **$ 1,576** | **$ 18,916,040** | **$ 18,914,464** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**1998 LEASE REVENUE SERIES A BOND**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 478,905 | $ 478,905 | $ 478,905 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | 26,100 | 26,100 | 25,539 | (561) |
| Transfers in | 430,000 | 430,000 | 429,826 | (174) |
| **Amounts Available for Appropriation** | **935,005** | **935,005** | **934,270** | **(735)** |
| **Charges to Appropriation (Outflow):** | | | | |
| Debt service: | | | | |
| Principal retirement | 190,000 | 190,000 | 190,000 | - |
| Interest and fiscal charges | 265,365 | 265,365 | 265,365 | - |
| **Total Charges to Appropriations** | **455,365** | **455,365** | **455,365** | **-** |
| **Budgetary Fund Balance, June 30** | **$ 479,640** | **$ 479,640** | **$ 478,905** | **$ (735)** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**1995 HOUSING REVENUE BOND**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 573,702 | $ 573,702 | $ 573,702 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | 2,900 | 2,900 | 3 | (2,897) |
| Transfers in | 524,436 | 524,436 | 527,336 | 2,900 |
| **Amounts Available for Appropriation** | **1,101,038** | **1,101,038** | **1,101,041** | **3** |
| **Charges to Appropriation (Outflow):** | | | | |
| Debt service: | | | | |
| Principal retirement | 205,000 | 205,000 | 205,000 | - |
| Interest and fiscal charges | 322,336 | 322,336 | 322,336 | - |
| **Total Charges to Appropriations** | **527,336** | **527,336** | **527,336** | **-** |
| **Budgetary Fund Balance, June 30** | **$ 573,702** | **$ 573,702** | **$ 573,705** | **$ 3** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**1998 B REVENUE BOND**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 4,004,526 | $ 4,004,526 | $ 4,004,526 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | 20,142 | 20,142 | 21 | (20,121) |
| Transfers in | 3,151,968 | 3,151,968 | 3,172,110 | 20,142 |
| **Amounts Available for Appropriation** | **7,176,636** | **7,176,636** | **7,176,657** | **21** |
| **Charges to Appropriation (Outflow):** | | | | |
| Debt service: | | | | |
| Principal retirement | 1,180,000 | 1,180,000 | 1,180,000 | - |
| Interest and fiscal charges | 1,992,110 | 1,992,110 | 1,992,110 | - |
| **Total Charges to Appropriations** | **3,172,110** | **3,172,110** | **3,172,110** | **-** |
| **Budgetary Fund Balance, June 30** | **$ 4,004,526** | **$ 4,004,526** | **$ 4,004,547** | **$ 21** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**1998 C REVENUE BOND**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 543,945 | $ 543,945 | $ 543,945 | $ - |
| Use of money and property | 2,715 | 2,715 | 3 | (2,712) |
| Transfers in | 1,388,883 | 1,388,883 | 1,394,595 | 5,712 |
| **Amounts Available for Appropriation** | **1,935,543** | **1,935,543** | **1,938,543** | **3,000** |
| **Charges to Appropriation (Outflow):** | | | | |
| Debt service: | | | | |
| Principal retirement | 440,000 | 440,000 | 440,000 | - |
| Interest and fiscal charges | 954,594 | 954,594 | 954,595 | (1) |
| **Total Charges to Appropriations** | **1,394,594** | **1,394,594** | **1,394,595** | **(1)** |
| **Budgetary Fund Balance, June 30** | **$ 540,949** | **$ 540,949** | **$ 543,948** | **$ 2,999** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**2001 A REVENUE BOND**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 1,586,464 | $ 1,586,464 | $ 1,586,464 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | 7,944 | 7,944 | 8 | (7,936) |
| Transfers in | 1,561,156 | 1,561,156 | 1,569,100 | 7,944 |
| **Amounts Available for Appropriation** | **3,155,564** | **3,155,564** | **3,155,572** | **8** |
| **Charges to Appropriation (Outflow):** | | | | |
| Debt service: | | | | |
| Principal retirement | 650,000 | 650,000 | 650,000 | - |
| Interest and fiscal charges | 919,100 | 919,100 | 919,100 | - |
| **Total Charges to Appropriations** | **1,569,100** | **1,569,100** | **1,569,100** | **-** |
| **Budgetary Fund Balance, June 30** | **$ 1,586,464** | **$ 1,586,464** | **$ 1,586,472** | **$ 8** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**2001 B REVENUE BOND**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 278,000 | $ 278,000 | $ 278,000 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | 1,390 | 1,390 | 2 | (1,388) |
| Transfers in | 274,141 | 274,141 | 275,531 | 1,390 |
| **Amounts Available for Appropriation** | **553,531** | **553,531** | **553,533** | **2** |
| **Charges to Appropriation (Outflow):** | | | | |
| Debt service: | | | | |
| Principal retirement | 50,000 | 50,000 | 50,000 | - |
| Interest and fiscal charges | 225,531 | 225,531 | 225,531 | - |
| **Total Charges to Appropriations** | **275,531** | **275,531** | **275,531** | **-** |
| **Budgetary Fund Balance, June 30** | **$ 278,000** | **$ 278,000** | **$ 278,002** | **$ 2** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**2002 SERIES A REVENUE BOND**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 1,815,504 | $ 1,815,504 | $ 1,815,504 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | 9,078 | 9,078 | 12 | (9,066) |
| Transfers in | 1,785,880 | 1,785,880 | 1,794,957 | 9,077 |
| **Amounts Available for Appropriation** | **3,610,462** | **3,610,462** | **3,610,473** | **11** |
| **Charges to Appropriation (Outflow):** | | | | |
| Debt service: | | | | |
| Principal retirement | 1,050,000 | 1,050,000 | 1,050,000 | - |
| Interest and fiscal charges | 744,958 | 744,958 | 744,958 | - |
| **Total Charges to Appropriations** | **1,794,958** | **1,794,958** | **1,794,958** | **-** |
| **Budgetary Fund Balance, June 30** | **$ 1,815,504** | **$ 1,815,504** | **$ 1,815,515** | **$ 11** |

**CITY OF EMERYVILLE**

**BUDGETARY COMPARISON SCHEDULE**
**2004 SERIES A REVENUE BOND**
**YEAR ENDED JUNE 30, 2011**

| | Budget Amounts | | Actual | Variance with Final Budget Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| Budgetary Fund Balance, July 1 | $ 5,456,519 | $ 5,456,519 | $ 5,456,519 | $ - |
| **Resources (Inflows):** | | | | |
| Use of money and property | 27,282 | 27,282 | 34 | (27,248) |
| Transfers in | 5,392,530 | 5,392,530 | 5,404,650 | 12,120 |
| **Amounts Available for Appropriation** | **10,876,331** | **10,876,331** | **10,861,203** | **(15,128)** |
| **Charges to Appropriation (Outflow):** | | | | |
| Debt service: | | | | |
| Principal retirement | 2,205,000 | 2,205,000 | 2,205,000 | - |
| Interest and fiscal charges | 3,199,651 | 3,199,651 | 3,199,651 | - |
| **Total Charges to Appropriations** | **5,404,651** | **5,404,651** | **5,404,651** | **-** |
| **Budgetary Fund Balance, June 30** | **$ 5,471,680** | **$ 5,471,680** | **$ 5,456,552** | **$ (15,128)** |

## INTERNAL SERVICE FUNDS

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 ASSETS**
**INTERNAL SERVICE FUNDS**
**JUNE 30, 2011**

| | Litigation | MESA | Worker's Compensation Self-Insurance | Dental Self-Insurance |
|---|---|---|---|---|
| **Assets:** | | | | |
| Current: | | | | |
| Cash and investments | $ 1,604,181 | $ - | $ 4,672,955 | $ 100,381 |
| Receivables: | | | | |
| Accounts | - | - | - | - |
| Accrued interest | 696 | - | 4,580 | 40 |
| Prepaid costs | - | - | - | - |
| **Total Current Assets** | **1,604,877** | **-** | **4,677,535** | **100,421** |
| **Total Assets** | **$ 1,604,877** | **$ -** | **$ 4,677,535** | **$ 100,421** |
| **Liabilities and Net Assets:** | | | | |
| **Liabilities:** | | | | |
| Current: | | | | |
| Accounts payable | $ 27,498 | $ - | $ 98,070 | $ 21,542 |
| **Total Current Liabilities** | **27,498** | **-** | **98,070** | **21,542** |
| Noncurrent: | | | | |
| Accrued compensated absences | - | - | - | - |
| Accrued claims and judgments | 374,417 | - | 1,428,101 | - |
| **Total Noncurrent Liabilities** | **374,417** | **-** | **1,428,101** | **-** |
| **Total Liabilities** | **401,915** | **-** | **1,526,171** | **21,542** |
| **Net Assets:** | | | | |
| Unrestricted | 1,202,962 | - | 3,151,364 | 78,879 |
| **Total Net Assets** | **1,202,962** | **-** | **3,151,364** | **78,879** |
| **Total Liabilities and Net Assets** | **$ 1,604,877** | **$ -** | **$ 4,677,535** | **$ 100,421** |

