

# Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2015



City of Alameda, California





**CITY OF ALAMEDA, CALIFORNIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**PREPARED BY THE**  
**FINANCE DEPARTMENT**









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**Finance Department**  
**2263 Santa Clara Avenue, Room 220**  
**Alameda, California 94501**  
**(510) 747-4881**

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March 9, 2016

Honorable Mayor and  
Members of the City Council

We are pleased to present the City of Alameda (City) Comprehensive Annual Financial Report (CAFR) for the year ending June 30, 2015. The information in this Comprehensive Annual Financial Report is prepared in accordance with Generally Accepted Accounting Principles (GAAP) and includes an unmodified opinion on the report by the City's independent certified public accountants. Although we rely on the standards and expertise of these external auditors, the responsibility for the accuracy and fairness of this report rests with the City.

For those readers interested in a more detailed review of the City's financial statements, a narrative section called the Management's Discussion and Analysis (MD&A) has been included as part of the Financial Section. The MD&A reports on the financial highlights of the City and provides additional analysis on the variances and trends reported as part of the financial statements. The MD&A also discloses significant items affecting the financial condition of the City and is designed to be read in conjunction with this letter of transmittal.



### **City Profile**

The City was incorporated in 1854 and is located in Alameda County, a growing region in the eastern portion of the San Francisco Bay Area. The City has a permanent staff of 512 City employees (including Alameda Municipal Power) and serves approximately 76,000 residents in a land area of 10.61 square miles, plus 12.3 square miles of water.

The City operates utilizing the Council-Manager form of government. The Mayor and four Council members are elected at large for staggered four-year terms to govern the City. The City Treasurer and City Auditor are also elected for four-year terms. The City Council is responsible for establishing policies, adopting a biennial budget, appointing commissions and committees, and hiring the City Manager, City Attorney and City Clerk. The City Manager is responsible for implementing the Council's policies, overseeing the day-to-day operations of the City, and appointing the directors of the City's departments.

City departments and areas of responsibility are comprised of the following:

*General Government* includes staff and activities associated with the City Council, City Manager, City Clerk, City Attorney, Information Technology, and Risk Management.

*Administrative Services* includes Central Services, Finance and Human Resources.

*Community Services* includes the City's Library Department and the Park and Recreation Department, which operates the Senior Center and manages the contract for the Golf Complex.

*Community Development* includes Building, Economic Development, Housing and Planning.

*Base Reuse* includes staff and activities associated with the redevelopment of the former Naval Air Station, also known as Alameda Point.

*Public Safety* includes Police with its Communications, Patrol, Investigations, and Traffic and Parking Enforcement divisions, as well as Fire with its Emergency Services, Prevention Services and Ambulance Transport divisions.

*Public Works* includes Engineering, Transportation Operations, Street, Storm Drains and Sewer Maintenance.

*Alameda Municipal Power* includes staff and activities associated with operation of electric system and the Alameda Point telephone system.

### **Economic Condition and Outlook**

The City has been able to maintain General Fund reserves in excess of the City Council's established level of 20% of expenditures during the past few fiscal years, and to present a balanced budget for the General Fund for FY 2015-16. This has been achieved through a blend of structural budget reductions in prior years and use of one-time funds combined with significant improvement in the economy. While we see the economy recovering and several General Fund revenue categories have significantly improved, we continue to expect General Fund deficits in the foreseeable future. Factors contributing to those deficits include:



- New Miscellaneous / Safety PERS rates that include the projected effect of the recent changes made by CalPERS to their amortization and smoothing policies, which was to smooth changes to the rate over a five year period instead of a fifteen year period. CalPERS will be implementing these changes over a five year period, beginning in FY 2015-16, and are incorporated in the City's five year projections;
- The rising cost of health care albeit at a slower pace than previous years; and
- New agreed upon salary increases for all employees with projected increases of 4.36% in 2016, 3.5% in 2017 and 3.5% in 2018, based upon increases realized in specified tax revenues for the General Fund.

As in years past, staff will be working with the City Council to address anticipated shortfalls as part of the review of the City's budget for Fiscal Year 2016-17 and preparation of the two year budget for Fiscal Years 2017-18 and 2018-19.

## **Internal Controls**

The management of the City is responsible for establishing and maintaining internal controls designated to ensure that the assets of the City are protected from loss, theft or misuse, and that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: the cost of a control should not exceed the benefits likely to be derived; and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the stated framework. City management believes the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

## **Budgetary Control**

As part of the City's internal controls, it maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the appropriated budget approved by the City Council. Every two years, departments work with the City Manager and Finance Department to submit operating budget requests for the next two fiscal years. The City Manager and Assistant City Manager then make recommendations to the City Council regarding the budget. After public discussion and evaluation of their recommendations, the City Council adopts the budget for the next two fiscal years.

Expenditures are controlled at the fund level for all budgeted departments within the City. At this level, expenditures may not legally exceed appropriations. The City Manager or his designee is authorized to transfer funds between departments within the same fund, and to limit expenditures in response to lower than expected revenues whenever necessary. The budgets are adopted on a basis substantially consistent with GAAP. Any amendments to the total level of appropriations for a fund or transfers between funds must be approved by the City Council.

## **Major Initiatives and Projects**

As part of the budget preparation process, the City Council articulates goals and objectives for the next two years and evaluates the progress made on the goals established as part of the previous budget. The following represent some of the most significant goals established for Fiscal Years 2013-14 and 2014-15 as part of biennial budget process:

- Enforce fiscal sustainability in all City programs and services;
- Develop a plan to address and reduce the City's Other Post-Employment Benefits (OPEB) liability;
- Facilitate the reuse and redevelopment of former federal lands at Alameda Point;
- Build a new Emergency Operations Center (EOC) and adjacent Fire Station #3, and plan for resiliency after a major emergency; and
- Adopt Performance Measures to provide the City Council objective tools to evaluate the services the City provides.

*Fiscal Sustainability* – The City staff, in conjunction with outside consultants, undertook a comprehensive Development Impact Fee study to ensure new development is paying its fair share of the costs for needed public capital facilities and improvements. These new fees took effect in September 2014 and account for all the backbone infrastructure at Alameda Point as well as parks, public safety, transportation and public facilities that will be required as a result of growth driven by the strong regional economy.

*OPEB Liability* - The City Council has taken steps to begin addressing long-term OPEB cost concerns through labor contract negotiations with safety bargaining groups. As a result of these negotiations in January 2016, the City created an OPEB Trust (Trust) for the purpose of setting aside and accumulating funds to be used toward the payment of OPEB benefits for those sworn employees in the City's Fire and Police Departments who pay into the Trust and retire after January 1, 2019. The City made an initial deposit of \$5 million dollars into the Trust and will deposit an additional \$250,000 each year for ten years starting in 2016. In addition to the City's contributions, all safety employees began making contributions to the Trust equivalent to 2% of their base salary. These contributions will grow to 4% for those members hired prior to June 2011.

Although this agreement is not a total solution to the City's OPEB problem, it makes a significant dent in the City's obligation to fund this benefit and allows the City to get through the California Public Employee Retirement System (PERS) smoothing hurdle.

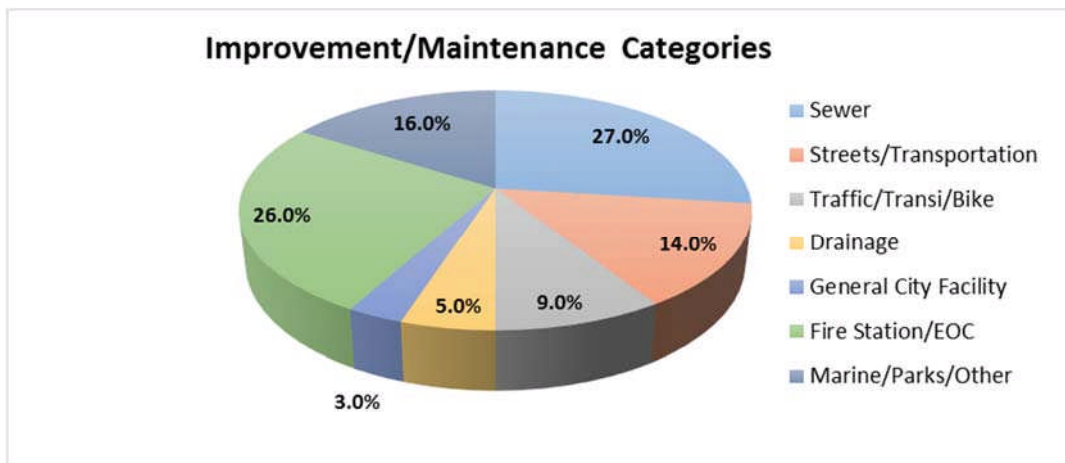
*Alameda Point Development* - In June 2015, the City Council approved a Disposition and Development Agreement related to development of a 68-acre mixed-use project at Alameda Point "Site A", which represents the first major public/private development since the former Naval Air Station closure in 1997. The proposed Site A development provides for:

- The community's vision of building high-quality mixed-use transit-oriented waterfront development that includes approximately 1,472 on-site permanent jobs and 2,570 direct construction jobs over the life of the project, retail amenities, a diversity of housing types for a wide range of income levels, and waterfront parks for the entire Alameda community;
- The stage for future job creation through the construction of amenities, gateway improvements into Alameda Point, and a new sewer line infrastructure to support long-term employment-generation;
- Mitigation of traffic impacts by funding transit service to BART, free bus passes for all residents and employees, car- and bike-share stations, and a number of other alternative transportation programs;
- Contribution of \$18 million towards significant transportation infrastructure; and
- Commitment of \$36 million to 15 acres of publicly accessible parks and open spaces, including the regional sports complex and eight acres of waterfront promenades and parks along the Seaplane Lagoon.

*EOC and Fire Station #3* – In May 2015, the City Council approved a contract to construct the City's EOC and a Fire Station #3. It is expected that both structures will be completed and in use in the fall of 2016. The EOC will be critical to the City's ability to manage and respond to a major disaster and can be used as a government training facility during non-emergency situations. Fire Station #3 will replace the old station that was deemed seismically unsafe and uninhabitable.

*Other business development highlights* – Cost Plus World Market will be moving its corporate headquarters to Alameda by late 2016. Natel Energy, a clean tech company, expanded its presence and entered into a 10-year lease with the City to support future company growth. The Alameda Landing shopping center continues to generate boosting activity in the west end of Alameda and contributing to the City’s property and sales tax base.

The City developed a Capital Improvement and Maintenance Plan detailing specific budgeted capital projects. Each of the projects is consistent with the overall goals and principles of the City. The FY 2014-15 adopted Capital Improvement Program Budget totaled \$30.9 million and was allocated to the following types of projects:



The largest portion of capital projects is for improvements to the City’s sewer system, resulting from recent Consent Decree from the Environmental Protection Agency (EPA).

Some of the specific projects underway in Fiscal Year 2014-15 included the following:

- Emergency Operations Center/Fire Station #3 (\$8.0 million)
- Cyclic Sewer Repair (\$4 million)
- Sewer Pump Station Upgrades (\$2.8 million)
- Street Pavement Management Program (\$3.3 million)
- Estuary Park Improvements (\$1.4 million)
- Cross Alameda Trail (\$991,000)
- Sidewalk Repair Program (\$667,000)
- Urban Forrest Management (\$564,000)
- South Shore Lagoon Maintenance (\$103,000)

### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2014. This was the 25th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City was required to produce a report that met their high standards for reporting, as well as one that adhered to GAAP and

Honorable Mayor and  
Members of the City Council

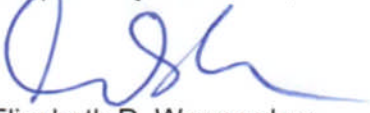
March 9, 2016

other legal requirements. A Certificate of Achievement is valid for one year only. It is anticipated that the current CAFR will continue to meet the Certificate of Achievement Program's requirements.

The City also received the GFOA's Distinguished Budget Presentation Award for its two-year budget document for FY 2016 and 2017. In order to qualify for the Award, the City's budget document had to meet specific criteria as a policy document, a financial plan and a communications device.

This CAFR was prepared by the City's Finance Department staff. This report is representative of the staff's ongoing commitment to provide excellent service to Alameda residents. Thanks are also extended to the independent auditors of Vavrinek, Trine and Day for their review of this report, and to the City Council, City Treasurer and City Auditor for their stewardship and commitment to assist in ensuring the long-term fiscal health of the City.

Respectfully submitted,



Elizabeth D. Warmerdam  
Interim City Manager





**Mayor Trish Herrera Spencer**  
**Vice Mayor Frank Matarrese**  
**Councilmember Tony Daysog**  
**Councilmember Marilyn Ezzy Ashcraft**  
**Councilmember Jim Oddie**

**ELECTED OFFICIALS**



Kevin Kearney, City Auditor



Kevin Kennedy, City Treasurer

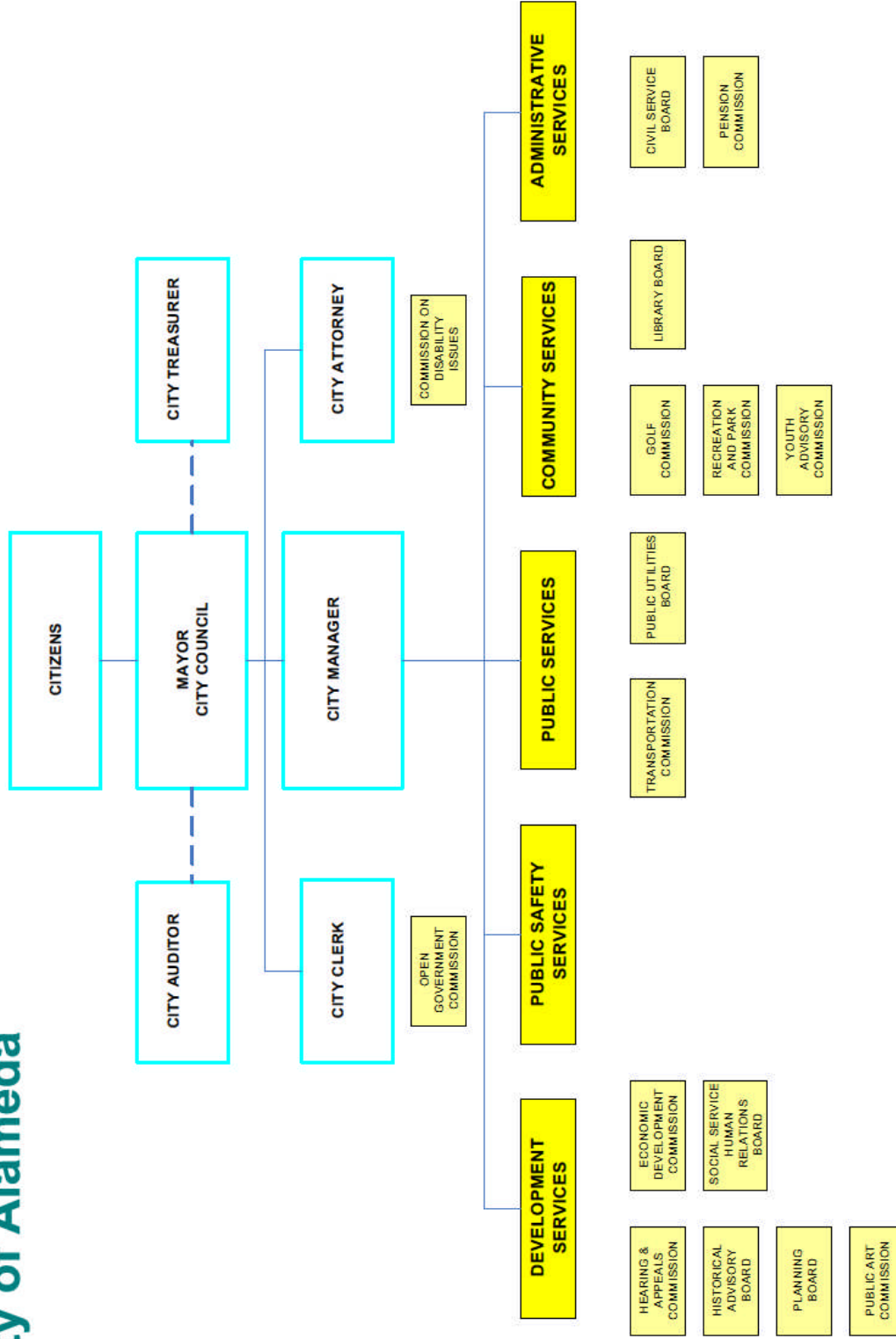
**CHARTER OFFICERS**

Interim City Manager, Elizabeth Warmerdam  
City Attorney, Janet Kern  
City Clerk, Lara Weisiger

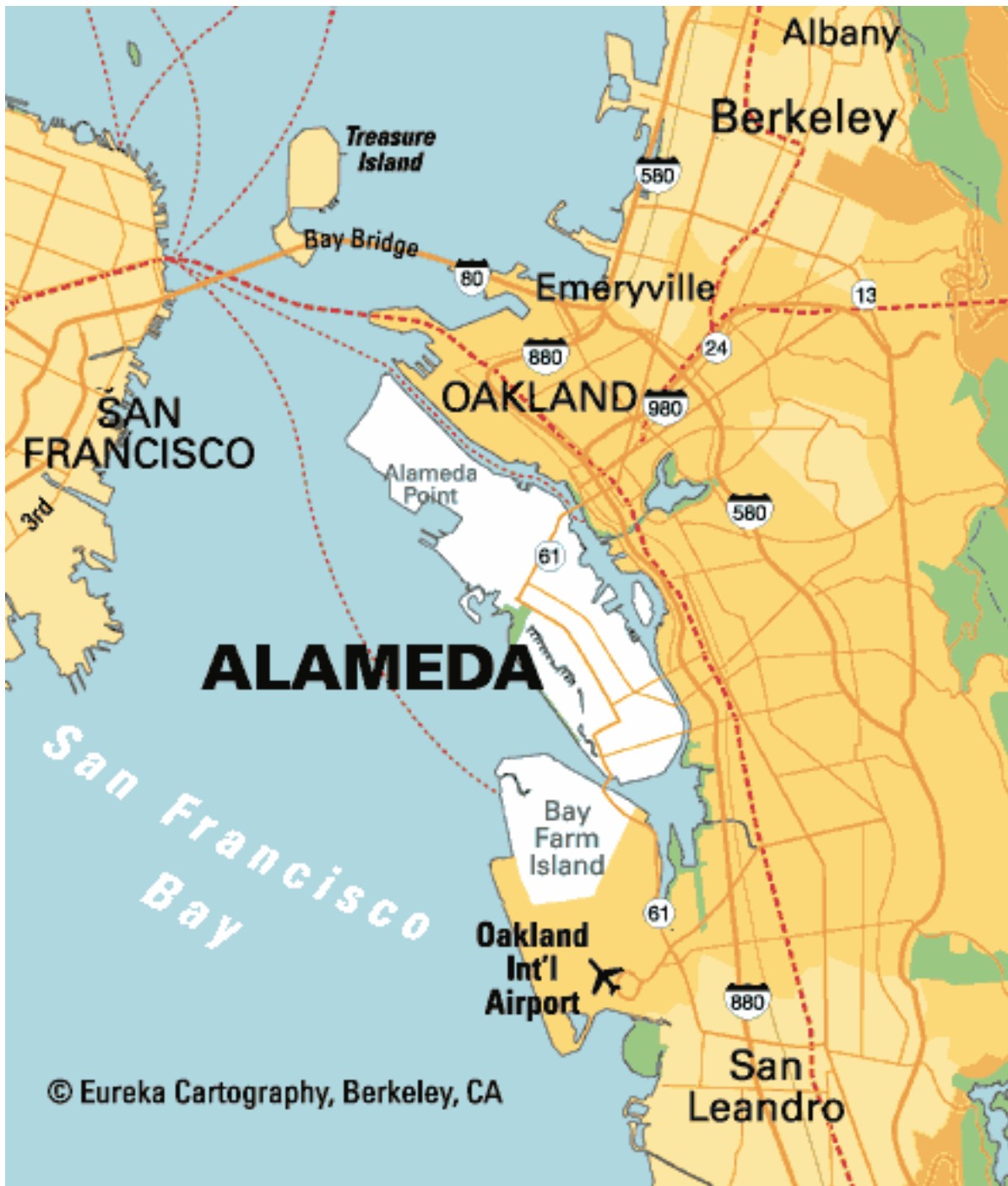
**EXECUTIVE MANAGEMENT TEAM**

Interim Assistant City Manager, Bob Haun  
Interim Assistant City Manager, Amy Wooldridge  
  
Administrative Services Director, Stephanie Garrabrant-Sierra  
Chief of Police, Paul Roller  
Chief Operating Officer, Alameda Point, Jennifer Ott  
Community Development Director, Debbie Potter  
Finance Director, Elena Adair  
Fire Chief, Douglas Long  
General Manager, Alameda Municipal Power, Glenn Steiger  
Library Director, Jane Chisaki  
Interim Public Works Director, Liam Garland  
Interim Recreation and Park Director, Patrick Russi

# City of Alameda



The City of Alameda, incorporated April 19, 1854, is a 10.6 square mile island city located in San Francisco Bay. Alameda has a population of 75,961. The City of Alameda is seven miles east of San Francisco, situated within San Francisco Bay, and less than one mile west of the City of Oakland, directly west of Interstate 880. Alameda is a brief drive north of Oakland International Airport, which borders the City on the southeast.





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Alameda  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO











## INDEPENDENT AUDITORS' REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alameda, California (City), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

### *Auditors' Responsibility*

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

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

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

## ***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, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison statements for the General Fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matters***

### *Implemented GASB Pronouncements*

As described in Note 1 to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and Statement No. 71, *Pension Transition for Contributions Made Subsequent to Measurement Date – an amendment of GASB Statement No. 68*, effective July 1, 2014. Our opinion is not modified with respect to this matter.

### *Change in Reporting Entity – Alameda Municipal Power*

As described in Note 16 to the financial statements, the City reclassified Alameda Municipal Power to an enterprise fund from a discretely presented component unit, effective July 1, 2014. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### *Required Supplementary Information*

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

### *Other Information*

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

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

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

**Other Reporting Required by *Government Auditing Standard***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Vavrinick, Trine, Day & Co. LLP*

Sacramento, California  
March 9, 2016

This discussion and analysis of the City of Alameda's ("the City") financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2015. Please read it in conjunction with the Letter of Transmittal, the basic financial statements as well as the accompanying notes to the basic financial statements.

### **Financial Highlights**

- Effective July 1, 2014, the City implemented Statement No. 68 of the Governmental Accounting Standards Board (GASB 68), which requires the City to include its net pension liability in the government-wide and proprietary funds financial statements. In previous years, the City has reported this long-term obligation in the notes to the basic financial statements as the unfunded actuarial accrued liability for retirement benefits. Similar to the City's long-term debt, the net pension liability is payable over an extended time horizon and does not present a claim on current financial resources. For more information on the implementation of GASB 68, please refer to the Note 9 to the Basic Financial Statements.
- The assets and deferred outflows of the governmental activities of the City exceeded its liabilities and deferred inflows at the close of fiscal year by \$175 million of which unrestricted net position was a deficit of \$132 million. Excluding the \$151 million net pension liability recorded for the first time in current fiscal year, \$19 million of unrestricted net position is available to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position, with the beginning balance restated to reflect the net pension liability as of June 30, 2014, increased by \$18 million from the prior year, with \$6 million attributable to governmental activities and \$12 million attributable to business-type activities.
- In prior years, the City reported Alameda Municipal Power (AMP) in the City's basic financial statements as a discretely presented component unit. The City restated its current year financial statements to recognize the transactions and balances of AMP as an enterprise fund of the City because AMP is not a legally separate entity.
- As of June 30, 2015, the City's governmental funds reported combined fund balances of \$105 million, an increase of \$9 million in comparison to the prior year. Of this amount, \$30 million of unassigned fund balance is available for spending at the City's discretion.
- At the close of the fiscal year, the General Fund reported total assets of \$42 million and total fund balance of \$36 million. This represents an increase in fund balance of \$4 million, or 14% from prior fiscal year. Of the total fund balance, \$30 million, or 84%, was unassigned. A one-time extraordinary item of \$1 million was recorded due to approval by the Department of Finance of a loan repayment from the former Community Improvement Commission, which was considered uncollectible at the time City's redevelopment agency was dissolved by the State legislative action effective February 1, 2012.

## Overview of the Financial Statements

The financial statements presented herein include all of the activities of the City. 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.

## Government-Wide Financial Statements

The **Government-Wide Financial Statements** provide information about the activities of the City as a whole and about the overall financial condition of the City using accounting methods similar to those used by private-sector businesses. They include the Statement of Net Position and the Statement of Activities. The Statement of Net Position presents information on all of the government's assets, deferred outflows of resources, liabilities and deferred inflow of resources. Over time, increases or decreases in the City's net position may serve as an indicator of whether the financial position of the City is improving or deteriorating. The Statement of Activities provides information about the City's revenues and expenses, regardless of the timing of related cash flows. The Statement of Activities explains in detail the change in net position for the fiscal year.

The Government-Wide Financial Statements are divided into two categories:

**Governmental Activities** – most of the City's basic services are reported in this category including public safety, public works, planning and building, community services, housing, general government and parks. Property and sales taxes, state subventions, fees for services, interest income and franchise fees finance most of these activities.

**Business-Type Activities** – these services are intended to recover all or a significant portion of their costs through user fees and charges. City's sewer and electric utility systems are reported in this category.

## Fund Financial Statements

The Fund Financial Statements provide detailed information about each of the City's most significant funds, not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants or other money. All funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental Funds** – Most of the City's basic services are included in Governmental Funds, which focus on how money flows into and out these funds and the balance left at fiscal year-end that are available for spending. These funds are prepared using the current financial resources measurement focus and modified accrual basis of accounting. Governmental Funds financial statements focus on near-term inflows and outflows of spendable resources as well as on the balances of spendable resources available at the end of the fiscal year. This information may be useful in evaluating a government's ability to meet its near-term financial requirements. 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 decision. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to assist the reader with this comparison between governmental funds and governmental activities.

**Proprietary Funds** – When the City charges customers for services it provides, whether to outside customers or other units of the City, these monies are generally reported in Proprietary Funds. The City maintains two different types of Proprietary Funds: Enterprise Funds and Internal Service Funds. These funds' statements are prepared on the full accrual basis of accounting, similar to that used by private sector companies. The City's Proprietary Funds are the same as the business-type activities reported in the Government-Wide Statements, but provide more detail and additional information, such as a statement of cash flows.

**Fiduciary Funds** – Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. These activities are excluded from the Government-Wide Financial Statements, because the resources of those funds are not available to support the City's own programs. Fiduciary Funds are prepared on the full accrual basis, similar to the Proprietary Funds. The City has three types of Fiduciary Funds: the Agency Funds, Pension Trust Funds and the Private Purpose Trust Funds.

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

The notes provide additional information that is necessary to essential a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The notes to the Financial Statements follow the basic financial statements.

### **Other Information**

In addition to the Basic Financial Statements and accompanying notes, this report also presents required supplementary information, including budgetary comparison schedules and information on the City's pension and OPEB plans. Required supplementary information can be found immediately following the Notes to the Basis Financial Statements.

### **Government-Wide Financial Analysis**

This section focuses on the City's net position and changes in net position of its governmental and business-type activities. The net position, for the City as a whole, decreased \$105 million or 26%, from \$402 million at June 30, 2014 to \$297 million at June 30, 2015. The decrease in net position is primarily due to \$166 million in pension liabilities recorded for the first time as a result of GASB 68 and 71 implementation offset with the \$44 million increase resulting from the reporting AMP as enterprise fund.

Please note that financial information in the following tables for the prior fiscal year ended June 30, 2014 was not adjusted for implementation of GASB 68 and 71 because not all of the information was available to adjust prior year amounts.

**Statement of Net Position**  
**as of June 30, 2015 and 2014**  
(in thousands)

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>Assets</b>						
Current and other assets	\$ 153,411	\$ 139,356	\$ 109,250	\$ 30,791	\$ 262,661	\$ 170,147
Capital assets	287,282	290,486	97,057	52,734	384,339	343,220
Total assets	<u>440,693</u>	<u>429,842</u>	<u>206,307</u>	<u>83,525</u>	<u>647,000</u>	<u>513,367</u>
<b>Deferred Outflows of Resources</b>						
Deferred losses on refunding	-	-	808	-	808	-
Related to pensions	11,612	-	1,122	-	12,734	-
Total Deferred Outflow of Resources	<u>11,612</u>	<u>-</u>	<u>1,930</u>	<u>-</u>	<u>13,542</u>	<u>-</u>
<b>Liabilities</b>						
Long-term Liability	228,576	73,708	58,341	16,326	286,917	90,034
Other Liability	22,948	20,314	7,173	1,200	30,121	21,514
Total Liability	<u>251,524</u>	<u>94,022</u>	<u>65,514</u>	<u>17,526</u>	<u>317,038</u>	<u>111,548</u>
<b>Deferred Inflows of Resources</b>						
Related to pensions	26,240	-	4,452	-	30,692	-
Balancing account	-	-	16,213	-	16,213	-
Total Deferred Inflow of Resources	<u>26,240</u>	<u>-</u>	<u>20,665</u>	<u>-</u>	<u>46,905</u>	<u>-</u>
<b>Net Position:</b>						
Net Investment in Capital Assets	259,298	248,736	72,843	36,408	332,141	285,144
Restricted	47,340	64,149	31,980	29,591	79,320	93,740
Unrestricted*	(132,097)	22,935	17,235	-	(114,862)	22,935
Total Net Position	<u>\$ 174,541</u>	<u>\$ 335,820</u>	<u>\$ 122,058</u>	<u>\$ 65,999</u>	<u>\$ 296,599</u>	<u>\$ 401,819</u>

\* Unrestricted net position for June 30, 2015 affected by recording the City's \$166 million net pension liability, which is not a claim on current year financial assets.

At June 30, 2015, the City reported positive balances in all categories of net position except for unrestricted net position primarily due to the implementation of GASB 68 and 71 and the inclusion of the net pension liability. The largest portion of the City's net position, \$332 million, is its investment in capital assets less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide services to its residents and other stakeholders. Accordingly, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources because the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position, that portion of the City's net position (27%) subject to restrictions on how they may be used, decreased \$15 million from \$94 million at June 30, 2014 to \$79 million at June 30, 2015. This was primarily a result of allocating funds to number of capital and transportation projects during the year. The corresponding increase is in the net investment in capital assets component of the net position.

Total Liability increased by \$205 million due to an increase in the City's net pension liability, net OPEB obligation and an inclusion of AMP liabilities, which are incorporated into the City's basic financial statements in current fiscal year.

Information about changes in net position is presented in the summary schedule below:

**Statement of Activities**  
**for the years ended June 30, 2015 and 2014**  
(in thousands)

	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 36,613	\$ 34,257	\$ 68,666	\$ 9,734	\$ 105,279	\$ 43,991
Operating grants and contributions	5,806	6,417	-	-	5,806	6,417
Capital grants and contributions	6,156	3,189	-	-	6,156	3,189
General revenues						
Property taxes*	39,058	36,056	-	-	39,058	36,056
Sales taxes*	9,341	8,293	-	-	9,341	8,293
Utility users tax	8,331	8,500	-	-	8,331	8,500
Other taxes	17,148	17,820	-	-	17,148	17,820
Use of money and properties	4,466	5,068	280	338	4,746	5,406
Miscellaneous	2,787	4,428	90	-	2,877	4,428
Total revenues	<u>129,706</u>	<u>124,028</u>	<u>69,036</u>	<u>10,072</u>	<u>198,742</u>	<u>134,100</u>
<b>Expenses</b>						
General Government	15,567	15,041	-	-	15,567	15,041
Police	30,311	30,848	-	-	30,311	30,848
Fire	30,248	27,866	-	-	30,248	27,866
Public Works	20,576	14,584	-	-	20,576	14,584
Community Development	21,707	15,947	-	-	21,707	15,947
Community Services	6,808	6,995	-	-	6,808	6,995
Housing	1,884	2,005	-	-	1,884	2,005
Interest on Long-Term Debt	984	2,308	-	-	984	2,308
Sewer Services	-	-	6,070	5,339	6,070	5,339
Alameda Municipal Power	-	-	47,959	-	47,959	-
Total expenses	<u>128,085</u>	<u>115,594</u>	<u>54,029</u>	<u>5,339</u>	<u>182,114</u>	<u>120,933</u>
Change in Net Position Before						
Transfers and Extraordinary Item	1,621	8,434	15,007	4,733	16,628	13,167
Transfers, Net	3,027	418	(3,027)	(418)	-	-
Extraordinary Item	1,007	-	-	-	1,007	-
Change in Net Position	<u>5,655</u>	<u>8,852</u>	<u>11,980</u>	<u>4,315</u>	<u>17,635</u>	<u>13,167</u>
Beginning Net Position, restated for 2015	168,886	326,968	110,078	61,684	278,964	388,652
<b>Ending Net Position</b>	<u>\$ 174,541</u>	<u>\$ 335,820</u>	<u>\$ 122,058</u>	<u>\$ 65,999</u>	<u>\$ 296,599</u>	<u>\$ 401,819</u>

\* For the year ended June 30, 2014, \$2 million has been reclassified from property taxes to sales taxes for comparative purposes to conform to Fiscal Year 2014-15 presentation.

Total revenues increased approximately \$65 million or 48%. The primary reason is the recognition of AMP revenues as part of the City's basic financial statements in current fiscal year, which accounted for nearly \$59 million of the current year overall increase. Other contributors are increases in capital grants and contributions of \$3 million, property taxes of \$3 million and sales taxes of \$1 million. Property taxes and sales taxes increase is reflective of the improving economic conditions.



Expenses increased approximately \$61 million, again mainly due to inclusion of AMP into the City’s basic financial statements in current fiscal year with related expenses of \$48 million. Public Works expenses increased by nearly \$6 million mainly because about \$4.4 million were deemed to be non-capital expenses in nature. In addition, depreciation expense related to the Public Works activities increase about \$1.2 million compared to prior year. Community Development expenses went up by close to \$6 million. Half of the increase was a result of a loan transfer from the City to the Successor Agency.

As mentioned before, a one-time extraordinary item of \$1 million was recorded due to approval by the Department of Finance of a loan repayment from the former Community Improvement Commission, which was considered uncollectible at the time City’s redevelopment agency was dissolved by the State legislative action effective February 1, 2012.

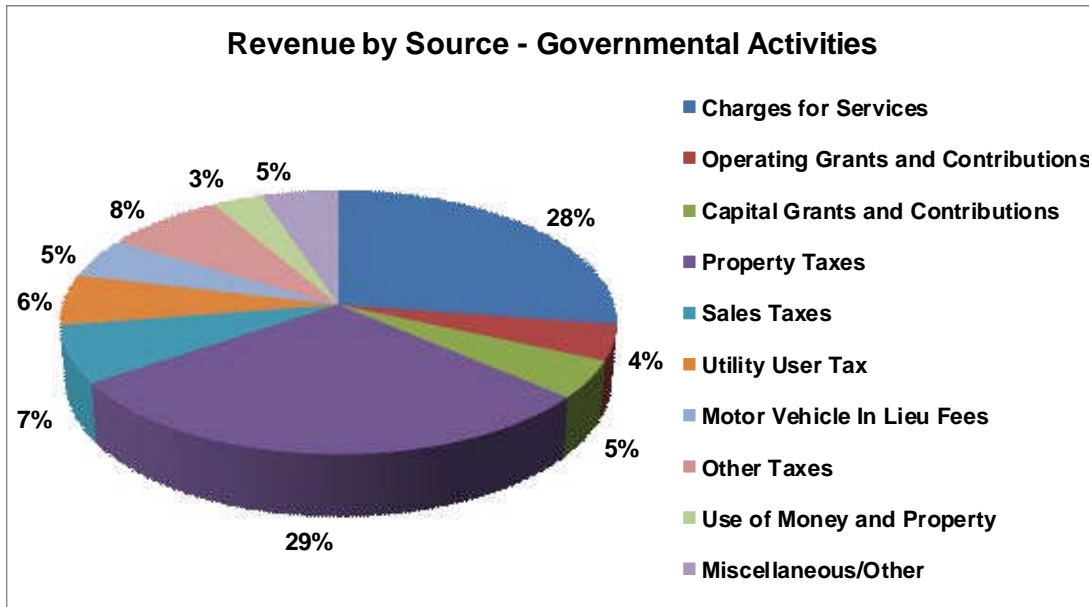
**Governmental Activities**

Program revenue associated with Governmental Activities total \$48.6 million, or 37.9% of program expenses. Expenses not covered by program revenues must be funded from non-program sources like general tax revenues. The table below illustrates the gap between program revenues and expenses by major activity. Public safety programs rely heavily on taxes to support operations. General government programs provide benefit to both business-type and governmental activities and receive some funding through internal indirect cost allocations to supplement program revenue and general tax revenue.

**Expense and Program Revenue - Governmental Activities**  
**Fiscal Year 2014-2015**  
(in thousands)

	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net Revenue (Expense) of Activities</u>
<b>Governmental Activities</b>			
General Government	\$ 15,567	\$ 9,928	\$ (5,639)
Police	30,311	1,832	(28,479)
Fire	30,248	4,014	(26,234)
Public Works	20,576	16,405	(4,171)
Community Development	21,707	11,109	(10,598)
Community Services	6,808	3,733	(3,075)
Housing	1,884	1,554	(330)
Interest on Long-Term Debt	984	-	(984)
	<u>\$ 128,085</u>	<u>\$ 48,575</u>	<u>\$ (79,510)</u>

The pie chart on the next page illustrates the distribution of total revenue of \$134 million among its various sources. The largest revenue sources for governmental activities are property taxes of \$39 million or 29% and charges for services of \$37 million or 28% of total governmental revenues. Sales taxes and utility user tax are also significant individual revenue sources for the City’s governmental activities, amounting to 7% and 6%, respectively. Remaining 30% of revenue for governmental activities comes from operating and capital grants and contributions, franchise fee revenues, and special taxes.



### Business-Type Activities

The following table presents the same net program information for business-type activities. In these programs, annual surpluses or deficits are retained in the programs as an increase or decrease in the program's net position.

**Expense and Program Revenue - Business-Type Activity  
Fiscal Year 2014-2015  
(in thousands)**

	<u>Revenue</u>	<u>Expense</u>	<u>Net</u>
Sewer	\$ 9,906	\$ 6,070	\$ 3,836
Alameda Municipal Power	58,759	47,959	10,800
	<u>\$ 68,665</u>	<u>\$ 54,029</u>	<u>\$ 14,636</u>

Net position of the Sewer Fund at June 30, 2015 was \$68 million with the largest portion, \$41 million, is its investment in capital assets less any related outstanding debt that was used to acquire those assets. The remaining \$27 million is available to fund debt service, sewer operations, and future improvements and maintenance projects. The Sewer Fund generated income of \$10 million and incurred \$6.3 of expenses, for a net increase in net position of \$3.7 million. The beginning net position of the fund was adjusted by \$1.7 million due to GASB 68 implementation.

Net position of the AMP at June 30, 2015 was \$54 million with the largest portion, \$32 million, is its investment in capital assets less any related outstanding debt that was used to acquire those assets. Of the remaining \$22 million, \$5 million is restricted for debt service and \$17 million is available to fund operations, maintenance projects and future capital improvements. The cost of AMP activities this year was \$48 million. The amounts paid by users of the utility of \$51 million and the greenhouse gas related sales of \$6 million are the two largest sources of revenue of the enterprise. AMP's beginning net position was also restated by \$17 million for the GASB 68 implementation.

**Revenues by Source Business-Type Activities**

(in thousands)

	<u>2015</u>	<u>2014</u>	<u>Difference</u>
Charges for Services	\$ 68,666	\$ 9,734	\$ 58,932
Investment Earnings/Rents	280	338	(58)
Miscellaneous Revenues	90	-	90
	<u>\$ 69,036</u>	<u>\$ 10,072</u>	<u>\$ 58,964</u>

**Financial Analysis of Governmental Funds**

The City of Alameda uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the City of Alameda’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Alameda’s financing requirements. In particular, *unassigned fund balance* serves as a useful measure of a government’s net resources available for discretionary use at the end of the fiscal year.

As of June 30, 2015, the City’s governmental funds reported combined ending fund balances of \$105 million. Approximately \$30 million, or 29%, of the combined ending fund balance constitutes *unassigned fund balance*, which is available for spending at the government’s discretion. The remaining balance is either *nonspendable*, *restricted* or *committed* to indicate that it is *not* available for new spending because it has been committed to liquidate contracts and purchase orders from the prior fiscal period, pay debt service, or fund future uses.

The following are the major funds that either qualified under the reporting criteria or were considered to be important to financial statement users:

The *General Fund* is the chief operating fund of the City. At June 30, 2015, unassigned fund balance of the General Fund was \$30 million; the total fund balance, including nonspendable, restricted and committed resources, was \$36 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 38% of total General Fund expenditures and transfers out.

The General Fund revenues totaled \$80 million in the FY 2014-15, a net increase of \$1.4 million from prior fiscal year. Property tax revenues for the fiscal year were \$32 million, an increase of \$2 million or 7% from prior year. This increase is primarily due to the rise in median home sale prices in the City of Alameda and the receipt of residual property tax distributions as a result of redevelopment dissolution. This increase is in addition to another \$2 million that has been reclassified from property taxes to sales taxes in FY 2013-14 for comparative purpose to conform to FY 2014-15 presentation. Real property transfer tax increased \$1.5 million or 22% compared to prior year due to appreciating home prices and change of ownership.

Sales tax, the second largest revenue source for the City’s General Fund, increased by \$1 million, or 12.6%, over the prior year for a total of \$9.3 million. This was a result of improvement in the economy and opening of new businesses in the City.

Utility user tax continues its declining trend. It went down \$0.2 million or 2% compared to fiscal year 2013-14. The revenue increases were further offset with reclassification of \$2.8 million payment from AMP to Other Financing Sources category as a result of it being reported as an enterprise fund.

General Fund expenditures totaled \$70 million for FY 2014-15 compared to \$65 million in the prior year. This amount excludes encumbrances. About \$4 million of the increase is attributed to the Police and Fire departments and is a result of rising salary and benefit costs and increase in charges for equipment replacement.

Transfers out for FY 2014-15 were close to \$9.9 million compared to \$6.7 million in the prior year. This increase of \$3.2 million was primarily due to higher transfers to the various capital projects and to pay for activities recorded in the Internal Service Funds.

The fund balance of the City's General Fund increased by approximately \$4.4 million, or 14% during the FY 2014-15, compared to an increase of \$7.8 million in prior fiscal year. Revenues and transfers in of \$83 million were \$4 million, or 5%, higher than FY 2013-14. Expenditures and transfers out of \$80 million were \$8 million, or 12%, higher than FY 2013-14.

The *FISC Lease Revenue Special Revenue Fund* had a restricted fund balance of \$3.3 million at June 30, 2015. The fund experienced reduction in lease revenues of \$0.2 million compared to prior year. Prior year revenues also included a one-time loan repayment of \$3 million. Fund expenditures declined by 42% as Alameda Landing construction nears completion. Despite decrease in revenues and expenditures, fund had a positive net change in fund balance of \$0.5 million.

The *Base Reuse Special Revenue Fund* had a restricted fund balance of \$3.9 million at June 30, 2015. Fund balance increased by \$0.3 primarily due to an increase in lease revenues.

The *Housing Special Revenue Fund* had a restricted fund balance of \$1.4 million, an increase of \$0.3 million from prior year. This change is a result of increased loan repayments offset by lower operating expenditures.

The *Capital Improvement Projects Fund* has a total fund balance of \$7.3 million as of June 30, 2015, all committed for current and future capital projects. The fund incurred expenditures of \$12.6 million for capital projects during FY 2014-15, including the following:

- Street Resurfacing
- South Shore Lagoon Dredging
- Sidewalk Repairs
- Shoreline Drive Bike Lane
- Urban Forest Management
- Alameda Point Wayfinding Signage
- Station Area (Transit) Plan

### **Financial Analysis of Proprietary Funds**

The City of Alameda proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. During the FY 2014-15, there were two proprietary funds, the Sewer Services Fund and the Alameda Municipal Power.

**Internal Service Funds**

The Workers' Compensation Fund net position deficit reflects future claim liabilities maturing in five to ten years. The prior year fund deficit of \$2.8 million decreased by \$1.3 million to a total current deficit of \$1.5 million. The City is steadily addressing the negative net position in the fund through annual rate recoveries.

Net position (deficit) at June 30, 2015 is as follows by fund:

(in thousands)

<u>Internal Service Fund Name</u>	<u>Net Position/ (Deficit)</u>
Equipment Replacement	\$ 5,553
Central Services	85
Fleet Maintenance	120
Technology Services	1,955
Facilities Maintenance	2,449
Workers' Compensation Insurance	(1,523)
Risk Management Insurance	892
Unemployment Insurance	565
OPEB/Vacation	5,522
Total	<u>\$ 15,618</u>

**General Fund Budgetary Highlights**

In comparing the FY 2014-15 original budget to the final budget, there was no revisions made to the revenues and transfers in, which totaled \$73 million. There was a small increase of \$0.4 million in the budgeted appropriations. However, appropriations for the transfers out were increased by \$4.3 million during the year as a result of the City Council desire to allocate additional resources to the library, recreation and capital projects programs.

During the fiscal year, the total actual revenue and transfers in for the General Fund were \$83 million. This was nearly \$10 million more than budgeted. The total actual expenditures and transfers out for the General Fund were \$80 million. This was \$3 million less than final budget.

Revenues exceeded budget due primarily to increase in sales of real properties in the City. This resulted in \$2.8 million excess in property transfer tax. Sales tax revenue has exceeded budget by \$1 million, which is an indication of significantly improving economy. On the expenditure side, the actual spending was below the final budget by \$2.8 million. This is a result of departments being vigilant in reducing costs magnified by personnel vacancies, mainly in the police and general government departments. Actual expenditures for the fire department exceeded final budget by \$0.3 million due to increased labor cost.

The City Council established a 20% reserve policy, measured in proportion to the budgeted expenditures and transfers out. During the year, an additional 5% was allocated to a contingency reserve. However, at the end of the fiscal year, the General Fund available fund balance came to be nearly 38%, or \$30 million, which is 13% higher than the City Council established reserves.

**Capital Assets and Debt Administration**

*Capital Assets* - The capital assets of the City are those assets which are used in the performance of the City's functions. At June 30, 2015, capital assets, net of accumulated depreciation, of the Governmental Activities totaled \$287 million. Capital assets, net of accumulated depreciation, of the Business-Type Activities totaled \$97 million. Depreciation on capital assets is recognized in the government-wide financial statements. Additional information about the City's capital assets can be found in Note 5 of this report.

**City of Alameda**  
**Capital Assets, Net of Depreciation**  
(in thousands)

	<b>Governmental activities</b>		<b>Business-type activities</b>		<b>Total</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014 *</b>	<b>2015</b>	<b>2014 *</b>
Land	\$ 5,995	\$ 5,995	\$ 154	\$ 154	\$ 6,149	\$ 6,149
Construction in progress	6,646	10,166	13,038	11,233	19,684	21,399
Buildings	144,713	148,031	33,332	35,946	178,045	183,977
Machinery and equipment	9,971	10,302	2,411	2,348	12,382	12,650
Infrastructure	119,956	115,991	48,122	41,304	168,078	157,295
<b>Total</b>	<b>\$287,281</b>	<b>\$290,485</b>	<b>\$ 97,057</b>	<b>\$ 90,985</b>	<b>\$384,338</b>	<b>\$381,470</b>

\* Fiscal year 2014 balances were restated as a result of reporting AMP as an enterprise fund.

*Long-Term Debt* - Long-term debt of Governmental Activities decreased in FY 2014-15 by \$2.4 million as a result of annual debt service and capital lease payments being made, offset by \$0.7 million increase in a new capital lease obligation. Long-term debt of Business-Type Activities decreased \$1.8 million during the year as a result of annual debt service payments made. Per capita long-term debt outstanding decreased slightly from \$1,171 to \$1,131 compared with the prior fiscal year. Additional information about the City's long-term debt activity can be found in Note 6 of this report.

**Long-Term Debt**  
(in thousands)

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014 *</b>	<b>2015</b>	<b>2014 *</b>
Certificates of Participation	\$ 11,308	\$ 12,258			\$ 11,308	\$ 12,258
Revenue Bonds	11,000	11,400	\$ 41,878	\$ 43,252	52,878	54,652
General Obligation Bonds	8,692	9,097			8,692	9,097
HUD Section 108 Loan	6,010	6,191			6,010	6,191
Other Long-Term Debt	4,985	4,772	2,034	2,504	7,019	7,276
	<b>\$ 41,995</b>	<b>\$ 43,718</b>	<b>\$ 43,912</b>	<b>\$ 45,756</b>	<b>\$ 85,907</b>	<b>\$ 89,474</b>

\* Fiscal year 2014 balances were restated as a result of reporting AMP as an enterprise fund.

### **Economic Outlook and Next Year's Budget**

The City's economy continues to grow after years of recession. Property values assessed by the Alameda County as of January 1, 2015 have increased by 5.7% over the prior year and is expected to grow as a result of new residential construction in the City as well as elevated rate of home price appreciation. For FY 2015-16 Revised Budget, the City forecasts taxable sales to be approximately 6% above the prior year.

However, the City is utilizing a cautious optimism since the growth is accompanied by increases in the cost of services. The California Public Employees Retirement System (CalPERS) continues to increase employer pension contribution rates to address 2009 investment portfolio losses. In addition, the participant demographic assumptions were updated and a policy of the system's discount rate was revised to lower it, which will drive the contribution rates even higher in the coming years. In addition, the cost of post-employment health benefits continues to grow. The City has approved public safety labor contracts in the spring 2015 that addressed partial funding of those benefits with City making an initial lump sum contribution of over \$5 million in January 2016, which will be supplemented by additional employee payroll contributions through the term of the contract. While the City continues to expect its revenue growth to be partially offset by growing labor costs, overall the City anticipates having a balanced budget for the coming biennial budget cycle.

### **Request for Information**

This Comprehensive Annual Financial Report (CAFR) is designed to provide a general overview of the City of Alameda's finances. For the convenience of the public, a copy of this report is posted on the City's website (<http://alamedaca.gov/finance>). Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Alameda, Attention: Finance Department, 2263 Santa Clara Avenue, Room 220, Alameda, California 94501.

The Statement of Net Position reports the difference between the City's total assets, deferred outflows of resources, total liabilities, and deferred inflows of resources, including all the City's capital assets and all its long-term obligations. The Statement of Net Position summarizes the financial position of all of 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 columns are followed by a Total column that presents the financial position of the entire City.

The City's Governmental Activities include the activities of its General Fund, its Special Revenue, Capital Projects and Debt Service Funds. Since the City's Internal Service Funds service these Funds primarily, their activities are consolidated with Governmental Activities, after eliminating inter-fund transactions and balances. The City's Business-type Activities include all its Enterprise Fund activities.

The Statement of Activities reports increases and decreases in the City's net position. It 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 as appropriate, and the Change in Net Position is computed and reconciled with the Statement of Net Position.

Both of these Statements include the financial activities of the City and the blended component units: The Alameda Public Financing Authority and the City of Alameda Financing Authority, which are legally separate entities and are considered component units of the City because they are controlled by the City, which is financially accountable for the activities of the entities.





**City of Alameda**  
**Statement of Net Position**  
**June 30, 2015**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 121,019,843	\$ 64,124,794	\$ 185,144,637
Cash with fiscal agents	10,492,793	6,317,041	16,809,834
Accounts receivable, net	8,439,817	6,367,774	14,807,591
Interest receivable		29,570	29,570
Greenhouse gas related sales receivable		2,488,481	2,488,481
Loans receivable	11,196,285		11,196,285
Internal balances	2,200,000	(2,200,000)	
Materials, parts and supplies		3,032,270	3,032,270
Prepays and deposits	62,213	1,369,299	1,431,512
Share of certain NCPA projects and reserve		5,453,446	5,453,446
Investments designated for special purposes		22,267,441	22,267,441
Capital assets:			
Non-depreciable	12,641,543	13,191,442	25,832,985
Depreciable, net of accumulated depreciation	274,640,100	83,865,794	358,505,894
Total Assets	440,692,594	206,307,352	646,999,946
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred losses on refunding		808,397	808,397
Deferred outflows related to pensions	11,612,293	1,121,966	12,734,259
Total Deferred Outflows of Resources	11,612,293	1,930,363	13,542,656
<b>LIABILITIES</b>			
Accounts payable	5,624,328	2,220,712	7,845,040
Accrued payroll	2,663,968	280,992	2,944,960
Interest payable	430,317	952,473	1,382,790
Unearned revenue	2,302,848		2,302,848
Refundable deposits	2,884,918	1,090,816	3,975,734
Due to other agencies	46,426		46,426
Claims payable:			
Due within one year	3,513,145	100,000	3,613,145
Due in more than one year	5,481,457	1,162,530	6,643,987
Compensated absences:			
Due within one year	3,005,639	695,453	3,701,092
Due in more than one year		28,414	28,414
Net pension obligation	569,000		569,000
Net pension liability	151,352,682	15,070,670	166,423,352
Net OPEB obligation	31,654,120		31,654,120
Long-term debt:			
Due within one year	2,475,970	1,832,670	4,308,640
Due in more than one year	39,519,060	42,079,351	81,598,411
Total Liabilities	251,523,878	65,514,081	317,037,959
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Balancing account		16,212,813	16,212,813
Deferred inflows related to pensions	26,239,742	4,452,344	30,692,086
Total Deferred Inflows of Resources	26,239,742	20,665,157	46,904,899
<b>NET POSITION</b>			
Net investment in capital assets	259,298,585	72,843,612	332,142,197
Restricted for:			
Capital projects	17,774,308		17,774,308
Debt service	1,125,419		1,125,419
Housing	1,837,679		1,837,679
Public safety	459,562		459,562
Community development	7,144,380		7,144,380
Maintenance assessment districts	5,411,337		5,411,337
Transportation	7,078,376		7,078,376
Tidelands properties	2,646,405		2,646,405
Waste Reduction	3,155,946		3,155,946
Debt service		6,317,041	6,317,041
Sewer system replacement		25,662,574	25,662,574
OPEB	331,628		331,628
Claims	375,000		375,000
Total Restricted Net Position	47,340,040	31,979,615	79,319,655
Unrestricted	(132,097,358)	17,235,250	(114,862,108)
Total Net Position	\$ 174,541,267	\$ 122,058,477	\$ 296,599,744

See accompanying notes to financial statements.



City of Alameda  
Statement of Activities  
June 30, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General government	\$ 15,566,704	\$ 9,928,486		
Police	30,310,509	1,557,542	\$ 225,777	\$ 48,430
Fire	30,247,841	2,902,627	1,111,358	
Public works	20,576,356	8,048,038	2,532,366	5,825,305
Community development	21,707,219	10,900,322	208,665	
Community services	6,808,162	3,273,681	177,149	282,308
Housing	1,883,617	2,500	1,550,934	
Interest on long-term debt	984,165			
<b>Total Governmental Activities</b>	<b>128,084,573</b>	<b>36,613,196</b>	<b>5,806,249</b>	<b>6,156,043</b>
<b>Business-type Activities:</b>				
Sewer services	6,069,959	9,906,045		
Alameda Municipal Power	47,958,639	58,759,497		
<b>Total Business-type Activities</b>	<b>54,028,598</b>	<b>68,665,542</b>	<b>-</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 182,113,171</b>	<b>\$ 105,278,738</b>	<b>\$ 5,806,249</b>	<b>\$ 6,156,043</b>

General revenues:

- Taxes
  - Property taxes
  - Sales taxes
  - Utility users tax
  - Transfer tax
  - Franchise tax
  - Transient occupancy tax
  - Property tax in-lieu
  - Other taxes
- Use of money and properties
- Miscellaneous
- Transfers
- Extraordinary item

Total general revenues, transfers, and extraordinary gain

Change in Net Position

Net Position:

- Beginning Net Position, as previously reported
- Prior Period Adjustments
- Beginning Net Position, as restated
- Ending Net Position

See accompanying notes to financial statements.

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (5,638,218)		\$ (5,638,218)
(28,478,760)		(28,478,760)
(26,233,856)		(26,233,856)
(4,170,647)		(4,170,647)
(10,598,232)		(10,598,232)
(3,075,024)		(3,075,024)
(330,183)		(330,183)
(984,165)		(984,165)
<u>(79,509,085)</u>		<u>(79,509,085)</u>
	\$ 3,836,086	3,836,086
	10,800,858	10,800,858
	<u>14,636,944</u>	<u>14,636,944</u>
(79,509,085)	14,636,944	(64,872,141)
39,057,776		39,057,776
9,340,828		9,340,828
8,330,638		8,330,638
8,258,516		8,258,516
1,496,491		1,496,491
1,928,731		1,928,731
1,002,871		1,002,871
4,460,633		4,460,633
4,465,916	279,817	4,745,733
2,787,194	90,277	2,877,471
3,027,004	(3,027,004)	
1,007,196		1,007,196
<u>85,163,794</u>	<u>(2,656,910)</u>	<u>82,506,884</u>
<u>5,654,709</u>	<u>11,980,034</u>	<u>17,634,743</u>
335,820,571	65,999,386	401,819,957
<u>(166,934,013)</u>	<u>44,079,057</u>	<u>(122,854,956)</u>
<u>168,886,558</u>	<u>110,078,443</u>	<u>278,965,001</u>
<u>\$ 174,541,267</u>	<u>\$ 122,058,477</u>	<u>\$ 296,599,744</u>



The funds described below were determined to be major funds of the City of Alameda in FY 2014-2015. Individual non-major funds may be found in the Supplemental Information section.

***General Fund***

The General Fund accounts for all general revenues of the City not specifically levied or collected by other City funds, and related expenditures. The General Fund also accounts for all financial resources of the City, which are not accounted for in another fund.

***FISC Lease Revenue Special Revenue Fund***

This fund accounts for revenues from the Fleet Industrial Supply Center (FISC) lease and related capital improvement expenditures.

***Base Reuse Special Revenue Fund***

This fund accounts for revenues from leasing activities and grants. Expenditures are made for base reuse activities.

***Housing Special Revenue Fund***

This fund accounts for funds restricted to be used for affordable housing programs in the City.

***Capital Improvement Projects Fund***

This fund accounts for monies for major capital improvement projects not provided for in a separate and specific capital project fund.



City of Alameda  
 Governmental Funds  
 Balance Sheet  
 June 30, 2015

	<b>Major Funds</b>		
	General	FISC Lease Revenue Special Revenue	Base Reuse Special Revenue
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 34,206,595	\$ 3,399,451	\$ 6,365,942
Restricted cash and investments	6,000		
Accounts receivable	5,514,600		9,026
Prepays and deposits	62,213		
Due from other funds	47,978		
Loans receivable	328,796		
Advances to other funds	2,200,000		
Total Assets	<u>\$ 42,366,182</u>	<u>\$ 3,399,451</u>	<u>\$ 6,374,968</u>
<b>LIABILITIES:</b>			
Accounts payable	\$ 1,353,645	\$ 24,083	\$ 721,400
Accrued payroll	2,556,185	2,221	8,769
Accrued interest			
Due to other funds			
Due to other agencies	14,163		
Unearned revenue	2,169,332		
Refundable deposits	515,408	96,905	1,776,661
Total Liabilities	<u>6,608,733</u>	<u>123,209</u>	<u>2,506,830</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Unavailable revenue - miscellaneous revenues	770		
Unavailable revenue - grants			
Unavailable revenue - loans receivable			
Total Deferred Inflows of Resources	<u>770</u>		
<b>FUND BALANCES:</b>			
Nonspendable	2,591,009		
Restricted		3,276,242	3,868,138
Committed	3,000,000		
Unassigned	30,165,670		
Total Fund Balances	<u>35,756,679</u>	<u>3,276,242</u>	<u>3,868,138</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 42,366,182</u>	<u>\$ 3,399,451</u>	<u>\$ 6,374,968</u>

See accompanying notes to financial statements.

<b>Major Funds</b>			
<u>Housing Special Revenue</u>	<u>Capital Improvement Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,345,704	\$ 6,241,246	\$ 46,259,848	\$ 97,818,786
	1,519,717	8,258,447	9,784,164
74,138	638,715	1,908,892	8,145,371
			62,213
			47,978
10,867,489			11,196,285
			2,200,000
<u>\$ 12,287,331</u>	<u>\$ 8,399,678</u>	<u>\$ 56,427,187</u>	<u>\$ 129,254,797</u>
\$ 36,733	\$ 1,019,079	\$ 1,959,789	\$ 5,114,729
	11,590	85,203	2,663,968
800			800
		47,978	47,978
	2,855	29,408	46,426
		133,507	2,302,839
	38,246	433,778	2,860,998
<u>37,533</u>	<u>1,071,770</u>	<u>2,689,663</u>	<u>13,037,738</u>
		3,263	4,033
		770,914	770,914
<u>10,867,488</u>			<u>10,867,488</u>
<u>10,867,488</u>		<u>774,177</u>	<u>11,642,435</u>
			2,591,009
1,382,310		42,395,569	50,922,259
	7,327,908	10,581,859	20,909,767
		(14,081)	30,151,589
<u>1,382,310</u>	<u>7,327,908</u>	<u>52,963,347</u>	<u>104,574,624</u>
<u>\$ 12,287,331</u>	<u>\$ 8,399,678</u>	<u>\$ 56,427,187</u>	<u>\$ 129,254,797</u>







**City of Alameda  
Reconciliation of  
Governmental Funds – Fund Balances  
with Governmental Net Position  
June 30, 2015**

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Total fund balances reported on the governmental funds balance sheet \$ 104,574,624

Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:

**CAPITAL ASSETS**

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 281,253,804

**ALLOCATION OF INTERNAL SERVICE FUND NET POSITION**

Internal service funds are not governmental funds. However, they are used by management to charge the costs of certain activities, such as insurance and central services and maintenance to individual governmental funds. The net position and liabilities of the internal service funds are therefore included in governmental activities in the statement of net position.

Cash and cash equivalents	23,201,057
Restricted cash and investments	708,629
Accounts receivable	294,446
Capital assets, net of depreciation	6,027,839
Accounts payable	(509,599)
Interest Payable	(100,139)
Unearned revenue	(9)
Refundable deposits	(23,920)
Claims payable	(8,994,602)
Long-term debt	(4,985,218)

**ACCRUAL OF NON-CURRENT REVENUES AND EXPENSES**

Unavailable revenue which are deferred inflows of resources in the Governmental Funds because they are not available currently are taken into revenue in the Statement of Activities. 11,642,435

**DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES**

Pension contributions made subsequent to the net pension liability measurement date are considered future reductions of the net pension liability and, therefore, are reported as deferred outflows of resources. 11,612,293

Actual earnings on pension plan assets in excess of projected earnings are financial resources used to reduce the net pension liability and, therefore, are reported as deferred inflows of resources. (26,239,742)

**LONG-TERM ASSETS AND LIABILITIES**

The assets and liabilities below are not due and payable in the current period and, therefore, are not reported in the Funds:

Interest payable	(329,378)
Long-term debt	(37,009,812)
Compensated absences	(3,005,639)
Net pension obligation	(569,000)
Net pension liability	(151,352,682)
Net OPEB obligation	(31,654,120)

**NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 174,541,267**

See accompanying notes to financial statements.



**City of Alameda**  
**Governmental Funds**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**For the Year Ended June 30, 2015**

	<b>Major Funds</b>		
	General	FISC Lease Revenue Special Revenue	Base Reuse Special Revenue
<b>REVENUES</b>			
Property taxes	\$ 31,997,790		
Other local taxes	32,778,575		
Licenses and permits	2,192,586		
Revenues from other agencies	790,743	\$ 124,059	\$ 293,221
Charges for current services	9,541,506		
Fines and forfeitures	1,152,995		
Use of money and property	1,406,962	1,013,596	12,404,086
Other revenues	100,098		
Total Revenues	<u>79,961,255</u>	<u>1,137,655</u>	<u>12,697,307</u>
<b>EXPENDITURES</b>			
Current:			
General government	10,312,626		
Police	28,570,331		
Fire	27,362,021		
Public works	1,159,705		
Community development		591,537	11,827,815
Community services	2,232,103		
Housing			
Capital outlay	401,830	265	
Debt service:			
Principal			
Interest	2,888		
Total Expenditures	<u>70,041,504</u>	<u>591,802</u>	<u>11,827,815</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>9,919,751</u>	<u>545,853</u>	<u>869,492</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	3,383,800		
Transfers (out)	(9,887,769)		(568,920)
Total Other Financing Sources (Uses)	<u>(6,503,969)</u>	<u>-</u>	<u>(568,920)</u>
<b>NET CHANGE IN FUND BALANCE - BEFORE EXTRAORDINARY ITEM</b>	3,415,782	545,853	300,572
Extraordinary item	1,007,196		
<b>NET CHANGES IN FUND BALANCES</b>	4,422,978	545,853	300,572
<b>BEGINNING FUND BALANCES</b>	<u>31,333,701</u>	<u>2,730,389</u>	<u>3,567,566</u>
<b>ENDING FUND BALANCES</b>	<u>\$ 35,756,679</u>	<u>\$ 3,276,242</u>	<u>\$ 3,868,138</u>

See accompanying notes to financial statements.

<b>Major Funds</b>			
<u>Housing Special Revenue</u>	<u>Capital Improvement Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
		\$ 9,513,880	\$ 41,511,670
		1,529,048	34,307,623
	\$ 62,021	2,579,916	4,834,523
	1,720,108	7,543,925	10,472,056
	1,795,517	5,264,911	16,601,934
		426,613	1,579,608
\$ 593,785	40,897	2,013,422	17,472,748
111,195	1,149,252	1,537,515	2,898,060
<u>704,980</u>	<u>4,767,795</u>	<u>30,409,230</u>	<u>129,678,222</u>
		6,900,581	17,213,207
		112,495	28,682,826
		599,033	27,961,054
		3,398,606	4,558,311
		3,726,384	16,145,736
		3,565,459	5,797,562
295,562		1,587,917	1,883,479
	12,652,014	3,348,234	16,402,343
		1,906,000	1,906,000
		788,678	791,566
<u>295,562</u>	<u>12,652,014</u>	<u>25,933,387</u>	<u>121,342,084</u>
<u>409,418</u>	<u>(7,884,219)</u>	<u>4,475,843</u>	<u>8,336,138</u>
	9,082,562	6,375,816	18,842,178
<u>(109,540)</u>	<u>9,082,562</u>	<u>(8,526,916)</u>	<u>(19,093,145)</u>
<u>(109,540)</u>	<u>9,082,562</u>	<u>(2,151,100)</u>	<u>(250,967)</u>
299,878	1,198,343	2,324,743	8,085,171
			1,007,196
299,878	1,198,343	2,324,743	9,092,367
<u>1,082,432</u>	<u>6,129,565</u>	<u>50,638,604</u>	<u>95,482,257</u>
<u>\$ 1,382,310</u>	<u>\$ 7,327,908</u>	<u>\$ 52,963,347</u>	<u>\$ 104,574,624</u>



**City of Alameda  
 Reconciliation of the  
 Net Changes in Fund Balance – Governmental Funds  
 with the Change in Governmental Net Position  
 For the year ended June 30, 2015**

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 9,092,367

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

**CAPITAL ASSETS TRANSACTIONS**

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	16,402,343
Non-capitalized capital outlay expenditures were reclassified to various governmental activities	(11,395,062)
Depreciation expense	(8,420,748)
(Depreciation expense is net of internal service fund depreciation of \$1,147,097 which has already been allocated to service funds.)	

**LONG TERM DEBT PROCEEDS AND PAYMENTS**

Bond proceeds and premium provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities.

Repayment of debt principal	1,906,000
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**PENSION LIABILITY**

Contributions to the net pension liability are recognized as expenditures in the governmental funds but are recognized as deferred outflows of resources when made subsequent to the measurement date. Additionally, other changes to the net pension liability are not recognized in the governmental fund statements because they do not use current financial resources.

Change in net pension liability	953,882
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**ACCRUAL OF NON-CURRENT ITEMS**

The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in Governmental Funds (net change):

Unavailable revenue	(3,041,406)
Interest payable	(92,460)
Net pension obligation	(5,000)
Net OPEB obligation	(5,010,667)
Compensated absences	(266,776)

**ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY**

Internal Service Funds are used by management to charge the costs of certain activities, such as equipment acquisition, maintenance, and insurance to individual funds. The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with Governmental Funds is reported with governmental activities, because they service those activities.

Change in Net Position - All Internal Service Funds	5,532,236
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<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 5,654,709</b>
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See accompanying notes to financial statements.



**City of Alameda**  
**General Fund**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Budget and Actual**  
**For the year ended June 30, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 30,549,867	\$ 30,549,867	\$ 31,997,790	\$ 1,447,923
Other local taxes	29,311,567	29,311,567	35,578,575	6,267,008
Licenses and permits	1,717,800	1,717,800	2,192,586	474,786
Revenues from other agencies	-	-	790,743	790,743
Charges for current services	9,637,496	9,637,496	9,541,506	(95,990)
Fines and forfeitures	-	-	1,152,995	1,152,995
Use of money and property	1,223,315	1,223,315	1,406,962	183,647
Other revenue	98,200	98,200	100,098	1,898
Total Revenues	<u>72,538,245</u>	<u>72,538,245</u>	<u>82,761,255</u>	<u>10,223,010</u>
<b>EXPENDITURES:</b>				
Current:				
General government	11,494,914	11,904,664	10,312,626	1,592,038
Police	29,832,990	29,832,990	28,570,331	1,262,659
Fire	26,227,067	26,227,067	27,362,021	(276,938)
Public works	1,220,000	1,220,000	1,159,705	60,295
Community services	2,399,000	2,399,000	2,232,103	166,897
Capital outlay	394,080	409,080	401,830	7,250
Debt service:				
Principal	28,132	28,132		28,132
Interest	2,801	2,801	2,888	(87)
Total Expenditures	<u>71,598,984</u>	<u>72,023,734</u>	<u>70,041,504</u>	<u>2,840,246</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>267,245</u>	<u>(343,505)</u>	<u>12,719,751</u>	<u>13,063,256</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	583,800	583,800	583,800	
Transfers (out)	<u>(5,740,000)</u>	<u>(10,002,767)</u>	<u>(9,887,769)</u>	<u>114,998</u>
Total other financing sources (uses)	<u>(5,156,200)</u>	<u>(9,418,967)</u>	<u>(9,303,969)</u>	<u>114,998</u>
NET CHANGE IN FUND BALANCE - BEFORE EXTRAORDINARY ITEM	<u>(4,888,955)</u>	<u>(9,762,472)</u>	<u>3,415,782</u>	<u>13,178,254</u>
Extraordinary item			<u>1,007,196</u>	<u>1,007,196</u>
NET CHANGE IN FUND BALANCE	<u>\$ (4,216,939)</u>	<u>\$ (8,904,456)</u>	<u>4,422,978</u>	<u>\$ 14,185,450</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>31,333,701</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 35,756,679</u>	

See accompanying notes to financial statements.



**City of Alameda**  
**FISC Lease Revenue**  
**Special Revenue Fund**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Budget and Actual**  
**For the year ended June 30, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Revenue from other agencies	\$ 212,510	\$ 212,510	\$ 124,059	\$ (88,451)
Use of money and property	1,022,490	1,022,490	1,013,596	(8,894)
Total Revenues	<u>1,235,000</u>	<u>1,235,000</u>	<u>1,137,655</u>	<u>(97,345)</u>
<b>EXPENDITURES:</b>				
Current:				
Community Development	1,241,000	1,241,000	591,537	649,463
Capital outlay			265	(265)
Total Expenditures	<u>1,241,000</u>	<u>1,241,000</u>	<u>591,802</u>	<u>649,198</u>
NET CHANGE IN FUND BALANCE	<u>\$ (6,000)</u>	<u>\$ (6,000)</u>	545,853	<u>\$ 551,853</u>
Beginning fund balance			<u>2,730,389</u>	
Ending fund balance			<u>\$ 3,276,242</u>	

See accompanying notes to financial statements.



**City of Alameda**  
**Base Reuse**  
**Special Revenue Fund**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Budget and Actual**  
**For the year ended June 30, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Revenue from other agencies		\$ 250,000	\$ 293,221	\$ 43,221
Use of money and property	\$ 11,813,000	11,813,000	12,404,086	591,086
Total Revenues	11,813,000	12,063,000	12,697,307	634,307
<b>EXPENDITURES:</b>				
Current:				
Community development	10,818,000	12,494,466	11,827,815	666,651
EXCESS OF REVENUES OVER EXPENDITURES	995,000	(431,466)	869,492	1,300,958
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	(650,000)	(910,526)	(568,920)	341,606
NET CHANGE IN FUND BALANCE	\$ 345,000	\$ (1,341,992)	300,572	\$ 1,642,564
Beginning fund balance			3,567,566	
Ending fund balance			\$ 3,868,138	

See accompanying notes to financial statements.



**City of Alameda**  
**Housing**  
**Special Revenue Fund**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Budget and Actual**  
**For the year ended June 30, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 233,000	\$ 415,380	\$ 593,785	\$ 178,405
Other revenues		95,230	111,195	15,965
Total Revenues	<u>233,000</u>	<u>510,610</u>	<u>704,980</u>	<u>194,370</u>
<b>EXPENDITURES:</b>				
Current:				
Housing	<u>239,000</u>	<u>828,415</u>	<u>295,562</u>	<u>532,853</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(6,000)</u>	<u>(317,805)</u>	<u>409,418</u>	<u>727,223</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	<u>(200,000)</u>	<u>(505,543)</u>	<u>(109,540)</u>	<u>396,003</u>
NET CHANGE IN FUND BALANCE	<u>\$ 194,000</u>	<u>\$ 187,738</u>	299,878	<u>\$ 1,123,226</u>
Beginning fund balance			<u>1,082,432</u>	
Ending fund balance			<u>\$ 1,382,310</u>	

See accompanying notes to financial statements.



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

***Sewer Services Fund***

The City operates its own wastewater system. This fund accounts for all financial transactions relating to this municipal activity including, but not limited to, operations, maintenance, capital financing and related debt services, billing and collection.

***Alameda Municipal Power***

Alameda Municipal Power was established to provide electricity to the City of Alameda. This fund accounts for all financial transactions related to this municipal activity including, but not limited to, operations, maintenance, capital financing and related debt services, billing and collection.





City of Alameda  
Statement of Net Position  
Proprietary Funds  
June 30, 2015

	Business-Type Activities			Governmental Activities - Internal Service Funds
	Sewer Services	Alameda Municipal Power	Total Enterprise Funds	
<b>ASSETS:</b>				
Current Assets:				
Cash and cash equivalents	\$ 28,143,210	\$ 27,060,472	\$ 55,203,682	\$ 23,201,057
Investments		8,921,112	8,921,112	
Accounts receivable, net	467,262	5,900,512	6,367,774	294,446
Interest receivable		29,570	29,570	
Greenhouse gas related sales receivable		2,488,481	2,488,481	
Materials and supplies		3,032,270	3,032,270	
Prepaid power costs and other deposits		1,369,299	1,369,299	
Total Current Assets	<u>28,610,472</u>	<u>48,801,716</u>	<u>77,412,188</u>	<u>23,495,503</u>
Non-Current Assets:				
Restricted cash and investments	1,755,391	4,561,650	6,317,041	708,629
Share of certain NCPA projects and reserve		5,453,446	5,453,446	
Investments designated for special purposes		22,267,441	22,267,441	
Capital Assets:				
Non-depreciable	8,519,056	4,672,386	13,191,442	
Depreciable, net of accumulated depreciation	<u>48,350,078</u>	<u>35,515,716</u>	<u>83,865,794</u>	<u>6,027,839</u>
Total Non-Current Assets	<u>58,624,525</u>	<u>72,470,639</u>	<u>131,095,164</u>	<u>6,736,468</u>
Total Assets	<u>87,234,997</u>	<u>121,272,355</u>	<u>208,507,352</u>	<u>30,231,971</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
Deferred loss on refunding		808,397	808,397	
Deferred outflows related to pensions	105,184	1,016,782	1,121,966	
Total deferred outflows of resources	<u>105,184</u>	<u>1,825,179</u>	<u>1,930,363</u>	
<b>LIABILITIES:</b>				
Current Liabilities:				
Accounts payable	846,853	1,373,859	2,220,712	509,599
Accrued payroll and other liabilities	10,194	270,798	280,992	
Interest payable	207,225	745,248	952,473	100,139
Unearned revenue				9
Refundable deposits	84,429	1,006,387	1,090,816	23,920
Compensated absences	74,099	621,354	695,453	
Claims payable		100,000	100,000	3,513,145
Advances from other funds		2,200,000	2,200,000	
Long-term debt	702,670	1,130,000	1,832,670	519,970
Total Current Liabilities	<u>1,925,470</u>	<u>7,447,646</u>	<u>9,373,116</u>	<u>4,666,782</u>
Noncurrent Liabilities:				
Compensated absences		28,414	28,414	
Claims payable		1,162,530	1,162,530	5,481,457
Net pension liability	1,412,875	13,657,795	15,070,670	
Long-term debt	15,619,351	26,460,000	42,079,351	4,465,248
Total Noncurrent Liabilities	<u>17,032,226</u>	<u>41,308,739</u>	<u>58,340,965</u>	<u>9,946,705</u>
Total Liabilities	<u>18,957,696</u>	<u>48,756,385</u>	<u>67,714,081</u>	<u>14,613,487</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Balancing account		16,212,813	16,212,813	
Deferred inflows related to pensions	417,407	4,034,937	4,452,344	
Total deferred inflows of resources	<u>417,407</u>	<u>20,247,750</u>	<u>20,665,157</u>	
<b>NET POSITION:</b>				
Net investment in capital assets	40,547,113	32,296,499	72,843,612	1,042,621
Restricted				
Debt service	1,755,391	4,561,650	6,317,041	
Sewer system replacement	25,662,574		25,662,574	
Other				708,629
Unrestricted		17,235,250	17,235,250	13,867,234
Total Net Position	<u>\$ 67,965,078</u>	<u>\$ 54,093,399</u>	<u>\$ 122,058,477</u>	<u>\$ 15,618,484</u>

See accompanying notes to financial statements.



**City of Alameda**  
**Statement of Revenues, Expenses**  
**And Changes in Fund Net Position**  
**Proprietary Funds**  
**For the year ended June 30, 2015**

	Business-Type Activities			Governmental Activities - Internal Service Funds
	Sewer Services	Alameda Municipal Power	Total Enterprise Funds	
<b>OPERATING REVENUES</b>				
Charges for services	\$ 9,790,329	\$ 50,790,790	\$ 60,581,119	\$ 9,021,104
Greenhouse gas related sales		6,184,520	6,184,520	
Miscellaneous	115,716	1,784,187	1,899,903	2,619,651
Total Operating Revenues	9,906,045	58,759,497	68,665,542	11,640,755
<b>OPERATING EXPENSES</b>				
General administrative	477,552	6,252,738	6,730,290	221,666
Operations and maintenance		36,300,288	36,300,288	
Wages and benefits	1,140,603		1,140,603	554,904
Insurance				5,265,701
Contractual services	1,808,142		1,808,142	2,213,894
Depreciation	1,118,273	3,148,548	4,266,821	1,147,097
Utilities	69,569		69,569	
Supplies and maintenance	204,239		204,239	26,467
Balancing account adjustment		(660,241)	(660,241)	
Total Operating Expenses	4,818,378	45,041,333	49,859,711	9,429,729
Operating Income (Loss)	5,087,667	13,718,164	18,805,831	2,211,026
<b>NON-OPERATING REVENUES (EXPENSES):</b>				
Interest Income	105,656	173,593	279,249	43,239
Interest income on restricted investments		568	568	
Interest (expense)	(476,369)	(1,554,056)	(2,030,425)	
Gain (Loss) from disposition		7,420	7,420	
Payment in-lieu of taxes	(775,212)	(1,363,250)	(2,138,462)	
Miscellaneous non-operating		82,857	82,857	
Total Non-Operating Revenues (Expenses)	(1,145,925)	(2,652,868)	(3,798,793)	43,239
Income (Loss) Before Transfers	3,941,742	11,065,296	15,007,038	2,254,265
Transfers in			-	3,412,767
Transfers (out)	(227,004)	(2,800,000)	(3,027,004)	(134,796)
Changes in Net Position	3,714,738	8,265,296	11,980,034	5,532,236
<b>NET POSITION:</b>				
Beginning of the year, as previously reported	65,999,386		65,999,386	10,086,248
Prior period adjustments	(1,749,046)	45,828,103	44,079,057	
Beginning of the year, as restated	64,250,340	45,828,103	110,078,443	10,086,248
End of year	\$ 67,965,078	\$ 54,093,399	\$ 122,058,477	\$ 15,618,484

See accompanying notes to financial statements.



**City of Alameda**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the year ended June 30, 2015**

	Business-type Activities			Governmental Activities - Internal Service Funds
	Sewer Services	Alameda Municipal Power	Total Enterprise Funds	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 9,879,607	\$ 51,272,774	\$ 61,152,381	\$ 11,382,003
Receipts from Special Sales (C&T and REC)		6,901,299	6,901,299	
Payments to suppliers	(1,850,856)	(34,185,670)	(36,036,526)	(2,448,809)
Payments to employees	(1,158,347)	(9,072,854)	(10,231,201)	(554,904)
Miscellaneous non-operating receipts		65,335	65,335	
Claims paid				(6,187,478)
Net Cash Provided by Operating Activities	<u>6,870,404</u>	<u>14,980,884</u>	<u>21,851,288</u>	<u>2,190,812</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Payments in-lieu of taxes	(775,212)	(1,363,250)	(2,138,462)	
Transfers in				3,412,767
Transfers (out)	(227,004)	(2,800,000)	(3,027,004)	(134,796)
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(1,002,216)</u>	<u>(4,163,250)</u>	<u>(5,165,466)</u>	<u>3,277,971</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of capital assets	(7,921,452)	(5,085,511)	(13,006,963)	(1,356,872)
Disposition of capital assets	2,667,810	7,420	2,675,230	
Principal payments on capital debt	(685,358)	(1,158,581)	(1,843,939)	313,257
Interest paid	(487,350)	(1,510,751)	(1,998,101)	
Net Cash (Used) by Capital and Related Financing Activities	<u>(6,426,350)</u>	<u>(7,747,423)</u>	<u>(14,173,773)</u>	<u>(1,043,615)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Decrease (increase) in restricted investments	5,311,556	(17,221)	5,294,335	(127,837)
Investments reserved for special purposes		(14,417,703)	(14,417,703)	
Investment in certain NCPA projects and reserves		14,549,392	14,549,392	
Interest income	105,656	159,314	264,970	43,239
Net Cash Provided (Used) by Investing Activities	<u>5,417,212</u>	<u>273,782</u>	<u>5,690,994</u>	<u>(84,598)</u>
Net Cash Flows	4,859,050	3,343,993	8,203,043	4,340,570
Cash and investments at beginning of period	23,284,160	23,716,479	47,000,639	18,860,487
Cash and investments at end of period	<u>\$ 28,143,210</u>	<u>\$ 27,060,472</u>	<u>\$ 55,203,682</u>	<u>\$ 23,201,057</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>				
Operating Income	\$ 5,087,667	\$ 13,718,164	\$ 18,805,831	\$ 2,211,026
Adjustments to reconcile operating income to net cash flows provided by from operating activities:				
Depreciation and amortization	1,118,273	3,148,548	4,266,821	1,147,097
Increase (decrease) in pension related amounts	(23,948)	(231,498)	(255,446)	
Change in assets and liabilities:				
(Increase) decrease in accounts receivable and refundable deposits	(26,438)	(585,424)	(611,862)	(258,752)
(Increase) decrease in materials and supplies		(46,039)	(46,039)	
(Increase) decrease in prepaids		(169,311)	(169,311)	
Increase (decrease) in accounts payable	708,646	(443,318)	265,328	13,218
Increase (decrease) in balancing account		(660,241)	(660,241)	
Increase (decrease) in claims payable		213,585	213,585	(921,777)
Increase (decrease) in accrued payroll and others	6,803	(11,001)	(4,198)	
Increase (decrease) in compensated absences	(599)	(17,916)	(18,515)	
Miscellaneous non-operating income		65,335	65,335	
Net Cash Provided by Operating Activities	<u>\$ 6,870,404</u>	<u>\$ 14,980,884</u>	<u>\$ 21,851,288</u>	<u>\$ 2,190,812</u>

See accompanying notes to financial statements.