**CITY OF EMERYVILLE**

**COMBINING STATEMENT OF NET ASSETS**
**INTERNAL SERVICE FUNDS**
**JUNE 30, 2011**

| | Unemployment Self-Insurance | Accrued Benefits | Post Employment | Totals |
|---|---|---|---|---|
| **Assets:** | | | | |
| Current: | | | | |
| Cash and investments | $ 157,982 | $ 3,405,729 | $ 6,245,274 | $ 16,186,502 |
| Receivables: | | | | |
| Accounts | - | - | 3,976 | 3,976 |
| Accrued interest | 71 | 1,572 | 2,715 | 9,674 |
| Prepaid costs | - | - | 20,898 | 20,898 |
| **Total Current Assets** | **158,053** | **3,407,301** | **6,272,863** | **16,221,050** |
| **Total Assets** | **$ 158,053** | **$ 3,407,301** | **$ 6,272,863** | **$ 16,221,050** |
| **Liabilities and Net Assets:** | | | | |
| **Liabilities:** | | | | |
| Current: | | | | |
| Accounts payable | $ - | $ - | $ - | $ 147,110 |
| **Total Current Liabilities** | **-** | **-** | **-** | **147,110** |
| Noncurrent: | | | | |
| Accrued compensated absences | - | 3,930,673 | - | 3,930,673 |
| Accrued claims and judgments | - | - | - | 1,802,518 |
| **Total Noncurrent Liabilities** | **-** | **3,930,673** | **-** | **5,733,191** |
| **Total Liabilities** | **-** | **3,930,673** | **-** | **5,880,301** |
| **Net Assets:** | | | | |
| Unrestricted | 158,053 | (523,372) | 6,272,863 | 10,340,749 |
| **Total Net Assets** | **158,053** | **(523,372)** | **6,272,863** | **10,340,749** |
| **Total Liabilities and Net Assets** | **$ 158,053** | **$ 3,407,301** | **$ 6,272,863** | **$ 16,221,050** |

**CITYOF EMERYVILLE**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**
**INTERNAL SERVICE FUNDS**
**YEAR ENDED JUNE 30, 2011**

| | Litigation | MESA | Worker's Compensation Self-Insurance | Dental Self-Insurance |
|---|---|---|---|---|
| **Operating Revenues:** | | | | |
| Sales and service charges | - | 7,843,816 | 641,514 | 174,396 |
| **Total Operating Revenues** | **-** | **7,843,816** | **641,514** | **174,396** |
| **Operating Expenses:** | | | | |
| Administration and general | 290,977 | 7,843,816 | 219,442 | 24,886 |
| Claims expense | 457,334 | - | 573,706 | 205,969 |
| **Total Operating Expenses** | **748,311** | **7,843,816** | **793,148** | **230,855** |
| Operating Income (Loss) | (748,311) | - | (151,634) | (56,459) |
| **Nonoperating Revenues (Expenses):** | | | | |
| Interest revenue | 25,995 | - | 71,266 | (465) |
| **Total Nonoperating Revenues (Expenses)** | **25,995** | **-** | **71,266** | **(465)** |
| Income (Loss) Before Transfers | (722,316) | - | (80,368) | (56,924) |
| Transfers in | 380,000 | - | - | 200,000 |
| Changes in Net Assets | (342,316) | - | (80,368) | 143,076 |
| **Net Assets:** | | | | |
| Beginning of Year | 1,545,278 | - | 3,231,732 | (64,197) |
| **End of Fiscal Year** | **$ 1,202,962** | **$ -** | **$ 3,151,364** | **$ 78,879** |

**CITYOF EMERYVILLE**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**
**INTERNAL SERVICE FUNDS**
**YEAR ENDED JUNE 30, 2011**

| | Unemployment Self-Insurance | Accrued Benefits | Post Employment | Totals |
|---|---|---|---|---|
| **Operating Revenues:** | | | | |
| Sales and service charges | 14,614 | 129,066 | 203,308 | $ 9,006,714 |
| **Total Operating Revenues** | **14,614** | **129,066** | **203,308** | **9,006,714** |
| **Operating Expenses:** | | | | |
| Administration and general | - | 549,296 | 1,255,787 | 10,184,204 |
| Claims expense | 88,777 | - | - | 1,325,786 |
| **Total Operating Expenses** | **88,777** | **549,296** | **1,255,787** | **11,509,990** |
| Operating Income (Loss) | (74,163) | (420,230) | (1,052,479) | (2,503,276) |
| **Nonoperating Revenues (Expenses):** | | | | |
| Interest revenue | 1,967 | 55,552 | 86,084 | 240,399 |
| **Total Nonoperating Revenues (Expenses)** | **1,967** | **55,552** | **86,084** | **240,399** |
| Income (Loss) Before Transfers | (72,196) | (364,678) | (966,395) | (2,262,877) |
| Transfers in | 100,000 | - | 1,900,000 | 2,580,000 |
| Changes in Net Assets | 27,804 | (364,678) | 933,605 | 317,123 |
| **Net Assets:** | | | | |
| Beginning of Year | 130,249 | (158,694) | 5,339,258 | 10,023,626 |
| **End of Fiscal Year** | **$ 158,053** | **$ (523,372)** | **$ 6,272,863** | **$ 10,340,749** |

**CITY OF EMERYVILLE**

**COMBINING STATEMENT OF CASH FLOWS**
**INTERNAL SERVICE FUNDS**
**YEAR ENDED JUNE 30, 2011**

| | Litigation | MESA | Worker's Compensation Self-Insurance | Dental Self-Insurance |
|---|---|---|---|---|
| **Cash Flows from Operating Activities:** | | | | |
| Cash received from customers and users | $ - | $ 7,843,816 | $ 641,514 | $ 174,396 |
| Cash paid to employees for services | (290,977) | (7,843,816) | (219,442) | (24,886) |
| Claims paid | (162,339) | - | (505,808) | (199,459) |
| **Net Cash Provided (Used) by Operating Activities** | **(453,316)** | **-** | **(83,736)** | **(49,949)** |
| **Cash Flows from Non-Capital Financing Activities:** | | | | |
| Cash transfers in | 380,000 | - | - | 200,000 |
| Due to other funds | - | - | - | (49,165) |
| **Net Cash Provided (Used) by Non-Capital Financing Activities** | **380,000** | **-** | **-** | **150,835** |
| **Cash Flows from Investing Activities:** | | | | |
| Interest received | 25,777 | - | 68,029 | (505) |
| **Net Cash Provided (Used) by Investing Activities** | **25,777** | **-** | **68,029** | **(505)** |
| **Net Increase (Decrease) in Cash and Cash Equivalents** | **(47,539)** | **-** | **(15,707)** | **100,381** |
| Cash and Cash Equivalents at Beginning of Year | 1,651,720 | - | 4,688,662 | - |
| **Cash and Cash Equivalents at End of Year** | **$ 1,604,181** | **$ -** | **$ 4,672,955** | **$ 100,381** |
| **Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:** | | | | |
| Operating income (loss) | $ (748,311) | $ - | $ (151,634) | $ (56,459) |
| **Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:** | | | | |
| (Increase) decrease in accounts receivable | - | - | - | - |
| (Increase) decrease in prepaid expense | - | - | - | - |
| Increase (decrease) in accounts payable | 4,018 | - | 17,079 | 6,510 |
| Increase (decrease) in claims and judgments | 290,977 | - | 50,819 | - |
| Increase (decrease) in compensated absences | - | - | - | - |
| **Total Adjustments** | **294,995** | **-** | **67,898** | **6,510** |
| **Net Cash Provided (Used) by Operating Activities** | **$ (453,316)** | **$ -** | **$ (83,736)** | **$ (49,949)** |

**Non-Cash Investing, Capital, and Financing Activities:**
No noncash investing, capital, or financing activities.

**CITY OF EMERYVILLE**

**COMBINING STATEMENT OF CASH FLOWS**
**INTERNAL SERVICE FUNDS**
**YEAR ENDED JUNE 30, 2011**

| | Unemployment Self-Insurance | Accrued Benefits | Post Employment | Totals |
|---|---|---|---|---|
| **Cash Flows from Operating Activities:** | | | | |
| Cash received from customers and users | $ 14,614 | $ 129,066 | $ 204,017 | $ 9,007,423 |
| Cash paid to employees for services | - | (224,030) | (1,254,256) | (9,857,407) |
| Claims paid | (88,777) | - | - | (956,383) |
| **Net Cash Provided (Used) by Operating Activities** | **(74,163)** | **(94,964)** | **(1,050,239)** | **(1,806,367)** |
| **Cash Flows from Non-Capital Financing Activities:** | | | | |
| Cash transfers in | 100,000 | - | 1,900,000 | 2,580,000 |
| Due to other funds | - | - | - | (49,165) |
| **Net Cash Provided (Used) by Non-Capital Financing Activities** | **100,000** | **-** | **1,900,000** | **2,530,835** |
| **Cash Flows from Investing Activities:** | | | | |
| Interest received | 1,935 | 55,059 | 84,912 | 235,207 |
| **Net Cash Provided (Used) by Investing Activities** | **1,935** | **55,059** | **84,912** | **235,207** |
| **Net Increase (Decrease) in Cash and Cash Equivalents** | **27,772** | **(39,905)** | **934,673** | **959,675** |
| Cash and Cash Equivalents at Beginning of Year | 130,210 | 3,445,634 | 5,310,601 | 15,226,827 |
| **Cash and Cash Equivalents at End of Year** | **$ 157,982** | **$ 3,405,729** | **$ 6,245,274** | **$ 16,186,502** |
| **Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:** | | | | |
| Operating income (loss) | $ (74,163) | $ (420,230) | $ (1,052,479) | $ (2,503,276) |
| **Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:** | | | | |
| (Increase) decrease in accounts receivable | - | - | 709 | 709 |
| (Increase) decrease in prepaid expense | - | - | 1,531 | 1,531 |
| Increase (decrease) in accounts payable | - | - | - | 27,607 |
| Increase (decrease) in claims and judgments | - | - | - | 341,796 |
| Increase (decrease) in compensated absences | - | 325,266 | - | 325,266 |
| **Total Adjustments** | **-** | **325,266** | **2,240** | **696,909** |
| **Net Cash Provided (Used) by Operating Activities** | **$ (74,163)** | **$ (94,964)** | **$ (1,050,239)** | **$ (1,806,367)** |

**Non-Cash Investing, Capital, and Financing Activities:**
No noncash investing, capital, or financing activities.

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## AGENCY FUNDS

The *Assessment District Funds and 1999 Revenue Bonds Fund* 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.

**CITY OF EMERYVILLE**

**COMBINING BALANCE SHEET**
**ALL AGENCY FUNDS**
**JUNE 30, 2011**

| | 1999 Revenue Bonds | East Baybridge Assessment District | Bay Shellmound Assessment District | West Emeryville Assessment District | Totals |
|---|---|---|---|---|---|
| **Assets:** | | | | | |
| Pooled cash and investments | $ - | $ 697,229 | $ 1,843,607 | $ 311,477 | $ 2,852,313 |
| Receivables: | | | | | |
| Accounts | - | - | 18,401 | - | 18,401 |
| Accrued interest | - | 8,547 | 8,665 | 3,422 | 20,634 |
| Restricted assets: | | | | | |
| Cash and investments with fiscal agents | 41,876 | 430,357 | 409,979 | 171,419 | 1,053,631 |
| **Total Assets** | **$ 41,876** | **$ 1,136,133** | **$ 2,280,652** | **$ 486,318** | **$ 3,944,979** |
| Accounts payable | $ - | $ - | $ 3,153 | $ - | $ 3,153 |
| Deposits payable | - | - | 6,163 | - | 6,163 |
| Due to bondholders | 41,876 | 1,136,133 | 2,271,336 | 486,318 | 3,935,663 |
| **Total Liabilities** | **$ 41,876** | **$ 1,136,133** | **$ 2,280,652** | **$ 486,318** | **$ 3,944,979** |

CITY OF EMERYVILLE

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2011

| | Balance 7/1/2010 | Additions | Deductions | Balance 6/30/2011 |
|---|---|---|---|---|
| **1999 Revenue Bonds** | | | | |
| **Assets:** | | | | |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | $ 46,177 | $ 1,232,644 | $ 1,236,945 | $ 41,876 |
| **Total Assets** | **$ 46,177** | **$ 1,232,644** | **$ 1,236,945** | **$ 41,876** |
| **Liabilities:** | | | | |
| Due to bondholders | $ 46,177 | $ 1,232,644 | $ 1,236,945 | $ 41,876 |
| **Total Liabilities** | **$ 46,177** | **$ 1,232,644** | **$ 1,236,945** | **$ 41,876** |
| **East Baybridge Assessment District** | | | | |
| **Assets:** | | | | |
| Pooled cash and investments | $ 662,657 | $ 587,472 | $ 552,900 | $ 697,229 |
| Receivables: | | | | |
| Accrued interest | 7,945 | 8,546 | 7,944 | 8,547 |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | 407,024 | 23,333 | - | 430,357 |
| **Total Assets** | **$ 1,077,626** | **$ 619,351** | **$ 560,844** | **$ 1,136,133** |
| **Liabilities:** | | | | |
| Due to bondholders | $ 1,077,626 | $ 619,352 | $ 560,845 | $ 1,136,133 |
| **Total Liabilities** | **$ 1,077,626** | **$ 619,352** | **$ 560,845** | **$ 1,136,133** |
| **Bay Shellmound Assessment District** | | | | |
| **Assets:** | | | | |
| Pooled cash and investments | $ 1,677,268 | $ 684,076 | $ 517,737 | $ 1,843,607 |
| Receivables: | | | | |
| Accounts | 964 | 18,401 | 964 | 18,401 |
| Accrued interest | 8,152 | 9,362 | 8,849 | 8,665 |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | 387,753 | 22,226 | - | 409,979 |
| **Total Assets** | **$ 2,074,137** | **$ 734,065** | **$ 527,550** | **$ 2,280,652** |
| **Liabilities:** | | | | |
| Accounts payable | $ 3,153 | $ - | $ - | $ 3,153 |
| Deposits payable | 6,163 | - | - | 6,163 |
| Due to bondholders | 2,064,821 | 734,065 | 527,550 | 2,271,336 |
| **Total Liabilities** | **$ 2,074,137** | **$ 734,065** | **$ 527,550** | **$ 2,280,652** |

CITY OF EMERYVILLE

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2011

| | Balance 7/1/2010 | Additions | Deductions | Balance 6/30/2011 |
|---|---|---|---|---|
| **West Emeryville Assessment District** | | | | |
| **Assets:** | | | | |
| Pooled cash and investments | $ 316,069 | $ 210,913 | $ 215,505 | $ 311,477 |
| Receivables: | | | | |
| Accrued interest | 3,183 | 3,422 | 3,183 | 3,422 |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | 162,124 | 9,295 | - | 171,419 |
| **Total Assets** | **$ 481,376** | **$ 223,630** | **$ 218,688** | **$ 486,318** |
| **Liabilities:** | | | | |
| Due to bondholders | $ 481,376 | $ 223,629 | $ 218,687 | $ 486,318 |
| **Total Liabilities** | **$ 481,376** | **$ 223,629** | **$ 218,687** | **$ 486,318** |
| **Totals - All Agency Funds** | | | | |
| **Assets:** | | | | |
| Pooled cash and investments | $ 2,655,994 | $ 1,482,461 | $ 1,286,142 | $ 2,852,313 |
| Receivables: | | | | |
| Accounts | 964 | 18,401 | 964 | 18,401 |
| Accrued interest | 19,280 | 21,330 | 19,976 | 20,634 |
| Restricted assets: | | | | |
| Cash and investments with fiscal agents | 1,003,078 | 1,287,498 | 1,236,945 | 1,053,631 |
| **Total Assets** | **$ 3,679,316** | **$ 2,809,690** | **$ 2,544,027** | **$ 3,944,979** |
| **Liabilities:** | | | | |
| Accounts payable | $ 3,153 | $ - | $ - | $ 3,153 |
| Deposits payable | 6,163 | - | - | 6,163 |
| Due to bondholders | 3,670,000 | 2,809,690 | 2,544,027 | 3,935,663 |
| **Total Liabilities** | **$ 3,679,316** | **$ 2,809,690** | **$ 2,544,027** | **$ 3,944,979** |

# 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.


| Contents | Schedule |
|---|---|
| **Financial Trends** | **I - IV** |
| *These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.* | |
| **Revenue Capacity** | **V - VIII** |
| *These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.* | |
| **Debt Capacity** | **IX - XIII** |
| *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.* | |
| **Demographic and Economic Information** | **XIV - XVI** |
| *These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.* | |
| **Operating Information** | **XVII - XVIII** |
| *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.* | |


**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 Assets by Component,**
**Last Ten Fiscal Years**
*(accrual basis of accounting)*

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|
| Governmental activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | $ (15,185,193) | $ - | $ 40,381,177 | $ 39,589,974 | $ 39,741,298 | $ 44,679,385 | $ 45,624,891 | $ 47,455,979 | $ 51,086,554 | $ 52,917,776 |
| Restricted | 28,091,744 | 26,817,684 | 26,129,164 | 20,444,469 | 22,001,010 | 25,361,875 | 31,928,191 | 27,566,548 | 28,694,740 | 161,404,308 |
| Unrestricted | 32,967,681 | 37,095,621 | 19,279,143 | 30,924,365 | 42,314,439 | 58,347,347 | 76,120,953 | 94,167,245 | 95,305,761 | (35,693,521) |
| Total governmental activities net assets | $ 45,874,232 | $ 63,913,305 | $ 85,789,484 | $ 90,958,808 | $ 104,056,747 | $ 128,388,607 | $ 153,674,035 | $ 169,189,772 | $ 175,087,055 | $ 178,628,563 |
| Business-type activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | $ 3,036,331 | $ 2,975,022 | $ 2,385,087 | $ 2,420,237 | $ 2,400,187 | $ 2,815,484 | $ 2,768,244 | $ 2,726,354 | $ 2,685,102 | $ 5,190,570 |
| Restricted | - | 1,078,737 | 1,838,907 | - | - | - | - | - | | |
| Unrestricted | 2,244,332 | 1,631,830 | 1,382,119 | 3,760,457 | 4,765,037 | 4,973,781 | 5,766,411 | 6,516,549 | 6,578,055 | 3,992,116 |
| Total business-type activities net assets | $ 5,280,663 | $ 5,685,589 | $ 5,606,113 | $ 6,180,694 | $ 7,165,224 | $ 7,789,265 | $ 8,534,655 | $ 9,242,903 | $ 9,263,157 | $ 9,182,686 |
| Primary government | | | | | | | | | | |
| Invested in capital assets, net of related debt | $ (12,148,862) | $ 2,975,022 | $ 42,766,264 | $ 42,010,211 | $ 42,141,485 | $ 47,494,869 | $ 48,393,135 | $ 50,182,333 | $ 53,771,656 | $ 58,108,346 |
| Restricted | 28,091,744 | 27,896,421 | 27,968,071 | 20,444,469 | 22,001,010 | 25,361,875 | 31,928,191 | 27,566,548 | 28,694,740 | 161,404,308 |
| Unrestricted | 35,212,013 | 38,727,451 | 20,661,262 | 34,684,822 | 47,079,476 | 63,321,128 | 81,887,364 | 100,683,794 | 101,883,816 | (31,701,405) |
| Total primary government net assets | $ 51,154,895 | $ 69,598,894 | $ 91,395,597 | $ 97,139,502 | $ 111,221,971 | $ 136,177,872 | $ 162,208,690 | $ 178,432,675 | $ 184,350,212 | $ 187,811,249 |