Trust funds are used to account for assets held by the City as a trustee agent for individuals, private organizations, and other governments. The financial activities of these funds are excluded from the Government-wide Financial Statements, but are presented in separate Fiduciary Fund Financial Statements.

*Pension Trust Funds* are used to account for the resources accumulated by the City for the payment of pension benefits on behalf of retirees in the City's two closed pension plans, 1079 and 1082.

*Successor Agency Private Purpose Trust Fund* is used to account for the activities of the Successor Agency to the former Community Improvement Commission of the City of Alameda.

*Agency Funds* are used to account for assets held by the City as an agent for individuals, private organizations, and other governments.



**City of Alameda**  
**Fiduciary Funds**  
**Statement of Fiduciary Net Position**  
**June 30, 2015**

	Pension Trust Funds	Successor Agency Private Purpose Trust Fund	Agency Funds
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS:</b>			
Cash and investments	\$ 135,200	\$ 7,993,575	\$ 3,069,765
Restricted cash and investments		1,128,513	1,243,423
Loans receivable		<u>1,584,450</u>	
Total Assets	<u>135,200</u>	<u>10,706,538</u>	<u>\$ 4,313,188</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Loss on refunding		<u>1,526,383</u>	
<b>LIABILITIES:</b>			
Accounts payable		50,938	
Accrued payroll		260	
Interest payable		903,207	
Payable to the Housing Authority		26,567	
Due to bondholders			4,313,188
Long term debt			
Due within one year		2,863,795	
Due in more than one year		<u>60,326,704</u>	
Total Liabilities		<u>64,171,471</u>	<u>\$ 4,313,188</u>
<b>NET POSITION (DEFICIT):</b>			
Held in Trust for pension benefits and other purposes	<u>\$ 135,200</u>	<u>\$ (51,938,550)</u>	

See accompanying notes to financial statements.



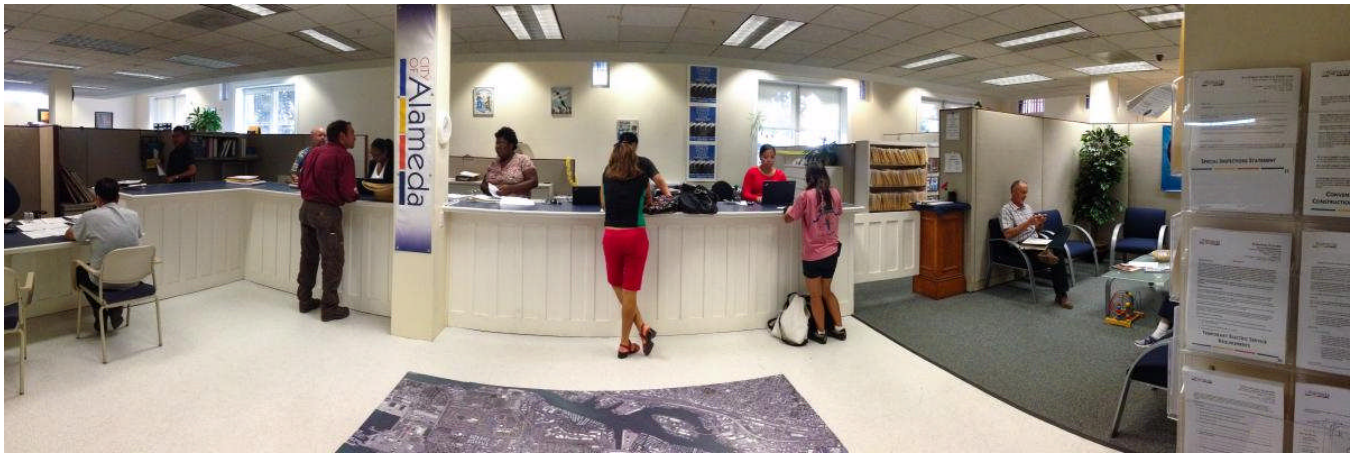
City of Alameda  
Fiduciary Funds  
Statement of Changes in Fiduciary Net Position  
For the year ended June 30, 2015

	Pension Trust Funds	Successor Agency Private Purpose Trust Fund
<b>ADDITIONS:</b>		
Employer contributions	\$ 1,908,006	
Property taxes		\$ 8,415,288
Use of money and property		124,127
Total Additions	<u>1,908,006</u>	<u>8,539,415</u>
<b>DEDUCTIONS:</b>		
Administration		95,218
Retirements and other benefits	1,841,691	
Contractual services	6,052	4,310,568
Community development expense		863,082
Interest and fiscal charges		3,135,418
Total Deductions	<u>1,847,743</u>	<u>8,404,286</u>
Extraordinary item		<u>697,847</u>
<b>CHANGE IN NET POSITION</b>	60,263	832,976
<b>NET POSITION (DEFICIT)</b>		
Net Position (Deficit), Beginning of Year	<u>74,937</u>	<u>(52,771,526)</u>
Net Position (Deficit), End of Year	<u>\$ 135,200</u>	<u>\$ (51,938,550)</u>

See accompanying notes to financial statements.









**City of Alameda**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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## Note 1 – Summary of Significant Accounting Policies

The City of Alameda, California (the “City”), occupies the island of Alameda situated in the San Francisco Bay. The City operates under the Council-Manager form of government and provides the following services: public safety (police and fire); streets and related improvements; sanitation; development services; public improvements; planning and zoning, community services (ARPD and Library) and general administration services.

### A. *Reporting Entity*

The City of Alameda is a charter city and is governed by a five-member City Council elected by City residents. The City is legally separate and fiscally independent, which means it can issue debt, adopt and modify budgets and fees, and sue or be sued. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the government’s operations, thus data from these units are combined with that of the primary government.

#### *Primary Government*

The financial statements of the primary government of the City of Alameda include the activities of the City, as well as its blended component units, which are controlled by and dependent upon the City. While these blended component units are separate legal entities, their financial activities are integral to those of the City. Their financial activities have been aggregated and merged (termed “blending”) with those of the primary government of the City in the accompanying financial statements.

#### *Blended Component Units*

**The Alameda Public Financing Authority (APFA)** is a separate government entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. 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 City’s financial statements. The Authority does not issue separate financial statements.

**The City of Alameda Financing Authority (CAFA)** is a separate government entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. 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 City’s financial statements. The Authority does not issue separate financial statements.

### 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 Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States.

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## Note 1 – Summary of Significant Accounting Policies (Continued)

These GASB Standards require that the financial statements described below be presented:

**Government-wide Statements:** The Statement of Net Position and the Statement of Activities display information about the primary government, the City and its blended 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. However, the interfund services provided and used are not eliminated in the process of consolidation. 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 operational needs of a particular program; and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. 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 nonmajor funds.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. *Operating* revenues, such as charges for services, and expenses, such as contractual 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 investment earnings, and expenses, such as interest expenses, result from nonexchange transactions or ancillary activities.

### C. Major Funds

Major funds are defined as funds that have either assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues or expenditures equal to ten percent of their fund-type total and five percent of the grand total. Major governmental and business-type funds are identified and presented separately in the fund financial statements. All other funds, entitled non-major funds, are combined and reported in a single column, regardless of their fund-type. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds based on qualitative factors.

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

**General Fund** - The General Fund accounts for all general revenues of the City not specifically levied or collected by other City funds and their related expenditures. The General Fund also accounts for all financial resources of a governmental unit which are not accounted for in another fund.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

***FISC Lease Revenue Special Revenue Fund*** - This fund accounts for revenue from the Fleet Industrial Supply Center (FISC) lease and related capital improvement expenditures.

***Base Reuse Special Revenue Fund*** - This fund accounts for revenues from leasing activities and grants. Expenditures are made for base reuse activities.

***Housing Special Revenue Fund*** - This fund accounts for funds received from developer impact fees to be used for affordable housing programs in the City.

***Capital Improvement Projects Fund*** - This fund accounts for monies for major capital improvement projects not provided for in a separate and specific capital project fund transferred in from other funds and received from grants.

The City reported both enterprise funds as major funds in the accompanying financial statements:

***Sewer Services Fund*** - The City operates its own wastewater system. This fund, accounts for all financial transactions relating to this municipal activity including, but not limited to, operations, maintenance, capital financing and related debt service, billing and collection.

***Alameda Municipal Power Fund*** - Alameda Municipal Power was established to provide electricity to the City of Alameda. This fund accounts for all financial transactions relating to this municipal activity including, but not limited to, operations, maintenance, capital financing and related debt services, billing and collection.

The City also reports the following fund types:

***Internal Service Funds*** - The funds account for central stores, central garage, information technology projects, workers' compensation insurance and claims, risk management insurance and claims, unemployment insurance and post-employment benefits, all of which provides services to other City funds on a cost-reimbursement basis.

***Fiduciary Funds*** - Trust Funds and Agency Funds are used to account for assets held by the City as an agent.

**Trust Funds** - These funds account for assets held by the City as an agent for various functions. The Pension Trust Funds account for the resources accumulated by the City for the payment of pension benefits on behalf of retirees in the City's two closed pension plans 1079 and 1082. The Successor Agency Private-Purpose Trust Fund accounts for the accumulation of resources to be used for payments due for the City's former Community Improvement Commission at appropriate amounts and times in the future. The financial activities of these funds are excluded from the Government-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

**Agency Funds** - These funds account for assets held by the City as an agent for certain assessment districts in the City. The financial activities of these funds are excluded from the Government-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

## Note 1 – Summary of Significant Accounting Policies (Continued)

### D. *Basis of Accounting*

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. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation.

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 property taxes reported in the governmental funds to be available if the revenues are generally collected within 60 days after year-end. All other revenues reported in the governmental funds are considered to be available if the revenues are generally collected within 45 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on governmental 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 of governmental long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Those revenues susceptible to accrual are taxes, special assessments, intergovernmental revenues, use of money and property revenue, charges for services, fines and penalties, and license and permit revenues. Sales taxes collected and held by the State at year-end on behalf of the City are also recognized as revenue.

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

The City's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

All proprietary and similar trust funds are accounted for using the accrual basis of accounting. Their revenues are recognized when earned, and their expenses are recognized when incurred, except for revenues from electricity and sewer customers, which are recognized based on cycle billings.



**Note 1 – Summary of Significant Accounting Policies (Continued)**

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

**E. Budgets and Budgetary Accounting**

The City adopts a budget annually for all funds. This budget is effective July 1 for the ensuing fiscal year. From the effective date of the budget, which is adopted by the City Council, and controlled at the fund level, the amounts stated therein as proposed expenditures become appropriations to the various City departments. The City Council may amend the budget during the fiscal year. The City Manager or his designee is authorized to transfer budgeted amounts between departments and between line items within any fund. However, any revisions which alter the total expenditures of any fund must be approved by the City Council. Transfers between funds must be approved by the City Council. All appropriations lapse at year end. Supplemental changes in appropriations that have been adopted by the City Council have been included in the budget versus actual statements.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles except for the major Capital Improvements Projects Fund, which is budgeted at total cost in the budget year it is approved. Unexpended balances of this fund are reappropriated in the subsequent year as necessary to complete the projects.

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of the formal budgetary process. Encumbrances outstanding at year-end lapse and must be reappropriated as part of the following year budget.

The following funds incurred expenditures in excess of its appropriation for the year ended June 30, 2015:

Fund Name	Amount
Asset Seizure / Traffic Safety Special Revenue Fund	\$ 51,930
Parking Meter Special Revenue Fund	\$ 216,765
Revenue Fund	\$ 351,165
Debt Service	\$ 78,184

**F. Materials, Parts and Supplies**

General fund supplies are recorded as expenditures at the time individual supply items are purchased.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**G. *Deferred Compensation Plans***

City employees may defer a portion of their compensation under four separate, optional City sponsored deferred compensation plans created in accordance with Internal Revenue Code Section 457. 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 an emergency as defined by the Plans.

The City has Deferred Compensation Plan administration agreements with ICMA, California Public Employees Retirement System, Nationwide Retirement Solutions, Inc., and Mass Mutual Retirement Services companies to provide for the administration and management of employees’ deferred compensation plan assets. These agreements incorporate changes in the laws and IRS regulations governing deferred compensation plan assets, which require plan assets to be held 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 claims by general creditors of the City, they have been excluded from these financial statements.

**H. *Capital Assets***

Capital assets, other than infrastructure assets, are defined by the City as assets with an initial, individual cost of more than \$10,000. All capital assets, which include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, 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 value on the date contributed.

All capital assets with limited useful lives are depreciated during their estimated useful lives. The purpose of depreciation is to allocate the cost of capital assets equitably among all users during the life of these assets. The amount charged to depreciation expense each year represents that year’s pro rata share of the cost of capital assets.

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 listed below to capital assets:

Electric Plant	30 years
Buildings and Improvements	40 - 80 years
Machinery, Furniture and Equipment	4 - 40 years
Infrastructure	15 - 75 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds within the same period.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**I. *Compensated Absences***

The liability for compensated absences includes the vested portions of vacation, sick leave and compensated time off. For all governmental funds, a liability of these amounts is reported only if they have matured, for example, as a result of employee resignations and retirements. The remaining portion is recorded as a liability in the Statement of Net Position. Proprietary funds’ liability for compensated absences is recorded in each proprietary fund. The liability for compensated absences is determined annually.

Compensated absences activity for the year ended June 30, 2015, is as follows:

	Governmental Activities	Business-Type Activities	Total
Beginning Balance	\$ 2,738,863	\$ 742,382	\$ 3,481,245
Additions	3,520,901	654,512	4,175,413
Payments	(3,254,125)	(673,027)	(3,927,152)
Ending Balance	<u>\$ 3,005,639</u>	<u>\$ 723,867</u>	<u>\$ 3,729,506</u>
Current Portion	<u>\$ 3,005,639</u>	<u>\$ 695,453</u>	<u>\$ 3,701,092</u>

Compensated absences are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund.

**J. *Pensions***

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City’s California Public Employees Retirement System (CalPERS) Plans and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**K. *Purchased Power Balancing Account***

The Purchased Power Balancing Account is used by Alameda Municipal Power to stabilize rates in the short term. Specifically, the balancing account accumulates differences between the actual cost of purchased power and the revenues designated for recovery of such costs. Deferred amounts are refunded to or recovered from customers through authorized rate adjustments. The effect of using the balancing account is that unanticipated changes in sales levels and purchased power costs do not immediately affect Alameda Municipal Power’s rate payers, because they are included in operating expenses when matched by revenues.

**L. *Net Position***

Net Position is the excess of all the City’s assets and deferred outflows over all its liabilities and deferred inflows, regardless of fund. Net Position is divided into three captions. These captions apply only to Net Position, which is determined at proprietary fund and the Government-wide level, and are described below:

**Note 1 – Summary of Significant Accounting Policies (Continued)**

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

*Restricted* describes the portion of Net Position which 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, and funds restricted for low and moderate housing purposes.

*Unrestricted* describes the portion of Net Position which is not restricted to use.

**M. Fund Balances**

The City’s fund balances are classified based on spending constraints imposed on the use of resources. The City would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds. Each category in the following hierarchy is ranked according to the degree of spending constraint:

*Nonspendable* represent balances set aside to indicate items that do not represent available, spendable resources, even though they are a component of assets. Fund balances required to be maintained intact, such as permanent funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment, are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then nonspendable amounts are required to be presented as a component of the applicable category.

*Restricted* fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

*Committed* fund balances have constraints imposed by formal action used for specific purposes (through a resolution) of the City Council, which may be altered only by the same formal action of the City Council. Encumbrances and nonspendable amounts subject to council commitments are included along with spendable resources.

*Assigned* fund balances are amounts constrained by the City’s intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the City Manager or its designee as authorized by an adopted City Council resolution and may be changed at the discretion of the City Council or its designee. This category includes encumbrances; Nonspendables, when it is the City’s intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, of Special Revenue, Capital Projects and Debt Service Funds which have not been restricted or committed through a council resolution, the City Council has designated the City Manager or his designee to determine the amount of assigned fund balances.

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

*Unassigned* fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

**N. *Property Tax***

Under California law, property taxes are assessed and collected by the counties at a rate of up to 1% of assessed value, plus other increases approved by the voters. Property taxes are collected by the Auditor-Controller of the County of Alameda (County) and are remitted upon collection to the various taxing entities, including the City. Accordingly, the City accrues only those taxes that are received from the County within sixty days after year-end.

For assessment and collection purposes, property is classified as either “secured” or “unsecured” and is listed accordingly on separate parts of the assessment roll. The “secured roll” is that part of the assessment roll containing State-assessed property and real property having a tax lien that is sufficient, in the opinion of the County Assessor, to secure payment of the taxes. Unsecured property comprises all taxable property not attached to land, such as personal property or business property. Every tax levied by a county that becomes a lien on secured property has priority over all present and future private liens arising pursuant to State law on the secured property, regardless of the time of the creation of the other liens. A tax levied on unsecured property does not become a lien against the taxed unsecured property, but may become a lien on other property owned by the taxpayer.

Valuation of secured property and establishment of a statutory tax lien occur as of January 1 prior to the tax year of the related tax levy, and the secured and unsecured tax rolls are certified on or before July 31 of the tax year by the County Assessor. The County assesses property values, levies bills, and collects taxes. Secured property tax is due in two installments on November 1 and February 1. It becomes delinquent after December 10 and April 10, respectively. Unsecured property tax is due on July 1 and become delinquent on August 31.

The City does not have the ability to control the levy rate or the amount of property taxes remitted by the County because these are governed by State law.

**O. *Deferred Inflows / Outflows of Resources***

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has two items that qualifies for reporting in this category: 1) deferred charges on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt and 2) deferred outflows related to pensions relates to the implementation of GASB 68 and the payment of pension contributions after the measurement date.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the governmental funds, the City has one type of this item which qualifies for reporting in this category (under the modified accrual basis of accounting). Accordingly, the item, unavailable revenues, is reported only in the governmental funds balance sheet and represents unavailable revenues from notes receivable, grant reimbursements, and other miscellaneous revenues not yet received. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. At the government-wide statements, this item is eliminated and recognized as revenue since “availability” of resources is not a criteria used in the government-wide statements. In addition the City reports deferred inflows related to pensions as a result of the implementation of GASB 68 and certain pension related items and deferred inflows related to the balancing account used to help stabilize rates. Specifically, the balancing account accumulates differences between the actual costs of providing a utility service with the related revenues designated for recovery of such costs.

**P. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Q. Implementation of New GASB Pronouncements**

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, to improve the guidance for accounting and reporting on the pensions that governments provide to their employees. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts), which meet certain criteria. The requirements of GASB Statement Nos. 27 and 50 remain applicable for pensions not covered by the scope of this Statement. The requirements of the Statement are effective for fiscal periods beginning after June 15, 2014. The City adopted this statement as of July 1, 2014.

In January 2013, the GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*, which is intended to improve accounting and financial reporting for U.S. state and local governments’ combinations and disposals of government operations. This statement provides guidance for determining whether a specific government combination is a government merger, a government acquisition, or a transfer of operations; using carrying values (generally, the amounts recognized in the pre-combination financial statements of the combining governments or operations) to measure the assets, deferred outflows of resources, liabilities, and deferred inflows of resources combined in a government merger or transfer of operations; measuring acquired assets, deferred outflows of resources, liabilities, and deferred inflows of resources based upon their acquisition values in a government acquisition; and reporting the disposal of government operations that have been transferred or sold. This statement became effective for periods beginning after December 15, 2013 and did not have a significant impact on the City’s financial statements for year ended June 30, 2015.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

In November 2013, the GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. This statement is intended to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issues related to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government’s beginning net pension liability. The requirements of the Statement are effective for fiscal periods beginning after June 15, 2014. The City adopted this statement as of July 1, 2014.

**R. Upcoming GASB Pronouncements**

**GASB Statement No. 72** – In February 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. This Statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. These disclosures should be organized by type of asset or liability reported at fair value. It also requires additional disclosures regarding investments in certain entities that calculate net asset value per share (or its equivalent). The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. The City has not determined its effect on the financial statements.

**GASB Statement No. 73** – In June 2015, GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68*. The provisions in Statement No. 73 are effective for fiscal years beginning after June 15, 2015—except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016. The City has not determined its effect on the financial statements.

**GASB Statement No. 74** – In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Statement No. 74 replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement No. 43, and Statement No. 50, *Pension Disclosures*. The provisions in Statement 74 are effective for fiscal years beginning after June 15, 2016. The City has not determined its effect on the financial statements.

**GASB Statement No. 75** – In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Statement No. 75 establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. The provisions in Statement No. 75 are effective for fiscal years beginning after June 15, 2017. The City has not determined its effect on the financial statements.

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**GASB Statement No. 76** – In June 2015, GASB issues Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This statement is not effective until the fiscal year ending June 30, 2016. The City has not determined the effect of this statement.

**GASB Statement No. 77** – In August 2015, GASB issued Statement No. 77, *Tax Abatement Disclosures*. The objective of this Statement is to provide financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs. This statement is not effective until the fiscal year ending June 30, 2017. The City has not determined the effect of this statement.

**GASB Statement No. 78** – In December 2015, GASB issued Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. This Statement amends the scope and applicability of Statement 68 to exclude pensions provide to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pension through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. This Statement is not effective until the fiscal year ending June 30, 2017. The City has not determined the effect of this statement.

**GASB Statement No. 79** – In December 2015, GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. Professional judgment is required to determine if instances of noncompliance with the criteria established by this Statement during the reporting period, individually or in the aggregate. This Statement is not effective until the fiscal year ending June 30, 2016. The City has not determined the effect of this statement.



## Note 1 – Summary of Significant Accounting Policies (Continued)

**GASB Statement No. 80** – In January 2015, GASB issued Statement No. 80, *Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14*. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. This Statement is not effective until the fiscal year ending June 30, 2017. The City has not determined the effect of this statement.

## Note 2 – Cash and Investments

The City's dependence upon property tax receipts, which are received semi-annually, requires it to maintain significant cash reserves to finance operations during the remainder of the year. The City pools cash from all sources and all funds except Cash with Fiscal Agents and the Alameda Municipal Power Enterprise Fund so that it can be invested at the maximum yield, consistent with safety and liquidity objectives. Individual funds can make expenditures at any time.

Investment income is allocated among funds on the basis of average month-end cash and investment balances in these funds. Investments are carried at fair value.

### A. Policies

California Law requires banks and savings and loan institutions to pledge government securities with a fair value of 110% of the City's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California law, this collateral is held in a separate investment pool by another institution in the City's name and places the City ahead of general creditors of the institution.

The City and its fiscal agents invest in individual investments and in investment pools. Individual investments are evidenced by specific identifiable *securities instruments*, or by an electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system. In order to increase security, the City employs the Trust Department of a bank as the custodian of certain City managed investments, regardless of form.

The City's investments are carried at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

Cash and cash equivalents with maturities of 3 months or less are considered to be liquid assets for purposes of measuring cash flows. Restricted cash and investments are not included for cash flow purposes.

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

**B. Classification**

Cash and investments are classified in the financial statements as shown below, based on whether or not its use is restricted under the terms of City debt instruments or agency agreements. Cash and investments as of June 30, 2015, as presented on the Statement of Net Position and Statement of Fiduciary Net Position are as follows:

Statement of Net Position:

Cash and investments	\$ 185,144,637
Cash with fiscal agents	16,809,834
Investments designated for special purposes	22,267,441

Fiduciary Funds:

Cash and cash equivalents	11,198,540
Restricted cash and investments	2,371,936

Total cash and investments	<u>\$ 237,792,388</u>
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Cash and investments as of June 30, 2015 are composed of the following categories:

Cash on hand (petty cash and change funds)	\$ 10,075
Deposits with financial institutions	37,660,159
Investments	200,122,154
Total Cash and Investments	<u>\$ 237,792,388</u>

**C. Investments Authorized by the California Government Code and the City's Investment Policy**

The City's investment policy and the California Government Code allow the City to invest in the following, provided the credit ratings of the issuers are acceptable to the City, and approved percentages and maturities are not exceeded. The table also identifies certain provisions of the California Government Code, or the City's Investment Policy where the City's Investment Policy is more restrictive, that addresses interest rate risk, credit risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

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

The City’s investment policy and the California Government Code allow the City to invest in the following:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment In One Issuer</u>
California Local Agency Investment Fund	Upon Demand	N/A	\$ 50,000,000 per account	\$ 50,000,000 per account
U.S. Treasury Bonds, Notes and Bills	5 Years	N/A	No Limit	No Limit
U.S. Agency and U.S. Government Sponsored Enterprise Securities	5 Years	N/A	75%	25% in each U.S. Agency
Bankers' Acceptances	180 Days	A1, P1	30%	5%
Commercial Paper	270 Days	A1, P1	30%	5%
Negotiable Certificates of Deposit	5 Years	A<1 year AA for 1-5 years	30%	5%
Medium-Term Corporate Notes	5 Years	A	30%	No Limit
Money Market Mutual Funds	N/A	N/A	20%	10%
County Agency Investment Fund	Upon Demand	N/A	15%	No Limit
California Asset Management Program (CAMP)	Upon Demand	N/A	No Limit	No Limit
CDs - non-negotiable / CDAR	3 Years	N/A	30%	5%
Municipal Obligation	5 Years	A (except City's own obligations)	5%	5%
Asset backed securities	5 Years	AA (or higher)	10%	No Limit
Supranationals	5 Years	AA	10%	No Limit

(A) The maximum of any investment shall not exceed five years unless expressly authorized by City Council.

Alameda Municipal Power’s investment policy and the California Government Code allow Alameda Municipal Power to invest in the following, provided the credit ratings of the issuers are acceptable to Alameda Municipal Power, and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or Alameda Municipal Power’s investment policy where Alameda Municipal Power’s Investment Policy is more restrictive, that addresses investments of interest rate risk, credit risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of Alameda Municipal Power, rather than the general provisions of the California Government Code or Alameda Municipal Power’s investment policy.

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

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
Local Agency Municipal Bonds	2 Years	N/A	No Limit	No Limit
U.S. Treasury Obligations	5 Years	N/A	20%	No Limit
State of California Obligations	2 Years	N/A	No Limit	No Limit
Other State Obligations (C )	2 Years	N/A	No Limit	No Limit
CA Local Agency Obligations	2 Years	N/A	No Limit	No Limit
U.S. Agency Securities (B)	5 Years	N/A	No Limit	No Limit
Bankers Acceptances	180 Days	N/A	40%	30%
Commercial Paper	270 Days	A1	25%	10%
Negotiable Certificates of Deposit	2 Years	N/A	25%	No Limit
Time Certificates	2 Years	N/A	25%	No Limit
Repurchase Agreements	1 Year	N/A	No Limit 20% of	No Limit
Reverse Repurchase Agreements (requires Board approval)	92 Days	N/A	market value of portfolio	No Limit
Medium Term Corporate Notes	5 Years	A	30%	No Limit
Mutual Funds	2 Years	Top rating category	20%	10%
Money Market Mutual Funds	2 Years	Top rating category	5%	10%
Collateralized Bank Deposits	2 Years	N/A	5%	No Limit
Mortgage Pass-Through Securities	2 Years	Top rating category	20%	No Limit
County Pooled Investment Funds	Upon Demand	N/A	15%	No Limit
California Local Agency Investment Fund	Upon Demand	N/A	90%	\$50,000,000 per account
California Asset Management Program (CAMP)	Upon Demand	N/A	No Limit	No Limit

(A) The maximum of any investment shall not exceed five years unless expressly authorized by the Public Utilities Board.

(B) Securities issued by agencies of the federal government such as the Federal Farm Credit Bank (FFCB), the Federal Home Loan Bank (FHLB), the Federal National Mortgage Association (FNMA), and the Federal Home Loan Mortgage Corporation (FHLMC)

(C ) State Obligations such as registered treasury notes and bonds.

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

**D. Investments Authorized by Debt Agreements**

The City and the Successor Agency to the Community Improvement Commission must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged as reserves to be used if the City or the Successor Agency to the Community Improvement Commission fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City ordinance, bond indentures or State statute. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>	<u>Maximum in Portfolio</u>	<u>Maximum Investment In One Issuer</u>
Repurchase Agreements	30 Days	Top Four Rating Categories	No Limit	No Limit
U.S. Treasury Bonds, Notes and Bills	No Limit	N/A	per account No Limit	per account No Limit
U.S. Agency and U.S. Government Sponsored Enterprise Securities	No Limit	No Limit	No Limit	No Limit
Stage Obligations	No Limit	Not lower than their bond rating	No Limit	No Limit
Commercial Paper	270 Days	A-1+	No Limit	No Limit
Negotiable Certificates of Deposit	No Limit	N/A	No Limit	No Limit
Time Certificates	No Limit	N/A	No Limit	No Limit
Corporate Notes and Bonds	No Limit	Not lower than their bond rating	No Limit	No Limit
Guaranteed Investment Contracts	No Limit	Not lower than their bond rating	No Limit	No Limit
Shares of Beneficial Interest	No Limit	Top Rating Category	No Limit	No Limit
Money Market Mutual Funds	No Limit	Aam	20%	No Limit
Bankers' Acceptances	365 Days	a-1+	30%	30%
Municipal Bonds	No Limit	AAA	No Limit	No Limit
California Local Agency Investment Fund (LAIF)	Upon Demand	N.A	\$50,000,000 per account	\$50,000,000 per account
Investments Agreements	No Limit	AA-	No Limit	No Limit

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

Alameda Municipal Power must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged as reserves to be used if Alameda Municipal Power fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with Alameda Municipal Power’s ordinance, bond indentures or State statute. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage Allowed	Maximum Investment In One Issuer
U.S Treasury Obligations	N/A	N/A	No Limit	No Limit
State Obligations	N/A	AA+	No Limit	No Limit
U.S. Agency Securities (A)	N/A	N/A	No Limit	No Limit
Commercial Paper	N/A	P1	No Limit	No Limit
Certificates of Deposit	N/A	P1	No Limit	No Limit
Bankers Acceptances	1 Year	P1	No Limit	No Limit
Money Market Mutual Funds	N/A	AAAm	No Limit	No Limit
California Local Agency Investment Fund	N/A	N/A	\$50,000,000 per account	\$50,000,000 per account
Investment Agreements (B)	N/A	AA	No Limit	No Limit

(A) Securities issued by agencies of the federal government such as the Federal Farm Credit Bank, the Federal Home Loan Bank (FHLB), the Federal National Mortgage Association (FNMA), and the Federal Home Loan Mortgage Corporation (FHLMC).

(B) Investment agreements, including guaranteed investment contracts, repurchase agreements, forward purchase agreements and reserve fund put agreements.

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

**E. Interest Rate Risk**

Interest rate risk is the risk that changes in economic markets that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to the changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities, so that a portion of the portfolio is maturing or realizing maturity evenly over time as necessary in order to provide the cash flow and liquidity needed for operations. Information on the sensitivity of the fair values of the City’s investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investments by maturity at June 30, 2015:

Investment Type	12 months or less	One to Five Years	Total
U.S. Government-Sponsored			
Enterprise Agencies:			
Non-callable	\$ 7,116,525	\$ 21,254,361	\$ 28,370,886
Callable		801,489	801,489
Medium Term Corporate Notes:			
Non-callable	1,032,098	20,424,730	21,456,828
Callable		1,563,043	1,563,043
U.S. Treasury Notes and Bills	1,746,874	25,219,705	26,966,579
Money Market Mutual Funds	7,039,776		7,039,776
California Local Agency Investment Fund	91,845,983		91,845,983
Negotiable Certificates of Deposit	4,977,844	14,112,476	19,090,320
Commerical Paper	1,699,141		1,699,141
Municipal Bonds	400,432	887,677	1,288,109
Total Investments	\$ 115,858,673	\$ 84,263,481	200,122,154
Cash deposits with banks and on hand			37,670,234
Total Cash and Investments			\$ 237,792,388

The City and Alameda Municipal Power are voluntary participants in the Local Agency Investment Fund (LAIF), which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City and Alameda Municipal Power report their investments in LAIF at the fair value amounts provided by LAIF, which is the same as the value of the pool share. At June 30, 2015 the fair value approximated cost of the investments of the City and Alameda Municipal Power. The balance, available for withdrawal on demand, is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF’s investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2015, these investments had an average maturity of 239 days. LAIF is not registered with the Securities and Exchange Commission.

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

**F. Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment when an investment matures. This is measured by the assignment of a credit rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, 2015, for each City’s investment type as provided by Standard and Poor’s:

Investment Type	AAA / Aam	AAAm	AA+ to AA-	A+ to A-	A-1+ to A-1	Total
U.S. Government-Sponsored						
Enterprise Agencies:						
Non-callable		\$ 4,687,717	\$ 23,683,169			\$ 28,370,886
Callable			801,489			801,489
Medium Term Corporate Notes:						
Non-callable			8,501,216	\$ 12,955,612		21,456,828
Callable			472,965	1,090,078		1,563,043
Money Market Mutual Funds		7,039,776				7,039,776
Negotiable Certificates of Deposit		590,027	2,096,833	5,097,659	\$ 1,798,850	9,583,369
Commercial Paper					1,699,141	1,699,141
Municipal Bonds	\$ 400,432		887,677			1,288,109
Total	<u>\$ 400,432</u>	<u>\$ 12,317,520</u>	<u>\$ 36,443,349</u>	<u>\$ 19,143,349</u>	<u>\$ 3,497,991</u>	<u>71,802,641</u>
<i>Not rated:</i>						
California Local Agency Investment Fund						91,845,983
Negotiable Certificates of Deposit						<u>9,506,951</u>
						101,352,934
<i>Exempt:</i>						
U.S. Treasury Notes and Bills						<u>26,966,579</u>
Total Investments						<u>\$ 200,122,154</u>

**G. Custodial Credit Risk**

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 its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As previously described, the City’s deposits are collateralized in accordance with California Government Code. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments.



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

**H. Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations**

The City’s investments include U.S. Government-Sponsored Enterprise Agencies and Corporate Notes that have an embedded call feature. At June 30, 2015, those investments consisted of:

Issuer	Maturity Date	Callable Date	Reported Amount
Federal Home Loan Banks	3/24/2017	3/24/2016	\$ 801,489
Bank of New York-Mellon	9/11/2019	8/11/2019	\$ 554,626
Chevron Corp	12/5/2017	11/5/2017	\$ 472,965
US BankCorp Notes	11/15/2018	10/15/2018	\$ 70,631
US Bank NA	4/25/2019	3/25/2019	\$ 464,821

**Note 3 – Interfund Transactions**

**A. Current Balances**

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. The purpose of these balances is to eliminate negative cash balances at year end in various funds. At June 30, 2015, the amounts of current interfund balances were as follows:

Due From Other Funds	Due To Other Funds	Amount
General Fund	Non-Major Governmental Funds	\$ 47,978

**B. Long-Term Advances (Internal Balances)**

Loan from City of Alameda General Fund – On December 15, 2003, the Alameda City Council authorized a loan of \$2,200,000 from the General Fund to AMP for the purpose of construction of the hybrid fiber-optic/coaxial telecom system. The loan is interest free and was due on June 1, 2009. The City and Alameda Municipal Power are currently negotiating the payment terms for this loan.

**Note 3 – Interfund Transactions**

**C. Transfers Between City Funds**

With Council approval, resources may be transferred from one City fund to another. Transfers between City funds during fiscal year 2014-15 were as follows:

Fund Receiving Transfer	Fund Making Transfer	Amount Transferred
General Fund	Sewer Services Enterprise Fund	\$ 20,004 A
	Non-Major Governmental Funds	429,000 A
	Internal Service Funds	134,796 A
	Alameda Municipal Power	2,800,000 B
Capital Improvement Projects Fund	General Fund	1,943,000 C
	Base Reuse Special Revenue Fund	41 C
	Sewer Services Enterprise Fund	207,000 C
	Non-Major Governmental Funds	6,932,521 C
Non-Major Governmental Funds	General Fund	4,532,002 A,C
	Base Reuse Special Revenue Fund	568,879 C
	Housing Special Revenue Fund	109,540 D
	Non-Major Governmental Funds	1,165,395 A,C,D
Internal Service Funds	General Fund	3,412,767 A
		<u>\$ 22,254,945</u>

The reasons for these transfers are set forth as follows;

- (A) To fund sewer, library, debt service, and other indirect costs.
- (B) Transfer from Alameda Municipal Power to the General Fund per charter
- (C) To fund capital and storm drain projects
- (D) To fund housing projects

**Note 4 – Loans Receivable**

Summary of Loans Receivable	Amount
Housing Rehabilitation and Affordable Loans	\$ 10,867,489
Alameda Point Improvement Project (APIP) Loan	328,796
Total Loans Receivables	<u>\$ 11,196,285</u>

**A. Housing Rehabilitation and Affordable Housing Loans**

The City and former CIC has engaged in programs designed to encourage construction or improvement in low-to-moderate income housing or other projects. Under these programs, grants or loans are provided under favorable terms to homeowners or developers who agree to expend these funds in accordance with the City's and former CIC's terms. Some of these loans may be forgiven at the completion of the loan term if all stipulated conditions are met. Other loans and notes are expected to be repaid in full.

**Note 4 – Loans Receivable (Continued)**

The City’s remaining outstanding balance of the loans receivable from these programs, net of allowance for doubtful accounts, at June 30, 2015 was \$10,867,489, which has been offset with unavailable revenue. Included in the outstanding balance was a receivable for \$852,700 from the Housing Authority. The City has determined that \$719,706 of the outstanding balance may have to be written off in the future therefore they have established an allowance for doubtful accounts for this amount.

**B. Alameda Point Improvement Project (APIP) Loan**

On February 10, 2010, the General Fund advanced \$1,258,995 to the Alameda Point Improvement Project Area to fund improvements in the Project Area. Of this amount, \$1,007,196 is due and payable to the City, with the balance due and payable to the Alameda Housing Authority. The loan was reinstated during the current year in accordance with the Finding of Completion received from the California Department of Finance.

**Note 5 – Capital Assets**

**A. Capital Asset Additions and Retirements**

City capital asset activities for the year ended June 30, 2015 are as follows:

	Balance at June 30, 2014	Additions	Retirements	Transfers	Balance at June 30, 2015
<i>Governmental Activities</i>					
Capital assets not being depreciated:					
Land	\$ 5,995,318				\$ 5,995,318
Construction in progress	10,166,370	\$ 5,508,968	\$ (612,403)	\$ (8,416,710)	6,646,225
Total capital assets not being depreciated	<u>16,161,688</u>	<u>5,508,968</u>	<u>(612,403)</u>	<u>(8,416,710)</u>	<u>12,641,543</u>
Capital assets being depreciated:					
Building	253,817,936		(24,404)		253,793,532
Machinery and equipment	31,091,003	1,467,588	(403,476)		32,155,115
Infrastructure:					
Streets	156,636,999			4,964,451	161,601,450
Landscape	20,479,187				20,479,187
Stormdrains	20,110,350			2,528,492	22,638,842
Portable water systems	1,353,939				1,353,939
Parks	7,175,939			245,608	7,421,547
Marina facilities	24,285,397			678,159	24,963,556
Golf Improvements	4,205,963				4,205,963
Total capital assets being depreciated	<u>519,156,713</u>	<u>1,467,588</u>	<u>(427,880)</u>	<u>8,416,710</u>	<u>528,613,131</u>
Less accumulated depreciation for:					
Buildings	(105,787,069)	(3,318,738)	24,404		(109,081,403)
Machinery and equipment	(20,789,212)	(1,798,503)	403,476		(22,184,239)
Infrastructure:					
Streets	(65,373,833)	(2,886,917)			(68,260,750)
Landscape	(17,303,838)	(540,379)			(17,844,217)
Stormdrains	(9,007,171)	(338,859)			(9,346,030)
Portable water systems	(1,177,183)	(7,851)			(1,185,034)
Parks	(2,671,737)	(220,446)			(2,892,183)
Marina facilities	(19,915,975)	(296,742)			(20,212,717)
Golf Improvements	(2,807,048)	(159,410)			(2,966,458)
Total accumulated depreciation	<u>(244,833,066)</u>	<u>(9,567,845)</u>	<u>427,880</u>		<u>(253,973,031)</u>
Net capital assets being depreciated	<u>274,323,647</u>	<u>(8,100,257)</u>	<u>-</u>	<u>8,416,710</u>	<u>274,640,100</u>
Governmental activities capital assets, net	<u>\$ 290,485,335</u>	<u>\$ (2,591,289)</u>	<u>\$ (612,403)</u>	<u>\$ -</u>	<u>\$ 287,281,643</u>

**Note 5 – Capital Assets (Continued)**

	Balance at June 30, 2014	Additions	Retirements	Transfers	Balance at June 30, 2015
<i>Business-type Activities</i>					
Capital assets not being depreciated:					
Land and Rights	\$ 153,643				\$ 153,643
Construction in progress	11,232,763	\$ 10,905,179	\$ (658,480)	\$ (8,441,663)	13,037,799
Total capital assets not being depreciated	<u>11,386,406</u>	<u>10,905,179</u>	<u>(658,480)</u>	<u>(8,441,663)</u>	<u>13,191,442</u>
Capital assets being depreciated:					
Utility Plant	79,142,909			143,775	79,286,684
Service Center Building	7,843,636				7,843,636
Machinery and Equipment	9,153,503			43,683	9,197,186
Transportation Equipment	2,867,266		(38,620)	221,959	3,050,605
Computer Equipment	3,455,613			199,374	3,654,987
Furniture and Fixtures	2,215,472	92,454		3,874	2,311,800
Sewer lines	69,282,911			7,828,998	77,111,909
Easements	185,500			-	185,500
Total capital assets being depreciated	<u>174,146,810</u>	<u>92,454</u>	<u>(38,620)</u>	<u>8,441,663</u>	<u>182,642,307</u>
Less accumulated depreciation for:					
Utility Plant	(47,486,499)	(2,591,842)			(50,078,341)
Service Center Building	(3,553,650)	(165,870)			(3,719,520)
Machinery and Equipment	(8,483,516)	(80,132)			(8,563,648)
Transportation Equipment	(2,138,973)	(179,262)	38,620		(2,279,615)
Computer Equipment	(3,192,786)	(101,080)			(3,293,866)
Furniture and Fixtures	(1,528,329)	(137,268)			(1,665,597)
Sewer lines	(28,056,059)	(1,007,867)			(29,063,926)
Easements	(108,500)	(3,500)			(112,000)
Total accumulated depreciation	<u>(94,548,312)</u>	<u>(4,266,821)</u>	<u>38,620</u>		<u>(98,776,513)</u>
Total depreciable assets	<u>79,598,498</u>	<u>(4,174,367)</u>	<u>-</u>	<u>8,441,663</u>	<u>83,865,794</u>
Business activity capital assets, net	<u>\$ 90,984,904</u>	<u>\$ 6,730,812</u>	<u>\$ (658,480)</u>	<u>\$ -</u>	<u>\$ 97,057,236</u>

**B. Capital Asset Contributions**

Some capital assets may be acquired using Federal and State grant funds, or they may be contributed by developers or other governments. These contributions are accounted for as contributed capital in the proprietary funds at the time the capital assets are contributed.