**Schedule II**

**City of Emeryville**

**Changes in Assets Last Ten Fiscal Years**

*(accrual basis of accounting)*

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Expenses** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| City council | $ 113,082 | $ 108,075 | $ 128,296 | $ 124,236 | $ 125,752 | $ 119,703 | $ 123,826 | $ 139,372 | $ 141,431 | $ 198,545 |
| City manager | 622,210 | 622,810 | 725,797 | 631,382 | 629,595 | 567,851 | 805,612 | 760,588 | 777,540 | 785,948 |
| City attorney | 408,159 | 396,996 | 556,514 | 528,833 | 621,655 | 620,662 | 615,743 | 696,673 | 687,990 | 575,138 |
| Finance | 1,307,554 | 1,492,520 | 1,704,216 | 1,797,089 | 1,864,206 | 2,039,000 | 2,001,973 | 2,050,675 | 1,362,144 | 980,690 |
| Information Technology (1) | | | | | | | | | 682,399 | 851,621 |
| Human resources | 382,973 | 394,282 | 467,320 | 462,966 | 521,857 | 595,072 | 550,701 | 531,416 | 545,760 | 519,904 |
| Plannning and building | 1,788,980 | 1,975,502 | 1,791,768 | 2,441,484 | 2,880,131 | 2,957,202 | 2,978,736 | 2,932,602 | 2,855,451 | 2,431,549 |
| Economic development | 817,807 | 750,207 | 1,052,935 | 1,651,443 | 1,181,689 | 1,414,540 | 1,719,998 | 1,482,903 | 2,092,230 | 1,332,486 |
| Redevelopment | 4,972,364 | 7,426,588 | 9,329,595 | 15,090,595 | 12,671,911 | 16,022,636 | 16,941,774 | 26,016,656 | 37,230,877 | 24,835,711 |
| Non-departmental operations | 2,923,632 | 1,796,688 | 2,325,250 | 5,582,209 | 2,516,411 | 4,018,092 | 3,301,852 | 3,078,565 | 3,189,056 | 2,403,558 |
| Property Based Imrovement District | 1,328,639 | 1,464,211 | 1,633,538 | 1,721,352 | 1,574,734 | 2,043,197 | 2,092,145 | 2,063,870 | 2,384,609 | 2,333,268 |
| Police | 6,107,654 | 5,947,799 | 8,119,270 | 7,590,800 | 7,180,308 | 8,286,959 | 10,272,438 | 10,303,278 | 9,907,348 | 11,378,218 |
| Fire | 5,043,384 | 4,444,790 | 5,962,280 | 5,560,464 | 5,838,347 | 6,557,802 | 5,760,401 | 5,912,612 | 5,763,592 | 6,609,451 |
| Public Works | 2,449,298 | 2,780,617 | 3,676,024 | 3,546,299 | 3,921,640 | 3,307,206 | 6,064,185 | 4,154,511 | 8,938,989 | 6,315,903 |
| Community Services | - | - | - | - | - | 193,360 | 265,439 | 357,290 | 358,905 | 462,352 |
| Child Development | 1,312,691 | 1,361,575 | 1,549,785 | 1,468,195 | 1,378,616 | 1,453,714 | 1,530,760 | 1,693,305 | 1,603,991 | 1,532,716 |
| Recreation | 891,771 | 966,009 | 1,195,437 | 1,149,469 | 1,206,877 | 1,142,167 | 1,015,084 | 1,029,780 | 937,924 | 789,805 |
| Senior Center | 333,293 | 401,786 | 412,522 | 418,237 | 449,857 | 440,690 | 530,964 | 536,909 | 567,625 | 493,312 |
| Interest on long-term debt | 7,348,606 | 6,412,229 | 6,362,762 | 9,268,716 | 9,687,190 | 9,504,584 | 9,241,792 | 9,104,600 | 8,937,852 | 8,601,997 |
| Total governmental activities expenses | 38,152,097 | 38,742,684 | 46,993,309 | 59,033,769 | 54,250,776 | 61,284,437 | 65,813,423 | 72,845,605 | 88,965,713 | 73,432,172 |
| Business-type activities: | | | | | | | | | | |
| Sewer | 501,928 | 559,957 | 563,453 | 388,761 | 395,854 | 525,578 | 349,292 | 439,523 | 975,257 | 917,778 |
| Total business-type activities expenses | 501,928 | 559,957 | 563,453 | 388,761 | 395,854 | 525,578 | 349,292 | 439,523 | 975,257 | 917,778 |
| Total primary government expenses | $ 38,654,025 | $ 39,302,641 | $ 47,556,762 | $ 59,422,530 | $ 54,646,630 | $ 61,810,015 | $ 66,162,715 | $ 73,285,128 | $ 89,940,970 | $ 74,349,950 |
| **Program Revenues** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General Government | $ 2,351,359 | $ 4,427,118 | $ 3,329,056 | $ 3,067,806 | $ 4,389,675 | $ 5,260,940 | $ 4,650,934 | $ 5,503,928 | $ 5,462,010 | $ 3,476,829 |
| Public Safety | 843,128 | 886,894 | 779,599 | 665,541 | 1,129,658 | 872,314 | 966,343 | 1,077,967 | 1,373,872 | 1,060,203 |
| Redevelopment | 787,640 | 467,402 | 401,558 | - | - | - | - | - | - | 100,444 |
| Property Based Improvement District | 1,489,862 | 1,490,346 | 1,554,753 | 1,597,419 | 1,493,675 | 1,970,868 | 2,051,664 | 2,189,409 | 2,172,072 | 2,317,000 |
| Child Development | 462,548 | 515,447 | 532,633 | 612,371 | 644,744 | 863,899 | 1,139,586 | 869,110 | 797,967 | 1,016,489 |
| Operating grants and contributions | 1,316,503 | 997,990 | 3,382,592 | 3,571,353 | 2,980,846 | 4,236,333 | 10,773,461 | 5,179,992 | 21,942,183 | 3,928,985 |
| Capital grants and contributions | 48,330 | 681,599 | 537,299 | - | 400,249 | 120,000 | 794,347 | 2,558,389 | 1,335,791 | 457,353 |
| Total governmental activities program revenues | 7,299,370 | 9,466,796 | 10,517,490 | 9,514,490 | 11,038,847 | 13,324,354 | 20,376,335 | 17,378,795 | 33,083,895 | 12,357,303 |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Sewer | 964,972 | 951,174 | 1,587,106 | 929,189 | 1,314,538 | 830,248 | 941,668 | 1,016,606 | 967,023 | 836,303 |
| Operating grants and contributions | - | - | - | - | - | - | - | - | - | - |
| Capital grants and contributions | - | - | - | - | - | - | - | - | - | - |
| Total business-type activities program revenues | 964,972 | 951,174 | 1,587,106 | 929,189 | 1,314,538 | 830,248 | 941,668 | 1,016,606 | 967,023 | 836,303 |
| Total primary government program revenues | $ 8,264,342 | $ 10,417,970 | $ 12,104,596 | $ 10,443,679 | $ 12,353,385 | $ 14,154,602 | $ 21,318,003 | $ 18,395,401 | $ 34,050,918 | $ 13,193,606 |