**Note 5 – Capital Assets (Continued)**

**C. Depreciation Allocation**

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

<b>Governmental Activities</b>		
General Government		\$ 199,109
Police		505,775
Fire		803,159
Public works		4,671,061
Community development, planning and building		2,385,009
Culture and recreation		1,003,732
	<b>Total Governmental Activities</b>	<u>\$ 9,567,845</u>
<b>Business-Type Activities</b>		
Sewer services		\$ 1,118,273
Alameda Municipal Power		3,148,548
	<b>Total Business-Type Activities</b>	<u>\$ 4,266,821</u>

**Note 6 – Long-Term Debt**

The City generally incurs long-term debt to finance projects or purchase assets which will have useful lives equal to or greater than the term of the related debt. Bond discounts and premiums are amortized during the life of the related debt. Issuance costs are expenses when incurred.

**Note 6 – Long-Term Debt (Continued)**

**A. City Long-Term Debt**

The City's long-term debt activities for the year ended June 30, 2015 are as follows:

	CUSIP Number	Balance June 30, 2014	Additions	Retirements	Balance June 30, 2015	Current Portion
<b>Governmental Activities Debt:</b>						
<b>Certificates of Participation:</b>						
2008 Refinancing Project	010762	\$ 2,845,000		\$ (480,000)	\$ 2,365,000	\$ 510,000
2013 Financing Project	010762	9,010,000		(445,000)	8,565,000	460,000
Plus: Unamortized bond premium		403,344		(25,516)	377,828	
<b>Total Certificates of Participation</b>		<u>12,258,344</u>		<u>(950,516)</u>	<u>11,307,828</u>	<u>970,000</u>
2003 ARRA Demand Revenue Bonds	010808	11,400,000		(400,000)	11,000,000	400,000
2013 General Obligation Refunding Bonds	010752	9,010,000		(400,000)	8,610,000	340,000
Plus: Unamortized bond premium		87,446		(5,462)	81,984	
Leases Payable	not available	4,772,100	\$ 673,799	(460,681)	4,985,218	519,970
HUD Section 108 Loan	not available	6,191,000		(181,000)	6,010,000	246,000
<b>Subtotal</b>		<u>31,460,546</u>	<u>673,799</u>	<u>(1,447,143)</u>	<u>30,687,202</u>	<u>1,505,970</u>
<b>Total Governmental Activities Debt</b>		<u>43,718,890</u>	<u>673,799</u>	<u>(2,397,659)</u>	<u>41,995,030</u>	<u>2,475,970</u>
<b>Business-Type Activities Debt:</b>						
State Water Resources Control Board	not available	575,668		(138,024)	437,644	141,889
State Revolving Fund Loan, 1998	not available	687,603		(130,553)	557,050	133,947
State Revolving Fund Loan, 1999	not available	365,979		(57,009)	308,970	58,547
State Revolving Fund Loan, 2004	not available	811,353		(81,176)	730,177	83,287
Sewer Revenue Bonds, 2012 Series A	010782	14,465,000		(275,000)	14,190,000	285,000
2008 Truck (Altel Model AM-55) - Capital Lease	not available	24,694		(24,694)		
2009 Truck (Altel Model D3060) - Capital Lease	not available	38,887		(38,887)		
Revenue Bonds, Series 2010A	010808CS0	8,700,000			8,700,000	
Taxable Revenue Bonds, Series 2010B	010808CS0	19,985,000		(1,095,000)	18,890,000	1,130,000
Plus: Unamortized bond premium		101,776		(3,596)	98,180	
<b>Total Business-type Activities Debt</b>		<u>45,755,960</u>		<u>(1,843,939)</u>	<u>43,912,021</u>	<u>1,832,670</u>
<b>Total Debt</b>		<u>\$ 89,474,850</u>	<u>\$ 673,799</u>	<u>\$ (4,241,598)</u>	<u>\$ 85,907,051</u>	<u>\$ 4,308,640</u>

**Note 6 – Long-Term Debt (Continued)**

**B. Debt Service Requirements**

Annual debt service requirements are shown below for all long-term debt:

For the Year Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2016	\$ 2,475,970	\$ 1,182,470	\$ 1,832,670	\$ 1,957,916
2017	2,292,905	1,112,177	1,888,874	1,896,296
2018	2,362,176	1,046,273	1,960,376	1,822,068
2019	2,436,791	974,884	1,888,044	1,739,962
2020	2,295,864	899,930	1,872,352	1,654,160
2021-2025	12,783,427	3,274,536	10,381,525	6,747,997
2026-2030	11,383,085	1,238,702	13,295,000	3,550,582
2031-2035	5,505,000	193,992	5,295,000	1,163,337
2036-2040	-	-	3,210,000	660,756
2041-2045	-	-	2,190,000	143,975
<b>Total</b>	<b>\$ 41,535,218</b>	<b>\$ 9,922,964</b>	<b>\$ 43,813,841</b>	<b>\$ 21,337,049</b>
Plus unamortized bond premium	459,812		98,180	
<b>Total</b>	<b>\$ 41,995,030</b>		<b>\$ 43,912,021</b>	

**C. Description of the City's Long-Term Debt Issues**

The balance of the City's debt is in various forms as follows:

**Governmental Activity Debt**

**Certificates of Participation** - Some of the City's debt is in the form of Certificates of Participation, which are a type of long-term borrowing secured by lease payments made by the City under non-cancelable lease agreements. The cost of the assets securing these leases and the balance of the debt evidenced by these Certificates of Participation have been included in the City's financial statements, as these leases are in essence financing arrangements with ownership of the financed assets reverting to the City at the conclusion of the lease term.

**2008 Refinancing Project Certificates of Participation** - In July 2008, the City Council authorized the issuance of the Certificates of Participation (2008 Refinancing Project) in the amount of \$4,575,000 to refinance the 1996 Police Building Refunding and Equipment Financing Certificates of Participation and the 1996 Library and Golf Course Upgrade and Renovation Certificates of Participation. The 2008 Certificates bear interest rates from 4% to 5%, which are payable semi-annually in May and November. The City's principal payments commenced on May 1, 2011.

## Note 6 – Long-Term Debt (Continued)

**2013 Financing Project Certificates of Participation** - On September 17, 2013, the City of Alameda Financing Authority authorized the issuance of the Certificates of Participation (2013 Refinancing Project) in the amount of \$9,610,000 to repay the City of Alameda 2002 Certificates of Participation and to finance the costs of construction of a new City Emergency Operations Center and associated expenses. The 2013 Certificates bear interest rates from 3% to 4%, which are payable semi-annually in May and November commenced on May 1, 2014.

### **General Obligation and Revenue Bonds**

**2013 General Obligation Bonds** – On September 17, 2013, the voters and City Council approved the repayment of General Obligation Bonds originally issued in 2003. The Refunding Bonds were issued on November 1, 2013 in the principal amount of \$9,010,000 to refund, on a current basis, the City of Alameda General Obligation Bonds, Series 2003, and pay for costs of issuance of the Bonds. The 2003 Bonds were issued to finance the construction and renovation of various public libraries. The bonds bear interest between 3% and 3.4%. The repayment of the bonds is secured by all non-restricted revenues of the City. Principal payments are due annually on August 1. Interest payments are due semi-annually on February 1 and August 1 through August 1, 2033.

**2003 Alameda Reuse and Redevelopment Authority (ARRA) Variable Rate Demand Lease Revenue Bonds** – On December 1, 2003, the Alameda Public Financing Authority issued Variable Rate Revenue Bonds in the original principal amount of \$13,440,000 at a variable rate of interest determined on a weekly basis. The proceeds from the bonds were used to refund the 1999 ARRA Revenue Bonds, which were issued to finance the costs of certain improvements at Alameda Point, and to finance professional services for land use planning and other activities required for the redevelopment process at Alameda Point. Repayment of these bonds is from lease revenues paid to ARRA from certain land, buildings, fixtures and equipment. Interest is payable on the first business day of each month.

The pledge of sublease revenues ends upon repayment of the \$11,099,893 in remaining debt service on the Bonds, which is scheduled to occur in 2034. As disclosed in the bond indenture documents, pledged future sublease revenues are expected to provide coverage over debt service of 1.5 during the life of the Bonds. For fiscal year 2014-15, sublease revenues amounted to \$10,481,156, which represented coverage of 2,448% over the \$428,184 in debt service.

### **Leases and Loans Payable**

**Leases Payable** – At June 30, 2015, the City held the following leases payable. Under the lease agreements, ownership of the capital assets reverts to the City at the end of the lease terms. Since the leases are in essence financing arrangements, the costs of the capital assets and the amounts of the lease terms have been included in the City's financial statements.

**Fire Apparatus Lease Payable** – On October 19, 2011, the City entered into a lease agreement in the amount of \$1,750,000 with Oshkosh Capital to acquire two fire apparatus vehicles. The City agreed to pay the lease starting on October 19, 2012, in annual payments of \$147,127, which includes interest, for fifteen years. Balance of the lease as of June 30, 2015 was \$1,460,093.

**Radio Lease Payable** – On October 1, 2011, the City entered into a lease agreement in the amount of \$1,507,194 with Holman Capital Corporation to acquire 206 hand-held radios and 124 vehicle radios. The City agreed to pay the lease starting on October 11, 2012, in annual payments of \$231,896, which includes interest rate of 1.89%, for 7 years. Balance of the lease as of June 30, 2015 was \$885,358.



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**Note 6 – Long-Term Debt (Continued)**

**2013 Fire Truck Lease Payable** – On September 26, 2012, the City entered into a lease agreement in the amount of \$1,965,726 with Oshkosh Capital to acquire two fire apparatus vehicles. The City agreed to pay the lease starting on September 26, 2013, in annual payments of \$162,546, which includes interest, for fifteen years. Balance of the lease as of June 30, 2015 was \$1,748,547.

**2013 Ambulance Lease Payable** – On April 23, 2013, the City entered into a lease agreement in the amount of \$199,348 with Oshkosh Capital to acquire an ambulance vehicle. The City agreed to pay the lease starting on April 24, 2013, with the first payment of \$39,348 and annual payments thereafter of \$25,584 which includes interest, for eight years. Balance of the lease as of June 30, 2015 was \$117,504.

**2013 Ambulance Lease Payable** – On August 14, 2013, the City entered into a lease agreement in the amount of \$140,000 with US Bancorp to acquire an ambulance vehicle. The City agreed to pay the lease starting on October 24, 2013, with annual payments of \$21,779. Balance of the lease as of June 30, 2015 was \$99,916.

**2015 Fire Apparatus Lease Payable** – On July 1, 2014, the City entered into a lease agreement in the amount of \$803,109 with Oshkosh Capital to acquire one fire apparatus vehicle. The City agreed to pay the lease starting on August 5, 2015, in annual payments of \$66,926, which includes interest, for ten years. Balance of the lease as of June 30, 2015 was \$673,799.

**HUD Section 108 Loan** – On January 5, 2006, the City entered into an agreement to borrow \$7,000,000 from the Department of Housing and Urban Development. In September 2006, the City drew down \$4,000,000 for the construction of the Alameda Theater Garage Project. In August 2007, the City drew down an additional \$3,000,000 for the same project. Principal and interest payments of both loans are due semi-annually on August and February through 2027. The loan carries a variable interest rate of 20 points above the LIBOR rate. Repayments of the loans are funded by a BEDI (Brownfields Economic Development Initiative) grant, parking garage and retail and cinema lease revenues. The outstanding balance as of June 30, 2015 is \$6,010,000.

**Business-Type Activities Debt**

**Loans Payable**

**State Water Resources Control Board** – On February 8, 1996, the City entered into a loan with the California State Water Resources Control Board for up to \$2,324,502 at 2.8% interest, of which all has been drawn down. The purpose of the loan is to provide funding to install sanitary sewer facilities. The loan is payable from Sewer Service Enterprise Fund operating revenues. The City agreed to make annual payments of \$154,144 through August 5, 2017. The balance as of June 30, 2015 was \$437,644.

**State Revolving Fund Loan 1998** – The City entered into a contract on July 1, 1998 to borrow funds from the State Water Resources Control Board. The funds are being used for a Sewer Replacement Project to replace sewers to correct infiltration and inflow. The maximum loan amount is \$2,292,025, of which all has been drawn down. This loan bears interest at 2.6% per year for a term of twenty years. The balance as of June 30, 2015 was \$557,050.

## Note 6 – Long-Term Debt (Continued)

**State Revolving Fund Loan 1999** – The City entered into a contract on September 29, 1999 to borrow funds from the State Water Resources Control Board. The funds are being used for a Sewer Replacement Project to replace sewers to correct infiltration and inflow. The maximum loan amount is \$1,193,529 that bears interest at 2.7% per year for a term of twenty years. The balance as of June 30, 2015 was \$308,970.

**State Revolving Fund Loan 2004** – The City entered into a contract on August 12, 2004 to borrow funds from the State Water Resources Control Board. The funds are being used for a Sewer Replacement Project to replace sewers to correct infiltration and inflow. The maximum loan amount is \$1,840,292 that bears interest at 2.6% per year for a term of twenty years. The balance as of June 30, 2015 was \$730,177.

### Revenue Bonds

**Sewer Revenue Bonds 2012 Series A** – On October 3, 2012, the City of Alameda Financing Authority issued Sewer Revenue Bonds 2012 Series A, in the original principal amount of \$14,715,000 to repay the 1995 Sewer System Refinancing and Improvement Certificates of Participation and to finance improvements to the City's municipal sewer system. The Bonds bear interest between 2% and 4%, which are payable semi-annually in February and August. Principal payments of the Bonds commenced on August 1, 2013.

The pledge of sublease revenues ends upon repayment of the \$21,967,653 in remaining debt service on the Bonds, which is scheduled to occur in 2042. As disclosed in the bond indenture documents, pledged future revenues are expected to provide coverage over debt service of 1.25 during the life of the Bonds. For fiscal year 2015, revenues amounted to \$9,906,045, which represented coverage of 1,381% over the \$717,541 in debt service.

**Revenue Bonds, Series 2010A/B (AMP Refinancing)** – ON August 1, 2010, the City of Alameda Financing Authority issued Revenue Bonds, Series 2010A/B to provide funds, together with certain other available monies, to 1) prepay the obligations of AMP and City for the Electric System Revenue Certificates of Participation Series 2000A, 2) prepay the obligations of AMP for the Taxable Electric System Revenue Certificates of Participation, Series 2000AT, 3) fund a deposit to the Common Reserve Account, and 4) prepay the costs of issuance of the 2010 Bonds. Revenue Bonds, Series 2010A bear interest at 4.375% to 5.25%, payable January 1 and July 1 of each year.

Principal on the Series 2010B Bonds will be payable beginning July 1, 2011 and each succeeding July 1 until defeased in 2027. Principal on the Series 2010A Bonds will be payable beginning July 1, 2027 and each succeeding July 1 until defeased in 2030. The 2010 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity. The 2010 Bonds are special obligations payable solely from electric revenues, other amounts held in the bond funds and accounts established pursuant to the indenture, and amounts on deposit in the Common Reserve Account. The initial book-entry principal obligation for the Series 2010A is \$8,700,000 and \$22,985,000 for the Series 2010B. The combined principal obligation amount is \$31,685,000.

**Note 6 – Long-Term Debt (Continued)**

**Capital Lease Obligation** – On June 1, 2008, Alameda Municipal Power entered into a long-term contract for the lease of a vehicle for maintenance operations use. Total cost of the vehicle was \$176,295 and is due in monthly principal and interest installments of \$2,533 through June 2015. The lease was fully paid off during the year.

**Capital Lease Obligation** – On July 18, 2008, Alameda Municipal Power entered into a long-term contract for the lease of a vehicle for maintenance operations use. Total cost of the vehicle was \$229,168 and is due in monthly principal and interest installments of \$3,347 through July 2015. This lease was fully paid off during the year.

**Note 7 - Special Assessment Debt Without City's Commitment**

Harbor Bay Community Facilities District #1 (Harbor Bay Business Park) has also issued debt, but the City has no legal liability with respect to the payment of this debt, which is secured by assessments on the properties in this District. At June 30, 2015, the outstanding debt amount for this assessment district was \$6,685,000.

**Note 8 – Net Position and Fund Balances**

Detailed classifications of the City’s Fund Balances, as of June 30, 2015 are below:

Classifications	General Fund	FISC Lease Revenue Special Revenue	Base Reuse Special Revenue	Housing Special Revenue	Capital Improvement Projects	Other Governmental Funds	Total
<b>Nonspendable:</b>							
Items not in spendable form:							
Loans	\$ 328,796						\$ 328,796
Advances	2,200,000						2,200,000
Prepays and deposits	62,213						62,213
<b>Total Nonspendable</b>	<b>2,591,009</b>						<b>2,591,009</b>
<b>Restricted for:</b>							
Development activities		\$ 3,276,242	\$ 3,868,138			\$ 17,173,412	24,317,792
Streets and roads						3,588,647	3,588,647
Affordable housing				\$ 1,382,310		455,369	1,837,679
Public safety						459,562	459,562
Waste reduction						4,459,043	4,459,043
Assessment district						5,411,337	5,411,337
Tidelands						2,646,405	2,646,405
Transportation						7,078,376	7,078,376
Debt service						1,123,418	1,123,418
<b>Total Restricted</b>		<b>3,276,242</b>	<b>3,868,138</b>	<b>1,382,310</b>		<b>42,395,569</b>	<b>50,922,259</b>
<b>Committed to:</b>							
Capital projects					\$ 7,327,908	718,060	8,045,968
Community Development						2,011,517	2,011,517
Culture and recreation						2,897,336	2,897,336
Library Operations						1,861,730	1,861,730
Parking Meter/Garage						3,093,216	3,093,216
Long-term obligations	3,000,000						3,000,000
<b>Total Committed</b>	<b>3,000,000</b>				<b>7,327,908</b>	<b>10,581,859</b>	<b>20,909,767</b>
<b>Unassigned:</b>							
Reserve policy	19,982,000						19,982,000
Residual fund balance in excess of policy or Fund balance deficits	10,183,670					(14,081)	10,169,589
<b>Total Unassigned</b>	<b>30,165,670</b>					<b>(14,081)</b>	<b>30,151,589</b>
<b>Total Fund Balances</b>	<b>\$ 35,756,679</b>	<b>\$ 3,276,242</b>	<b>\$ 3,868,138</b>	<b>\$ 1,382,310</b>	<b>\$ 7,327,908</b>	<b>\$ 52,963,347</b>	<b>\$ 104,574,624</b>

**Fund Balance/Net Position Deficits**

At June 30, 2015, the funds below had fund balance deficits or deficit net position. Future revenues and payment of debt are expected to offset these deficits.

**Non-major Fund:**

Asset Seizure / Traffic Safety Special Revenue Fund \$ 14,081

**Internal Service Fund:**

Workers' Compensation Insurance \$ 1,522,876

**Private Purpose Trust Fund:**

Successor Agency \$ 51,938,550

**Note 9 – Pension Plans**

**A. General Information about the Pension Plans**

**Plan Descriptions** – All qualified permanent and probationary employees are eligible to participate in the City’s separate Safety (police and fire) and Miscellaneous (all other) Plans, agent multiple employer defined benefit pension plans administered by the California Public Employees Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** – CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law. The Plans’ provisions and benefits in effect at June 30, 2015 are summarized as follows:

	<b>Miscellaneous</b>	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Benefit Formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	55	62
Annual benefits, as a % of annual salary	2.000%	2.000%
Required employee contribution rates	7.000%	6.750%
Required employer contribution rates	17.201%	8.016%

	<b>Safety</b>	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Benefit Formula	3% @ 50	2.7% @ 57
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50	57
Annual benefits, as a % of annual salary	3.000%	2.700%
Required employee contribution rates	9.000%	12.000%
Required employer contribution rates	44.115%	13.739%

**Note 9 – Pension Plans (Continued)**

**Employees Covered** – At June 30, 2015, the following employees were covered by the benefit terms for each Plan:

	<u>Miscellaneous</u>	<u>Safety</u>
Inactive employees or beneficiaries currently receiving benefits	491	235
Inactive employees entitled to but not yet receiving benefits	382	43
Active employees	291	179
Total	<u>1,164</u>	<u>457</u>

**Contributions** – Section 20814(c) of the California Public Employees’ Retirement law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rates of employees. For the measurement period ended June 30, 2014 (the measurement date), the average active employee contribution rate for the miscellaneous plan is 6.995 percent of annual pay and for the safety plan is 9.057 percent of annual pay. The employer’s contribution rate is 14.970 percent of annual payroll for the miscellaneous plan and 39.506 percent of annual payroll for the safety plan. The City’s required contribution rate for the fiscal year ended June 30, 2015, was 17.201% for the miscellaneous plan and 44.115% for the safety plan. The employees pay a percentage of their salaries toward the City’s required contribution. Employees within the miscellaneous plan pay 1.868% of the employers’ contribution and employees within the safety plan pay 4.0% of the employers’ contribution. Total employer contribution amounts were \$3,506,145 for the miscellaneous plan and \$9,228,114 for the safety plan.

**B. Net Pension Liability**

The City’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2014, using an annual actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014. A summary of principal assumptions and methods used to determine the net pension liability is shown on the next page.

**Note 9 – Pension Plans (Continued)**

*Actuarial Assumptions* – The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2013	June 30, 2013
Measurement Date	June 30, 2014	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	7.5%	7.5%
Inflation	2.75%	2.75%
Payroll Growth	3.0%	3.0%
Projected Salary Increase	3.3% - 14.2% (1)	3.3% - 14.2% (1)
Investment Rate of Return	7.5% (2)	7.5% (2)
Mortality	Society of Actuaries Scale BB (3)	

(1) Depending on age, service and type of employment

(2) Net of pension plan investment expenses, including inflation

(3) The mortality table used was developed based on CalPERS' specific data

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period of 1997 to 2011. Further details of the Experience Study can be found on the CalPERS website at: <http://www.calpers.ca.gov/index.jsp?bc=/about/forms-pubs/calpers-reports/actuarial-reports.xml>.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return on pension plan investments, CalPERS took into account both short and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

**Note 9 – Pension Plans (Continued)**

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Real Return Years 1 - 10<sup>1</sup></u>	<u>Real Return Years 11+<sup>2</sup></u>
Global Equity	47%	5.25%	5.71%
Global Fixed Income	19%	0.99%	2.43%
Inflation Sensitive	6%	0.45%	3.36%
Private Equity	12%	6.83%	6.95%
Real Estate	11%	4.50%	5.13%
Infrastructure and Forestland	3%	4.50%	5.09%
Liquidity	2%	-0.55%	-1.05%
Total	<u>100%</u>		

1 – An expected inflation of 2.5% used for this period

2 – An expected inflation of 3.0% used for this period

**Discount Rate** – The discount rate used to measure the total pension liability was 7.50% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS street tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.50 percent is applied to all plans in the Public Employees Retirement Fund. The cross-over test results are presented in a detailed reported called “GASB Crossover Testing Report” that can be obtained at CalPERS’ website under the GASB 68 section.



**Note 9 – Pension Plans (Continued)**

**C. Changes in the Net Pension Liability**

The changes in the Net Pension Liability for each Plan measured as of June 30, 2014, follows:

*Miscellaneous Plan:*

	<b>Increase (Decrease)</b>		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2014</b>	\$ 238,706,174	\$ 177,315,970	\$ 61,390,204
<b>Changes in the year:</b>			
Service cost	3,808,115		3,808,115
Interest on the total pension liability	17,592,705		17,592,705
Contribution - employer		3,088,658	(3,088,658)
Contribution - employee		2,206,769	(2,206,769)
Projected earnings on investments		13,007,783	(13,007,783)
Differences between projected and actual earning on plan investments		17,391,969	(17,391,969)
Benefit payments, including refunds of employee contributions	(12,081,658)	(12,081,658)	
<b>Net changes</b>	<u>9,319,162</u>	<u>23,613,521</u>	<u>(14,294,359)</u>
<b>Balance at June 30, 2015</b>	<u>\$ 248,025,336</u>	<u>\$ 200,929,491</u>	<u>\$ 47,095,845</u>

*Safety Plan:*

	<b>Increase (Decrease)</b>		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2014</b>	\$ 349,030,209	\$ 213,551,110	\$ 135,479,099
<b>Changes in the year:</b>			
Service cost	6,141,031		6,141,031
Interest on the total pension liability	25,739,517		25,739,517
Contribution - employer		8,190,138	(8,190,138)
Contribution - employee		3,115,074	(3,115,074)
Projected earnings on investments		15,753,789	(15,753,789)
Differences between projected and actual earning on plan investments		20,973,139	(20,973,139)
Benefit payments, including refunds of employee contributions	(17,814,345)	(17,814,345)	-
<b>Net changes</b>	<u>14,066,203</u>	<u>30,217,795</u>	<u>(16,151,592)</u>
<b>Balance at June 30, 2015</b>	<u>\$ 363,096,412</u>	<u>\$ 243,768,905</u>	<u>\$ 119,327,507</u>
 <b>Total of Miscellaneous and Safety Plans</b>	 <u>\$ 611,121,748</u>	 <u>\$ 444,698,396</u>	 <u>\$ 166,423,352</u>

**Note 9 – Pension Plans (Continued)**

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate* – The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Miscellaneous</u>	<u>Safety</u>
1% Decrease	6.50%	6.50%
Net Pension Liability	\$ 77,269,529	\$ 166,531,871
Current Discount Rate	7.50%	7.50%
Net Pension Liability	\$ 47,095,845	\$ 119,327,507
1% Increase	8.50%	8.50%
Net Pension Liability	\$ 21,886,859	\$ 80,342,792

*Pension Plan Fiduciary Net Position* – Detailed information about each pension plans’ fiduciary net position is available in the separately issued CalPERS financial reports.

**D. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions**

For the year ended June 30, 2015, the City recognized pension expense of \$11,524,932. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 12,734,259	
Net differences between projected and actual earnings on plan investments		\$ (30,692,086)
Total	<u>\$ 12,734,259</u>	<u>\$ (30,692,086)</u>

The amount of \$12,734,259 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30	
2016	\$ (7,673,021)
2017	(7,673,021)
2018	(7,673,021)
2019	(7,673,023)
Total	<u>\$ (30,692,086)</u>

**Note 9 – Pension Plans (Continued)**

**E. *Police and Fire Pension Plans***

The City sponsors and administers two single employer defined benefit retirement plans for its police and fire department retirees. The Plans are not administered through a trust and are not subject to the requirements of GASB No. 67, *Financial Reporting for Pension Plans – an Amendment of GASB Statement No. 25*. Police and fire employees who entered service before 1953 participate in Plan 1079, a closed plan consisting of 28 participants, all of whom are retired employees or beneficiaries. Employees with twenty-five or more years of service receive monthly pension benefits equal to one-half the monthly salary paid to current City employees of the rank held by the retiree one year prior to the date of retirement. Employees retired after ten, but before twenty-five years of service receive monthly pension benefits in the proportion that the number of service years bears to twenty-five. Qualified surviving spouses receive the retirees' monthly pension benefits for life. Upon remarriage, the qualified surviving spouse receives one-half of the retiree's monthly pension benefits. Employees who became disabled from service-related causes receive monthly pension benefits equal to one-half the monthly salary paid to current City employees of the rank held by the disabled employee on the date of their disability, reduced by any workers' compensation benefits received.

Plan 1082 is a closed plan consisting of two retired employees who receive monthly pension benefits of \$1,466 and \$2,335, respectively, adjusted annually by a maximum of 2% per year cost-of-living adjustment. Upon the death of a retiree, the qualified spouse receives one-half of the retiree's monthly pension benefit for life or until remarriage.

**F. *Funding Policy and Actuarial Methods***

Plans 1079 and 1082 did not have allocated assets as of June 30, 2015. The City's policy is to fund the plans on a pay-as-you-go basis.

The actuarial method used to determine the liabilities were calculated using the Unit Credit Funding Method. The Actuarial Accrued Liability and the Actuarial Present Value of Benefits being paid were determined by multiplying the accrued pension benefits by present value cost of factors based on the applicable actuarial assumptions. Future cost-of-living increases are included in the calculation of the Actuarial Accrued Liability, but not the Actuarial Value of Benefits being paid.

**G. *Annual Pension Cost***

Governmental Accounting Standards Board Statement No. 27 requires the City to determine the plans' annual pension cost based on the most recent actuarial valuation. The annual pension cost equals the plan's annual required contribution, adjusted for historical differences between the annual required contribution and amounts contributed. The actuary has determined the City's annual required contribution as the greater of (a) a 15-year amortization of the unfunded actuarial liability, or (b) actual benefit payments made for the year.

**Note 9 – Pension Plans (Continued)**

The annual required contribution was determined by an actuarial valuation dated January 1, 2013, using the projected unit credit actuarial cost method. The actuarial assumptions were as follows:

**Assumptions**

Funding Policy	-	Pay-as-you-go
Interest Rate	-	4%
	-	Net of expenses
CPI Increase (Plan 1082)	-	2%
Salary Increase (Plan 1079)	-	2%
Mortality	-	CalPERS 1997-2007 Experience Study
	-	Scale AA

The City accounts for the Net Pension Obligation on an accrual basis. During the fiscal year ended June 30, 2015, the City recorded a Net Pension Obligation under the Governmental Activities on the Statement of Net Position as follows:

	<b>Plan 1079</b>	<b>Plan 1082</b>	<b>Total</b>
	<b>(000's omitted)</b>	<b>(000's omitted)</b>	<b>(000's omitted)</b>
Annual required contribution (ARC)	\$ 1,795	\$ 80	\$ 1,875
Interest on Net Pension Obligation	10	13	23
Amortization of Net Position Obligation	(23)	(28)	(51)
Annual Pension Cost	1,782	65	1,847
Contributions	1,795	47	1,842
(Decrease) Increase in Net Pension obligations	(13)	18	5
Net Pension Obligation at June 30, 2014	252	312	564
<b>Net Pension Obligation at June 30, 2015</b>	<b>\$ 239</b>	<b>\$ 330</b>	<b>\$ 569</b>

**Note 9 – Pension Plans (Continued)**

**H. Trend Information - Plans 1079 and 1082**

The following tables provide three years of historical information of the Annual Pension Cost:

**Plan 1079:**

Fiscal Year Ending	Annual Pension Cost (APC) (000's ommitted)	Percentage of APC Contributed	Net Pension Obligation (000's ommitted)
June 30, 2013	\$ 1,801	101%	\$ 280
June 30, 2014	\$ 1,801	101%	\$ 252
June 30, 2015	\$ 1,782	101%	\$ 239

**Plan 1082:**

Fiscal Year Ending	Annual Pension Cost (APC) (000's ommitted)	Percentage of APC Contributed	Net Pension Obligation (000's ommitted)
June 30, 2013	\$ 65	69%	\$ 292
June 30, 2014	\$ 65	69%	\$ 312
June 30, 2015	\$ 65	72%	\$ 330

The following is the schedule of funding progress for the fiscal year ended June 30, 2015:

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (B)	Unfunded Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	Unfunded Actuarial Liability as Percentages of Covered Payroll [(B-A)/C]
<b>Plan 1079</b>						
1/1/2015	\$ -	\$ 11,823,000	\$ 11,823,000	0.00%	N/A	N/A
<b>Plan 1082</b>						
1/1/2015	\$ -	\$ 909,000	\$ 909,000	0.00%	N/A	N/A

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

**Note 9 – Pension Plans (Continued)**

***I. Other Retirement Systems***

The Omnibus Budget Reconciliation Act of 1990 (OBRA) mandates that public sector employees who are not members of their employer's existing retirement system as of January 1, 1992, be covered by either Social Security or an alternative plan. Effective January 1, 1995, the City contracted with the Public Agency Retirement System (PARS), to maintain a defined contribution plan. This Plan covers part-time, seasonal and temporary employees as well as all employees not covered by another retirement system. All eligible employees, covered by the Plan, are fully vested. Employer liabilities are limited to the amount of current contributions. The City is responsible for determining the provisions of the Plan, directing distributions, and establishing investment policy for the Plan assets.

Under PARS, employees contribute 6% and the City contributes 1.5% of the employee's salary each pay period. For the fiscal year ending June 30, 2015, total contributions of \$213,311 were made based on a total amount of covered compensation of \$3,555,182.

One of the City's part-time employees elected to be covered under Social Security, which requires these employees and the City to each contribute 6.2% of the employees' pay. Total contributions to Social Security during the year ended June 30, 2015, amounted to \$3,397, of which the City paid 50%.

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**Note 10 – Post Employment Health Care Benefits**

The City provides medical and dental benefits to retirees as specified below under the City of Alameda Other Post Employment Benefit Plan, offered by California Public Employee Retirements Systems (CALPERS), an agent multiple-employer defined benefit healthcare plan. The City is responsible for establishing and amending the funding policy of the Plan. As of January 1, 2015, the latest actuarial study available, there were 474 employees active, 352 employees retired, and 186 employees who are retired but choose not to receive benefits for a total of 1,012 participants in the Plan.

Separately issued financial statements are available from CALPERS at P.O. Box 942709, Sacramento, California 94229-2709.

**Eligibility Requirements**

In order to be eligible for these benefits, an employee must retire directly from the City under CalPERS. They also must be at least 50 years old when they retire and have five years of CalPERS service or disability credits.

**Eligible Miscellaneous Employees (including non sworn public safety employees)**

The City will pay the Public Employees' Medical and Hospital Care Act (PEHMCA) minimum employer contribution on their behalf, which is \$121 per month for 2015. These employees receive no other post-employment benefits from the City.

**Sworn Public Safety Employees**

**A. *Hired before July 1, 1995 and Retired Before January 1, 2011***

If the employee had 15 years or more experience with the City as part of the Alameda Police Officers Association (APOA), the City pays the health care and dental premiums based upon the City's health employer rate for the employee and their spouse, in addition to the PEHMCA monthly premium discussed above.

If the employee had less than 15 years of experience with APOA, the City only pays the PEHMCA premium.

**B. *Hired after July 1, 1995 and Retired Before January 1, 2011***

If the employee had 20 years or more experience with the City as part of APOA and the Alameda Police Managers Association (APMA), the City pays the health care and dental premiums based upon the City's health employer rate for the employee and their spouse, in addition to the PEHMCA monthly premium discussed above.

If the employee had less than 20 years of experience with APOA and APMA, the City only pays the PEHMCA premium.

**Note 10 – Post Employment Health Care Benefits (Continued)**

**C. *Hired before June 7, 2011 and Retired after January 1, 2011***

If the employee had 5 years or more experience with the city, the City pays the healthcare based upon the higher of the City’s health employer rate for Kaiser or Blue Shield Bay Area, as well as dental premiums for the employee and their spouse, in addition to the PEHMCA monthly premium discussed above.

If the employee had less than 5 years of experience with the City, the City only pays the PEHMCA premium.

**D. *Hired after June 7, 2011 and Retired after January 1, 2011***

If the employee had 10 years or more experience with the City, the City pays the health care based upon the higher of City’s health employer rate for Kaiser or Blue Shield Bay Area for the employee only, as well as dental premiums for the employee and their spouse, in addition to the PEHMCA monthly premium discussed above.

If the employee had less than 10 years of experience with the City, the City only pays the PEHMCA premium.

**Funding Policy and Actuarial Assumptions**

The annual required contribution (ARC) was determined as part of a January 1, 2013 actuarial valuation using the entry age normal actuarial cost method. This is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued. The actuarial methods and assumptions used include techniques that “smooth” the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Actuarial calculations reflect a long-term perspective and actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to revision at least biannually, as results are compared to past expectations and new estimates are made about the future. The City’s OPEB unfunded actuarial accrued liability as of June 30, 2015, is being amortized using a 19-year closed amortization period using the level of payroll method. Assumption changes, plan changes and gains or losses are being amortized using a 15-year closed period.



**Note 10 – Post Employment Health Care Benefits (Continued)**

The City accounts for the OPEB Obligation on an accrual basis. During the fiscal year ended June 30, 2015, the City recorded a Net OPEB Obligation under the Governmental Activities on the Statement of Net Position, representing the difference between the ARC and actual contributions, as presented below:

Annual required contribution (ARC)	\$ 9,086,000
Interest on Net OPEB obligatin	1,066,000
Adjustment to annual required contribution	<u>(2,142,000)</u>
Annual OPEB Cost	<u>8,010,000</u>
Contributions made:	<u>(2,999,333)</u>
Increase in OPEB obligations	5,010,667
Net OPEB Obligation at June 30, 2014	<u>26,643,453</u>
Net OPEB Obligation at June 30, 2015	<u>\$ 31,654,120</u>
Percentage of ARC Contributed	<u>33%</u>

The Plan's annual OPEB cost and actual contributions for fiscal years ended June 30, 2012, 2013, 2014 are set forth below:

Fiscal Year	Annual OPEB Cost	Actual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Oligation (Asset)
June 30, 2013	\$ 7,650,115	\$ 2,659,689	35%	\$ 21,626,000
June 30, 2014	\$ 7,601,000	\$ 2,583,547	34%	\$ 26,643,453
June 30, 2015	\$ 8,010,000	\$ 2,999,333	37%	\$ 31,654,120

As of June 30, 2015, approximately 538 participants were eligible to receive benefits.

The funded status of the Plan as of January 1, 2015, the most recent actuarial valuation date, is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (A)	Entry Age Actuarial Accrued Liability (B)	Unfunded Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	Unfunded Actuarial Liability as Percentages of Covered Payroll [(B-A)/C]
1/1/2015	\$ 177,000	\$ 113,164,000	\$ 112,987,000	0.16%	\$ 47,679,000	237%

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

**Note 11 – 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, those 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 risk pool is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective risk pool, 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 risk pools are not the City’s responsibility.

**A. Risk Coverage**

The City is a member of the California Joint Powers Risk Management Authority (CJPRMA), which covers general liability claims. The City has a self-insured retention of \$500,000 per claim. Once the self-insured retention is met, CJPRMA becomes responsible for payment of all claims up to the limit. During the fiscal year ended June 30, 2015, the City contributed \$578,462 for coverage during the current year.

The City is a member of the Local Agency Workers’ Compensation Excess Joint Powers Authority (LAWCX), which covers workers’ compensation claims up to statutory limits. The City has self-insured retention of up to \$350,000 per claim. During the fiscal year ended June 30, 2015, the City contributed \$118,647 for current year coverage.

The following types of loss risks are covered by the above authorities under the terms of their respective joint-powers agreements and through commercial insurance policies as follows:

Type of Coverage	Coverage Limits	
	City	Alameda Municipal Power
Liability	\$ 40,000,000	\$ 40,000,000
Auto - Physical damage	\$ 5,000,000	Actual cash value
Workers' Compensation	Statutory	Statutory w/ \$5,000,000 in employer's liability
All Risk Fire & Property except earthquake and flood	Replacement cost	Replacement cost
Boiler & Machinery	\$21,250,000	Replacement cost
Computer Software	N/A	Self-Insured
Terrorism	\$ 10,000,000	\$ 10,000,000
Vessel	\$ 1,000,000	N/A

**Note 11 – Risk Management (Continued)**

**B. Claims Payable**

The Governmental Accounting Standards Board (GASB) requires municipalities to record their liability for uninsured claims and to reflect the current portion of this liability as an expenditure in their financial statements. 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.