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

**City of Emeryville**

**Changes in Assets Last Ten Fiscal Years**

*(accrual basis of accounting)*

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Net (Expense)/Revenue** | | | | | | | | | | |
| Governmental activities | $ (30,852,727) | $ (29,275,888) | $ (36,475,819) | $ (49,519,279) | $ (43,211,929) | $ (47,960,083) | $ (45,437,088) | $ (55,466,810) | $ (55,881,818) | $ (61,074,869) |
| Business-type activities | 463,044 | 391,217 | 1,023,653 | 540,428 | 918,684 | 304,670 | 592,376 | 577,083 | (8,234) | (81,475) |
| Total primary government net expense | $ (30,389,683) | $ (28,884,671) | $ (35,452,166) | $ (48,978,851) | $ (42,293,245) | $ (47,655,413) | $ (44,844,712) | $ (54,889,727) | $ (55,890,052) | $ (61,156,344) |
| **General Revenues and Other Changes in Net Assets** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property taxes | $ 971,369 | $ 901,615 | $ 1,158,469 | $ 1,252,010 | $ 1,825,989 | $ 1,351,860 | $ 1,624,465 | $ 1,798,545 | $ 1,824,396 | $ 1,385,512 |
| Tax Increment | 16,763,632 | 20,044,369 | 22,168,102 | 22,487,012 | 25,189,937 | 30,156,114 | 33,982,231 | 38,363,304 | 36,644,379 | 37,569,786 |
| Transient occupancy taxes | 2,533,779 | 2,723,043 | 3,023,054 | 3,194,690 | 3,158,631 | 3,681,085 | 4,247,032 | 3,877,678 | 3,298,492 | 3,598,234 |
| Sales taxes | 6,735,230 | 6,638,746 | 6,607,614 | 7,344,186 | 7,786,248 | 7,406,050 | 6,473,304 | 6,411,968 | 5,741,125 | 6,849,909 |
| Franchise taxes | 917,262 | 946,415 | 942,245 | 949,735 | 1,061,325 | 1,129,301 | 1,131,489 | 1,141,576 | 1,062,273 | 1,176,642 |
| Business license taxes | 4,495,900 | 4,213,611 | 4,648,213 | 4,961,252 | 5,025,409 | 4,980,950 | 5,724,761 | 5,904,689 | 5,929,317 | 5,723,477 |
| Other taxes | 2,681,862 | 2,709,936 | 2,446,114 | 2,623,059 | 2,856,848 | 3,178,491 | 2,614,811 | 3,202,474 | 2,976,049 | 3,587,949 |
| Motor Vehicle in lieu | - | - | 344,331 | 612,366 | 531,919 | 578,137 | 598,245 | 667,790 | 665,517 | 662,256 |
| Use of money and property | 4,905,781 | 4,994,246 | 2,307,216 | 6,978,546 | 6,164,623 | 10,167,903 | 10,011,985 | 7,627,702 | 4,437,068 | 3,032,246 |
| Miscellaneous | 2,591,096 | 4,066,480 | 2,491,168 | 5,201,000 | 2,639,133 | 4,350,809 | 685,366 | 712,318 | 1,722,367 | 58,330 |
| Sale of air rights | - | - | - | - | - | 5,693,580 | - | - | - | - |
| Gain (loss) on capital asset | - | - | - | - | - | 302,381 | (92,755) | - | - | - |
| Transfers | 61,500 | 76,500 | 76,500 | 76,500 | (118,495) | 81,500 | 81,500 | 81,500 | 81,500 | 81,500 |
| Total governmental activities | 42,657,411 | 47,314,961 | 46,213,026 | 55,680,356 | 56,121,567 | 73,058,161 | 67,082,434 | 69,789,544 | 64,382,483 | 63,725,841 |
| Business-type activities: | | | | | | | | | | |
| Use of money and property | 85,006 | 90,209 | 79,431 | 110,653 | 147,351 | 191,518 | 234,514 | 212,665 | 107,628 | 82,504 |
| Miscellaneous | - | - | 35,214 | - | | 209,353 | | | 2,360 | - |
| Transfers | (61,500) | (76,500) | (76,500) | (76,500) | (81,505) | (81,500) | (81,500) | (81,500) | (81,500) | (81,500) |
| Total business-type activities | 23,506 | 13,709 | 38,145 | 34,153 | 65,846 | 319,371 | 153,014 | 131,165 | 28,488 | 1,004 |
| Total primary government | $ 42,680,917 | $ 47,328,670 | $ 46,251,171 | $ 55,714,509 | $ 56,187,413 | $ 73,377,532 | $ 67,235,448 | $ 69,920,709 | $ 64,410,971 | $ 63,726,845 |
| **Change in Net Assets** | | | | | | | | | | |
| Governmental activities | $ 11,804,684 | $ 18,039,073 | $ 9,737,207 | $ 6,161,077 | $ 12,909,638 | $ 25,098,078 | $ 21,645,346 | $ 14,322,734 | $ 8,500,665 | $ 2,650,972 |
| Business-type activities | 486,550 | 404,926 | 1,061,798 | 574,581 | 984,530 | 624,041 | 745,390 | 708,248 | 20,254 | (80,471) |
| Total primary government | $ 12,291,234 | $ 18,443,999 | $ 10,799,005 | $ 6,735,658 | $ 13,894,168 | $ 25,722,119 | $ 22,390,736 | $ 15,030,982 | $ 8,520,919 | $ 2,570,501 |

**Schedule III**

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

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|
| General Fund | | | | | | | | | | |
| Reserved | $ 358,261 | $ 514,542 | $ 658,099 | $ 935,212 | $ 1,006,218 | $ 1,302,567 | $ 1,450,715 | $ 2,062,314 | $ 1,211,802 | |
| Unreserved | 9,062,938 | 9,565,590 | 8,012,457 | 9,163,793 | 10,375,140 | 10,212,690 | 9,831,543 | 9,493,564 | 11,749,778 | |
| Total general fund | $ 9,421,199 | $ 10,080,132 | $ 8,670,556 | $ 10,099,005 | $ 11,381,358 | $ 11,515,257 | $ 11,282,258 | $ 11,555,878 | $ 12,961,580 | |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | $ 9,400,225 | $ 20,414,784 | $ 23,911,079 | $ 10,323,979 | $ 12,481,766 | $ 16,701,779 | $ 19,860,004 | $ 32,703,444 | $ 40,529,689 | |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue funds | 13,932,934 | 18,898,310 | 17,130,004 | 19,032,831 | 24,506,637 | 30,114,927 | 29,748,247 | 28,360,608 | 26,771,369 | |
| Capital projects funds | 45,594,213 | 47,847,502 | 45,296,359 | 128,156,255 | 124,349,034 | 121,354,023 | 124,419,613 | 119,307,997 | 103,496,938 | |
| Debt service funds | 14,533,686 | 14,039,841 | 13,602,618 | 19,051,135 | 19,116,643 | 19,200,288 | 19,196,120 | 14,745,692 | 14,737,565 | |
| Total all other governmental funds | $ 83,461,058 | $ 101,200,437 | $ 99,940,060 | $ 176,564,200 | $ 180,454,080 | $ 187,371,017 | $ 193,223,984 | $ 195,117,741 | $ 185,535,561 | |

| | 2011 |
|---|---|
| General Fund | |
| Nonspendable: | |
| Prepaid costs | $ 189,434 |
| Restricted for: | |
| Small Business Incentive | 100,000 |
| Committed to: | |
| PERS liability | 1,945,339 |
| Unassigned: | |
| Economic uncertainty | 5,367,334 |
| Unassigned | 13,861,557 |
| Total General Fund | $ 21,463,664 |
| All other government funds: | |
| Nonspendable: | |
| Prepaid costs | $ 27,934 |
| Land held for resale | 26,888,408 |
| Advances to other funds | 10,011,641 |
| Restricted for: | |
| Community development projects | 2,955,239 |
| Public safety | 266,814 |
| Public works | 1,976,114 |
| Capital Projects | 104,089,100 |
| Debt service | 14,737,646 |
| Committed to: | |
| Homebuyer program loans | 354,619 |
| Major maintenance | 8,088,327 |
| Vehicle replacement | 4,367,800 |
| Information technology | 785,015 |
| Unassigned: | |
| Unassigned | (1,641) |
| Total all other governmental funds | $ 174,547,016 |