The City’s liability for uninsured general liability claims, including claims incurred but not reported, is reported in the City’s Risk Management Insurance Internal Service Fund and the Alameda Municipal Power Enterprise Fund. The liability is based on an independent actuarial study prepared annually and was computed as follows for the years ended June 30:

	<u>2015</u>	<u>2014</u>
Beginning balance	\$ 2,711,305	\$ 2,390,353
Increase (decrease) in estimated liability for prior year claims	659,314	375,972
Claims paid in current year	<u>(903,284)</u>	<u>(55,020)</u>
Ending balance	<u>\$ 2,467,335</u>	<u>\$ 2,711,305</u>
Current portion	<u>\$ 903,284</u>	<u>\$ 55,020</u>

The change in the Workers’ Compensation claims liability, including claims incurred but not reported, as estimated by the City’s Risk Manager, as reported in the City’s Workers’ Compensation Internal Service Fund and Alameda Municipal Power Enterprise Fund, is based on historical trend information provided by its third party administrators and was computed as follows at June 30:

	<u>2015</u>	<u>2014</u>
Beginning balance	\$ 8,229,961	\$ 8,142,526
Increase (decrease) in estimated liability for prior year claims	2,265,691	4,363,170
Claims paid in current year	<u>(2,705,855)</u>	<u>(4,275,735)</u>
Ending balance	<u>\$ 7,789,797</u>	<u>\$ 8,229,961</u>
Current portion	<u>\$ 2,709,861</u>	<u>\$ 4,295,285</u>

The Alameda Municipal Power accounts for \$1,262,530 of the total claims liability and reports \$100,000 as the current portion. The remainder of the liability is accounted for in the risk management and workers’ compensation internal service funds.

The City’s claims settlements have not exceeded insurance coverage for the past three fiscal years.

**Note 12 – Alameda Municipal Power Joint Ventures**

**A. General**

AMP participates in joint ventures through Joint Powers Authorities (JPAs) established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these JPAs exercise full powers and authorities within the scope of the related Joint Powers Agreement, 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. Obligations and liabilities of the JPAs are not those of AMP and the other participating entities unless assumed by them.

Each JPA is governed by a board consisting of representatives from each member agency. Each board controls the operations of its respective JPA, including selection of management and approval of operating budgets, independent of any influence by member agencies beyond their representation on the board.

AMP is a member of NCPA, a joint powers agency which operates under a joint powers agreement among 14 public agencies. The purpose of NCPA is to use the combined strength of its members to purchase, generate, sell and interchange electric energy and capacity through the acquisition and use of electrical generation and transmission facilities, as well as to optimize the use of those facilities and the member's position in the industry. Each agency member has agreed to fund a pro rata share of certain assessments by NCPA and certain members have entered into take-or-pay power supply contracts with NCPA. While NCPA is governed by its members, none of its obligations are those of its members unless expressly assumed by them.

Amounts paid by AMP, net of refunds to NCPA during the years ended June 30, 2015 and 2014 for purchased power were, \$27,517,599 and \$28,196,783, respectively. Additionally, purchased power was reduced by a refund of \$717,163 and \$1,182,266 for power exchange distribution and budget settlement monies returned to the NCPA General Operating Reserve (GOR), for the fiscal year ended June 30, 2015 and 2014, respectively.

AMP receives no income from NCPA, and does not participate in all of its projects. Further, NCPA does not measure or determine AMP's equity in NCPA as a whole. NCPA reports only AMP's share of its General Operating Reserve, comprised of cash and investments, and AMP's share of those projects in which AMP is a participant. These amounts are reflected in the financial statements as share of Certain NCPA Projects and Reserve.

These changes in AMP's share in NCPA projects and reserve are set forth below:

	Fiscal Year Ended June 30	
	2015	2014
Beginning balance	\$ 19,985,316	\$ 19,506,298
Increase (decrease) in equity in NCPA projects	(14,531,870)	479,018
Ending balance	<u>\$ 5,453,446</u>	<u>\$ 19,985,316</u>

**Note 12 – Alameda Municipal Power Joint Ventures (Continued)**

AMP’s interest in NCPA Projects and Reserve, as computed by NCPA, is set forth below:

	June 30	
	2015	2014
General Operating Reserve	\$ 1,550,484	\$ 16,321,226
Purchased Power & Transmission	22,785	20,236
Share of Scheduling Coordination Balancing Account	1,593,433	1,589,028
Share of Congestion Revenue Rights (CRR)	150,859	150,859
Associated Member Services	103,681	100,705
Market Purchase Program (MPP) Deposit	699,040	470,000
	<u>4,120,282</u>	<u>18,652,054</u>
Alameda Municipal Power's share of NCPA Power Projects		
Geothermal Projects/Power Line	947,459	893,283
Calaveras Hydroelectric Project	733,180	608,615
Combustion Turbine Project No. 1	(378,279)	(195,902)
Combustion Turbine Project No. 2	30,804	27,266
	<u>\$ 5,453,446</u>	<u>\$ 19,985,316</u>

The General Operating Reserve represents AMP’s portion of funds, which resulted from the settlement in prior years of issues with financial consequences and reconciliations of several prior years’ budgets for programs. These funds are available on demand and earn interest, but AMP has left them with NCPA as a reserve against contingencies identified by NCPA.

Members of NCPA may participate in an individual project of NCPA without obligation for any other project. Member assessments collected for one project may not be used to finance other projects of NCPA without the member’s permission.

**B Projects in which Alameda Municipal Power is a Participant**

***Geothermal Projects***

A power purchase agreement with NCPA obligates AMP for 17.05407% of the debt service for two NCPA 110-megawatt geothermal steam powered generating plants, Plant Number 1 and Plant Number 2, located in the Geysers area in Northern California. In conjunction with these payments, AMP is entitled to receive 16.8825% of the output from these facilities. NCPA continues to pursue alternatives for improving and extending steam field reservoir performance, including supplemental water reinjection, plant equipment modifications, and changes in operating methodology. NCPA has increased steam production in the vicinity of reinjection wells and has evaluated a number of alternatives to increase water reinjection at strategic locations.

In 2009, NCPA issued the Refunding Series A Bonds for \$35,610,000 to: improve the Unit 4 steam path; provide for the Middletown booster pump solar project; provide for the Southeast Treatment plant solar project; make a contribution to the Debt Service Reserve Account; and to pay the cost of issuance of the 2009 Series A bonds.

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**Note 12 – Alameda Municipal Power Joint Ventures (Continued)**

AMP is obligated to pay its contractual share of the debt until it is fully satisfied, regardless of resulting cost or availability of energy. At June 30, 2015, the book value of this Project's plant, equipment and other assets was \$88,097,952 while its long-term debt totaled \$38,098,381 and other liabilities totaled \$44,391,424. AMP's share of the Project's long-term debt and other liabilities amounted to \$13,926,341 at that date.

***Calaveras Hydroelectric Project***

NCPA contracted to finance, manage, construct, and operate Hydroelectric Project Number One for the licensed owner, Calaveras County Water District. In exchange, NCPA has the right to the electric output of the project for 50 years from February 1982 and also has an option to purchase power from the project in excess of the District's requirements for the subsequent 50 years, subject to regulatory approval. Debt service payments to NCPA began in February 1990 when the project was declared substantially complete and power was delivered to the participants.

During fiscal year 2009, NCPA reduced its obligations on the 1992 Refunding Series A Serial obligation by \$7,105,000 and reduced its 1993 Refunding Series A Serial obligation by \$260,000. In March 2008, NCPA issued the 2008 Refunding Series A Bonds for \$85,160,000 and the 2008 Taxable Refunding Series B Bonds for \$3,165,000 in variable rate demand bonds for the purpose of providing funds, together with other available monies, to refund a portion of outstanding Hydroelectric Project Number One Revenue Bonds, 1998 Refunding Series A and to pay costs of issuance of the 2008 Bonds and other costs relating to the refunding of the refunded 1998 Bonds. The refunding was done in order to realize debt service savings under the 2004 Swap Agreement.

Additionally, in response to credit market upheavals and to ensure debt service certainty, in July 2008 the Agency refunded (or purchased from the liquidity providers) the 2002 Hydroelectric Refunding Revenue Bonds Series A & B and the 2003 Hydroelectric Refunding Revenue Bonds Series A & B with outstanding principal of \$140,200,000. The associated interest rate swaps were terminated on July 9, 2008. The refunding was completed through the issuance of \$128,005,000 fixed rate tax exempt debt (2008 Series C) and \$9,505,000 fixed rate taxable debt (2008 Series D). The payment of principal and interest on these issues are covered by financial guaranty insurance policies issued by Assured Guaranty. In 2010, the NCPA issued the 2010 Refunding Series A for \$101,260,000 and 2010 Refunding Series B obligations for \$8,025,000 for the purpose of providing funds to refund the Refunded 1998 Bonds, to deposit the respective 2010 Series debt service reserve account, and to pay the cost of issuance of the 2010 bonds.

In 2012, the NCPA issued the 2012 Refunding Series A for \$76,665,000 and 2012 Taxable Refunding Series B obligations for \$7,120,000 for the purpose of providing funds to refund the NCPA's outstanding Hydroelectric Project No. 1 Revenue Bonds, 1998 Refunding Series A, to make a deposit to the debt service reserve account for the 2012 Bonds and to pay cost of issuance of the 2012 Bonds.

Under its power purchase agreement with NCPA, AMP is obligated to pay 10.9774% of this Project's debt service and operating costs. The project entitlement share on the Hydroelectric Projects funded with the 2008 Refunding Series C and 2008 Taxable Refunding Series D obligations is 10%. At June 30, 2015, the book value of this Project's plant, equipment and other assets was \$447,792,983, while its long-term debt totaled \$396,718,866 and other liabilities totaled \$43,742,329. AMP's share of the Project's long-term debt and other liabilities amounted to \$44,046,120, at that date.

**Note 12 – Alameda Municipal Power Ventures (Continued)**

***Combustion Turbine Project No. 1***

In October 1984, NCPA financed a five-unit, 125-megawatt combustion turbine project. The project, built in three member cities including Alameda, began full commercial operation in June 1986 and provides reserve and peaking power. During August 2010, phase 2 of the First Amendment to the NCPA Purchase Power Agreement finalized the transfer of ownership of two NCPA electricity generating units to the City of Roseville due to a misalignment of ISO control areas. The transfer reduced the generation output of the project to 74 MW, and increased the entitlement share to 21.82%. Although AMP's project percentage share increases, its resulting generating capacity entitlement remains constant at 16.05 MW. At June 30, 2015, the book value of this Project's plant, equipment and other assets was \$2,261,689 while its long-term debt totaled \$0, and other liabilities totaled \$3,995,321. AMP's share of the Project's long-term debt and other liabilities amounted to \$871,779 at that date.

***Combustion Turbine Project No. 2 (Steam Injected Gas Turbine Project)***

AMP is a participant in NCPA's 49.8 megawatt Steam Injected Gas Turbine (STIG) project which was built under turnkey contract near the City of Lodi and declared substantially complete on April 23, 1996. In 2010, the NCPA issued 2010 Refunding Series A Bonds for \$55,120,000 for the purpose of providing funds to refund all of the Refunded 1999 Bonds, to fund a deposit to the 2010 Series debt service reserve account and to pay cost of issuance of the 2010 Series A Bonds. Under the NCPA power purchase agreement, AMP is obligated to pay 19.00% of the debt service and operating costs for the STIG project.

AMP's participation in procurement of natural gas for fuel for existing and new combustion turbine units was approved in 1993. Although there is currently no additional debt financing, AMP and NCPA have committed to long-term payments for gas transmission pipeline capacity, and entered into a purchase contract for natural gas. AMP is obligated to pay 19.0%.

At June 30, 2015, the book value of this Project's plant, equipment and other assets was \$48,538,467 while its long-term debt totaled \$45,822,029 and other liabilities totaled \$2,554,311. AMP's share of the Project's long-term debt and other liabilities amounted to \$9,191,505 at that date.

**Graeagle Hydroelectric Project**

AMP's participation in this small hydroelectric project was approved in 1993. Although this project does not involve any financing, it does involve a long-term contractual commitment to purchase the power produced by the project. AMP receives 100% of the output from this small 440 kilowatt hydroelectric project.

**Western Area Power Administration**

AMP has an allocation of power from the Federal Central Valley Project generating resources contracted through the U.S. Department of Energy's Western Area Power Administration. This allocation has been temporarily assigned to NCPA for scheduling and delivery to AMP. AMP pays 1.08075% of the base resource costs and receives that same amount of the base resources, which is the amount of power generated in one federal fiscal year.

## Note 12 – Alameda Municipal Power Ventures (Continued)

### Other Power Purchase Agreements

AMP has also entered into a number of other power purchase agreements which are scheduled by or through NCPA.

- *Morgan Stanley Power Purchase Contract*

In April 2002, AMP entered into a contract with Morgan Stanley Capital Group (MSCG) for the delivery of power. From January 1 through March 31 and from October 1 through December 31 during each of the calendar years 2005-2014, MSCG has agreed to deliver 15 megawatts of firm power 24-hours per day. The long-term contract expired on December 31, 2014.

- *Highwinds Project Power Purchase*

In December 2004, AMP entered into a long-term power purchase agreement with PPM Energy, Inc. for power supplied by the Highwinds Project in Solano County, California. In 2008, Iberdrola Renewables succeeded PPM Energy as the seller counterparty for this power purchase agreement. AMP receives 6.17% of the output of the 162 megawatt project (nameplate rating) or 10 megawatts through June 30, 2028.

- *Landfill Gas Projects Power Purchase*

Since 2004, AMP has entered into four long-term power purchase agreements for power supplied by multiple generating facilities. These facilities utilize combustible gaseous emissions from landfills, located in or near the San Francisco Bay area to create power. AMP began receiving nearly 3.45 megawatts of base-load power from the first 2 facilities in 2004 and early 2006. An additional 5.2 megawatts of base-load output was added to AMP's portfolio in April 2009 when the Ox Mountain facility commenced operation. An additional 1.9 megawatts of power was added to AMP's portfolio as the Keller Canyon facility commenced base-load operation in August 2009.

### *California Electric Industry Restructuring*

In September 1996, the California State legislature signed into law Assembly Bill 1890 (AB 1890) deregulating the electric power supply market and restructuring the electric power industry in California. While the majority of the legislation was directed at investor-owned utilities (IOUs), AMP and other California publicly owned utilities were greatly affected by the restructuring of markets and the ensuing wide fluctuations in prices that resulted from a deficiency in generating capacity, including an immature and flawed market structure. Because AMP has its own generating resources and is not heavily dependent on the wholesale market to purchase power, it was not significantly impacted by these price swings.



**Note 12 – Alameda Municipal Power Ventures (Continued)**

In April 2008, the California Independent System Operator (CAISO) launched a new wholesale market structure in the state which is referred to as the Market Redesign and Technology Upgrade (MRTU). While MRTU features a day-ahead energy market with a nodal locational marginal price calculation, both load and resources are currently priced as aggregated pricing. The MRTU initiative has introduced new risks and uncertainties for AMP because the Federal Energy Regulatory Commission (FERC) continues requiring CAISO to implement a disaggregated market that will negatively affect AMP because it is in a transmission constrained location. To establish the extent of the risk and identify its impact to rates, AMP continues to monitor changes that CAISO makes to its market structure and operations.

NCPA plays an active role in protecting members' contractual rights in Federal Energy Regulatory Commission (FERC), California Public Utilities Commission (CPUC), and other legislative/regulatory proceedings. Priorities related to industry restructuring include the preservation of local control authority for publicly owned utilities, assuring open and fair access to wholesale markets and the transmission grid, and maintaining members' preference access to power from the Central Valley Project and Western Area Power Administration.

***NCPA Financial Information***

NCPA's financial statements can be obtained from NCPA, 651 Commerce Drive, Roseville, CA 95678.

***Transmission Agency of Northern California (TANC)***

In April 2008, the California Independent System Operator (CAISO) launched a new wholesale market structure in the state which is referred to as the Market Redesign and Technology Upgrade (MRTU). While MRTU features a day-ahead energy market with a nodal locational marginal price calculation, both load and resources are currently priced as aggregated pricing. The MRTU initiative has introduced new risks and uncertainties for AMP because the Federal Energy Regulatory Commission (FERC) continues requiring CAISO to implement a disaggregated market that will negatively affect AMP because it is in a transmission constrained location. To establish the extent of the risk and identify its impact to rates, AMP continues to monitor changes that CAISO makes to its market structure and operations.

AMP is a member of a joint powers agreement with fifteen other entities in TANC. TANC's purpose is to provide electrical transmission or other facilities for the use of its members. While governed by its members, none of TANC's obligations are those of its members unless expressly assumed by them. The California-Oregon Transmission Project (COTP) is one of three high voltage transmission lines connecting Oregon and California. The 500 kV line is able to transmit 1,600 MW's of electricity. The COTP participants include the Transmission Agency of Northern California, Western, PG&E, City of Redding, Carmichael Water District, and the San Juan Water District. Currently, the COTP provides a transmission path for resources that is outside of the CAISO balancing authority. According to the 1985 Project Agreement with TANC for the development of the COTP and subsequent related project agreements, AMP is obligated to pay its share of the project's costs, including debt service and is entitled to the use of a percentage of the project's transmission or transfer capacity.

AMP's entitlement share on COTP is 1.227% and AMP is obligated to pay 1.227% of the project's operating costs.

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**Note 12 – Alameda Municipal Power Ventures (Continued)**

AMP is obligated to pay 1.333% of TANC's debt-service related to the California - Oregon Transmission Project (COTP). AMP's share on the 2009 Series A bonds is 1.4496%. AMP is not obligated for any portion of the 2009 Series B bonds.

These obligations provide AMP with a COTP transfer capability of 17.05 MW. AMP is also obligated to pay for a portion of the debt associated with the South of Tesla transmission, which is provided under an agreement between TANC and Pacific Gas & Electric Company.

In May 2009, TANC issued \$67.0 million of tax-exempt 2009 Series A bonds and \$61.8 million of taxable 2009 Series B bonds. The proceeds of the Series A bonds were used to retire a bank loan that refinanced \$30.3 million of TANC's tax-exempt commercial paper and also to refund \$34.7 million of TANC's 2003 Series C Auction Rate Securities. The proceeds of the Series B bonds were used to retire a bank loan that refinanced \$56.3 million of TANC's taxable commercial paper. The 2009 refunding increased future aggregate debt service payments by \$19.3 million, but resulted in a total economic gain of \$6.5 million, the difference between present value of the old and new debt service payments. TANC has issued Revenue Bonds for \$435,790,000 and eliminated its obligations for the Tax Exempt Commercial Paper notes. As of June 30, 2015 and 2014, AMP's share of this debt is \$0 and \$3,988,283, respectively.

TANC Financial Information and TANC's financial statements can be obtained from TANC, P.O. Box 15129, Sacramento, California 95851 or from their website at <http://www.tanc.us/financials.html>.

**Note 13 – Commitments and Contingencies**

**A. *City and Successor Agency***

The Successor Agency, through the former CIC, has an agreement extending through 2014 under which it refunds a portion of Alameda Marina Village Assessment District Property Tax Increments to the Alameda Marina Village property owners as a partial offset of their assessment liability. These refunds are accounted for in the Successor Agency Private Purpose Trust Fund.

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 1996 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.

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney, there is no pending litigation, which is likely to have a material adverse effect on the financial position of the City.

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**Note 13 – Commitments and Contingencies (Continued)**

**B. Alameda Municipal Power**

*Commitments*

*i) Take or Pay Agreements*

Under the terms of its NCPA and TANC joint venture agreements, AMP is liable for a portion of the bonded indebtedness issued by these agencies under take-or-pay or similar agreements, as discussed in Notes 8 and 9. AMP's estimated share of such debt outstanding at June 30, 2015 was \$74,814,478. Under certain circumstances, AMP may also be responsible for a portion of the costs of operating these entities. Under certain circumstances, such as default or bankruptcy of other participants, AMP may also be liable to pay a portion of the debt of these joint ventures on behalf of the other participants. These "step up" provisions are generally capped at a 25 percent increase.

*ii) Lease Agreement with former Alameda Reuse and Redevelopment Authority*

In June 2009, AMP entered into two property lease agreements with the Alameda Reuse and Redevelopment Authority (assigned to the Successor Agency of the Alameda Reuse and Redevelopment Authority). The lease terms for each agreement started on June 1, 2009 and expired on May 31, 2014. After May 31, 2014, AMP leases the property on a month-to-month basis with minimum monthly payments of \$1,083 and \$11,103, respectively.

*Contingent Liabilities*

*iii) Lawsuits and Litigation*

AMP is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, the outcome of these actions cannot be predicted with certainty. In the opinion of the City Attorney, the outcome of these actions will not have a material adverse effect on the financial position of AMP.

*iv) Vectren Communications Services*

In June, 2008, AMP, along with the City of Alameda, was named as a defendant in a suit filed by Vectren Communication Services, Inc., in the United States District Court for the Northern District of California. Vectren's suit alleged, among other things, that AMP breached its obligation under the 2004 Installment Sale Agreement to manage the Telecom System properly and to charge appropriate rates, resulting in the non-payment of installments from net telecom revenues totaling \$6.3 million, plus accrued interest at a 9% default rate, for total damages of over \$10 million. Vectren amended its complaint in early 2009 to allege an additional breach of contract claim, based upon AMP's sale of the Telecom System to Comcast in November 2008 without Vectren's consent.

At the conclusion of a trial in 2010, the jury rejected four out of five of Vectren's claims against AMP, awarding damages of approximately \$1.9 million on Vectren's remaining claim. Both sides appealed. In August 2013, the United States Court of Appeals for the Ninth Circuit reversed the jury's verdict and entered judgment in favor of AMP. On Vectren's sale claim, however, the Ninth Circuit remanded the matter to the district court for a determination of damages, the case was dismissed on October 7, 2014.

**Note 13 – Commitments and Contingencies (Continued)**

**C. *Operating Lease***

In August 2012, the City Council approved a twenty year lease with an option of a five year extension between the City and Greenway Golf Associates, Inc. for the long-term maintenance and operations of the Chuck Corica Golf Complex. The agreement stipulates minimum rent payments to the City that escalate over time to \$350,000 or 10% of gross revenue up to \$4,000,000 and 12% of gross revenues in excess of \$12,000,000 in years 9-20.

**D. *Settlement Agreement***

In December 2012, the City, the former Community Improvement Commission, the former Alameda Reuse and Redevelopment Authority and a third party vendor reached a settlement agreement in regards to the redevelopment of the U.S. Naval Air Station at Alameda Point. The City paid \$4.325 million to the third party vendor with final payment made in July 2014. With the issuance of the final payment, all the terms of the settlement agreement have been fulfilled and the case is closed.

**Note 14 – Extraordinary Item**

The extraordinary item in the amount of \$1,007,196 recognized in the General Fund and the Statement of Activities is for the reinstatement of the Alameda Point Improvement Project (APIP) Loan from the Successor Agency to the City of Alameda based on approval received from the California Department of Finance.

The extraordinary item in the amount of \$697,847 reported in the Successor Agency Private Purpose Trust Fund accounts for two items: a loss for the APIP Loan that was reinstated with the General Fund in the amount of \$1,007,196, based on the approval received from the California Department of Finance, and a gain in the amount of \$1,705,043 for the reinstatement of a loan receivable for the loan associated with the Multiplex Cinema Parking Garage.

**Note 15 – Redevelopment Agency Dissolution and Successor Agency Activities**

**A. *Redevelopment Dissolution***

In an effort to balance its budget, the State of California adopted ABx1 26 on June 28, 2011, amended by AB1484 on June 27, 2012, which suspended all new redevelopment activities except for limited specified activities as of that date and dissolved redevelopment agencies on January 31, 2012.

The suspension provisions prohibited all redevelopment agencies from a wide range of activities, including incurring new indebtedness or obligations, entering into or modifying agreements or contracts, acquiring or disposing of real property, taking actions to adopt or amend redevelopment plans and other similar actions, except action required by law or to carry out existing enforceable obligations, as defined in ABx1 26.

**Note 15 – Redevelopment Agency Dissolution and Successor Agency Activities (Continued)**

In addition, ABx1 26 and AB1484 direct the State Controller to review the activities of all redevelopment agencies and successor agencies to determine whether an asset transfer between the agency and any public agency occurred on or after January 1, 2011. If an asset transfer did occur and the public agency that received the asset is not contractually committed to a third party for the expenditure or encumbrance of the asset, the legislation purports to require the State Controller to order the asset returned to the redevelopment agency.

Effective January 31, 2012 the Community Improvement Commission (CIC) was dissolved. Certain assets of the CIC Low and Moderate Income Housing Fund were distributed to a Housing Successor; and all remaining CIC assets and liabilities were distributed to a Successor Agency.

The City elected to become the Successor Agency and on February 1, 2012 the CIC’s remaining assets were distributed to and liabilities were assumed by the Successor Agency. ABx1 26 requires the establishment of an Oversight Board to oversee the activities of the Successor Agency and one was established. The activities of the Successor Agency are subject to review and approval of the Oversight Board, which is comprised of seven members, including the City Manager and one former CIC employee appointed by the Mayor.

The activities of the Successor Agency are reported in the Successor Agency Private Purpose Trust Fund as the activities are under control of the Oversight Board. The City provides administrative services to the Successor Agency to wind down the affairs of the former CIC.

Cash and investments of the Successor Agency as of June 30, 2015 are discussed in Note 2. Information presented in the following footnotes represents other assets and liabilities of the Successor Agency as of June 30, 2015.

**B. Long-Term Debt**

The Successor Agency assumed long-term debt from the Redevelopment Agency consisted of the following:

**Current Year Transaction and Balances**

	CUSIP Number	Balance June 30, 2014	Additions	Retirements	Balance as of June 30, 2015	Due within one year
2003 Tax Allocation Refunding Bonds, Series C & D	010781BR2	\$ 14,920,000		\$ (14,920,000)		
2003 Tax Allocation Bonds, Series A1, A2 & B	010781DJ8	43,695,000		(43,695,000)		
2011 Tax Allocation Bonds, Series A & B	010781DZ2	10,740,000			\$ 10,740,000	
2014 A SA CIC Tax Exempt Bonds	Not available		\$ 23,495,000		23,495,000	
2014 B SA CIC Taxable Bonds	Not available		25,080,000		25,080,000	\$ 2,445,000
Premium			3,565,319		3,565,319	
Discount		(112,793)	-	4,178	(108,615)	
Total Bonds		<u>69,242,207</u>	<u>52,140,319</u>	<u>(58,610,822)</u>	<u>62,771,704</u>	<u>2,445,000</u>
2006 CRA ERAF Loan Program	not available	175,000		(85,000)	90,000	90,000
Alameda Point Improvement Project (APIP) Loan			1,007,195	(678,400)	328,795	328,795
Total		<u>\$ 69,417,207</u>	<u>\$ 53,147,514</u>	<u>\$ (59,374,222)</u>	<u>\$ 63,190,499</u>	<u>\$ 2,863,795</u>

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**Note 15 – Redevelopment Agency Dissolution and Successor Agency Activities (Continued)**

***2003 Community Improvement Commission Tax Allocation Refunding Bonds***

On October 1, 2003, the Community Improvement Commission issued Tax Allocation Refunding Bonds related to the Business and Waterfront Improvement Area in the principal amount of \$18,535,000, with Series 2003 C issued in the amount of \$17,510,000 and Series 2003 D in the amount of \$1,025,000. The proceeds were used to retire the 2002 Financing Authority Variable Rate Revenue Bonds. The Bonds are payable from tax increment revenues receivable by the Project Area. Principal is payable annually on February 1, with interest payable semi-annually on February 1 and August 1 through February 2032. The interest rates on the bonds vary from 2% to 4.75%. These bonds were paid off during the current year.

***2003 Community Improvement Commission Tax Allocation Bonds***

On December 1, 2003, the Community Improvement Commission issued Series 2003 A1 and A2 Tax Allocation Bonds in the principal amount of \$37,390,000 and Series 2003 B Subordinated Tax Allocation Bonds in the principal amount of \$9,205,000, for a total original principal amount of \$46,595,000, for the Commission's merged improvement areas. The proceeds were used to finance certain redevelopment projects, to repay a loan of \$2,200,000 for the project area, and to finance \$12,200,000 of demolition costs incurred in the project area. The Series 2003 A1 and A2 are secured by a pledge of certain tax increment revenues for the Merged Project Area. The Series 2003 B are secured by a subordinate pledge of tax revenues. Interest is payable semiannually on March 1 and September 1 through 2033; principal is payable annually on March 1 through 2033. The interest rates on the bonds vary from 2.0% to 6.25%. These bonds were paid off during the current year.

***2011 Community Improvement Commission Tax Allocation Bonds***

On May 1, 2011, the Community Improvement Commission issued Series 2011 A Subordinated Tax Allocation Housing Bonds in the principal amount of \$9,870,000 and Series 2011 B Subordinated Tax Allocation Housing Bonds in the principal amount of \$1,165,000, for a total original principal amount of \$11,035,000, for the Commission's merged improvement areas. Proceeds from the sale of the Bonds will be used to (a) finance certain housing activities of the Agency, (b) refinance the obligations of the Agency under a 1992 Loan Agreement, (c) make a deposit to the Reserve Account for the Bonds in an amount equal to the initial Reserve Requirement, and (d) pay the costs of issuing the Bonds. The Series 2011 A and B are secured by a subordinate pledge of tax revenues. Principal and interest are payable annually on September 1 through 2041. The interest rates on the bonds vary from 2% to 8.5%. The bonds were issued at a \$125,326 discount. The outstanding balance as of June 30, 2015 was \$10,631,385, net of discount.

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**Note 15 – Redevelopment Agency Dissolution and Successor Agency Activities (Continued)**

***2014 Community Improvement Commission Tax Allocation Refunding Bonds***

On December 23, 2014, the Community Improvement Commission issued Series 2014 A Subordinated Tax Allocation Refunding Bonds in the principal amount of \$23,495,000 and Series 2014 B Subordinated Tax Allocation Refunding Bonds in the principal amount of \$25,080,000, for a total original principal amount of \$48,575,000, for the Commission's merged improvement areas. Proceeds from the sale of the Bonds will be used to (a) refund certain outstanding bonds issued by the former Community Improvement Commission of the City of Alameda (Former Agency), the proceeds of which were used to finance redevelopment and low and moderate income housing activities within and for the benefit of the redevelopment project areas of the Former Agency, (b) purchase a municipal bond insurance policy in lieu of funding a debt service reserve account for the Bonds, and (c) provide for the costs of issuing the bonds. The Series 2014 A and B are secured by a first lien on tax revenues. Principal and interest are payable annually on September 1 through 2041. The interest rates on the bonds vary from 2% to 8.5%. The bonds were issued at a \$3,565,319 premium. The outstanding balance as of June 30, 2015 was \$52,140,319, net of premium.

***ERAF Loan Program***

In April 2007, the Community Improvement Commission borrowed \$695,000 from the California Statewide Communities Development Authority to pay for Educational Revenue Augmentation Fund (ERAF) payments due to Alameda County. Both principal and interest payments are made semiannually in November and March through March 2016. The loan carries a 6% interest rate. The outstanding balance as of June 30, 2015 was \$90,000.

With the dissolution of the CIC discussed above, tax increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues. In addition, under the provisions of the laws dissolving the CIC, the Successor Agency only receives the funds necessary to fulfill its approved obligations. Total property taxes received by the Successor Agency in the current fiscal year were \$8,415,288, which represented coverage of 1.37 times the \$5,991,920 of debt service.

***Alameda Point Improvement Project (APIP) Loan***

On February 10, 2010, the General Fund advanced \$1,258,995 to the Alameda Point Improvement Project Area to fund improvements in the Project Area. Of this amount, \$1,007,196 is due and payable to the City, with the balance due and payable to the Alameda Housing Authority. The loan was reinstated during the current year in accordance with the Finding of Completion received from the California Department of Finance.

***Debt Service Requirements***

Annual debt service requirements are shown on the next page.

**Note 15 – Redevelopment Agency Dissolution and Successor Agency Activities (Continued)**

For the Year Ending June 30,	Principal	Interest
2016	\$ 2,873,795	\$ 2,735,618
2017	1,895,000	2,717,649
2018	1,920,000	2,690,264
2019	1,980,000	2,652,962
2020	2,020,000	2,605,797
2021-2025	11,680,000	11,975,653
2026-2030	15,295,000	9,123,750
2031-2035	17,135,000	4,371,956
2036-2040	3,775,000	1,098,838
2041-2042	1,160,000	101,575
Subtotal	59,733,795	<u>\$ 40,074,062</u>
Plus unamortized bond premium	3,565,319	
Less unamortized bond discount	<u>(108,615)</u>	
Total	<u>\$ 63,190,499</u>	

**C. State Approval of Enforceable Obligations**

The Successor Agency prepares a Recognized Obligation Payment Schedule (ROPS) semi-annually that contains all proposed expenditures for the subsequent six-month period. The ROPS is subject to the review and approval of the Oversight Board as well as the State Department of Finance. Although the State Department of Finance may not question items included on the ROPS in one period, they may question the same items in a future period and disallow associated activities. The amount, if any, of current obligations that may be denied by the State Department of Finance cannot be determined at this time.



**Note 16 – Restatement of Prior Year Balances**

In prior years the City presented the Alameda Municipal Power within the City’s basic financial statements as a discretely presented component unit. Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity* identifies a component unit as a separate legal entity. Alameda Municipal Power is not a legally separate entity and as such, the City adjusted the financial statements to recognize the transactions and balances of Alameda Municipal Power within the financial statements as an enterprise fund of the City.

The City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, during the current year. The effects of the recognition and implementation are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Beginning Fund Balance		
Beginning Net Position (as previously reported)	\$ 335,820,571	\$ 65,999,386
Adjustment to include Alameda Municipal Power within the City's business-type activities	-	62,735,551
Beginning Net Pension Liability	(177,224,438)	(19,644,865)
Deferred outflows of resources	<u>10,290,425</u>	<u>988,371</u>
Beginning Net Position (restated)	<u>\$ 168,886,558</u>	<u>\$ 110,078,443</u>

	<u>Sewer Services</u>	<u>Alameda Municipal Power</u>
Beginning Net Position (as previously reported)	\$ 65,999,386	\$ -
Adjustment to include Alameda Municipal Power		62,735,551
Beginning Net Pension Liability	(1,841,706)	(17,803,159)
Deferred outflows of resources	<u>92,660</u>	<u>895,711</u>
Beginning Net Position (restated)	<u>\$ 64,250,340</u>	<u>\$ 45,828,103</u>

It is not practicable to reflect the proforma effects of the implementation based on the information available to the City.

**CALPERS AGENT-MULTIPLE EMPLOYER MISCELLANEOUS PLAN**  
 Schedule of Changes in Net Pension Liability and Related Ratios

**Last Ten Years\***

	<u><b>2015</b></u>
<b>Total pension liability</b>	
Service cost	\$ 3,808,115
Interest on the total pension liability	17,592,705
Benefit payments, including refunds of employee contributions	<u>(12,081,658)</u>
<b>Net change in total pension liability</b>	9,319,162
<b>Total pension liability -- beginning</b>	<u>238,706,174</u>
<b>Total pension liability -- ending (a)</b>	<u><u>248,025,336</u></u>
<b>Plan fiduciary net position</b>	
Contributions - employer	3,088,658
Contributions - employee	2,206,769
Net investment income	30,399,752
Benefit payments, including refunds of employee contributions	<u>(12,081,658)</u>
<b>Net change in fiduciary net position</b>	23,613,521
<b>Plan fiduciary net position -- beginning</b>	<u>177,315,970</u>
<b>Plan fiduciary net position -- ending (b)</b>	<u>200,929,491</u>
<b>Net pension liability -- ending (a) - (b)</b>	<u><u>\$ 47,095,845</u></u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	81.01%
<b>Covered-employee payroll</b>	\$ 16,817,243
<b>Net pension liability as a percentage of covered-employee payroll</b>	280.04%
Measurement date	June 30, 2014

\*Fiscal year 2015 was the first year of implementation, therefore, only one year is shown.

**CALPERS AGENT-MULTIPLE EMPLOYER SAFETY PLAN**  
 Schedule of Changes in Net Pension Liability and Related Ratios

**Last Ten Years\***

	<b>2015</b>
<b>Total pension liability</b>	
Service cost	\$ 6,141,031
Interest on the total pension liability	25,739,517
Benefit payments, including refunds of employee contributions	<u>(17,814,345)</u>
<b>Net change in total pension liability</b>	14,066,203
<b>Total pension liability -- beginning</b>	<u>349,030,209</u>
<b>Total pension liability -- ending (a)</b>	<u>363,096,412</u>
<b>Plan fiduciary net position</b>	
Contributions - employer	8,190,138
Contributions - employee	3,115,074
Net investment income	36,726,928
Benefit payments, including refunds of employee contributions	<u>(17,814,345)</u>
<b>Net change in fiduciary net position</b>	30,217,795
<b>Plan fiduciary net position -- beginning</b>	<u>213,551,110</u>
<b>Plan fiduciary net position -- ending (b)</b>	<u>243,768,905</u>
<b>Net pension liability -- ending (a) - (b)</b>	<u>\$ 119,327,507</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	67.14%
<b>Covered-employee payroll</b>	\$ 26,750,974
<b>Net pension liability as a percentage of covered-employee payroll</b>	446.07%
Measurement date	June 30, 2014

\*Fiscal year 2015 was the first year of implementation, therefore, only one year is shown.

**CALPERS AGENT-MULTIPLE EMPLOYER PLAN - MISCELLANEOUS  
 Schedule of Contributions**

**Last Ten Years\***

	<u><b>2015</b></u>
Actuarially determined contributions	\$ 3,506,145
Contributions in relation to the actuarially determined contribution	<u>3,506,145</u>
Contribution deficiency (excess)	<u>\$ -</u>
Covered-employee payroll	\$ 17,886,024
Contributions as a percentage of covered-employee payroll	19.60%

Valuation date: June 30, 2012

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percent of payroll
Asset valuation method	Market value
Inflation	2.75%
Salary increases	3.3% to 14.20% depending on Age, Service, and type of employment
Investment rate of return	7.50% (net of administrative expenses)
Retirement age	50-67 years
Mortality	Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience Study adopted by the CalPERS Board, first used in the June 30, 2009 valuation

\*Fiscal year 2015 was the first year of implementation, therefore, only one year is show.

**CALPERS AGENT-MULTIPLE EMPLOYER PLAN - SAFETY  
 Schedule of Contributions**

**Last Ten Years\***

	<b>2015</b>
Actuarially determined contributions	\$ 9,228,114
Contributions in relation to the actuarially determined contribution	9,228,114
Contribution deficiency (excess)	\$ -
 Covered-employee payroll	 \$ 28,418,260
 Contributions as a percentage of covered-employee payroll	 32.47%

Valuation date: June 30, 2012

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percent of payroll
Asset valuation method	Market value
Inflation	2.75%
Salary increases	3.3% to 14.20% depending on Age, Service, and type of employment
Investment rate of return	7.50% (net of administrative expenses)
Retirement age	50-67 years
Mortality	Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience Study adopted by the CalPERS Board, first used in the June 30, 2009 valuation

\*Fiscal year 2015 was the first year of implementation, therefore, only one year is show.

**1079 & 1082 PENSION PLAN SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (B)	Unfunded Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	Unfunded Actuarial Liability as Percentages of Covered Payroll [(B-A)/C]
<b>Plan 1079</b>						
1/1/2011	\$ -	\$ 14,141,000	\$ 14,141,000	0.00%	N/A	N/A
1/1/2013	-	12,755,000	12,755,000	0.00%	N/A	N/A
1/1/2015	-	11,823,000	11,823,000	0.00%	N/A	N/A
<b>Plan 1082</b>						
1/1/2011	\$ -	\$ 812,000	\$ 812,000	0.00%	N/A	N/A
1/1/2013	-	887,000	887,000	0.00%	N/A	N/A
1/1/2015	-	909,000	909,000	0.00%	N/A	N/A

**OTHER POST-EMPLOYMENT BENEFITS SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets (A)	Entry Age Actuarial Accrued Liability (B)	Unfunded Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	Unfunded Actuarial Liability as Percentages of Covered Payroll [(B-A)/C]
1/1/2011	\$ -	\$ 86,416,000	\$ 86,416,000	0.00%	\$ 47,314,000	183%
1/1/2013	-	91,172,000	91,172,000	0.00%	42,055,000	217%
1/1/2015	177,000	113,164,000	112,987,000	0.16%	47,679,000	237%

**Special Revenue Funds:*****Community Development***

This fund accounts for the activities and services of the Planning and Building Divisions. Revenues are derived from fees, licenses, and fines collected in conjunction with the planning, permitting and enforcement activities of the department in accordance with state law, requiring fees not to exceed the cost of providing services. Expenditures are made in support of the administration of the divisions, the provision and enhancement of services, and the enforcement of municipal codes.

***Library***

This fund accounts for revenues received from a library tax, library grants and operating transfers from the General Fund for the operations of the City's three libraries.

***Gas Tax***

This fund accounts for revenues and expenditures received from the State of California under Street and Highways Code Sections 2105, 2106, 2107, 2107.5 and 7360. The allocations must be expended for street related maintenance and construction and a limited amount for engineering.

***Asset Seizure/Traffic Safety***

This fund accounts for restricted Asset Seizure/Traffic Safety funds to be used for eligible Public Safety Programs.

***County Measure B/BB***

This fund accounts for the City's share of the proceeds of a one-half cent sales tax increase approved by the voters in November 2000, which was renewed in November 2014. The program is administered by the Alameda County Transportation Commission. The tax provides funds for the maintenance of local streets, roads, bike paths and pedestrian walkways and paratransit operations.

***Tidelands***

This fund accounts for revenues received from tidelands property leases. Leases are for state tidelands properties delegated to local agencies for management and control.

***Parking Meter***

This fund accounts for revenues collected from parking meters and the expenditure of these revenues for parking and transportation related projects.

***Commercial Revitalization***

This fund accounts for funds to be used for the City's commercial revitalization programs.

***Community Development Block Grant***

This fund accounts for grant funds received under the Community Development Act of 1974 for activities approved and subject to federal regulations.

***Garbage/Recycling Surcharge***

This fund accounts for revenues and expenditures of the City's waste management and recycling programs.

***Athletic Recreation***

This fund accounts for revenues and expenditures of the various City recreation fee based programs.

***Grants***

This fund accounts for revenues received from Federal, State, County and private grants.

***Waste Reduction Surcharge***

This fund accounts for revenues and expenditures related to the operation of the City's waste management and recycling programs.

***Maintenance Assessment Districts***

This fund accounts for special assessments collected and expended for various landscaping and maintenance areas throughout the City.

***Vehicle Registration Fee***

This fund accounts for vehicle registration fees collected by the County to be used to sustain the County's transportation network and reduce traffic congestion.

***Parking***

This fund accounts for restricted revenues from the Civic Center garage and City parking lots. Expenditures support parking and transportation related projects.

**Debt Service Fund:*****City Hall and Library Bonds***

This fund accounts for the repayment of two bonds that were issued to fund various improvements and the construction of a new library.

***Base Reuse***

The 2003 Variable Rate Demand Revenue Bonds were issued in December 2003 by the Alameda Public Financing Authority to refund the 1999 Base Reuse Revenue Bonds and to finance professional land use planning and other activities required in the redevelopment process at Alameda Point. The debt will be repaid solely from lease revenues related to base reuse.

**Capital Projects Funds:*****Construction Impact Fee***

This fund accounts for revenues from development impact fees required from certain new developments. Funds are used to mitigate the impacts on public facilities and infrastructure caused by these developments.

***Streets/Transportation***

This fund accounts for expenditures for street and transportation projects.

***Citywide Development Fee***

This fund accounts for revenues from citywide development impact fees required from certain new developments. Funds are used to mitigate the impacts on availability and condition of public facilities caused by these developments.

***Urban Runoff Storm Drain Fee***

This fund accounts for revenues and expenditures associated with the City's compliance under the Alameda County Urban Runoff Clean Water Program.

***Maintenance Assessment Districts***

This fund accounts for bond proceeds used to finance the construction and acquisition of public improvements in the District.



***Emergency Operation Center/Fire Station #3***

This fund accounts for the revenues and expenditures related to the construction of a new Emergency Operation Center and Fire Station #3.



**City of Alameda**  
**Non-Major Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2015**

	SPECIAL REVENUE FUNDS			
	Community Development	Library	Gas Tax	Asset Seizure/ Traffic Safety
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 1,415,479	\$ 1,867,736	\$ 4,959	\$ -
Restricted cash and investments			3,656,871	
Accounts receivable		96,327	210	
Total Assets	<u>\$ 1,415,479</u>	<u>\$ 1,964,063</u>	<u>\$ 3,662,040</u>	<u>\$ -</u>
<b>LIABILITIES:</b>				
Accounts payable	\$ 330,619	\$ 85,528	\$ 69,754	
Accrued payroll	18,308	16,805	3,639	
Due to other funds				\$ 14,081
Due to other agencies	2,209			
Unearned revenue				
Refundable deposits	297,828			
Total Liabilities	<u>648,964</u>	<u>102,333</u>	<u>73,393</u>	<u>14,081</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable Revenue - miscellaneous revenue				
Unavailable Revenue - grants				
Total Deferred Inflows of Resources				
<b>FUND BALANCES (DEFICITS):</b>				
Restricted			3,588,647	
Committed	766,515	1,861,730		
Unassigned				(14,081)
Total Fund Balances	<u>766,515</u>	<u>1,861,730</u>	<u>3,588,647</u>	<u>(14,081)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,415,479</u>	<u>\$ 1,964,063</u>	<u>\$ 3,662,040</u>	<u>\$ -</u>

SPECIAL REVENUE FUNDS

County Measure B/BB	Tidelands	Parking Meter	Commercial Revitalization	Community Development Block Grant	Garbage/ Recycling Surcharge
3,196,060	2,706,222	3,550,524	1,253,639		1,313,818
908,091		3,661	216	184,028	15,388
<u>\$ 4,104,151</u>	<u>\$ 2,706,222</u>	<u>\$ 3,554,185</u>	<u>\$ 1,253,855</u>	<u>\$ 184,028</u>	<u>\$ 1,329,206</u>
	58,396	459,690	5,277	150,131	25,591
	1,421	1,279			518
				33,897	
			3,576		
	59,817	460,969	8,853	184,028	26,109
4,104,151	2,646,405	3,093,216	1,245,002		1,303,097
<u>4,104,151</u>	<u>2,646,405</u>	<u>3,093,216</u>	<u>1,245,002</u>		<u>1,303,097</u>
<u>\$ 4,104,151</u>	<u>\$ 2,706,222</u>	<u>\$ 3,554,185</u>	<u>\$ 1,253,855</u>	<u>\$ 184,028</u>	<u>\$ 1,329,206</u>

**(Continued)**



City of Alameda  
 Non-Major Governmental Funds  
 Combining Balance Sheet  
 June 30, 2015

	SPECIAL REVENUE FUNDS			
	Athletic Recreation	Grants Fund	Waste Reduction Surcharge	Maintenance Assessment Districts
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 2,586,210	\$ 1,290,368	\$ 3,104,627	\$ 5,135,336
Restricted cash and investments	465,562			351,293
Accounts receivable	194,811	60,287	94,950	75,691
Total Assets	<u>\$ 3,246,583</u>	<u>\$ 1,350,655</u>	<u>\$ 3,199,577</u>	<u>\$ 5,562,320</u>
<b>LIABILITIES:</b>				
Accounts payable	\$ 141,545	\$ 123,058	\$ 12,836	\$ 149,249
Accrued payroll	25,883	1,314	3,596	1,734
Due to other funds				
Due to other agencies			27,199	
Unearned revenue	129,931			
Refundable deposits	48,625			
Total Liabilities	<u>345,984</u>	<u>124,372</u>	<u>43,631</u>	<u>150,983</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable Revenue - miscellaneous revenue	3,263			
Unavailable Revenue - grants		770,914		
Total Deferred Inflows of Resources	<u>3,263</u>	<u>770,914</u>		
<b>FUND BALANCES (DEFICITS):</b>				
Restricted		455,369	3,155,946	5,411,337
Committed	2,897,336			
Unassigned				
Total Fund Balances	<u>2,897,336</u>	<u>455,369</u>	<u>3,155,946</u>	<u>5,411,337</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,243,320</u>	<u>\$ 1,350,655</u>	<u>\$ 3,199,577</u>	<u>\$ 5,562,320</u>

SPECIAL REVENUE FUNDS		DEBT SERVICE FUNDS		CAPITAL PROJECTS FUNDS	
Vehicle Registration Fee	Parking	City Hall and Library Bonds	Base Reuse	Construction Impact Fee	Streets / Transportation
\$ 652,056	\$ 492,675	\$ 331,001	\$ 18,967	\$ 2,477,318	\$ 2,267,180
		748,149	2,518		
58,788		41,283		65,125	1,590
<u>\$ 710,844</u>	<u>\$ 492,675</u>	<u>\$ 1,120,433</u>	<u>\$ 21,485</u>	<u>\$ 2,542,443</u>	<u>\$ 2,268,770</u>
			\$ 18,500		\$ 5,251
					138
	\$ 33,113				
	33,113		18,500		5,389
\$ 710,844	459,562	\$ 1,120,433	2,985	\$ 2,542,443	2,263,381
<u>710,844</u>	<u>459,562</u>	<u>1,120,433</u>	<u>2,985</u>	<u>2,542,443</u>	<u>2,263,381</u>
<u>\$ 710,844</u>	<u>\$ 492,675</u>	<u>\$ 1,120,433</u>	<u>\$ 21,485</u>	<u>\$ 2,542,443</u>	<u>\$ 2,268,770</u>

(Continued)



City of Alameda  
 Non-Major Governmental Funds  
 Combining Balance Sheet  
 June 30, 2015

	CAPITAL PROJECTS FUNDS			
	Citywide Development Fee	Urban Runoff Storm Drain Fee	Maintenance Assessment Districts	Emergency Operation Center / Fire Station #3
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 2,989,251	\$ 6,302,188	\$ 2,583,975	\$ 720,259
Restricted cash and investments		17,300		3,016,754
Accounts receivable		108,446		
Total Assets	<u>\$ 2,989,251</u>	<u>\$ 6,427,934</u>	<u>\$ 2,583,975</u>	<u>\$ 3,737,013</u>
<b>LIABILITIES:</b>				
Accounts payable		\$ 79,821	\$ 242,344	\$ 2,199
Accrued payroll		10,568		
Due to other funds				
Due to other agencies				
Unearned revenue	\$ 1,500	52,712		
Refundable deposits				
Total Liabilities	<u>1,500</u>	<u>143,101</u>	<u>242,344</u>	<u>2,199</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable Revenue - miscellaneous revenue				
Unavailable Revenue - grants				
Total Deferred Inflows of Resources				
<b>FUND BALANCES (DEFICITS):</b>				
Restricted	2,987,751	6,284,833	2,341,631	3,016,754
Committed				718,060
Unassigned				
Total Fund Balances	<u>2,987,751</u>	<u>6,284,833</u>	<u>2,341,631</u>	<u>3,734,814</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,989,251</u>	<u>\$ 6,427,934</u>	<u>\$ 2,583,975</u>	<u>\$ 3,737,013</u>

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Total  
Non-Major  
Governmental  
Funds

\$ 46,259,848  
8,258,447  
1,908,892  
\$ 56,427,187

\$ 1,959,789  
85,203  
47,978  
29,408  
133,507  
433,778  
2,689,663

3,263  
770,914  
774,177

42,395,569  
10,581,859  
(14,081)  
52,963,347

\$ 56,427,187



**City of Alameda**  
**Non-Major Governmental Funds**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**For the year ended June 30, 2015**

	SPECIAL REVENUE FUNDS			
	Community Development	Library	Gas Tax	Asset Seizure / Traffic Safety
<b>REVENUES:</b>				
Property taxes		\$ 1,915,537		
Other local taxes	\$ 3,475			
Licenses and permits	2,504,337			
Revenue from other agencies		110,973	\$ 2,146,186	
Charges for current services	1,170,513	67,244	2,222	
Fines and forfeitures	349,777			\$ 16,836
Use of money and property	4,625	12,589	15,277	(62)
Other revenues			119,268	
Total Revenues	<u>4,032,727</u>	<u>2,106,343</u>	<u>2,282,953</u>	<u>16,774</u>
<b>EXPENDITURES:</b>				
Current:				
General government				51,930
Police				
Fire				
Public works			933,013	
Community development	3,726,384			
Community services		3,420,148		
Housing				
Capital outlay		6,743		
Debt Service:				
Principal				
Interest				
Total Expenditures	<u>3,726,384</u>	<u>3,426,891</u>	<u>933,013</u>	<u>51,930</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>306,343</u>	<u>(1,320,548)</u>	<u>1,349,940</u>	<u>(35,156)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In		2,065,000		
Transfers (Out)		(230,725)	(1,406,100)	
Total Other Financing Sources (Uses)		<u>1,834,275</u>	<u>(1,406,100)</u>	
Net Changes in Fund Balances	306,343	513,727	(56,160)	(35,156)
Beginning Fund Balances	<u>460,172</u>	<u>1,348,003</u>	<u>3,644,807</u>	<u>21,075</u>
ENDING FUND BALANCES	<u>\$ 766,515</u>	<u>\$ 1,861,730</u>	<u>\$ 3,588,647</u>	<u>\$ (14,081)</u>



SPECIAL REVENUE FUNDS

County Measure B/BB	Tidelands	Parking Meter	Commercial Revitalization	Community Development Block Grant	Garbage/ Recycling Surcharge
					\$ 184,660
\$ 2,476,636		\$ 1,327,467		\$ 906,327	
		60,000			
13,706	\$ 885,042	13,358	\$ 82,737		5,447
		15	176,427		
<u>2,490,342</u>	<u>885,042</u>	<u>1,400,840</u>	<u>259,164</u>	<u>906,327</u>	<u>190,107</u>
	1,081,973	958,448			175,281
			181,523	1,015,867	
	<u>1,081,973</u>	<u>958,448</u>	<u>181,523</u>	<u>1,015,867</u>	<u>175,281</u>
<u>2,490,342</u>	<u>(196,931)</u>	<u>442,392</u>	<u>77,641</u>	<u>(109,540)</u>	<u>14,826</u>
		57,268		109,540	
<u>(1,784,718)</u>	<u>(494)</u>	<u>(661,337)</u>			
<u>(1,784,718)</u>	<u>(494)</u>	<u>(604,069)</u>		<u>109,540</u>	
705,624	(197,425)	(161,677)	77,641		14,826
<u>3,398,527</u>	<u>2,843,830</u>	<u>3,254,893</u>	<u>1,167,361</u>		<u>1,288,271</u>
<u>\$ 4,104,151</u>	<u>\$ 2,646,405</u>	<u>\$ 3,093,216</u>	<u>\$ 1,245,002</u>	<u>\$ -</u>	<u>\$ 1,303,097</u>

(Continued)



**City of Alameda**  
**Non-Major Governmental Funds**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**For the year ended June 30, 2015**

	SPECIAL REVENUE FUNDS			
	Athletic Recreation	Grants Fund	Waste Reduction Surcharge	Maintenance Assessment Districts
<b>REVENUES:</b>				
Property taxes				\$ 2,256,579
Other local taxes				
Licenses and permits		\$ 749		
Revenue from other agencies	\$ 67,851	1,214,573	\$ 265,719	
Charges for current services	2,180,654		406,277	
Fines and forfeitures				
Use of money and property	575,966	2,038	13,010	19,590
Other revenues	239,933	19,125	115,261	
Total Revenues	<u>3,064,404</u>	<u>1,236,485</u>	<u>800,267</u>	<u>2,276,169</u>
<b>EXPENDITURES:</b>				
Current:				
General government	4,124,240			343,519
Police		112,495		
Fire		599,033		
Public works			856,521	1,109,072
Community development				
Community services				
Housing		368,851		
Capital outlay		178,250	2,593	
Debt Service:				
Principal				
Interest				
Total Expenditures	<u>4,124,240</u>	<u>1,258,629</u>	<u>859,114</u>	<u>1,452,591</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,059,836)</u>	<u>(22,144)</u>	<u>(58,847)</u>	<u>823,578</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	1,380,000	44,004		196,372
Transfers (Out)	(162,905)			(201,252)
Total Other Financing Sources (Uses)	<u>1,217,095</u>	<u>44,004</u>		<u>(4,880)</u>
Net Changes in Fund Balances	157,259	21,860	(58,847)	818,698
Beginning Fund Balances	<u>2,740,077</u>	<u>433,509</u>	<u>3,214,793</u>	<u>4,592,639</u>
<b>ENDING FUND BALANCES</b>	<u>\$ 2,897,336</u>	<u>\$ 455,369</u>	<u>\$ 3,155,946</u>	<u>\$ 5,411,337</u>

SPECIAL REVENUE FUNDS		DEBT SERVICE FUNDS		CAPITAL PROJECTS FUNDS	
Vehicle Registration Fee	Parking	City Hall and Library Bonds	Base Reuse	Construction Impact Fee	Streets/ Transportation
		\$ 820,945		\$ 1,183,222	\$ 472,055
				74,830	132,967
\$ 331,984				23,676	47,196
3,025	\$ 294,792	2,532	\$ (65)	7,685	8,500
<u>335,009</u>	<u>294,792</u>	<u>823,477</u>	<u>(65)</u>	<u>1,289,413</u>	<u>660,718</u>
		10,041		7,118	2,128
					500,000
					145,311
				21,676	22,980
		1,506,000	400,000		
		760,494	28,184		
		<u>2,276,535</u>	<u>428,184</u>	<u>28,794</u>	<u>670,419</u>
<u>335,009</u>	<u>294,792</u>	<u>(1,453,058)</u>	<u>(428,249)</u>	<u>1,260,619</u>	<u>(9,701)</u>
		1,640,764	388,000	115,002	131,991
(400,000)	(200,250)			(352,834)	(33,000)
<u>(400,000)</u>	<u>(200,250)</u>	<u>1,640,764</u>	<u>388,000</u>	<u>(237,832)</u>	<u>98,991</u>
(64,991)	94,542	187,706	(40,249)	1,022,787	89,290
<u>775,835</u>	<u>365,020</u>	<u>932,727</u>	<u>43,234</u>	<u>1,519,656</u>	<u>2,174,091</u>
<u>\$ 710,844</u>	<u>\$ 459,562</u>	<u>\$ 1,120,433</u>	<u>\$ 2,985</u>	<u>\$ 2,542,443</u>	<u>\$ 2,263,381</u>

(Continued)



**City of Alameda**  
**Non-Major Governmental Funds**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**For the year ended June 30, 2015**

	CAPITAL PROJECTS FUNDS			
	Citywide Development Fee	Urban Runoff Storm Drain Fee	Maintenance Assessment District	Emergency Operations Center / Fire Station #3
<b>REVENUES:</b>				
Property taxes		\$ 2,109,660	\$ 755,882	
Other local taxes	\$ 1,207,946			
Licenses and permits				
Revenue from other agencies				
Charges for current services		63,338		
Fines and forfeitures				
Use of money and property	14,090	28,293	10,209	\$ 1,038
Other revenues		4,378		863,108
Total Revenues	<u>1,222,036</u>	<u>2,205,669</u>	<u>766,091</u>	<u>864,146</u>
<b>EXPENDITURES:</b>				
Current:				
General government				145,903
Police				
Fire				
Public works				
Community development				
Community services				
Housing				
Capital outlay	23,791	2,352,028	761,849	
Debt Service:				
Principal				
Interest				
Total Expenditures	<u>23,791</u>	<u>2,352,028</u>	<u>761,849</u>	<u>145,903</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,198,245</u>	<u>(146,359)</u>	<u>4,242</u>	<u>718,243</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In		247,875		
Transfers (Out)	(1,637,409)	(1,455,892)		
Total Other Financing Sources (Uses)	<u>(1,637,409)</u>	<u>(1,208,017)</u>		
Net Changes in Fund Balances	(439,164)	(1,354,376)	4,242	718,243
Beginning Fund Balances	<u>3,426,915</u>	<u>7,639,209</u>	<u>2,337,389</u>	<u>3,016,571</u>
ENDING FUND BALANCES	<u>\$ 2,987,751</u>	<u>\$ 6,284,833</u>	<u>\$ 2,341,631</u>	<u>\$ 3,734,814</u>

Total  
Non-Major  
Governmental  
Funds

\$ 9,513,880  
1,529,048  
2,579,916  
7,543,925  
5,264,911  
426,613  
2,013,422  
1,537,515  
30,409,230

6,900,581  
112,495  
599,033  
3,398,606  
3,726,384  
3,565,459  
1,587,917  
3,348,234

1,906,000  
788,678  
25,933,387

4,475,843

6,375,816  
(8,526,916)  
(2,151,100)

2,324,743

50,638,604

\$ 52,963,347



**City of Alameda**  
**Budgeted Non-Major Funds**  
**Combining Schedule of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Budget and Actual**  
**For the year ended June 30, 2015**

	SPECIAL REVENUE FUNDS					
	COMMUNITY DEVELOPMENT			LIBRARY		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>						
Property taxes				\$ 1,803,000	\$ 1,915,537	\$ 112,537
Other local taxes		\$ 3,475	\$ 3,475			
Licenses and permits	\$ 1,935,000	2,504,337	569,337			
Revenue from other agencies				45,234	110,973	65,739
Charges for current services	1,204,650	1,170,513	(34,137)	50,000	67,244	17,244
Fines and forfeitures	750,350	349,777	(400,573)			
Use of money and property	3,000	4,625	1,625	15,044	12,589	(2,455)
Other revenues				4,956		(4,956)
<b>Total Revenues</b>	<b>3,893,000</b>	<b>4,032,727</b>	<b>139,727</b>	<b>1,918,234</b>	<b>2,106,343</b>	<b>188,109</b>
<b>EXPENDITURES:</b>						
Current:						
General government						
Police						
Fire						
Public works						
Community development	3,990,000	3,726,384	263,616			
Community services				3,721,103	3,420,148	300,955
Housing						
Capital outlay				63,000	6,743	56,257
Debt Service:						
Principal						
Interest						
<b>Total Expenditures</b>	<b>3,990,000</b>	<b>3,726,384</b>	<b>263,616</b>	<b>3,784,103</b>	<b>3,426,891</b>	<b>357,212</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>(97,000)</b>	<b>306,343</b>	<b>403,343</b>	<b>(1,865,869)</b>	<b>(1,320,548)</b>	<b>545,321</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers In				2,065,000	2,065,000	
Transfers (Out)				(230,725)	(230,725)	
<b>Total Other Financing Sources (Uses)</b>				<b>1,834,275</b>	<b>1,834,275</b>	
<b>Net Change in Fund Balance</b>	<b>\$ (97,000)</b>	<b>306,343</b>	<b>\$ 403,343</b>	<b>\$ (31,594)</b>	<b>513,727</b>	<b>\$ 545,321</b>
Beginning Fund Balances (Deficits)		460,172			1,348,003	
Ending Fund Balances (Deficits)		\$ 766,515			\$ 1,861,730	

SPECIAL REVENUE FUNDS

GAS TAX			ASSET SEIZURE/TRAFFIC SAFETY			COUNTY MEASURE B/BB		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ 1,900,500	\$ 2,146,186	\$ 245,686				\$ 1,960,489	\$ 2,476,636	\$ 516,147
	2,222	2,222						
34,645	15,277	(19,368)		\$ 16,836	\$ 16,836	21,511	13,706	(7,805)
5,855	119,268	113,413		(62)	(62)			
<u>1,941,000</u>	<u>2,282,953</u>	<u>341,953</u>		<u>16,774</u>	<u>16,774</u>	<u>1,982,000</u>	<u>2,490,342</u>	<u>508,342</u>
				51,930	(51,930)			
1,008,000	933,013	74,987						
<u>1,008,000</u>	<u>933,013</u>	<u>74,987</u>		<u>51,930</u>	<u>(51,930)</u>			
933,000	1,349,940	416,940		(35,156)	(35,156)	1,982,000	2,490,342	508,342
<u>(2,624,309)</u>	<u>(1,406,100)</u>	<u>1,218,209</u>	<u>(20,000)</u>		<u>20,000</u>	<u>(3,935,950)</u>	<u>(1,784,718)</u>	<u>2,151,232</u>
<u>(2,624,309)</u>	<u>(1,406,100)</u>	<u>1,218,209</u>	<u>(20,000)</u>		<u>20,000</u>	<u>(3,935,950)</u>	<u>(1,784,718)</u>	
<u>\$ (1,691,309)</u>	<u>(56,160)</u>	<u>\$ 1,635,149</u>	<u>\$ (20,000)</u>	<u>(35,156)</u>	<u>\$ (15,156)</u>	<u>\$ (1,953,950)</u>	<u>705,624</u>	<u>\$ 2,659,574</u>
	<u>3,644,807</u>			<u>21,075</u>			<u>3,398,527</u>	
	<u>\$ 3,588,647</u>			<u>\$ (14,081)</u>			<u>\$ 4,104,151</u>	

(Continued)



**City of Alameda**  
**Budgeted Non-Major Funds**  
**Combining Schedule of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Budget and Actual**  
**For the year ended June 30, 2015**

	SPECIAL REVENUE FUNDS					
	TIDELANDS			PARKING METER		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>						
Property taxes						
Other local taxes						
Licenses and permits						
Revenue from other agencies						
Charges for current services				\$ 1,154,800	\$ 1,327,467	\$ 172,667
Fines and forfeitures				60,000	60,000	
Use of money and property	\$ 823,000	\$ 885,042	\$ 62,042	25,013	13,358	(11,655)
Other revenues				9,696	15	(9,681)
<b>Total Revenues</b>	<b>823,000</b>	<b>885,042</b>	<b>62,042</b>	<b>1,249,509</b>	<b>1,400,840</b>	<b>151,331</b>
<b>EXPENDITURES:</b>						
Current:						
General government	1,418,000	1,081,973	336,027	741,683	958,448	(216,765)
Police						
Fire						
Public works						
Community development						
Community services						
Housing						
Capital outlay						
Debt Service:						
Principal						
Interest						
<b>Total Expenditures</b>	<b>1,418,000</b>	<b>1,081,973</b>	<b>336,027</b>	<b>741,683</b>	<b>958,448</b>	<b>(216,765)</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>(595,000)</b>	<b>(196,931)</b>	<b>398,069</b>	<b>507,826</b>	<b>442,392</b>	<b>(65,434)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers In					57,268	57,268
Transfers (Out)	(178,039)	(494)	177,545	(1,099,041)	(661,337)	437,704
<b>Total Other Financing Sources (Uses)</b>	<b>(178,039)</b>	<b>(494)</b>	<b>177,545</b>	<b>(1,099,041)</b>	<b>(604,069)</b>	<b>494,972</b>
<b>Net Change in Fund Balance</b>	<b>\$ (773,039)</b>	<b>(197,425)</b>	<b>\$ 575,614</b>	<b>\$ (591,215)</b>	<b>(161,677)</b>	<b>\$ 429,538</b>
Beginning Fund Balances (Deficits)		2,843,830			3,254,893	
Ending Fund Balances (Deficits)		<u>\$ 2,646,405</u>			<u>\$ 3,093,216</u>	



SPECIAL REVENUE FUNDS

COMMUNITY DEVELOPMENT								
COMMERCIAL REVITALIZATION			BLOCK GRANT			GARBAGE/RECYCLING SURCHARGE		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
						\$ 175,000	\$ 184,660	\$ 9,660
			\$ 2,251,273	\$ 906,327	\$ (1,344,946)			
\$ 133,000	\$ 82,737	\$ (50,263)				8,000	5,447	(2,553)
175,000	176,427	1,427						
308,000	259,164	(48,836)	2,251,273	906,327	(1,344,946)	183,000	190,107	7,107
						338,290	175,281	163,009
368,000	181,523	186,477	2,756,816	1,015,867	1,740,949			
368,000	181,523	186,477	2,756,816	1,015,867	1,740,949	338,290	175,281	163,009
(60,000)	77,641	137,641	(505,543)	(109,540)	396,003	(155,290)	14,826	170,116
			505,543	109,540	(396,003)			
						(5,000)		5,000
			505,543	109,540	(396,003)	(5,000)		5,000
\$ (60,000)	77,641	\$ 137,641			\$ -	\$ (160,290)	14,826	\$ 175,116
	1,167,361						1,288,271	
	\$ 1,245,002			\$ -			\$ 1,303,097	

**(Continued)**



**City of Alameda**  
**Budgeted Non-Major Funds**  
**Combining Schedule of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Budget and Actual**  
**For the year ended June 30, 2015**

	SPECIAL REVENUE FUNDS					
	ATHLETIC RECREATION			GRANTS FUND		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>						
Property taxes						
Other local taxes						
Licenses and permits				\$ 1,875	\$ 749	\$ (1,126)
Revenue from other agencies	\$ 50,000	\$ 67,851	\$ 17,851	917,424	1,214,573	297,149
Charges for current services	2,014,200	2,180,654	166,454			
Fines and forfeitures						
Use of money and property	602,800	575,966	(26,834)	4,125	2,038	(2,087)
Other revenues	120,000	239,933	119,933	33,575	19,125	(14,450)
Total Revenues	<u>2,787,000</u>	<u>3,064,404</u>	<u>277,404</u>	<u>956,999</u>	<u>1,236,485</u>	<u>279,486</u>
<b>EXPENDITURES:</b>						
Current:						
General government	4,223,000	4,124,240	98,760			
Police				50,000	112,495	(62,495)
Fire				389,214	599,033	(209,819)
Public works						
Community development						
Community services						
Housing				468,250	368,851	99,399
Capital outlay					178,250	(178,250)
Debt Service:						
Principal						
Interest						
Total Expenditures	<u>4,223,000</u>	<u>4,124,240</u>	<u>98,760</u>	<u>907,464</u>	<u>1,258,629</u>	<u>(351,165)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(1,436,000)</u>	<u>(1,059,836)</u>	<u>376,164</u>	<u>49,535</u>	<u>(22,144)</u>	<u>(71,679)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers In	1,380,000	1,380,000		48,460	44,004	(4,456)
Transfers (Out)	(162,905)	(162,905)		(100,000)		100,000
Total Other Financing Sources (Uses)	<u>1,217,095</u>	<u>1,217,095</u>		<u>(51,540)</u>	<u>44,004</u>	<u>95,544</u>
Net Change in Fund Balance	<u>\$ (218,905)</u>	<u>157,259</u>	<u>\$ 376,164</u>	<u>\$ (2,005)</u>	<u>21,860</u>	<u>\$ 23,865</u>
Beginning Fund Balances (Deficits)		<u>2,740,077</u>			<u>433,509</u>	
Ending Fund Balances (Deficits)		<u>\$ 2,897,336</u>			<u>\$ 455,369</u>	

SPECIAL REVENUE FUNDS								
WASTE REDUCTION SURCHARGE			MAINTENANCE ASSESSMENT DISTRICTS			VEHICLE REGISTRATION FEE		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
			\$ 1,908,341	\$ 2,256,579	\$ 348,238			
\$ 200,000	\$ 265,719	\$ 65,719				\$ 273,000	\$ 331,984	\$ 58,984
350,000	406,277	56,277						
20,685	13,010	(7,675)	26,659	19,590	(7,069)	5,000	3,025	(1,975)
4,315	115,261	110,946						
<u>575,000</u>	<u>800,267</u>	<u>225,267</u>	<u>1,935,000</u>	<u>2,276,169</u>	<u>341,169</u>	<u>278,000</u>	<u>335,009</u>	<u>57,009</u>
			745,000	343,519	401,481			
1,159,000	856,521	302,479	1,617,000	1,109,072	507,928			
5,000	2,593	2,407						
<u>1,164,000</u>	<u>859,114</u>	<u>304,886</u>	<u>2,362,000</u>	<u>1,452,591</u>	<u>909,409</u>			
<u>(589,000)</u>	<u>(58,847)</u>	<u>530,153</u>	<u>(427,000)</u>	<u>823,578</u>	<u>1,250,578</u>	<u>278,000</u>	<u>335,009</u>	<u>57,009</u>
			196,385	196,372	(13)			
			(501,265)	(201,252)	300,013	(900,000)	(400,000)	500,000
			(304,880)	(4,880)	300,000	(900,000)	(400,000)	500,000
<u>\$ (589,000)</u>	<u>(58,847)</u>	<u>\$ 530,153</u>	<u>\$ (731,880)</u>	<u>818,698</u>	<u>\$ 1,550,578</u>	<u>\$ (622,000)</u>	<u>(64,991)</u>	<u>\$ 557,009</u>
	<u>3,214,793</u>			<u>4,592,639</u>			<u>775,835</u>	
	<u>\$ 3,155,946</u>			<u>\$ 5,411,337</u>			<u>\$ 710,844</u>	

(Continued)



**City of Alameda**  
**Budgeted Non-Major Funds**  
**Combining Schedule of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Budget and Actual**  
**For the year ended June 30, 2015**

	SPECIAL REVENUE FUNDS			DEBT SERVICE FUNDS		
	PARKING		Variance Positive (Negative)	CITY HALL AND LIBRARY BONDS		Variance Positive (Negative)
	Budget	Actual		Budget	Actual	
<b>REVENUES:</b>						
Property taxes				\$ 709,709	\$ 820,945	\$ 111,236
Other local taxes						
Licenses and permits						
Revenue from other agencies						
Charges for current services						
Fines and forfeitures						
Use of money and property	\$ 227,200	\$ 294,792	\$ 67,592	7,291	2,532	(4,759)
Other revenues						
Total Revenues	<u>227,200</u>	<u>294,792</u>	<u>67,592</u>	<u>717,000</u>	<u>823,477</u>	<u>106,477</u>
<b>EXPENDITURES:</b>						
Current:						
General government				12,000	10,041	1,959
Police						
Fire						
Public works						
Community development						
Community services						
Housing						
Capital outlay						
Debt Service:						
Principal				1,661,000	1,506,000	155,000
Interest				941,000	760,494	180,506
Total Expenditures				<u>2,614,000</u>	<u>2,276,535</u>	<u>337,465</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>227,200</u>	<u>294,792</u>	<u>67,592</u>	<u>(1,897,000)</u>	<u>(1,453,058)</u>	<u>443,942</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers In				1,892,760	1,640,764	(251,996)
Transfers (Out)	(200,250)	(200,250)				
Total Other Financing Sources (Uses)	<u>(200,250)</u>	<u>(200,250)</u>		<u>1,892,760</u>	<u>1,640,764</u>	<u>(251,996)</u>
Net Change in Fund Balance	<u>\$ 26,950</u>	<u>94,542</u>	<u>\$ 67,592</u>	<u>\$ (4,240)</u>	<u>187,706</u>	<u>\$ 191,946</u>
Beginning Fund Balances (Deficits)		<u>365,020</u>			<u>932,727</u>	
Ending Fund Balances (Deficits)		<u>\$ 459,562</u>			<u>\$ 1,120,433</u>	

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DEBT SERVICE FUNDS

BASE REUSE DEBT SERVICE

Budget	Actual	Variance Positive (Negative)
\$ 6,621	\$ (65)	\$ (6,686)
<u>6,621</u>	<u>(65)</u>	<u>(6,686)</u>

300,000	400,000	(100,000)
50,000	28,184	21,816
<u>350,000</u>	<u>428,184</u>	<u>(78,184)</u>
<u>(343,379)</u>	<u>(428,249)</u>	<u>(84,870)</u>
300,000	388,000	88,000
<u>300,000</u>	<u>388,000</u>	<u>88,000</u>
<u>\$ (43,379)</u>	<u>(40,249)</u>	<u>\$ 3,130</u>
	<u>43,234</u>	
	<u>\$ 2,985</u>	



Internal Service Funds are used to finance and account for special activities and services performed by a designated department for other departments in the City on a cost reimbursement basis.

The concept of major funds introduced by GASB Statement 34 does not extend to internal service funds because they do not do business with outside parties. GASB Statement 34 requires that for the Statement of Activities, the net revenues or expenses of each internal service fund be eliminated by netting them against the operations of the other City departments which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Position.

However, internal service funds are still presented separately in the Fund financial statements, including the funds below.

***Equipment Replacement***

This fund accumulates funds for the replacement of worn and obsolete equipment.

***Central Services***

This fund accounts for the City's central services operations, reimbursed through charges assessed to other City departments.

***Fleet Maintenance***

This fund accounts for the maintenance and replacement of vehicles and equipment used by all City departments. Reimbursements occur through charges assessed to other City departments.

***Technology Services***

This fund accounts for information technology. Reimbursements occur through administrative charges assessed to other departments based upon their proportional share of program costs.

***Facilities Maintenance***

This fund accumulates funds for the costs associated with the maintenance of the City's facilities.

***Workers' Compensation Insurance***

This fund accounts for the expenditures for administration of the City's workers' compensation program, payment of workers' compensation claim payments, and related insurance premiums.

***Risk Management Insurance***

This fund accounts for the administration of the City's risk management program, payment of general liability claim payments, and insurance premiums for general liability and property coverage.

***Unemployment Insurance***

This fund accounts for the administration of the City's unemployment insurance program and payment of unemployment claim payments.

***Other Post Employment Benefits (OPEB)/Vacation***

This fund accounts for expenditures for other post-employment benefits (OPEB) and accumulates funds for future payoffs of accrued leave balances.



**City of Alameda, California**  
**Internal Service Funds**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2015**

	Equipment Replacement	Central Services	Fleet Maintenance	Technology Services
<b>ASSETS:</b>				
Current Assets:				
Cash and cash equivalents	\$ 4,740,605	\$ 84,928	\$ 120,376	\$ 1,766,646
Accounts receivable	252,050			
Total Current Assets	<u>4,992,655</u>	<u>84,928</u>	<u>120,376</u>	<u>1,766,646</u>
Noncurrent Assets:				
Restricted cash and investments	2,001			
Capital assets, depreciable, net	5,824,267			203,572
Total Non-current Assets	<u>5,826,268</u>			<u>203,572</u>
Total Assets	<u>10,818,923</u>	<u>84,928</u>	<u>120,376</u>	<u>1,970,218</u>
<b>LIABILITIES:</b>				
Current Liabilities				
Accounts payable	180,561			15,219
Interest payable	100,139			
Refundable deposits				
Unearned revenue	9			
Claims payable:				
Due within one year				
Equipment lease payable:				
Due within one year	519,970			
Total Current Liabilities	<u>800,679</u>			<u>15,219</u>
Long-Term Liabilities				
Claims payable:				
Due in more than one year				
Equipment lease payable:				
Due in more than one year	4,465,248			
Total Long-Term Liabilities	<u>4,465,248</u>			
<b>NET POSITION:</b>				
Net investment in capital assets	839,049			203,572
Restricted	2,001			
Unrestricted	4,711,946	84,928	120,376	1,751,427
Total Net Position (Deficit)	<u>\$ 5,552,996</u>	<u>\$ 84,928</u>	<u>\$ 120,376</u>	<u>\$ 1,954,999</u>



<u>Facilities Maintenance</u>	<u>Workers' Compensation Insurance</u>	<u>Risk Management Insurance</u>	<u>Unemployment Insurance</u>	<u>OPEB/Vacation</u>	<u>Total</u>
\$ 2,449,223	\$ 5,309,976	\$ 2,989,767	\$ 559,546	\$ 5,179,990	\$ 23,201,057
	8,541	18,055	5,852	9,948	294,446
<u>2,449,223</u>	<u>5,318,517</u>	<u>3,007,822</u>	<u>565,398</u>	<u>5,189,938</u>	<u>23,495,503</u>
	325,000	50,000		331,628	708,629
					6,027,839
	<u>325,000</u>	<u>50,000</u>		<u>331,628</u>	<u>6,736,468</u>
<u>2,449,223</u>	<u>5,643,517</u>	<u>3,057,822</u>	<u>565,398</u>	<u>5,521,566</u>	<u>30,231,971</u>
	180,030	133,789			509,599
		23,920			100,139
					23,920
					9
	2,609,861	903,284			3,513,145
					519,970
	<u>2,789,891</u>	<u>1,060,993</u>			<u>4,666,782</u>
	4,376,502	1,104,955			5,481,457
					4,465,248
	<u>4,376,502</u>	<u>1,104,955</u>			<u>9,946,705</u>
	325,000	50,000		331,628	1,042,621
2,449,223	(1,847,876)	841,874	565,398	5,189,938	708,629
					13,867,234
<u>\$ 2,449,223</u>	<u>\$ (1,522,876)</u>	<u>\$ 891,874</u>	<u>\$ 565,398</u>	<u>\$ 5,521,566</u>	<u>\$ 15,618,484</u>



**City of Alameda, California**  
**Internal Service Funds**  
**Combining Statement of Revenues, Expenses and**  
**Changes in Fund Net Position**  
**For the Year Ended June 30, 2015**

	Equipment Replacement	Central Services	Fleet Maintenance	Technology Services
<b>OPERATING REVENUES</b>				
Charges for services				\$ 253,920
Miscellaneous	\$ 1,874,595			
Total Operating Revenues	<u>1,874,595</u>			<u>253,920</u>
<b>OPERATING EXPENSES</b>				
General administrative	203,240			18,426
Wages and benefits				
Insurance				
Contractual services	400,373			353,449
Supplies and maintenance	19,080		\$ 1,306	
Depreciation	1,089,990			57,107
Total Operating Expenses	<u>1,712,683</u>		<u>1,306</u>	<u>428,982</u>
Operating Income (Loss)	<u>161,912</u>		<u>(1,306)</u>	<u>(175,062)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest income	15,851	\$ 355	581	7,114
Total Non-Operating Revenue (Expenses)	<u>15,851</u>	<u>355</u>	<u>581</u>	<u>7,114</u>
Income (Loss) Before Transfers	177,763	355	(725)	(167,948)
Transfers in	795,671			750,000
Transfers out			(54,744)	(80,052)
Net transfers	<u>795,671</u>		<u>(54,744)</u>	<u>669,948</u>
Changes in Net Position	973,434	355	(55,469)	502,000
Beginning Net Position (Deficit)	4,579,562	84,573	175,845	1,452,999
Ending Net Position (Deficit)	<u>\$ 5,552,996</u>	<u>\$ 84,928</u>	<u>\$ 120,376</u>	<u>\$ 1,954,999</u>



**City of Alameda, California**  
**Internal Service Funds**  
**Combining Statement of Revenues, Expenses and**  
**Changes in Fund Net Position**  
**For the Year Ended June 30, 2015**

Facilities Maintenance	Workers' Compensation Insurance	Risk Management Insurance	Unemployment Insurance	OPEB/Vacation	Total
	\$ 2,815,745	\$ 1,893,074	\$ 243,289	\$ 3,815,076	\$ 9,021,104
\$ 744,024	1,032				2,619,651
744,024	2,816,777	1,893,074	243,289	3,815,076	11,640,755
					221,666
			44,626	510,278	554,904
	1,939,281	652,087		2,674,333	5,265,701
245,981	118,647	1,069,929	1,215	24,300	2,213,894
3,319		2,762			26,467
					1,147,097
249,300	2,057,928	1,724,778	45,841	3,208,911	9,429,729
494,724	758,849	168,296	197,448	606,165	2,211,026
8,572	2,809	1,866	216	5,875	43,239
8,572	2,809	1,866	216	5,875	43,239
503,296	761,658	170,162	197,664	612,040	2,254,265
	500,000			1,367,096	3,412,767
					(134,796)
	500,000			1,367,096	3,277,971
503,296	1,261,658	170,162	197,664	1,979,136	5,532,236
1,945,927	(2,784,534)	721,712	367,734	3,542,430	10,086,248
\$ 2,449,223	\$ (1,522,876)	\$ 891,874	\$ 565,398	\$ 5,521,566	\$ 15,618,484



**City of Alameda**  
**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the year ended June 30, 2015**

	Equipment Replacement	Central Services	Fleet Maintenance	Technology Services
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 1,598,960			\$ 253,920
Payments to suppliers	(443,239)		\$ (1,306)	(409,511)
Payments to employees				
Claims paid				
Net cash flows provided (used) by operating activities	<u>1,155,721</u>		<u>(1,306)</u>	<u>(155,591)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Transfer In	795,671			750,000
Transfer (Out)			(54,744)	(80,052)
Net cash flows provided (used) by non-capital financing activities	<u>795,671</u>		<u>(54,744)</u>	<u>669,948</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of capital assets, net	(1,242,663)			(114,209)
Principal payments on capital debt	313,257			
Net cash flows provided (used) by capital and related financing activities	<u>(929,406)</u>			<u>(114,209)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Decrease (increase) in restricted investments	178,791			
Interest income	15,851	\$ 355	581	7,114
Net cash flows provided (used) by investing activities	<u>194,642</u>	<u>355</u>	<u>581</u>	<u>7,114</u>
Net increase (decrease) in cash and cash equivalents	1,216,628	355	(55,469)	407,262
Cash and Investments at beginning of period	<u>3,523,977</u>	<u>84,573</u>	<u>175,845</u>	<u>1,359,384</u>
Cash and investments at end of period	<u>\$ 4,740,605</u>	<u>\$ 84,928</u>	<u>\$ 120,376</u>	<u>\$ 1,766,646</u>
<b>Reconciliation of operating income (loss) to net cash flows provided (used) by operating activities:</b>				
Operating income (loss)	\$ 161,912		\$ (1,306)	\$ (175,062)
Adjustments to reconcile operating income (loss) to net cash flows provided (used) by operating activities:				
Depreciation	1,089,990			57,107
Change in assets and liabilities:				
(Increase) decrease in accounts receivable and refundable deposits	(275,635)			
Increase (decrease) accounts payable	179,454			(37,636)
Increase (decrease) claims payable				
Net cash flows provided (used) by operating activities	<u>\$ 1,155,721</u>	<u>\$ -</u>	<u>\$ (1,306)</u>	<u>\$ (155,591)</u>

<u>Facilities Maintenance</u>	<u>Workers' Compensation Insurance</u>	<u>Risk Management Insurance</u>	<u>Unemployment Insurance</u>	<u>OPEB/Vacation</u>	<u>Total</u>
\$ 744,024 (249,300)	\$ 2,843,420 (161,255)	\$ 1,898,939 (1,154,908)	\$ 237,437 (1,215) (44,626)	\$ 3,805,303 (28,075) (510,278) (2,674,333)	\$ 11,382,003 (2,448,809) (554,904) (6,187,478)
<u>494,724</u>	<u>72,304</u>	<u>(159,253)</u>	<u>191,596</u>	<u>592,617</u>	<u>2,190,812</u>
	500,000			1,367,096	3,412,767 (134,796)
	<u>500,000</u>			<u>1,367,096</u>	<u>3,277,971</u>
					(1,356,872) 313,257
					<u>(1,043,615)</u>
				(306,628)	(127,837)
<u>8,572</u>	<u>2,809</u>	<u>1,866</u>	<u>216</u>	<u>5,875</u>	<u>43,239</u>
<u>8,572</u>	<u>2,809</u>	<u>1,866</u>	<u>216</u>	<u>(300,753)</u>	<u>(84,598)</u>
503,296	575,113	(157,387)	191,812	1,658,960	4,340,570
<u>1,945,927</u>	<u>4,734,863</u>	<u>3,147,154</u>	<u>367,734</u>	<u>3,521,030</u>	<u>18,860,487</u>
<u>\$ 2,449,223</u>	<u>\$ 5,309,976</u>	<u>\$ 2,989,767</u>	<u>\$ 559,546</u>	<u>\$ 5,179,990</u>	<u>\$ 23,201,057</u>
\$ 494,724	\$ 758,849	\$ 168,296	\$ 197,448	\$ 606,165	\$ 2,211,026
					1,147,097
	26,643 (42,608) (670,580)	5,865 (82,217) (251,197)	(5,852)	(9,773) (3,775)	(258,752) 13,218 (921,777)
<u>\$ 494,724</u>	<u>\$ 72,304</u>	<u>\$ (159,253)</u>	<u>\$ 191,596</u>	<u>\$ 592,617</u>	<u>\$ 2,190,812</u>



### **Pension Trust Funds**

Pension Trust Funds are used to report and account for resources that are required to be held in trust for the members and beneficiaries of the City's closed defined benefit pension plans.