**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 only.

**Schedule IV**

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

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | |
| Taxes | $ 36,729,901 | $ 39,841,339 | $ 42,729,971 | $ 44,182,848 | $ 48,793,624 | $ 54,286,845 | $ 57,416,080 | $ 62,260,327 | $ 59,594,232 | $ 62,022,736 |
| Licenses, fees, and permits | 2,454,599 | 3,456,943 | 2,360,654 | 2,510,410 | 3,848,477 | 4,369,694 | 3,061,480 | 3,665,600 | 4,039,437 | 2,558,273 |
| Intergovernmental | 1,198,115 | 1,211,015 | 2,211,319 | 1,555,486 | 1,910,627 | 2,079,639 | 4,769,391 | 2,448,418 | 2,965,319 | 3,410,662 |
| Charges for services | 1,690,919 | 2,016,972 | 2,179,891 | 1,733,807 | 2,215,720 | 2,389,562 | 2,777,655 | 2,422,894 | 2,442,332 | 2,274,895 |
| Investment earnings | 4,380,726 | 4,002,814 | 1,261,798 | 5,866,104 | 4,839,798 | 8,833,397 | 9,361,636 | 6,375,524 | 3,331,813 | 2,010,040 |
| Rents | 511,400 | 565,475 | 631,847 | 632,628 | 771,979 | 779,194 | 609,815 | 715,484 | 845,542 | 781,807 |
| Other revenues | 2,849,317 | 10,843,256 | 3,129,801 | 5,303,256 | 3,810,803 | 4,613,959 | 5,112,149 | 6,314,830 | 20,332,670 | 2,613,627 |
| Total revenues | 49,814,977 | 61,937,814 | 54,505,281 | 61,784,539 | 66,191,028 | 77,352,290 | 83,108,206 | 84,203,077 | 93,551,345 | 75,672,040 |
| **Expenditures** | | | | | | | | | | |
| City Council | 109,107 | 109,238 | 115,175 | 119,292 | 125,094 | 117,919 | 122,078 | 131,274 | 132,389 | 147,941 |
| City Manager | 599,692 | 630,030 | 671,143 | 622,358 | 636,025 | 554,207 | 785,851 | 738,751 | 763,775 | 760,533 |
| City Attorney | 393,077 | 407,459 | 510,089 | 518,690 | 629,813 | 606,042 | 594,227 | 675,627 | 678,656 | 541,624 |
| Finance | 1,239,367 | 1,500,441 | 1,575,068 | 1,773,506 | 1,872,501 | 2,008,647 | 1,977,740 | 2,017,656 | 1,351,689 | 917,673 |
| Information Technology (1) | | | | | | | | | 440,670 | 444,276 |
| Human Resources | 368,882 | 399,591 | 428,015 | 453,707 | 527,248 | 580,868 | 534,250 | 514,585 | 539,778 | 491,723 |
| Planning and Building | 1,750,770 | 1,989,007 | 1,662,849 | 2,412,669 | 2,882,572 | 2,877,907 | 2,892,497 | 2,838,860 | 2,793,409 | 2,304,144 |
| Economic Development | 793,786 | 755,708 | 972,688 | 1,634,941 | 1,189,289 | 1,393,764 | 1,700,746 | 1,428,830 | 2,041,803 | 1,242,756 |
| Redevelopment | 4,574,517 | 8,895,583 | 8,453,262 | 14,105,682 | 9,284,404 | 14,750,608 | 19,294,331 | 24,887,274 | 34,623,788 | 18,781,142 |
| Non-Departmental Operations | 1,268,112 | 1,258,550 | 1,260,428 | 4,298,597 | 2,184,445 | 2,448,212 | 2,002,667 | 2,402,666 | 2,168,993 | 4,005,895 |
| Property Based Improvement District | 1,328,639 | 1,464,211 | 1,633,538 | 1,721,352 | 1,574,734 | 2,043,197 | 2,092,145 | 2,063,870 | 2,384,609 | 2,333,268 |
| Police | 5,489,246 | 6,001,618 | 6,642,626 | 7,164,649 | 7,279,845 | 8,030,793 | 9,898,521 | 12,155,789 | 9,706,465 | 10,386,454 |
| Fire | 4,525,097 | 4,433,738 | 4,915,428 | 5,135,035 | 5,831,401 | 6,365,550 | 10,547,177 | 5,504,167 | 5,695,318 | 5,937,520 |
| Public Works | 2,238,829 | 2,462,679 | 2,102,467 | 2,079,964 | 2,454,546 | 2,622,510 | 2,732,077 | 3,216,528 | 5,170,171 | 2,636,403 |
| Community Services | - | - | - | - | - | 193,360 | 263,874 | 352,167 | 358,087 | 462,352 |
| Child Development | 1,204,922 | 1,350,335 | 1,363,067 | 1,383,093 | 1,347,742 | 1,350,070 | 1,443,670 | 1,573,597 | 1,545,577 | 1,364,844 |
| Recreation | 867,750 | 970,536 | 1,095,798 | 1,126,425 | 1,208,298 | 1,106,571 | 964,295 | 969,904 | 899,251 | 708,542 |
| Senior Center | 322,872 | 401,888 | 378,674 | 409,491 | 448,370 | 420,379 | 514,210 | 520,093 | 558,459 | 472,716 |
| Capital outlay | 3,379,959 | 4,291,615 | 13,973,483 | 5,653,415 | 8,415,265 | 11,933,912 | 5,926,581 | 6,623,829 | 12,342,884 | 9,180,434 |
| Debt service | | | | | | | | | | |
| Principal Retirement | 2,007,635 | 1,905,862 | 2,629,532 | 3,123,670 | 3,248,301 | 5,075,000 | 5,285,000 | 5,517,241 | 5,753,867 | 5,984,749 |
| Interest | 7,332,852 | 7,032,252 | 6,409,538 | 8,127,335 | 9,718,709 | 9,553,180 | 9,341,317 | 9,113,633 | 8,995,617 | 8,675,548 |
| Debt Issuance Costs | - | - | - | 2,121,098 | - | - | - | - | - | - |
| Total expenditures | 39,795,111 | 46,260,341 | 56,792,868 | 63,984,969 | 60,858,602 | 74,032,696 | 78,913,254 | 83,246,341 | 98,945,255 | 77,780,537 |
| Excess of revenues over (under) expenditures | 10,019,866 | 15,677,473 | (2,287,587) | (2,200,430) | 5,332,426 | 3,319,594 | 4,194,952 | 956,736 | (5,393,910) | (2,108,497) |
| **Other Financing Sources (Uses)** | | | | | | | | | | |
| Bonds issued | 26,420,000 | 22,991,499 | — | 80,371,777 | - | - | - | - | - | - |
| Payment to Refunded Bond Escrow Agent | — | (19,887,160) | — | — | - | - | - | - | - | - |
| Transfers in | 30,594,062 | 21,979,192 | 26,114,680 | 32,034,524 | 26,338,864 | 30,751,036 | 34,373,549 | 36,587,324 | 38,586,573 | 29,245,881 |
| Transfers out | (31,042,562) | (22,362,692) | (26,498,180) | (32,153,024) | (26,687,359) | (32,049,536) | (36,604,049) | (36,935,824) | (38,935,073) | (31,744,381) |
| Sale of Air Rights | - | - | - | - | - | 5,693,580 | - | - | - | - |
| Other debt issued | | | | | | | | 78,726 | - | - |
| Proceeds from the sale capital assets | | | | | | | | 287,380 | 169,314 | 15,000 |
| Gain on Sale of Land | - | - | - | - | - | 302,381 | - | - | - | - |
| Total other financing sources (uses) | 25,971,500 | 2,720,839 | (383,500) | 80,253,277 | (348,495) | 4,697,461 | (2,230,500) | 17,606 | (179,186) | (2,483,500) |
| Net change in Fund Balance | $ 35,991,366 | $ 18,398,312 | $ (2,671,087) | $ 78,052,847 | $ 4,983,931 | $ 8,017,055 | $ 1,964,452 | $ 974,342 | $ (5,573,096) | $ (4,591,997) |
| Debt service as a percentage noncapital expenditures | 33.2% | 26.5% | 25.4% | 24.3% | 31.2% | 31.4% | 24.4% | 23.5% | 19.4% | 25.0% |

(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 (%) [1] |
|---|---|---|---|---|---|
| 2002 | $ 1,772,280,644 | $ 305,964,910 | $ (37,237,649) | $ 2,041,007,905 | 0.2182 |
| 2003 | $ 2,022,040,548 | $ 356,017,244 | $ (37,416,761) | $ 2,340,641,031 | 0.2182 |
| 2004 | $ 2,277,982,731 | $ 317,640,769 | $ (39,163,976) | $ 2,556,459,524 | 0.2182 |
| 2005 | $ 2,428,730,524 | $ 300,120,138 | $ (39,177,936) | $ 5,118,403,250 | 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 |

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

[1] Total Direct Tax Rate is respresented 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.

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

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| 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 | 0.4371 | 0.4371 | 0.4371 | 0.4371 | 0.4371 | 0.4371 | 0.4371 | 0.4371 |
| Emery Unified School District | 0.1407 | 0.1378 | 0.1374 | 0.1354 | 0.1339 | 0.1317 | 0.1290 | 0.1284 | 0.1283 | 0.1287 |
| Other Taxing Districts | 0.2607 | 0.2622 | 0.2473 | 0.2638 | 0.2712 | 0.2771 | 0.2740 | 0.2912 | 0.2956 | 0.2908 |
| | 1.0567 | 1.0553 | 1.0400 | 1.0545 | 1.0604 | 1.0641 | 1.0583 | 1.0749 | 1.0792 | 1.0748 |

**Source:** County of Alameda - Auditor/Controllers Office

**Notes:**
1. The above tax rates are applied per $100 of assesed valuation for TRA 14-000.
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 Ten Years Ago**