#### ***Police and Fire Pension #1079***

This fund accounts for the resources accumulated for the payment of pension benefits enacted under Plan 1079.

#### ***Police and Fire Pension #1082***

This fund accounts for the resources accumulated for the payment of pension benefits enacted under Plan 1082.

### **Agency Funds**

Agency Funds account for assets held by the City as agent for individuals, governmental entities, and non-public organizations. These funds include the following:

#### ***Assessment Districts***

This fund accounts for cash and investments held on behalf of assessment districts formed within the City. The City is not obligated for repayment of any debt issued by these assessment districts.



City of Alameda, California  
Pension Trust Funds  
Combining Statement of Net Position  
June 30, 2015

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	<u>PENSION TRUST FUNDS</u>		
	<u>Police and Fire Pension #1079</u>	<u>Police and Fire Pension #1082</u>	<u>Total</u>
<b>ASSETS</b>			
Restricted cash and investments	<u>\$ 134,099</u>	<u>\$ 1,101</u>	<u>\$ 135,200</u>
Total Assets	<u><u>\$ 134,099</u></u>	<u><u>\$ 1,101</u></u>	<u><u>\$ 135,200</u></u>
<b>NET POSITION</b>			
Held in trust for pension benefits	<u><u>\$ 134,099</u></u>	<u><u>\$ 1,101</u></u>	<u><u>\$ 135,200</u></u>





City of Alameda, California  
 Pension Trust Funds  
 Combining Statement of Changes in Net Position  
 For the year ended June 30, 2015

	PENSION TRUST FUNDS		
	Plan #1079	Plan #1082	TOTALS
ADDITIONS			
Employer contributions	\$ 1,860,000	\$ 48,006	\$ 1,908,006
Total Additions	<u>1,860,000</u>	<u>48,006</u>	<u>1,908,006</u>
DEDUCTIONS			
Retirement and other benefits	1,794,700	46,991	1,841,691
Contractual services	<u>5,956</u>	<u>96</u>	<u>6,052</u>
Total Deductions	<u>1,800,656</u>	<u>47,087</u>	<u>1,847,743</u>
CHANGE IN NET POSITION	<u>59,344</u>	<u>919</u>	<u>60,263</u>
NET POSITION			
Beginning of year	<u>74,755</u>	<u>182</u>	<u>74,937</u>
End of year	<u><u>\$ 134,099</u></u>	<u><u>\$ 1,101</u></u>	<u><u>\$ 135,200</u></u>



**City of Alameda, California**  
**Agency Funds**  
**Statement of Changes in Assets and Liabilities**  
**For the year ended June 30, 2015**

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	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
<b>Assessment Districts</b>				
<b>Assets:</b>				
Restricted cash and investments	\$ 6,547,516	\$ 4,313,188	\$ 6,547,516	\$ 4,313,188
Accounts receivable	17,459		17,459	
Interest receivable	14		14	
<b>Total Assets</b>	<u><u>\$ 6,564,989</u></u>	<u><u>\$ 4,313,188</u></u>	<u><u>\$ 6,564,989</u></u>	<u><u>\$ 4,313,188</u></u>
<b>Liabilities:</b>				
Accounts payable	\$ 1,696	\$ -	\$ 1,696	\$ -
Interest payable	127,500		127,500	
Due to bondholders	6,435,793	4,313,188	6,435,793	4,313,188
<b>Total Liabilities</b>	<u><u>\$ 6,564,989</u></u>	<u><u>\$ 4,313,188</u></u>	<u><u>\$ 6,564,989</u></u>	<u><u>\$ 4,313,188</u></u>





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This section of the City'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 presents with respect to the City's overall financial health. In contrast to the Financial Section, the Statistical Section information is not subject to independent audit.

***Financial Trends***

These schedules contain trend information to help the reader understand how the City's financial performance and wellbeing have changed over time:

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances of Governmental Funds
4. Changes in Fund Balances of Governmental Funds
5. Balanced Revenue Index

***Revenue Capacity***

These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes:

1. Assessed and Estimated Actual Value of Taxable Property
2. Property Tax Rates, All Direct and Overlapping Governments
3. Principal Property Taxpayers
4. Property Tax Levies and Collections

***Debt Capacity***

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:

1. Ratio of Outstanding Debt by Type
2. Ratio of General Bonded Debt Outstanding
3. Computation of Direct and Overlapping Debt
4. Computation of Legal Bonded Debt Margin
5. Sewer Fund Debt Coverage
6. Bonded Debt Pledged Revenue Coverage, CIC Revenue Bonds and Tax Allocation Bonds

***Demographic and Economic Information***

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place:

1. Demographic and Economic Statistics
2. Principal Employers

***Operating Information***

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs:

1. Full-Time Equivalent City Government Employees by Function
2. Operating Indicators by Function/Program
3. Capital Asset Statistics by Function/Program

***Sources***

Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.





City of Alameda  
 Net Position by Component  
 Last Ten Fiscal Years  
 (Accrual Basis of Accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental activities</b>										
Invested in capital assets,										
net of related debt	\$149,626,890	\$158,716,508	\$169,776,636	\$169,927,104	\$179,200,175	\$173,302,089	\$249,436,223	\$234,318,345	\$248,976,617	\$259,298,585
Net investment in capital assets										
Restricted	102,723,054	79,816,104	86,336,351	86,483,930	81,018,431	81,525,686	57,906,023	65,063,180	64,148,556	47,340,040
Unrestricted	(18,104,392)	13,312,902	8,764,362	16,106,522	17,744,797	21,985,164	17,632,805	27,586,926	22,934,963	(132,097,358)
Total governmental activities net position	\$234,245,552	\$251,845,514	\$264,877,349	\$272,517,556	\$277,963,403	\$276,812,939	\$324,975,051	\$326,968,451	\$336,060,136	\$174,541,267
<b>Business-type activities</b>										
Invested in capital assets,										
net of related debt	\$41,606,226	\$41,973,568	\$42,515,505	\$44,928,147	\$45,131,483	\$39,458,176	\$44,169,706	\$32,309,753	\$36,408,147	\$72,843,612
Net investment in capital assets										
Restricted	1,145,471							29,374,748	29,591,239	31,979,615
Unrestricted	19,401,658	19,774,563	20,318,503	17,184,286	18,336,223	19,025,625	18,085,254	\$61,684,501	\$65,999,386	17,235,250
Total business-type activities net position	\$62,153,355	\$61,748,131	\$62,834,008	\$62,112,433	\$63,467,706	\$58,483,801	\$62,254,960	\$61,684,501	\$65,999,386	\$122,058,477
<b>Primary government</b>										
Invested in capital assets,										
net of related debt	\$191,233,116	\$200,690,076	\$212,292,141	\$214,855,251	\$224,331,658	\$213,414,695	\$293,605,929	\$266,628,098	\$285,384,764	\$332,142,197
Net investment in capital assets										
Restricted	103,868,525	79,816,104	86,336,351	86,483,930	81,018,431	81,525,686	57,906,023	94,437,928	93,739,795	79,319,655
Unrestricted	1,297,266	33,087,465	29,082,865	33,290,808	36,081,020	39,344,911	35,718,059	27,586,926	22,934,963	(114,862,108)
Total primary government net position	\$296,398,907	\$313,593,645	\$327,711,357	\$334,629,989	\$341,431,109	\$334,285,292	\$387,230,011	\$388,652,952	\$402,069,522	\$296,599,744

Source: City Finance Department



**City of Alameda**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	For the Fiscal Year Ended June 30,			
	2006	2007	2008	2009
<b>Expenses</b>				
Governmental Activities:				
General government	\$17,477,965	\$20,160,089	\$13,942,578	\$11,725,432
Police	25,255,793	25,632,978	26,769,167	26,137,009
Fire	20,520,453	23,911,788	24,645,039	22,123,701
Public works	5,374,200	4,465,955	12,628,974	18,746,655
Community development	14,093,939	22,986,738	19,189,329	22,163,130
Community services	7,114,677	7,730,394	8,275,998	8,125,339
Housing	3,395,317	5,802,261	6,668,775	7,415,214
Interest on long-term debt	5,918,480	6,307,727	6,351,470	6,100,624
<b>Total Governmental Activities Expenses</b>	<b>99,150,824</b>	<b>116,997,930</b>	<b>118,471,330</b>	<b>122,537,104</b>
Business-Type Activities:				
Ferry services	3,478,994	3,274,613	4,469,475	3,756,857
Golf course	4,508,404	4,645,595	5,009,337	4,380,267
Sewer service	3,756,084	4,244,145	4,320,760	4,726,773
Alameda Municipal Power (a)				
<b>Total Business-Type Activities Expenses</b>	<b>11,743,482</b>	<b>12,164,353</b>	<b>13,799,572</b>	<b>12,863,897</b>
<b>Total Primary Government Expenses</b>	<b>\$110,894,306</b>	<b>\$129,162,283</b>	<b>\$132,270,902</b>	<b>\$135,401,001</b>
Component Units:				
Housing Authority	\$23,458,406	\$25,890,669	\$25,717,763	\$26,750,656
Alameda Municipal Power	60,987,054	63,267,230	61,075,579	61,522,873
<b>Total Component Units</b>	<b>\$84,445,460</b>	<b>\$89,157,899</b>	<b>\$86,793,342</b>	<b>\$88,273,529</b>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for services:				
General government	\$13,804,737	\$13,697,081	\$5,244,071	\$6,202,753
Police	217,551	179,212	918,369	1,211,316
Fire	79,718		1,917,703	2,528,403
Public works	848,390	1,488,380	7,149,848	7,135,253
Community development	12,395,013	13,265,740	12,520,166	12,050,332
Community services	2,926,120	1,940,528	2,396,147	2,328,111
Housing			438,278	
Operating grants and contributions	16,571,222	14,350,320	12,969,596	6,816,299
Capital grants and contributions	15,576,210	11,063,279	5,535,687	4,307,127
<b>Total Government Activities Program Revenues</b>	<b>62,418,961</b>	<b>55,984,540</b>	<b>49,089,865</b>	<b>42,579,594</b>
Business-Type Activities:				
Charges for Services:				
Ferry services		17,726		
Golf course	3,859,518	4,226,422	4,187,705	4,161,463
Sewer service	5,252,893	5,667,296	5,826,652	5,901,599
Operating Grants and Contributions	2,279,492	1,990,515	3,000,763	2,356,878
Alameda Municipal Power (a)				
<b>Total Business-Type Activities Program Revenue</b>	<b>11,391,903</b>	<b>11,884,233</b>	<b>13,015,120</b>	<b>12,419,940</b>
<b>Total Primary Government Program Revenues</b>	<b>\$73,810,864</b>	<b>\$67,868,773</b>	<b>\$62,104,985</b>	<b>\$54,999,534</b>
Component Units:				
Charges for Services:				
Housing Authority	\$3,162,738	\$3,368,311	\$3,294,371	\$3,369,634
Alameda Municipal Power (a)	61,937,553	60,552,680	61,857,720	54,987,323
Operating grants and contributions	24,594,124	27,623,882	21,419,640	21,595,495
<b>Total Component Units Program Revenues</b>	<b>\$89,694,415</b>	<b>\$91,544,873</b>	<b>\$86,571,731</b>	<b>\$79,952,452</b>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(\$36,731,863)	(\$61,013,390)	(\$69,381,465)	(\$79,957,511)
Business-Type Activities	(351,579)	(262,394)	(784,452)	(443,957)
Component Units Activities	5,248,955	2,386,974	(221,611)	(8,321,077)
<b>Total Primary Government Net Expense</b>	<b>(\$31,834,487)</b>	<b>(\$58,888,810)</b>	<b>(\$70,387,528)</b>	<b>(\$88,722,545)</b>

(a) Reclassified as an enterprise fund in fiscal year ended June 30, 2015

Source: City Finance Department



2010	2011	2012	2013	2014	2015
\$15,456,715	\$18,188,575	\$15,237,357	\$13,569,619	\$15,040,701	\$15,566,704
26,798,928	26,889,284	25,904,606	30,431,546	30,848,485	30,310,509
22,861,254	24,532,288	23,970,035	27,374,670	27,866,089	30,247,841
10,939,983	18,950,456	13,738,143	12,664,895	14,344,311	20,576,356
19,248,260	16,550,661	5,718,100	20,805,104	15,947,090	21,707,219
8,749,436	9,296,269	8,741,325	8,296,495	6,995,080	6,808,162
7,975,615	7,261,310	14,452,825	1,222,077	2,004,958	1,883,617
5,764,642	5,677,260	4,142,152	1,409,201	2,307,691	984,165
117,794,833	127,346,103	111,904,543	115,773,607	115,354,405	128,084,573
4,200,933	3,357,896				
3,914,763	3,917,153	3,814,979			
4,359,415	4,598,661	3,864,222	5,125,508	5,339,491	6,069,959
					47,958,639
12,475,111	11,873,710	7,679,201	5,125,508	5,339,491	54,028,598
\$130,269,944	\$139,219,813	\$119,583,744	\$120,899,115	\$120,693,896	\$182,113,171
\$30,114,145	31,077,746				
56,686,475	50,902,652	54,520,590	53,896,090	50,466,129	
\$86,800,620	\$81,980,398	\$54,520,590	\$53,896,090	\$50,466,129	
\$7,065,225	\$8,378,706	\$6,899,450	\$7,507,538	\$9,820,809	\$9,928,486
1,196,533	1,248,344	1,181,455	1,125,359	1,772,066	1,557,542
2,459,169	1,875,008	2,156,989	2,625,040	2,242,200	2,902,627
5,234,368	6,743,825	6,694,970	7,329,147	6,915,488	8,048,038
9,628,742	9,628,742	9,261,637	9,717,218	10,267,249	10,900,322
2,600,886	2,643,386	2,771,489	3,477,649	3,238,812	3,273,681
			45		2,500
7,401,177	7,753,440	9,898,631	7,434,721	6,416,506	5,806,249
6,703,662	8,305,292	5,111,573	3,504,228	3,188,964	6,156,043
42,289,762	46,576,743	43,976,194	42,720,945	43,862,094	48,575,488
	222				
3,768,555	3,546,251	3,958,933			
6,068,908	6,936,223	7,447,477	8,966,628	9,734,164	9,906,045
2,245,111	2,245,111				
					58,759,497
12,082,574	12,727,807	11,406,410	8,966,628	9,734,164	68,665,542
\$54,372,336	\$59,304,550	\$55,382,604	\$51,687,573	\$53,596,258	\$117,241,030
\$2,957,381	2,959,697				
49,284,110	51,237,727	51,526,195	56,157,469	59,774,933	
28,796,857	29,390,234				
\$81,038,348	\$83,587,658	\$51,526,195	\$56,157,469	\$59,774,933	
(\$75,505,071)	(75,504,996)	(67,928,349)	(73,052,662)	(71,492,311)	(79,509,085)
(392,537)	1,027,225	3,727,584	3,841,120	4,394,673	14,636,944
(5,762,272)	1,607,260				
(\$81,659,880)	(\$72,870,511)	(\$64,200,765)	(\$69,211,542)	(\$67,097,638)	(\$64,872,141)



**City of Alameda**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**  
**(Continued)**

	<b>For the Fiscal Year Ended June 30,</b>			
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Taxes:				
Property taxes	\$21,332,157	\$26,137,534	\$27,413,398	\$28,056,019
Incremental property tax	11,178,320	12,266,563	14,043,703	15,634,394
Urban runoff special assessments	851,005	2,668,301	1,738,422	1,857,611
Sales taxes	4,580,600	4,967,130	5,140,774	5,412,461
Utility users tax	8,328,131	8,702,101	9,301,200	9,049,473
Transfer tax	6,601,412	4,177,736	3,389,197	3,124,066
Franchise tax			1,605,512	1,626,089
Transient Occupancy Tax			1,088,342	1,178,705
Property tax in-lieu			1,654,175	1,672,842
Other taxes	7,200,067	7,184,959	2,392,876	1,956,106
Motor vehicle in-lieu, unrestricted	5,982,971	5,479,921	5,748,775	5,994,956
Use of money and properties	2,695,888	5,897,661	8,066,247	6,843,179
Gain/loss from disposal of capital assets				
Miscellaneous	1,215,942	345,906	1,427,356	4,090,462
Transfers	407,078	1,293,540	(596,677)	1,101,353
Extraordinary item				
<b>Total Government Activities</b>	<b>70,373,571</b>	<b>79,121,352</b>	<b>82,413,300</b>	<b>87,597,716</b>
Business-Type Activities:				
Use of money and properties	646,149	1,004,169	1,126,277	730,441
Miscellaneous	257,810	146,541	147,375	93,294
Transfers	(407,078)	(1,293,540)	596,677	(1,101,353)
<b>Total Business-Type Activities</b>	<b>496,881</b>	<b>(142,830)</b>	<b>1,870,329</b>	<b>(277,618)</b>
<b>Total Primary Government</b>	<b>\$70,870,452</b>	<b>\$78,978,522</b>	<b>\$83,009,977</b>	<b>\$86,496,363</b>
Component Units Activities:				
Use of money and properties	\$2,315,772	\$2,804,872	\$2,974,858	\$1,744,742
Miscellaneous				
Increase in value of certain NPCA projects and reserves				
Net extraordinary items			(32,097,496)	25,251,400
<b>Total Component Units Activities</b>	<b>\$2,315,772</b>	<b>\$2,804,872</b>	<b>(\$29,122,638)</b>	<b>\$26,996,142</b>
<b>Change in Net Position</b>				
Governmental Activities	\$33,641,708	\$18,107,962	\$13,031,835	\$7,640,205
Business-Type Activities	145,302	(405,224)	1,085,877	(721,575)
<b>Total Primary Government</b>	<b>\$33,787,010</b>	<b>\$17,702,738</b>	<b>\$14,117,712</b>	<b>\$6,918,630</b>
<b>Changes in Net Position</b>				
Component units Activities	\$7,564,727	\$5,191,846	(\$29,344,249)	\$18,675,065

Source: City Finance Department

2010	2011	2012	2013	2014	2015
\$30,779,575	\$30,205,060	\$27,965,276	\$26,937,823	\$38,088,577	\$39,057,776
11,631,272	11,868,722	5,748,695			
1,897,652	1,886,557	1,844,180	1,842,568		
4,880,379	5,077,031	6,035,950	5,932,043	6,260,057	9,340,828
8,822,075	9,182,248	8,787,016	9,095,600	8,500,351	8,330,638
4,647,057	5,896,294	4,921,032	5,582,337	6,730,655	8,258,516
4,403,092	4,451,081	4,477,426	4,439,185	3,919,351	1,496,491
1,084,850	1,118,732	1,294,691	1,396,432	1,612,283	1,928,731
1,278,940	1,255,240	1,271,253	1,112,896	1,382,336	1,002,871
891,109	1,197,746	1,489,036	2,788,444	4,175,348	4,460,633
6,041,729	6,120,156	5,874,386	5,897,923		
3,836,073	5,059,361	617,852	4,039,370	5,068,924	4,465,916
742,404	4,080,095	5,803,134	1,531,218	4,428,117	2,787,194
(1,114,750)	(1,628,137)	207,258	269,538	417,997	3,027,004
		40,764,726			1,007,196
<u>79,821,457</u>	<u>85,770,186</u>	<u>117,101,911</u>	<u>70,865,377</u>	<u>80,583,996</u>	<u>85,163,794</u>
348,032		192,687	33,149	337,908	279,817
285,028	(230,894)	58,146	5,495	301	90,277
1,114,750	1,628,137	(207,258)	(269,538)	(417,997)	(3,027,004)
1,747,810	1,397,243	43,575	(230,894)	(79,788)	(2,656,910)
<u>\$80,936,207</u>	<u>\$87,167,429</u>	<u>\$117,145,486</u>	<u>\$70,634,483</u>	<u>\$80,504,208</u>	<u>\$82,506,884</u>
\$356,673	\$1,965,040	\$119,699	\$98,920	\$86,293	
506,590	249,207	54,142	176,225	1,548,129	
			1,447,092	(789,918)	
<u>\$863,263</u>	<u>\$2,214,247</u>	<u>\$173,841</u>	<u>\$1,722,237</u>	<u>\$844,504</u>	
\$4,316,386	\$2,828,006	\$49,173,562	(\$2,187,285)	\$9,091,684	5,654,709
1,355,273	3,473,803	3,771,159	3,610,226	4,314,885	11,980,034
<u>\$5,671,659</u>	<u>\$6,301,809</u>	<u>\$52,944,721</u>	<u>\$1,422,941</u>	<u>\$13,406,569</u>	<u>\$17,634,743</u>
<u>(\$4,899,009)</u>	<u>\$3,821,507</u>	<u>(\$2,820,554)</u>	<u>\$3,983,616</u>	<u>\$10,153,308</u>	

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City of Alameda  
 Fund Balances of Governmental Funds  
 Last Ten Fiscal Years  
 (Modified Accrual Basis of Accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
<b>Pre-GASB 54 Classifications:</b>										
Reserved	\$6,626,345	\$6,649,640	\$9,441,392	\$6,152,052	\$5,426,061					
Unreserved	17,947,381	16,171,215	10,252,721	15,362,069	16,223,164					
<b>GASB 54 Classifications:</b>										
Nonspendable						\$400,000	\$2,685,205	\$2,200,000	\$2,261,871	\$2,591,009
Restricted										
Committed						603,629	400,000			
Assigned						16,693,535	315,045			3,000,000
Unassigned							19,618,518	21,293,014	29,071,830	30,165,670
Total General Fund	\$24,573,726	\$22,820,855	\$19,694,113	\$21,514,121	\$21,649,225	\$17,697,164	\$23,018,768	\$23,493,014	\$31,333,701	\$35,756,679
All Other Governmental Funds										
<b>Pre-GASB 54 Classifications:</b>										
Reserved	\$29,578,391	\$32,799,457	\$34,104,927	\$31,746,036	\$33,900,970					
Unreserved, reported in:										
Special revenue funds	38,923,405	31,494,061	20,831,848	36,849,864	32,037,363					
Capital project funds	14,420,484	13,068,955	28,887,337	17,242,412	14,178,257					
<b>GASB 54 Classifications:</b>										
Nonspendable						\$45,639,192	\$8,894		\$9,395	
Restricted						36,594,620	24,442,662	\$21,293,253	23,349,158	\$50,922,259
Committed						10,965	35,055,243	36,907,806	40,790,003	17,909,767
Assigned						(9,200)		(657,163)		(14,081)
Unassigned							(1,600,776)			
Total all other governmental funds	\$82,922,280	\$77,362,473	\$83,824,112	\$85,838,312	\$80,116,590	\$82,235,577	\$57,906,023	\$57,543,896	\$64,148,556	\$68,817,945

Source: City of Alameda Finance Department



**City of Alameda**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Revenues</b>				
Property taxes	\$37,320,071	\$39,938,739	\$43,189,504	\$45,548,024
Other local taxes	27,682,138	26,125,551	25,463,825	24,588,234
Licenses and permits	4,316,809	4,281,863	3,792,899	3,361,091
Revenue from other agencies	35,629,270	29,797,193	24,321,452	19,408,936
Charges for current services	10,705,681	9,952,910	11,987,586	10,264,260
Fines and forfeitures	941,793	992,593	1,239,607	1,463,269
Use of money and property	15,791,585	18,624,311	20,264,478	20,329,314
Other	1,168,243	1,437,521	1,795,035	4,516,237
<b>Total Revenues</b>	<u>133,555,590</u>	<u>131,150,681</u>	<u>132,054,386</u>	<u>129,479,365</u>
<b>Expenditures</b>				
Current:				
General government	15,161,220	13,761,022	11,315,409	13,114,355
Police	24,563,122	25,244,920	26,544,338	25,770,329
Fire	22,795,320	23,634,196	24,338,086	22,932,133
Public works	7,120,517	7,892,558	9,255,632	10,198,469
Community development	12,677,375	28,512,408	24,230,719	19,673,992
Community services	6,331,629	6,621,934	7,258,611	7,006,083
Culture and recreation				
Housing	4,369,609	6,249,589	7,075,267	8,117,536
Capital outlay	39,505,003	23,667,913	11,845,020	11,212,641
Debt service:				
Principal repayment	1,564,295	1,918,623	2,533,420	7,479,565
Interest and fiscal charges	6,033,431	6,255,397	6,375,793	6,099,165
<b>Total Expenditures</b>	<u>140,121,521</u>	<u>143,758,560</u>	<u>130,772,295</u>	<u>131,604,268</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,565,931)</u>	<u>(12,607,879)</u>	<u>1,282,091</u>	<u>(2,124,903)</u>
<b>Other Financing Sources (Uses)</b>				
Contribution from (to) other entities				
Transfers in	41,355,020	42,858,538	29,641,624	39,525,272
Transfers (out)	(41,077,819)	(41,588,363)	(30,614,587)	(38,281,393)
Sale of capital assets	5,176,704	25,026	25,769	21,507
Payment to escrow agent				
Bond issuance premium (discount) on debt				118,725
Issuance of long-term debt	1,031,874	4,000,000	3,000,000	4,575,000
<b>Total other financing sources (uses)</b>	<u>6,485,779</u>	<u>5,295,201</u>	<u>2,052,806</u>	<u>5,959,111</u>
Extraordinary item				
<b>Net change in fund balances</b>	<u>(\$80,152)</u>	<u>(\$7,312,678)</u>	<u>\$3,334,897</u>	<u>\$3,834,208</u>
Debt service as a percentage of noncapital expenditures	7.6%	6.8%	8.0% (a)	10.9% (a)

**NOTE:**

(a) Calculation of percentage only includes non-capitalized expenditures that is not being reflected on the capital outlay line.

Source: City Finance Department

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$44,308,500	\$44,304,076	\$36,215,189	\$30,299,428	\$40,030,928	\$41,511,670
27,032,505	29,209,243	28,731,775	29,441,266	31,532,635	34,307,623
3,172,848	3,389,609	2,962,194	3,220,082	3,649,220	4,834,523
19,354,972	18,584,868	15,017,173	15,017,173	8,383,901	10,472,056
12,252,283	12,102,124	16,992,163	16,992,163	16,881,772	16,601,934
1,434,684	1,350,974	1,498,967	1,712,558	1,940,326	1,579,608
17,208,171	17,595,184	16,284,321	16,284,321	17,130,340	17,472,748
791,233	5,454,018	3,716,012	1,366,611	4,638,439	2,898,060
<u>125,555,196</u>	<u>131,990,096</u>	<u>121,417,794</u>	<u>114,333,602</u>	<u>124,187,561</u>	<u>129,678,222</u>
9,756,226	4,130,188	8,505,007	13,996,654	14,807,500	17,213,207
26,749,247	27,612,111	27,697,939	28,538,108	28,767,165	28,682,826
22,589,195	24,297,287	23,735,534	23,262,699	24,269,387	27,961,054
4,682,917	6,324,136	5,045,594	4,320,452	4,432,334	4,558,311
19,288,336	22,899,662	17,959,889	17,828,779	14,920,522	16,145,736
7,738,644	8,292,609	8,358,813	6,704,716	5,755,718	5,797,562
			1,178,313		
10,060,973	8,460,735	14,513,011	2,051,269	2,282,435	1,883,479
15,527,159	17,392,517	12,969,550	13,306,766	12,836,513	16,402,343
2,569,040	3,169,360	2,844,360	1,710,214	17,866,047	1,906,000
<u>5,675,982</u>	<u>5,732,593</u>	<u>3,700,852</u>	<u>1,431,642</u>	<u>2,398,072</u>	<u>791,566</u>
<u>124,637,719</u>	<u>128,311,198</u>	<u>125,330,549</u>	<u>114,329,612</u>	<u>128,335,693</u>	<u>121,342,084</u>
<u>917,477</u>	<u>3,678,898</u>	<u>(3,912,755)</u>	<u>3,990</u>	<u>(4,148,132)</u>	<u>8,336,138</u>
	(1,347,013)				
16,789,896	20,625,790	22,598,326	13,236,792	19,087,597	18,842,178
(23,293,991)	(24,690,492)	(25,611,556)	(14,172,654)	(19,626,956)	(19,093,145)
	735,000	8,213			
	(985,000)				
	(125,326)			512,838	
	<u>11,035,000</u>			<u>18,620,000</u>	
<u>(6,504,095)</u>	<u>5,247,959</u>	<u>(3,005,017)</u>	<u>(935,862)</u>	<u>18,593,479</u>	<u>(250,967)</u>
		<u>(20,454,496)</u>			<u>1,007,196</u>
<u>(\$5,586,618)</u>	<u>\$8,926,857</u>	<u>(\$27,372,268)</u>	<u>(\$931,872)</u>	<u>\$14,445,347</u>	<u>\$9,092,367</u>

7.4% (a)

7.6% (a)

5.5% (a)

2.9% (a)

17.5% (a)

2.6% (a)



**City of Alameda  
Balanced Revenue Index (BRI)**

Revenue Type	Calendar Year 2015 Wage Increase			Calendar Year 2016 Wage Increase		
	FY12-13	FY13-14	Value Change	FY14-15	Value Change	% Change
General Fund property tax	\$ 28,932,041	\$ 31,960,530	\$ 3,028,489	\$ 31,997,790	\$ 37,260	0.12%
Bradley Burns sales tax	5,384,713	5,686,143	301,430	8,727,506	3,041,363	53.49%
Property transfer tax	5,582,337	6,730,655	1,148,318	8,258,516	1,527,861	22.70%
Utility users tax	9,091,448	8,500,351	(591,097)	8,330,638	(169,713)	-2.00%
Transient occupancy tax	1,396,432	1,612,283	215,851	1,928,731	316,448	19.63%
<b>TOTALS</b>	<b>\$50,386,971</b>	<b>\$54,489,962</b>	<b>\$4,102,991</b>	<b>\$59,243,181</b>	<b>\$4,753,219</b>	<b>8.72%</b>

50% of total increase applicable to wage increases

4.1%

4.36%

Minimum/Maximum per MOUs

2.0% to 5%

2.0% to 5%

**BRI WAGE INCREASE EFFECTIVE JANUARY**

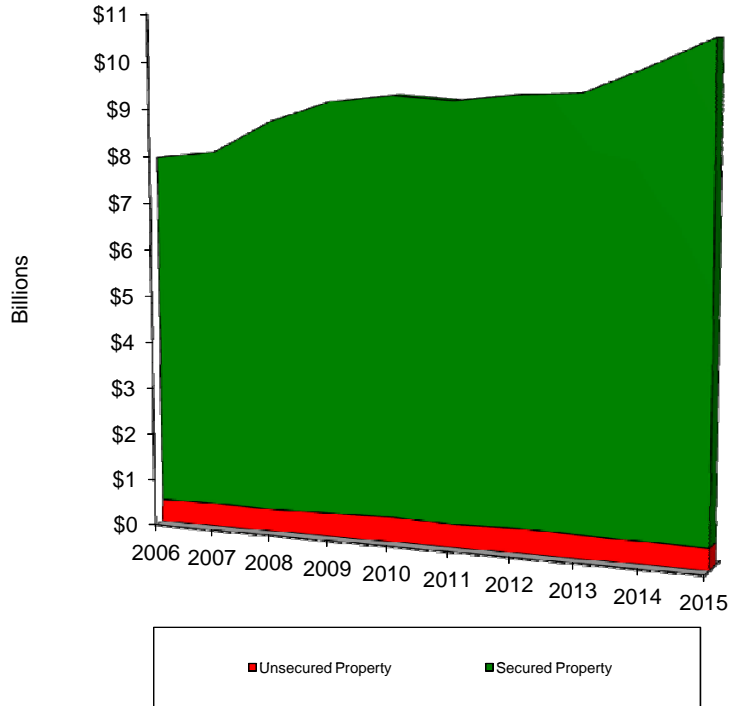
4.1%

4.36%





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



Fiscal Year	Secured Property	Percent Change	Unsecured Property	Percent Change	Total Assessed
2006	\$7,469,413,342	18.24%	\$482,582,523	4.85%	\$7,432,630,955
2007	7,600,603,000	1.76%	493,333,000	2.23%	7,951,995,865
2008	8,299,483,280	9.20%	477,194,312	-3.27%	8,776,677,592
2009	8,699,660,252	4.82%	501,285,753	5.05%	9,226,664,742
2010	8,796,462,645	1.11%	536,786,045	7.08%	9,436,632,497
2011	8,767,561,741	-0.33%	486,282,942	-9.41%	9,284,599,251
2012	8,851,986,300	0.96%	524,614,003	2.00%	9,387,095,373
2013	8,927,046,504	0.85%	496,000,269	-5.45%	9,423,046,773
2014	9,472,636,207	6.11%	476,558,073	-3.92%	9,949,194,280
2015	10,074,322,282	6.35%	457,262,328	-4.05%	10,531,584,610

NOTE: California cities do not set their own direct tax rate. The State Constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area. Estimated full market information is not available. See the following page for the total direct rate applied to the assessed valuation base for each year.

Source: Alameda County Auditor Controller Office Certificate of Assessed Valuations



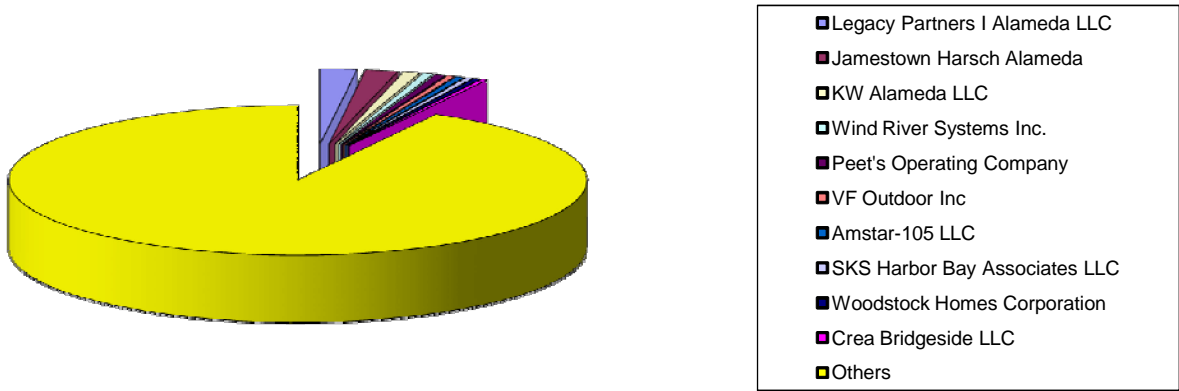
**City of Alameda  
Property Tax Rates  
All Direct and Overlapping Governments  
Last Ten Fiscal Years**

Fiscal Year	Basic County Wide Levy (a)	City	Alameda Unified School Bonds	Alameda Unified School District	BART	Peralta College	Total
2006	1.0000	0.0255	0.0496	N/A	0.0050	0.0272	1.1073
2007	1.0000	0.0255	0.0496	N/A	0.0050	0.0272	1.1073
2008	1.0000	0.0247	0.0469	N/A	0.0076	0.0223	1.1015
2009	1.0000	0.0245	0.0479	N/A	0.0090	0.0362	1.1176
2010	1.0000	0.0245	0.0498	N/A	0.0057	0.0430	1.1230
2011	1.0000	0.0244	0.0520	N/A	0.0031	0.0430	1.1225
2012	1.0000	0.0249	0.0527	N/A	0.0041	0.0436	1.1253
2013	1.0000	0.0260	0.0553	0.0119	0.0043	0.0434	1.1409
2014	1.0000	0.0260	0.0534	0.0144	0.0075	0.0419	1.1432
2015	1.0000	0.0250	0.0503	0.0132	0.0045	0.0412	1.1342

Source: Alameda County Assessors Office

(a) The City of Alameda is .3331, Alameda County is .3293, Alameda USD is .1956 and other government agencies represent .142 of the basic county wide levy

**Current Year Taxpayers**

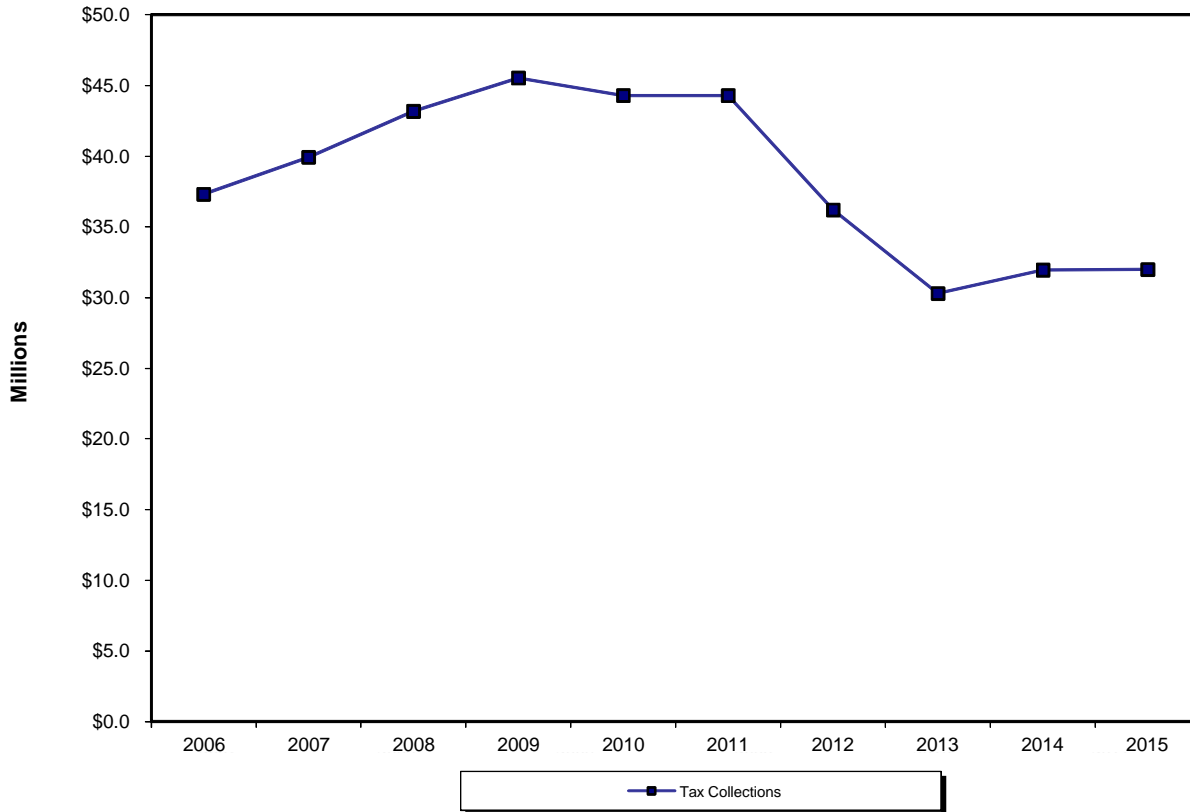


Taxpayer	2014-15			2005-06		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Legacy Partners I Alameda LLC	\$215,644,115	1	2.05%			
Jamestown Harsch Alameda	190,816,687	2	1.81%			
KW Alameda LLC	96,152,630	3	0.91%	\$70,596,800	2	0.95%
Wind River Systems Inc.	63,555,806	4	0.60%	58,535,579	3	0.79%
Peet's Operating Company	59,803,592	5	0.57%			
VF Outdoor Inc	47,606,370	6	0.45%			
Amstar-105 LLC	47,201,554	7	0.45%			
SKS Harbor Bay Associates LLC	43,127,469	8	0.41%			
Woodstock Homes Corporation	35,967,428	9	0.34%			
Crea Bridgeside LLC	34,780,000	10	0.33%			
Alameda Real Estate Investment				187,279,316	1	2.52%
Limar Realty Corporation				46,366,072	4	0.62%
Harsch Investment Realty LLC				44,225,179	5	0.60%
Comcast of California IX Inc				35,145,913	6	0.47%
Ballena Village LLC				27,826,956	7	0.37%
Starlight Marine Services				27,676,900	8	0.37%
South Shore Beach and Tennis Club				26,029,112	9	0.35%
Douglas N. Milne				24,907,653	10	0.34%
Subtotal	<u>\$834,655,651</u>		<u>7.92%</u>	<u>\$548,589,480</u>		<u>7.38%</u>
Total Net Assessed Valuation:						
Fiscal Year 2014-15	\$10,531,584,610					
Fiscal Year 2005-06	\$7,432,630,955					

Source: Alameda County Assessor Fiscal Year Combined Tax Rolls.