| | Fiscal year 2010-11 | | | Fiscal year 2000-01 | | |
|---|---|---|---|---|---|---|
| **Taxpayer** | **Taxable Assessed Value** | **Rank** | **Percentage of Total City Taxable Assessed Value** | **Taxable Assessed Value** | **Rank** | **Percentage of Total City Taxable Assessed Value** |
| SA Challenger Inc | $ 252,803,003 | 1 | 6.16% | | | |
| Chiron Corporation | 210,467,408 | 2 | 5.13% | $ 233,539,198 | 1 | 13.15% |
| Emery Station Joint Venture LLC | 209,751,546 | 3 | 5.11% | 35,470,800 | 6 | 2.00% |
| Madison Manhattan Village LLC | 200,989,818 | 4 | 4.90% | | | |
| Pixar | 179,913,707 | 5 | 4.39% | 26,166,465 | 9 | 1.47% |
| Hines Reit Watergate LP | 150,484,249 | 6 | 3.67% | | | |
| Bay Center Investor LLC | 127,146,425 | 7 | 3.10% | | | |
| Novartis Vaccines Diagnostic | 102,831,909 | 8 | 2.51% | | | |
| STRS Ohio Ca Real Estate Inves | 99,835,214 | 9 | 2.43% | | | |
| BRE FMCA LLC | 87,719,708 | 10 | 2.14% | | | |
| Windsor Metropolitan LP | 67,797,656 | 11 | 1.65% | | | |
| 6400 Christie Avenue | 66,974,078 | 12 | 1.63% | | | |
| ASN Emeryville LLC | 61,986,216 | 13 | 1.51% | | | |
| Catellus Dev Corp | 57,045,606 | 14 | 1.39% | | | |
| CEP Emery Tech Investors LLC | 48,644,365 | 15 | 1.19% | | | |
| HPTMI Properties Trust | 46,722,382 | 16 | 1.14% | | | |
| Marketplace Mortgage LLC | 44,808,547 | 17 | 1.09% | | | |
| Regency Centers LP | 42,916,863 | 18 | 1.05% | | | |
| Ikea Property Inc. | 41,386,502 | 19 | 1.01% | 22,522,571 | 10 | 1.27% |
| Griffin Capital Atrium Investors | 36,554,526 | 20 | 0.89% | | | |
| Hollis Street Investors II LLC' | 36,429,049 | 21 | 0.89% | | | |
| ADF Emeryville Ownco LLC | 27,995,145 | 22 | 0.68% | | | |
| Bayrock Oaks LLC | 27,423,242 | 23 | 0.67% | | | |
| Hardage Hotels X LLC | 27,293,093 | 24 | 0.67% | | | |
| Emeryville Homes LLC | 26,863,248 | 25 | 0.65% | | | |
| Spieker Properties Limited Partnership | | | | 131,520,043 | 2 | 7.41% |
| Bay Center Associates | | | | 47,051,048 | 3 | 2.65% |
| Christie Avenue Partners | | | | 42,300,285 | 4 | 2.38% |
| Aetna Real Estate Associates | | | | 36,573,375 | 5 | 2.06% |
| Bay Center Apartment Associates | | | | 34,079,310 | 7 | 1.92% |
| Sybase | | | | 26,625,389 | 8 | 1.50% |
| Total Top 25 Taxpayers | $ 2,282,783,505 | | 55.66% | $ 635,848,484 | | 35.82% |

Source: 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 |
| 2002 | 983,622 | 880,035 | 89.47% | 50,197 | 930,232 | 94.57% |
| 2003 | 1,071,724 | 949,137 | 88.56% | 167,818 | 1,116,955 | 104.22% |
| 2004 | 1,092,196 | 975,461 | 89.31% | 138,355 | 1,113,816 | 101.98% |
| 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% |

Source: County of Alameda Auditor-Controller

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

| | Governmental Activities | | | | Business-type Activities | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Fiscal Year | Lease Revenue Bonds | Redevelopment Bonds | Assessment District Bonds | Capital Leases | Sewer Loans | Marina Loans | Total Primary Government | Percentage of Property Value | Debt Per Capita |
| 2002 | 6,620,000 | 118,165,000 | - | 697,365 | 226,958 | - | 125,709,323 | 6.16% | 17,287 |
| 2003 | 6,485,000 | 119,190,000 | - | 536,503 | 209,238 | - | 126,420,741 | 5.40% | 16,829 |
| 2004 | 6,340,000 | 116,875,000 | - | 366,971 | 190,984 | - | 123,772,955 | 4.84% | 16,169 |
| 2005 | 6,190,000 | 192,870,000 | - | 188,301 | 172,185 | - | 199,420,486 | 3.90% | 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% | 19,126 |
| 2009 | 5,530,000 | 174,610,000 | - | 61,484 | 91,165 | - | 180,292,649 | 4.41% | 17,874 |
| 2010 | 5,345,000 | 169,055,000 | - | 47,617 | 69,371 | 502,900 | 175,019,888 | 4.25% | 17,114 |
| 2011 | 5,155,000 | 163,275,000 | - | 32,868 | 46,934 | 471,394 | 168,981,196 | 4.12% | 16,690 |

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.

## Schedule X

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

| | Outstanding General Debt | | | | | |
|---|---|---|---|---|---|---|
| Fiscal Year | Lease Revenue Bonds | Redevelopment Bonds | Assessment District Bonds | Total | Percent of Assessed Value | Debt Per Capita |
| 2002 | 6,620,000 | 118,165,000 | - | 124,785,000 | 6.11% | 17,160 |
| 2003 | 6,485,000 | 119,190,000 | - | 125,675,000 | 5.37% | 16,730 |
| 2004 | 6,340,000 | 116,875,000 | - | 123,215,000 | 4.82% | 16,096 |
| 2005 | 6,190,000 | 194,408,078 | - | 200,598,078 | 3.92% | 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% | 19,114 |
| 2009 | 5,530,000 | 174,610,000 | - | 180,140,000 | 4.41% | 17,859 |
| 2010 | 5,345,000 | 169,055,000 | - | 174,400,000 | 4.23% | 17,053 |
| 2011 | 5,155,000 | 163,275,000 | - | 168,430,000 | 4.11% | 16,635 |

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

**City of Emeryville**
**Statement of Direct and Overlapping Bonded Debt**
**As of June 30, 2011**

| | |
|---|---|
| 2010-11 Assessed Valuation | $4,112,641,908 |
| Redevelopment Incremental Valuation | 3,519,491,707 |
| Adjusted Assessed Valuation | 593,150,201 |

| OVERLAPPING TAX INCREMENT DEBT: | Total Debt 6/30/2011 | % Applicable [1] | City's Share of Debt 6/30/11 |
|---|---|---|---|
| 1995 Revenue Bonds, Series B | $5,110,000 | 100 | $5,110,000 |
| 1998 Revenue Bonds, Series B | 39,410,000 | 100 | 39,410,000 |
| 1998 Revenue Bonds, Series C (Taxable) | 14,030,000 | 100 | 14,030,000 |
| 2001 Revenue Bonds, Series A | 18,110,000 | 100 | 18,110,000 |
| 2001 Revenue Bonds, Series B (Taxable) | 3,125,000 | 100 | 3,125,000 |
| 2002 Revenue Bonds, Series A | 14,950,000 | 100 | 14,950,000 |
| 2004 Revenue Bonds, Series A | 68,540,000 | 100 | 68,540,000 |
| TOTAL OVERLAPPING TAX INCREMENT DEBT | | | $163,275,000 |
| DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT: | | | |
| Bay Area Rapid Transit District | 413,865,000 | 0.136% | 562,856 |
| Peralta Community College District | 435,575,000 | 1.080 | 4,704,210 |
| Emery Unified School District | 33,824,600 | 100 | 33,824,600 |
| Oakland Unified School District | 713,910,000 | 0.002 | 14,278 |
| **City of Emeryville** | **-** | **100** | **-** |
| City of Emeryville 1915 Act Bonds | 8,145,000 | 100 | 8,145,000 |
| East Bay Municipal Utility District, Special District No. 1 | 24,545,000 | 0.996 | 244,468 |
| East Bay Regional Park District | 153,990,000 | 0.211 | 324,919 |
| TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT | | | 47,820,331 |
| DIRECT AND OVERLAPPING TAX AND ASSESSMENT AND TAX INCREMENT DEBT | | | $211,095,331 |
| DIRECT AND OVERLAPPING GENERAL FUND DEBT: | | | |
| Alameda County General Fund Obligations | 711,512,000 | 0.352% | 2,504,522 |
| Alameda County Pension Obligations | 154,584,741 | 0.352 | 544,138 |
| Alameda-Contra Costa Transit District Certificates of Participation | 37,465,000 | 0.429 | 160,725 |
| Peralta Community College District Pension Obligations | 151,709,090 | 1.080 | 1,638,458 |
| Oakland Unified School District Certificates of Participation | 60,905,000 | 0.002 | 1,218 |
| **City of Emeryville General Fund Obligations** | **5,155,000** | **100** | **5,155,000** |
| TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT | | | 10,004,061 |
| COMBINED TOTAL DEBT | | | 57,824,392 [2] |

| | |
|---|---|
| Ratios to Incremental Valuation: | |
| Overlapping Tax Increment Debt | 4.64% |
| Ratios to 2010-11 Assessed Valuation: | |
| **Direct Debt** | **0.00%** |
| Direct and Overlapping Tax and Assessment Debt | 1.16% |
| Direct and Overlapping Tax, Assessment and Tax Increment Debt | 5.13% |
| Ratios to Adjusted Assessed Valuation: | |
| **Combined Direct Debt ($5,155,000)** | **0.87%** |
| Combined Total Debt | 9.75% |
| STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/11: | 0 |

Source: California Municipal Statistics Inc.

Notes:

(1) Percentage of overlapping agency's assessed valuation located within boundaries of the City.

(2) Direct and overlapping tax and assessment debt combined with general fund 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 borned 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 burdend borned 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.

**City of Emeryville**
**Legal Debt Margin Information,**
**Last Ten Fiscal Years**

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Total assessed value for fiscal year | $ 2,078,245,554 | $ 2,378,057,792 | $ 2,595,623,500 | $ 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 |
| Debt limit (15% of assessed value) | $ 311,736,833 | $ 356,708,669 | $ 389,343,525 | $ 409,327,599 | $ 446,841,169 | $ 497,965,067 | $ 562,030,986 | $ 618,792,164 | $ 632,733,930 | $ 628,697,012 |
| Total general obligation bonds | - | - | - | - | - | - | - | - | - | - |
| Legal debt margin | $ 311,736,833 | $ 356,708,669 | $ 389,343,525 | $ 409,327,599 | $ 446,841,169 | $ 497,965,067 | $ 562,030,986 | $ 618,792,164 | $ 632,733,930 | $ 628,697,012 |
| Total net debt applicable to the limit 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**

| | Public Financing Authority Revenue Bonds | | | | Assessment District Improvement Bonds | | | |
|---|---|---|---|---|---|---|---|---|
| | | Debt Service | | | | Debt Service | | |
| Fiscal Year | Tax Increment | Principal | Interest | Coverage | Tax Assessments | Principal | Interest | Coverage |
| 2002 | 16,763,632 | 1,725,000 | 6,517,923 | 2.03 | - | - | - | - |
| 2003 | 20,044,369 | 2,170,000 | 6,774,842 | 2.24 | - | - | - | - |
| 2004 | 22,168,102 | 2,315,000 | 6,066,197 | 2.64 | - | - | - | - |
| 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 | - | - | - | - |

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 Calendar Years**

| Calendar Year | Population (1) | Taxable Assessed Values (2) | Per Capita Taxable Assessed Values | Average Unemployment Rate (3) |
|---|---|---|---|---|
| 2002 | 7,272 | 2,041,007,905 | 280,667 | 3.5% |
| 2003 | 7,512 | 2,340,641,031 | 311,587 | 5.0% |
| 2004 | 7,655 | 2,556,459,524 | 333,959 | 5.1% |
| 2005 | 8,221 | 5,118,403,250 | 622,601 | 4.4% |
| 2006 | 8,537 | 2,938,876,241 | 344,252 | 3.8% |
| 2007 | 9,163 | 3,279,749,099 | 357,934 | 3.2% |
| 2008 | 9,712 | 3,704,274,958 | 381,412 | 3.5% |
| 2009 | 10,087 | 4,088,358,073 | 405,310 | 4.5% |
| 2010 | 10,227 | 4,121,929,136 | 403,044 | 7.7% |
| 2011 | 10,125 | 4,101,358,008 | 405,072 | 7.9% |

Sources:
(1) CA Department of Finance
(2) County of Alameda, Auditor Controllers Office
(3) CA Employment Development Department; MuniServices LLC; fiscal year 2010-11

Note: Data pertaining to personal income not readily available, therefore, the City used taxable assessed values to calculate per capita property values

**City of Emeryville**
**Principal Employers,**
**Current Year and Ten Years Ago**

| | 2011 | | | 2001 | | |
|---|---|---|---|---|---|---|
| **Employer** | **Employees** | **Rank** | **Percentage of Total City Employment** | **Employees** | **Rank** | **Percentage of Total City Employment** |
| Pixar | 1,275 | 1 | 5.96% | 602 | 4 | 3.04% |
| Novartis | 840 | 2 | 3.93% | 1,656 | 1 | 8.35% |
| AC Transit | 526 | 3 | 2.46% | 450 | 5 | 2.27% |
| Bayer Healthcare Pharmaceuticals | 499 | 4 | 2.33% | | | |
| Oaks Card Club | 416 | 5 | 1.94% | 375 | 6 | 1.89% |
| Amyris Biotechnologies | 336 | 6 | 1.57% | | | |
| IKEA | 330 | 7 | 1.54% | 295 | 8 | 1.49% |
| Leapfrog | 318 | 8 | 1.49% | 280 | 9 | 1.41% |
| Ex'pression Center for New Media | 229 | 9 | 1.07% | | | |
| Mobitv Inc | 223 | 10 | 1.04% | | | |
| Sybase | - | | 0.00% | 762 | 3 | 3.84% |
| Siebel Systems | - | | 0.00% | 800 | 2 | 4.04% |
| Ask Jeeves | - | | 0.00% | 335 | 7 | 1.69% |
| Home Depot | - | | 0.00% | 272 | 10 | 1.37% |
| Total | 4,992 | | 23.33% | 5,827 | | 29.40% |

**Source:** MuniServices; City of Emeryville

**City of Emeryville**
**Full-time-Equivalent City Government Employees by Function/Program,**
**Last Ten Fiscal Years**

| | Full-time-Equivalent Employees as of June 30 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| City Manager/City Clerk | 6.0 | 5.0 | 5.0 | 5.0 | 4.5 | 4.5 | 4.7 | 4.7 | 4.2 | 4.2 |
| City Attorney | 3.5 | 3.5 | 3.5 | 3.5 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 3.0 |
| Administrative Services Department | | | | | | | | | | |
| Finance | 10.5 | 11.1 | 11.1 | 11.6 | 10.1 | 10.1 | 10.1 | 10.1 | 9.6 | 8.0 |
| 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 | 3.6 | 3.6 | 3.6 | 4.6 | 4.6 | 4.4 | 4.4 | 4.6 | 3.7 |
| Planning and Building | 7.0 | 9.5 | 9.5 | 10.0 | 10.0 | 10.0 | 11.0 | 11.0 | 10.0 | 10.0 |
| Economic Development and Housing | 7.5 | 7.1 | 7.1 | 6.7 | 7.0 | 7.0 | 7.2 | 7.2 | 6.2 | 7.5 |
| Public Works | 14.2 | 15.2 | 15.2 | 15.4 | 15.4 | 16.2 | 16.2 | 17.2 | 15.2 | 15.2 |
| Police Department | | | | | | | | | | |
| Sworn | 37.0 | 38.0 | 38.0 | 39.0 | 39.0 | 39.0 | 40.5 | 40.0 | 39.5 | 38.0 |
| Unsworn | 19.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 17.5 | 18.0 | 17.0 | 17.0 |
| Fire | | | | | | | | | | |
| Sworn | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 27.0 | 26.0 |
| Unsworn | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Community Servies | | | | | | | | | | |
| Administration | - | - | - | - | - | 3.3 | 3.4 | 3.4 | 3.0 | 5.1 |
| Youth & Adult Services | 19.8 | 22.2 | 22.2 | 22.5 | 22.5 | 19.1 | 21.2 | 21.2 | 17.9 | 16.9 |
| Child Development Center | 26.4 | 27.9 | 27.9 | 25.5 | 23.8 | 23.6 | 24.1 | 23.4 | 22.5 | 23.8 |
| Total | 188.5 | 192.1 | 192.1 | 196.8 | 194.9 | 195.4 | 198.3 | 198.6 | 184.7 | 182.4 |

**Source:** City Finance Department

**City of Emeryville**
**Operating Indicators by Function/Program**
**Last Ten Fiscal Years**

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Function/Program** | **2002** | **2003** | **2004** | **2005** | **2006** | **2007** | **2008** | **2009** | **2010** | **2011** |
| General government | | | | | | | | | | |
| Commercial Construction permits issued | 734 | 972 | 883 | 815 | 992 | 893 | 778 | 754 | 707 | 708 |
| Value | 105,120,765 | 64,620,118 | 27,321,052 | 33,924,060 | 95,069,347 | 48,578,290 | 74,820,915 | 74,720,320 | 38,206,980 | 65,826,514 |
| Residential Construction number of dwelling units | 130 | 436 | 531 | 23 | 414 | 127 | 100 | 127 | 5 | 6 |
| Value | 8,443,576 | 52,176,154 | 97,818,658 | 13,673,566 | 88,048,145 | 39,901,193 | 42,332,385 | 6,855,399 | 6,303,079 | 18,986,497 |
| Police | | | | | | | | | | |
| Physical arrests | n/a | n/a | 656 | 722 | 651 | 751 | 840 | 759 | 703 | 931 |
| Traffic collisions | n/a | n/a | 403 | 328 | 324 | 326 | 293 | 248 | 261 | 279 |
| Citations | n/a | n/a | 3,394 | 5,238 | 5,799 | 5,674 | 7,852 | 7,627 | 6,515 | 4,595 |
| Investigations | n/a | n/a | 3,412 | 3,280 | 3,338 | 6,282 | 7,906 | 7,198 | 7,060 | 7,066 |
| Total responses | n/a | n/a | 35,552 | 42,486 | 41,584 | 39,536 | 45,681 | 41,853 | 40,235 | 38,447 |
| Fire | | | | | | | | | | |
| Fire Responses | 118 | 121 | 123 | 90 | 86 | 54 | 59 | 44 | 55 | 25 |
| Medical Responses | 948 | 933 | 957 | 926 | 1,016 | 1,066 | 1,169 | 1,137 | 1,244 | 1,283 |
| Total Emergency Responses | 1,527 | 1,548 | 1,509 | 1,441 | 1,554 | 1,404 | 1,626 | 1,607 | 1,739 | 1,729 |
| Community Services | | | | | | | | | | |
| Child Development Program (enrollment in 12 month period) | 972 | 975 | 1,002 | 1,020 | 1,065 | 1,105 | 1,020 | 1,043 | 966 | 1,108 |

Source: Various city departments.

Notes: n/a - data not available

## Schedule XVIII

**City of Emeryville**
**Capital Asset Statistics by Function/Program**
**Last Ten Fiscal Years**

| Function/Program | Fiscal Year 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|
| Police Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Police vehicles, including motorcycles | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 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 | 8 | 8 | 8 | 9 | 9 |
| Acreage | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 16 | 16 |
| 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.