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



<b>Fiscal Year</b>	<b>Total Tax Levy (a)</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collected</b>	<b>Delinquent Tax Collections (a)</b>	<b>Total Tax Collections</b>	<b>Percent of Total Tax Collections to Tax Levy</b>
2006	\$37,320,071	\$37,320,071	100%	0	\$37,320,071	100%
2007	39,938,739	39,938,739	100%	0	39,938,739	100%
2008	43,189,504	43,189,504	100%	0	43,189,504	100%
2009	45,548,024	45,548,024	100%	0	45,548,024	100%
2010	44,308,500	44,308,500	100%	0	44,308,500	100%
2011	44,304,076	44,304,076	100%	0	44,304,076	100%
2012 (b)	36,215,189	36,215,189	100%	0	36,215,189	100%
2013	30,299,428	30,299,428	100%	0	30,299,428	100%
2014	31,960,530	31,960,530	100%	0	31,960,530	100%
2015	31,997,790	31,997,790	100%	0	31,997,790	100%

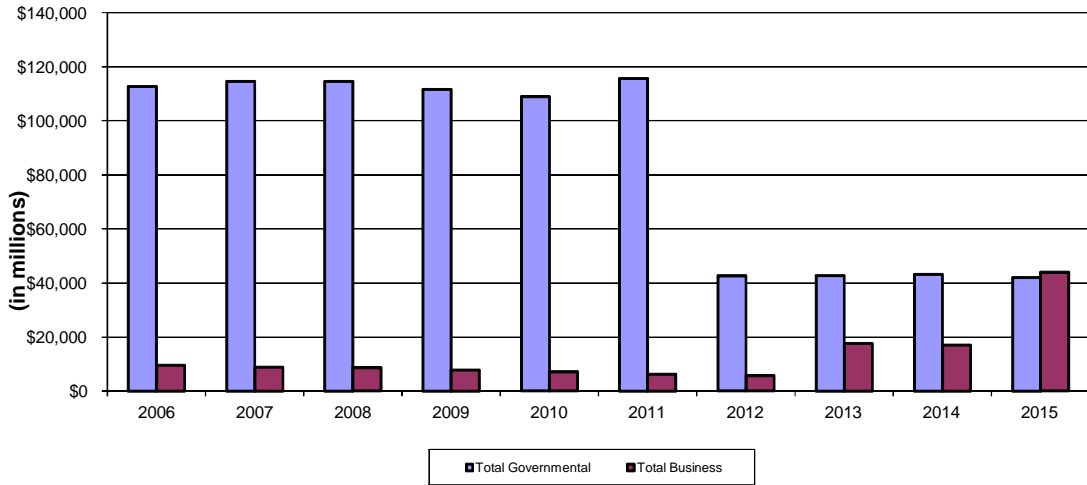
Source: City of Alameda Records

NOTE: Current tax collections beginning in 1993 have been reduced by a mandatory tax reallocation imposed by the State of California

- (a) During fiscal year 1995, the County began providing the City 100% of its tax levy under an agreement (Teeter Plan) which allows the County to keep all interest and delinquency charges collected.
- (b) Upon the dissolution of the Community Improvement Commission effective January 31, 2012, a Successor Agency assumed the revenues of the former Community Improvement Commission.



**City of Alameda**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Fiscal Years**



**Governmental Activities**

Fiscal Year	Tax Allocation Bonds	Certificates of Participation	General Obligation Bond	Revenue Bonds	Loans & Lease Purchases	Total
2006	\$68,700,000	\$15,960,000	\$10,300,000	\$15,110,000	\$2,724,932	\$112,794,932
2007	68,010,000	15,290,000	10,135,000	14,995,000	6,241,387	114,671,387
2008	67,005,000	14,595,000	9,960,000	14,630,000	8,666,301	114,644,787
2009	65,900,000	13,715,000	9,775,000	14,195,000	8,139,871	111,724,871
2010	64,685,000	13,305,000	9,580,000	13,745,000	7,620,380	108,935,380
2011	74,254,674	12,470,000	9,375,000	12,300,000	7,291,020	115,690,694
2012	-	(b) 11,600,000	9,155,000	12,000,000	9,878,854	42,633,854
2013	-	(b) 10,700,000	8,925,000	11,700,000	11,440,764	42,765,764
2014	-	(b) 11,855,000	9,010,000	11,400,000	10,963,100	43,228,100
2015	-	(b) 11,307,828	8,691,984	11,000,000	10,995,218	41,995,030

**Business-Type Activities**

Fiscal Year	COPS & Revenue Bonds	Loans & Lease Purchases	Total	Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
2006	\$3,785,000	\$5,750,127	\$9,535,127	\$122,330,059	4.51%	1,681.26
2007	3,545,000	5,323,440	8,868,440	123,539,827	4.19%	1,696.79
2008	3,295,000	5,305,043	8,600,043	123,513,227	3.94%	1,683.68
2009	3,030,000	4,813,515	7,843,515	119,568,386	3.82%	1,629.91
2010	2,755,000	4,304,311	7,059,311	115,994,691	3.73%	1,552.06
2011	2,465,000	3,776,678	6,241,678	121,932,372	4.48%	1,616.95
2012	2,160,000	3,498,778	5,658,778	48,292,632	1.78%	640.41
2013	14,715,000	2,956,277	17,671,277	60,437,041	2.14%	804.48
2014	14,465,000	2,542,379	17,007,379	60,235,479	1.77%	788.29
2015	41,878,180	2,033,841	43,912,021	85,907,051	2.78%	1,130.94

NOTE: Debt amounts exclude any premiums, discounts, or other amortization amounts.

Sources: City of Alameda

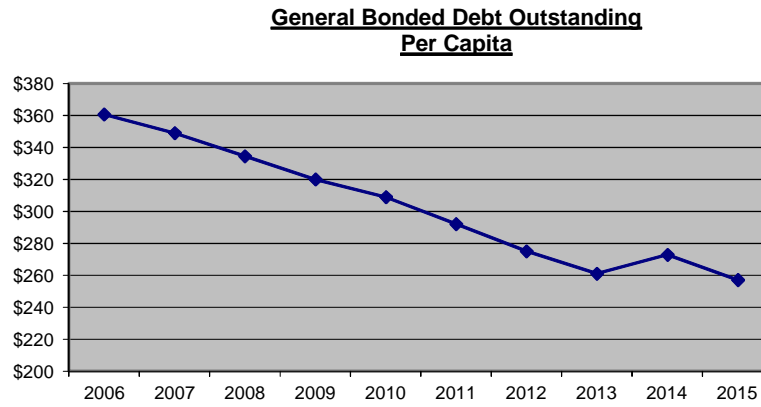
State of California, Department of Finance (population)

U.S. Department of commerce, Bureau of the Census (income)

(a) See Demographic Statistics for personal income and population data.

(b) Upon the dissolution of the Community Improvement Commission effective January 31, 2012, a Successor Agency assumed the liabilities of the former Community Improvement Commission, including the Tax Allocation Bonds.

**City of Alameda  
Ratio of General Bonded Debt Outstanding  
Last Ten Fiscal Years**



<b>Fiscal Year</b>	<b>General Obligation Bond</b>	<b>Total</b>	<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>
2006	\$10,300,000	\$26,260,000	0.35%	360.91
2007	10,135,000	25,425,000	0.32%	349.21
2008	9,960,000	24,555,000	0.28%	334.72
2009	9,775,000	23,490,000	0.25%	320.21
2010	9,580,000	22,885,000	0.24%	309.12
2011	9,375,000	21,845,000	0.24%	292.30
2012	9,155,000	20,755,000	0.22%	275.23
2013	8,925,000	19,625,000	0.21%	261.23
2014	9,010,000	20,865,000	0.21%	273.06
2015	8,610,000	19,540,000	0.19%	257.24

Source: City of Alameda Finance Department



**City of Alameda**  
**Computation of Direct and Overlapping Debt**  
**June 30, 2015**

2014-15 Assessed Valuation: \$10,531,584,610

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	Total Debt 6/30/15	% Applicable (a)	City's Share of Debt 6/30/15
Bay Area Rapid Transit District	\$630,795,000	1.878%	\$11,846,330
Peralta Community College District	\$381,035,000	13.453%	51,260,639
Alameda Unified School District	\$148,257,692	100.000%	148,257,692
East Bay Regional Park District	\$176,790,000	2.883%	5,096,856
East Bay Municipal Utility District, Special District No. 1	\$10,910,000	12.541%	1,368,223
<b>City of Alameda</b>	<b>\$8,610,000</b>	<b>100.000%</b>	<b>8,610,000</b>
City of Alameda Facilities District No. 1	\$6,685,000	100.000%	6,685,000
<b>TOTAL NET DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b>\$233,124,740</b>

Ratios to 2014-15 Assessed Valuation:

<b>Direct Debt (\$8,610,000)</b>	<b>0.08%</b>
Total Direct and Overlapping Tax Assessment Debt	2.21%

DIRECT AND OVERLAPPING GENERAL FUND DEBT:

Alameda County and Coliseum Authority General Fund Obligations	\$869,204,500	4.776%	\$41,513,207
Alameda County Pension Obligations	\$67,164,225	4.776%	3,207,763
Alameda-Contra Costa Transit District Certificates of Participation	\$24,790,000	5.663%	1,403,858
Peralta Community College District Pension Obligations	\$16,554,090	13.453%	22,137,462
Alameda Unified School District Certificates of Participation	\$735,000	100%	735,000
<b>City of Alameda General Fund Obligations</b>	<b>\$10,930,000</b>	<b>100%</b>	<b>10,930,000</b>
<b>TOTAL OVERLAPPING GENERAL FUND OBLIGATION DEBT</b>			<b>\$79,927,290</b>

Total Direct Debt	19,540,000
Total Overlapping Debt	293,512,030
<b>COMBINED TOTAL DEBT</b>	<b>\$313,052,030 (b)</b>

(a) Percentage of overlapping agency's assessed valuation located within boundaries of the authority.

(b) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratios to Adjusted Assessed Valuation:

<b>Total Direct Debt (\$19,540,000)</b>	<b>0.19%</b>
Combined Total Debt	2.97%

NOTE: The overlap is calculated based upon information by the City and County



**City of Alameda**  
**Computation of Legal Bonded Debt Margin**  
**June 30, 2015**

ASSESSED VALUATION:

Secured property assessed value, net of  
 exempt real property \$10,067,110,668

BONDED DEBT LIMIT (15% OF ASSESSED VALUE) \$1,510,066,600

AMOUNT OF DEBT SUBJECT TO LIMIT:

Total Bonded Debt (a) \$44,730,000

Less:

Revenue Bonds 52,780,000

Certificates of Participations 10,930,000

Amount of debt subject to limit (18,980,000)

LEGAL BONDED DEBT MARGIN \$1,529,046,600

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2006	\$1,140,090,450	\$42,126,174	\$1,097,964,276	3.84%
2007	1,140,090,450	42,466,779	1,097,623,671	3.87%
2008	1,244,922,492	9,960,000	1,234,962,492	0.81%
2009	1,304,949,038	9,775,000	1,295,174,038	0.75%
2010	1,319,469,397	9,580,000	1,309,889,397	0.73%
2011	1,315,134,261	9,375,000	1,276,577,544	3.02%
2012	1,327,797,945	9,155,000	1,318,642,945	0.69%
2013	1,413,457,016	8,925,000	1,404,532,016	0.64%
2014	1,478,724,777	9,090,000	1,469,634,777	0.62%
2015	1,510,066,600	8,610,000	1,501,456,600	0.57%

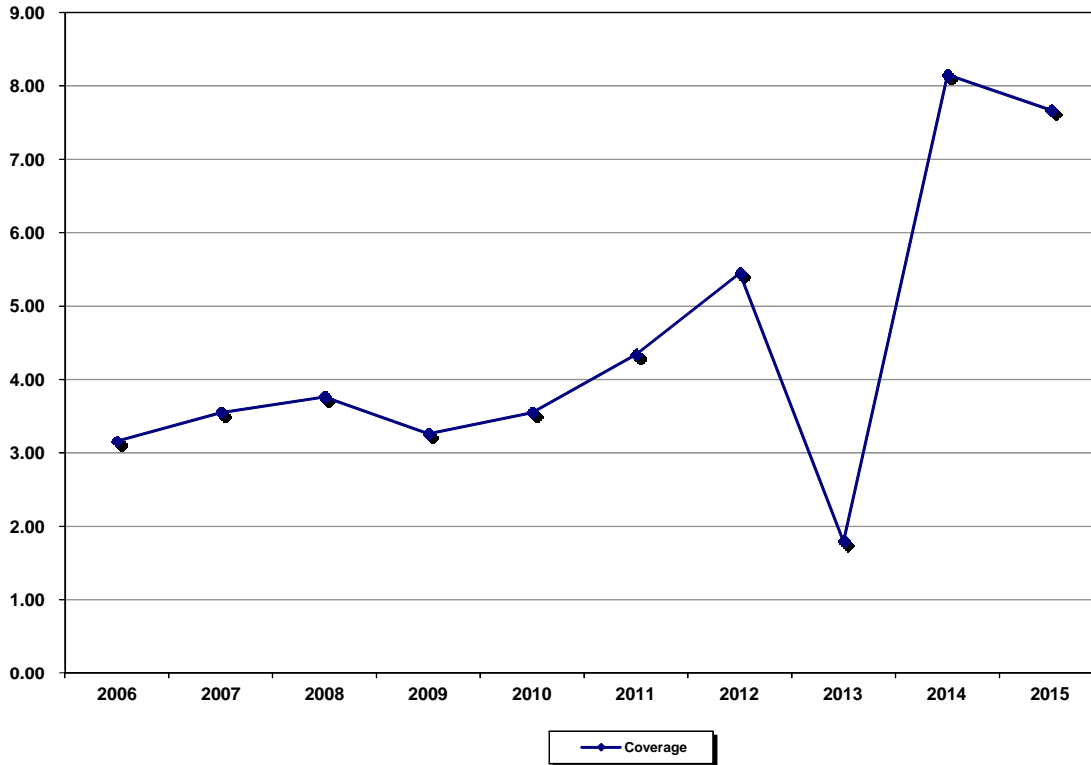
Source: City Finance Department

(a) Upon the dissolution of the Community Improvement Commission effective January 31, 2012, a Successor Agency assumed the liabilities of the former Community Improvement Commission, therefore the total bonded debt and revenue bonds have decreased.





**City of Alameda**  
**Sewer Fund Debt Coverage**  
**Last Ten Fiscal Years**



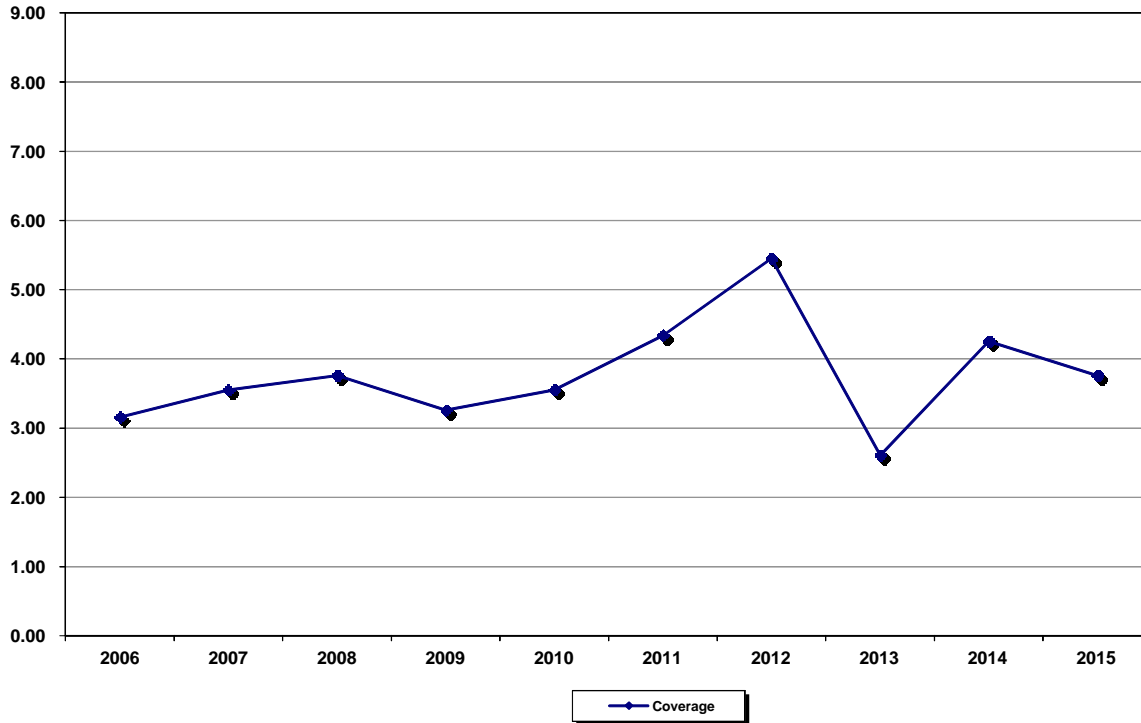
Fiscal Year	Gross Revenue (a)	Operating Expenses (b)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2006	\$5,510,703	\$2,610,725	\$2,899,978	\$563,839	\$354,612	\$918,451	3.16
2007	6,557,677	3,284,973	3,272,704	588,054	334,260	922,314	3.55
2008	6,802,936	3,344,067	3,458,869	607,573	312,675	920,248	3.76
2009	6,540,313	3,432,587	3,107,726	632,247	322,293	954,540	3.26
2010	6,362,273	3,075,856	3,286,417	652,237	272,959	925,196	3.55
2011	7,322,938	3,328,747	3,994,191	677,500	242,891	920,391	4.34
2012	7,638,530	2,609,730	5,028,800	703,047	219,274	922,321	5.45
2013	8,972,123	3,748,512	5,223,611	2,571,399	346,976	2,918,375	1.79
2014	10,072,496	3,702,154	5,757,611	250,000	456,319	706,319	8.15
2015	10,011,701	4,475,317	5,536,384	275,000	447,069	722,069	7.67

NOTE: (a) Includes all Sewer Operating Revenues, Non-operating Interest Revenue, Connection Fees, other Non-operating Revenue  
 (b) Includes all Sewer Operating Expenses less Depreciation and Interest

Source: City of Alameda Annual Financial Statements



City of Alameda  
 AMP Debt Coverage  
 Last Ten Fiscal Years



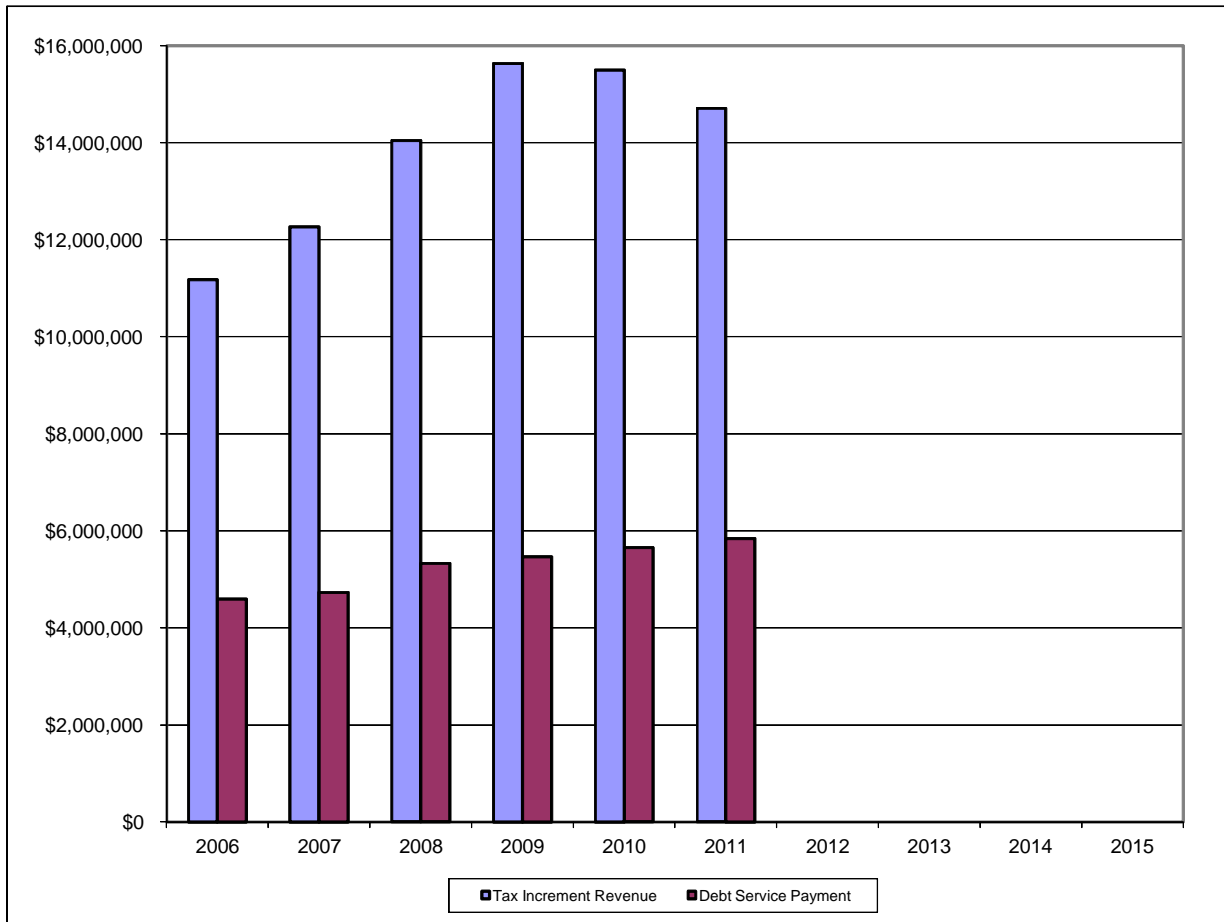
Fiscal Year	Gross Revenue (a)	Net Revenues Not Available for Debt Service (b)	Operating Expenses (c)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
					Principal	Interest	Total	
2006	\$49,236,715		\$39,635,990	\$9,600,725		\$2,405,764	\$918,451	3.16
2007	51,197,750		41,682,078	9,515,672		2,401,292	922,314	3.55
2008	52,012,671		40,319,750	11,692,921		2,476,808	920,248	3.76
2009	51,552,840		45,315,677	6,237,163	48,603	2,877,163	954,540	3.26
2010	49,540,502		39,750,159	9,790,343	51,495	2,945,095	925,196	3.55
2011	50,482,874		37,590,949	12,891,925	54,526	1,582,668	920,391	4.34
2012	51,698,976		43,284,441	8,414,535	952,770	1,677,854	922,321	5.45
2013	56,431,462	4,283,423	44,964,882	7,183,157	1,101,205	1,651,892	2,753,097	2.61
2014	59,435,371	6,938,783	40,809,073	11,687,515	1,129,824	1,617,655	2,747,479	4.25
2015	59,005,393	6,824,069	41,987,012	10,194,312	1,158,581	1,554,056	2,712,637	3.76

NOTE: (a) Includes all AMP Operating Revenues, Non-operating Interest Revenue, Connection Fees, other Non-operating Revenue  
 (b) GHG / C&T relates sales  
 (c) Includes all AMP Operating Expenses less Depreciation and Interest

Source: City of Alameda Annual Financial Statements



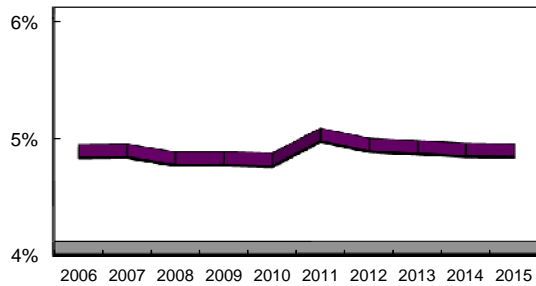
**City of Alameda**  
**Bonded Debt Pledged Revenue Coverage**  
**CIC Revenue Bonds and Tax Allocation Bonds**  
**Last Ten Fiscal Years**



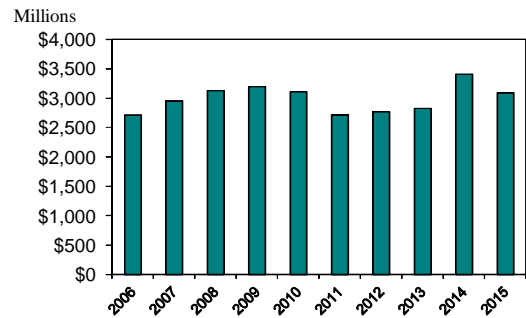
Fiscal Year	Tax Increment Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2006	\$11,178,320	\$640,000	\$3,957,871	\$4,597,871	2.43
2007	12,266,563	805,000	3,928,195	4,733,195	2.59
2008	14,037,684	1,190,000	4,137,493	5,327,493	2.63
2009	15,634,394	1,300,000	4,165,670	5,465,670	2.86
2010	15,494,892	1,582,000	4,070,898	5,652,898	2.74
2011	14,708,012	1,722,000	4,124,257	5,846,257	2.52
2012	-	(a)	(a)	(a)	(a)
2013	-	(a)	(a)	(a)	(a)
2014	-	(a)	(a)	(a)	(a)
2015	-	(a)	(a)	(a)	(a)

(a) Upon the dissolution of the Community Improvement Commission effective January 31, 2012, a Successor Agency assumed the liabilities of the former Community Improvement Commission, including the Tax Allocation Bonds.

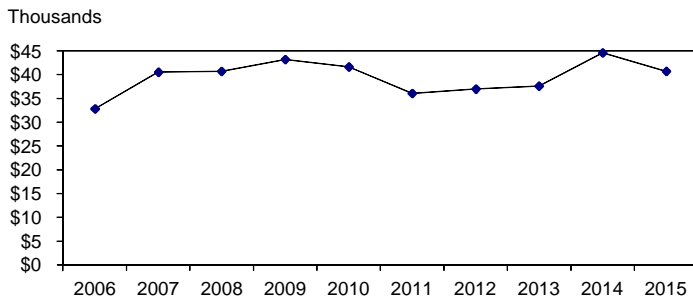
Source: City of Alameda Annual Financial Statements



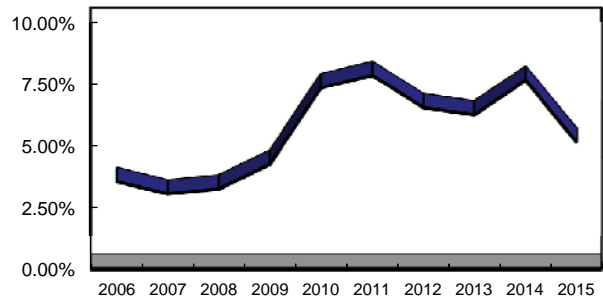
■ Graph City Population



■ Graph County Population



● Per Capita Personal Income



■ Unemployment Rate (%)

Fiscal Year	City Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate (%)	Alameda County Population	City Population % of County
2006	72,761	\$ 2,711,584,000	\$32,802	3.5%	1,510,303	4.82%
2007	72,808	2,950,462,000	40,524	3.0%	1,509,981	4.82%
2008	73,359	3,131,575,000	40,688	3.2%	1,543,000	4.75%
2009	74,032	3,197,344,000	43,189	4.2%	1,556,657	4.76%
2010	74,736	3,110,554,000	41,621	7.3%	1,574,857	4.75%
2011	74,081	2,719,701,000	36,066	7.8%	1,521,157	4.96%
2012	74,640	2,763,776,399	36,962	6.5%	1,532,137	4.87%
2013	75,126	2,824,096,775	37,591	6.2%	1,548,681	4.85%
2014	76,413	3,406,033,062	44,574	7.6%	1,578,891	4.83%
2015	75,961	3,092,904,037	40,717	5.1%	1,574,497	4.82%

Source: California State Department of Finance



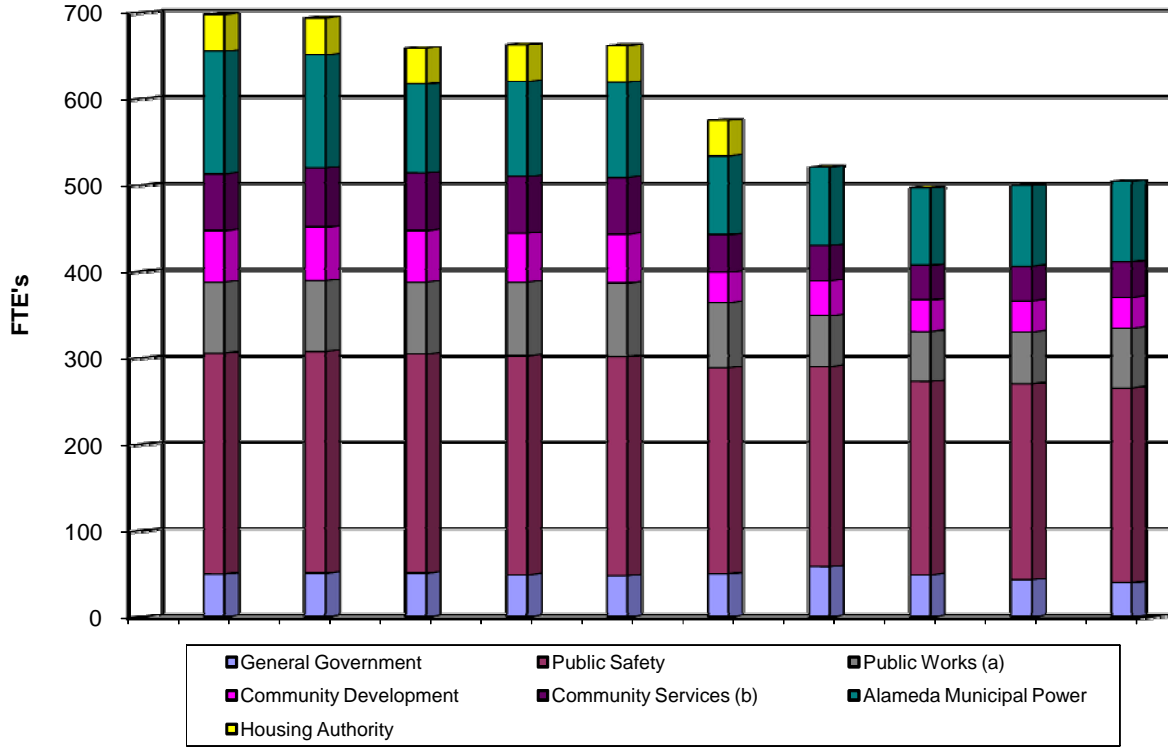
**City of Alameda  
Principal Employers  
Current Year and Nine Years Ago**

<b>Employer</b>	<b>2014-15</b>			<b>2005-06</b>		
	<b>Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>	<b>Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Alameda Unified School District	900	1	1.18%	647	2	0.58%
Penumbra	761	2	1.00%			
VF Outdoor	696	3	0.92%			
Oakland Raiders	549	4	0.72%			
Abbott Diabetes Care	512	5	0.67%	435	3	0.39%
City of Alameda	505	6	0.66%	697	1	0.62%
Alameda Hospital	490	7	0.65%	456	4	0.41%
Safeway Stores	472	8	0.62%			
Wind River	450	9	0.59%	417	5	0.37%
Bay Ship & Yacht Co	309	10	0.41%			
Abbott Diabetes Care, Inc.						
College of Alameda				278	6	0.25%
UT Starcom Inc.				237	7	0.21%
Golden State Overnight				232	8	0.21%
Associated Third Party Administration				207	9	0.19%
Kaiser Foundation Health Plan				205	10	0.18%
Subtotal	<u>5,644</u>		<u>7.43%</u>	<u>3,811</u>		<u>3.41%</u>
Total City Day Population	<u>75,961</u>			<u>111,640</u>		

Sources: City of Alameda Community Development Department and City of Alameda Business License Records



**City of Alameda**  
**Full-Time Equivalent City Government Employees by Function**  
**Last Ten Fiscal Years**



	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Function</b>										
General Government	49.50	50.50	50.50	48.50	47.50	49.70	58.00	48.55	43.00	39.35
Public Safety	256.00	257.00	254.00	254.00	254.00	239.00	232.00	224.00	227.00	226.00
Public Works (a)	82.00	82.00	83.00	85.00	85.00	75.00	58.60	57.95	60.00	68.90
Community Development	60.00	62.00	60.00	57.00	57.00	35.20	40.60	36.50	36.00	35.75
Community Services (b)	65.50	68.50	66.50	65.50	65.50	44.00	40.75	40.00	40.00	41.00
Alameda Municipal Power	142.00	131.00	103.00	110.00	110.00	91.00	91.00	90.00	93.50	93.50
Housing Authority	42.70	42.70	41.70	42.70	42.70	41.00	(c)	(c)	(c)	(c)
<b>Total</b>	<u>697.70</u>	<u>693.70</u>	<u>658.70</u>	<u>662.70</u>	<u>661.70</u>	<u>574.90</u>	<u>520.95</u>	<u>497.00</u>	<u>499.50</u>	<u>504.50</u>

**NOTE:**

- (a) Public Works includes Wastewater and Solid Waste
- (b) Community Services includes Library, Recreation and Park and Golf
- (c) The Housing Authority became a separate legal entity during Fiscal Year 2011-12

Source: City of Alameda

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>General Information</b>				
Area in square miles	22.7	22.7	22.7	22.7
Number of registered voters	41,755	37,307	40,238	42,547
Number of Hospitals	1	1	1	1
Education:				
Student enrollment	9,975	9,975	10,260	9,770
Elementary schools	10	11	10	10
Junior high schools	3	3	3	3
High schools	3	3	3	3
Continuation schools	1	1	1	1
Independent study	1	1	1	1
Teachers (full & part time)	621	650	514 FTE	638
<b>Function/Program</b>				
<b>Fire:</b>				
Fire calls for service	- (a)	- (a)	- (a)	4,360
Primary fire inspections conducted	3,215	3,215	-	(a) 2,485
<b>Police:</b>				
Police calls for Service	67,816	6,883	69,272	69,061
Law violations:				
Part I and Part II crimes	6,479	5,824	5,705	5,705
Physical arrests (adult and juvenile)	4,441	3,574	3,661	3,461
Traffic violations	16,205	11,721	12,058	12,265
<b>Sewer</b>				
Storm drain inlets	2,100	2,100	2,280	2,280
Sewer service connections	29,789	29,789	30,525	30,525
<b>Solid Waste</b>				
Refuse Landfill (tons per year)	35,504	39,584	36,640	31,485.53
Recyclables Processed (tons per year)	10,936	14,354	20,816	18,864.14



2010	2011	2012	2013	2014	2015
22.7	22.7	22.7	22.7	22.7	22.7
42,547	41,665	42,547	44,444	44,271	44,006
1	1	1	1	1	1
8,704	8,704	8,704	10,836	8,975	9,552
10	10	10	11	10	10
3	3	3	3	2	2
4	4	4	4	4	3
1	1	1	1	1	1
1	1	1	1	1	1
628	628	628	381	613	549
6,100	6,100	6,100	6,523	6,314	6,439
1,991	1,991	1,991	1,414	1,311	1,444
65,963	65,963	65,963	70,360	75,920	69,347
5,141	5,141	5,141	4,582	4,957	4,383
3,103	3,103	3,103	2,396	2,583	2,332
12,000	12,000	12,000	28,793	10,754	8,507
2,300	2,300	2,300	2,300	2,951	2,951
20,590	20,590	20,590	20,590	19,432	19,454
33,280.00	33,280.00	33,280.00	31,181.00	26,298.98	26,139.00
17,777.00	17,777.00	17,777.00	18,240.00	10,682.52	22,859.00



**City of Alameda**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**  
**(Continued)**

	2006	2007	2008	2009
<b>Planning &amp; Building:</b>				
Number of Building Permits issued	6,197	5,979	5,297	5,231
<b>Recreation and Parks:</b>				
Youth & Teens:				
Number of youth programs	98	102	110	148
Number of youth attendees	22,915	23,831	26,766	29,596
Seniors:				
Number of senior programs	84	96	101	110
Number of senior attendees	167,269	166,788	169,552	151,065
Number of meals served	12,209	11,203	51,962	9,512
Number of Mastick Senior Center attendees	167,269	166,788	169,352	151,065
<b>Library:</b>				
Volumes in Collection (thousands)	193	224	203	200
Total Volumes Borrowed (thousands)	494	483	573	591
<b>Finance:</b>				
Number of Business Licenses issued	9,283	10,251	-	(a) 9,462
<b>Alameda Municipal Power:</b>				
Number of electric customers	33,869	33,892	34,030	34,272
Number of kilowatt hours sold	377,792,038	389,286,575	392,955,223	387,847,929
Reliability rate	99.99	99.99	99.99	99.99
Number of telecom customers	16,770	16,374	16,316	-

Source: City of Alameda

NOTE: (a) Information not available  
 (b) Telecom sold in November 2008  
 (c) AMP no longer compiled this data as of FY 2013

2010	2011	2012	2013	2014	2015
4,575	4,575	4,575	4,314	4,286	4,038
151	151	151	239	251	278
153,056	153,056	153,056	146,191	34,121	32,259
114	114	114	125	144	164
153,056	153,056	153,056	145,795	144,607	148,520
9,672	9,672	9,672	7,053	6,860	6,620
153,056	153,056	153,056	145,795	144,607	148,520
216	216	216	211	211	214
630	630	630	550	510	476
8,638	8,638	8,638	8,700	5,563	5,553
34,231	34,231	34,231	34,338	34,482	34,525
383,119,780	383,119,780	383,119,780	373,787,288	353,913,305	342,202,785
99.99	99.99	99.99	99.99	- (c)	- (c)
- (b)	- (b)	- (b)	- (b)	- (b)	- (b)



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

	2006	2007	2008	2009
<b>Function/Program</b>				
<b>Fire:</b>				
Fire stations	5	5	5	4
<b>Police:</b>				
Police stations	1	1	1	1
<b>Public works:</b>				
Miles of streets	135	138	141	141
Miles of bike lanes	10	10	12	15
Traffic Signals	78	78	78	78
<b>Wastewater</b>				
Miles of sanitary sewers	160	160	165	165
Miles of storm sewers	41	41	41	41
<b>Recreation and Parks:</b>				
City parks	31	31	31	32
City parks acreage	149	149	152	156
Playgrounds	11	11	11	11
City trails/Bike paths	12	12	13	13
Community centers	12	12	13	13
Senior centers	1	1	1	1
Swimming pools (a)	5	5	5	5
Tennis courts (b)	19	19	19	19
Baseball/softball diamonds	15	15	15	15
Soccer/football fields (c)	2	2	2	3
<b>Library:</b>				
City Libraries	3	3	3	3
<b>Alameda Municipal Power:</b>				
Miles of lines	147	256	257	257
Street lights	6,359	6,365	6,370	6,440

Source: City of Alameda

NOTE: (a) Owned by Alameda Unified School District but operated jointly by City and District  
 (b) 16 courts are owned by the City  
 (c) 1 Dedicated soccer field in City Parks with one not owned by City at Alameda Point

**Fiscal Years**

<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
3	3	3	4	4	4
1	1	1	1	1	1
141	141	141	145	140	140
15	15	15	15	13	15
78	78	78	82	87	87
165	165	165	165	150	150
41	41	41	41	70	70
32	32	32	33	33	32
156	156	156	155	155	152
13	13	13	7	7	12
13	13	13	13	13	13
13	13	13	13	13	13
1	1	1	1	1	1
5	5	5	5	5	2
19	19	19	19	19	16
18	18	18	18	18	18
3	3	3	3	3	3
3	3	3	3	3	3
257	257	257	259	260	263
6,069	6,069	6,069	5,593	5,372	5,441