

STATEMENT OF NET ASSETS AND STATEMENT OF ACTIVITIES

The Statement of Net Assets and the Statement of Activities summarize the entire City's financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all the City's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis—the effect of all the City's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between City funds have been eliminated.

The Statement of Net Assets reports the difference between the City's total assets and the City's total liabilities, including all the City's capital assets and all its long-term debt. The Statement of Net Assets summarizes the financial position of all the City's Governmental Activities in a single column, and the financial position of all the City's Business-Type Activities in a single column; these 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, along with all its Special Revenue, Capital Projects and Debt Service Funds. Since the City's Internal Service Funds service these Funds, their activities are consolidated with Governmental Activities, after eliminating 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 assets. It is also prepared on the full accrual basis, which means it includes all the City's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the Fund financial statements, which reflect only current assets, current liabilities, available revenues and measurable expenditures.

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

Both these Statements include the financial activities of the City and the City of Concord Redevelopment Agency, City of Concord Joint Powers Financing Authority, Concord Sanitary Sewer Services, Inc., and the City of Concord Retirement System, which are legally separate but are component units of the City because they are controlled by the City, which are financially accountable for the component units' activities.

CITY OF CONCORD
STATEMENT OF NET ASSETS
JUNE 30, 2010

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments (Note 3)	\$77,013,055	\$30,972,404	\$107,985,459
Cash with Fiscal Agents (Note 3)	6,184,222	1,204,315	7,388,537
Receivables (Net of Allowances for Uncollectibles):			
Accounts	2,906,494	39,983	2,946,477
Due from Other Governments	7,899,776		7,899,776
Interest	308,579	5,125	313,704
Loans and Notes, Net of Reserves (Note 5)	25,484,422		25,484,422
Employee Computer Loans (Note 6)	22,573		22,573
Special Assessments	283,896		283,896
Inventories	49,720		49,720
Prepaid Items and Other Assets	71,224	43,215	114,439
Internal Balances (Note 4)	(2,819,900)	2,819,900	
Land Held for Redevelopment (Note 1)	11,416,332		11,416,332
Investment in Joint Venture (Note 15)	1,558,695		1,558,695
Net OPEB Asset (Note 12)	7,844,388		7,844,388
Capital Assets (Note 7):			
Land and Construction In Progress	19,621,322	13,527,803	33,149,125
Depreciable Capital Assets, Net of Accumulated Depreciation	680,773,270	71,471,146	752,244,416
Total Assets	838,618,068	120,083,891	958,701,959
LIABILITIES			
Accounts, Deposits and Contracts Payable	3,221,625	12,870,553	16,092,178
Accrued Liabilities	6,602,139	9,724	6,611,863
Interest Payable	1,709,125	421,660	2,130,785
Refundable Deposits	3,923,171		3,923,171
Unearned Revenue	1,247,474		1,247,474
Compensated Absences (Note 1)			
Due in One Year	2,279,263	30,863	2,310,126
Due in More Than One Year	1,541,658	60,612	1,602,270
Claims Payable (Note 14):			
Due in One Year	2,852,977		2,852,977
Due in More Than One Year	6,076,310		6,076,310
Long-Term Debt (Note 8):			
Due in One Year	6,001,658	875,000	6,876,658
Due in More Than One Year	74,197,687	22,875,000	97,072,687
Total Liabilities	109,653,087	37,143,412	146,796,499
NET ASSETS (Note 9)			
Invested in Capital Assets, Net of Related Debt	618,923,952	62,496,479	681,420,431
Restricted for:			
Capital Projects	15,176,084		15,176,084
Debt Service	6,775,328		6,775,328
Community Development Projects	64,566,697		64,566,697
Total Restricted Net Assets	86,518,109		86,518,109
Unrestricted Net Assets	23,522,920	20,444,000	43,966,920
Total Net Assets	\$728,964,981	\$82,940,479	\$811,905,460

See accompanying notes to financial statements

CITY OF CONCORD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities:							
General Government	\$12,443,084	\$594,633		\$224,723	(\$11,623,728)		(\$11,623,728)
Public Safety	43,000,455	1,805,170	\$218,404	37,189	(40,939,692)		(40,939,692)
Public Works & Engineering	32,833,186	8,425,897	2,291,930	9,025,034	(13,090,325)		(13,090,325)
Community Development	20,627,408	2,917,141	935,919		(16,774,348)		(16,774,348)
Community & Recreation Services	9,810,082	3,332,979	2,073,200	1,286,291	(3,117,612)		(3,117,612)
Interest on Long-Term Debt	5,266,740				(5,266,740)		(5,266,740)
Total Governmental Activities	123,980,955	17,075,820	5,519,453	10,573,237	(90,812,445)		(90,812,445)
Business-Type Activities:							
Sewer	21,303,268	18,423,702				(\$2,879,566)	(2,879,566)
Golf Course	1,323,074	1,326,167				3,093	3,093
Total Business-Type Activities	22,626,342	19,749,869				(2,876,473)	(2,876,473)
Total	\$146,607,297	\$36,825,689	\$5,519,453	\$10,573,237	(90,812,445)	(2,876,473)	(93,688,918)
General Revenues:							
Taxes							
Property Taxes					27,916,258		27,916,258
Sales Taxes					23,370,649		23,370,649
Motor Vehicle In Lieu, Unrestricted					8,797,365		8,797,365
Transient Occupancy Taxes					1,427,813		1,427,813
Business License Taxes					3,324,011		3,324,011
Other Taxes					4,097,706		4,097,706
Investment Earnings					842,470	913,934	1,756,404
Miscellaneous Revenues					114,280	62,500	176,780
Total General Revenues					69,890,552	976,434	70,866,986
Change in Net Assets					(20,921,893)	(1,900,039)	(22,821,932)
Net Assets - Beginning					749,886,874	84,840,518	834,727,392
Net Assets - Ending					\$728,964,981	\$82,940,479	\$811,905,460

See accompanying notes to financial statements

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FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

MAJOR GOVERNMENTAL FUNDS

The funds described below were determined to be Major Funds by the City in fiscal 2010. Individual non-major funds may be found in the Supplemental section.

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The major revenue sources for this Fund are property taxes, sales taxes, unrestricted revenues from the State, charges for services, and interest income. Expenditures are made for public safety, most street work and other services not required to be accounted for in another fund.

Redevelopment Agency – The Redevelopment Agency Fund accounts for all activities of the Agency, including 1) tax increment allocations set aside for the purpose of increasing or improving housing for low-income residents; 2) the accumulation of property taxes for payment of interest and principal on the Redevelopment Agency tax allocation bonds issued in 1988, 1993 and 2004; 3) capital projects connected with downtown redevelopment funded by property tax increment revenues.

General Reimbursable Projects Fund - To account for project costs that are reimbursable from grants and to track job specific projects.

CITY OF CONCORD
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2010

	General	Redevelopment Agency	General Reimbursable Projects	Other Governmental Funds	Total Governmental Funds
ASSETS:					
Cash and Investments (Note 3)	\$17,994,716	\$21,470,204	\$1,565,914	\$13,277,794	\$54,308,628
Cash with Fiscal Agents (Note 3)		3,380,389		2,803,833	6,184,222
Receivables (Net of Allowances for Uncollectibles):					
Accounts	1,806,389	775	271,223	736,088	2,814,475
Due from Other Governments	3,516,327		2,861,368	1,522,081	7,899,776
Interest	249,866	46,616		894	297,376
Due from Other Funds (Note 4)	31,679			1,886,957	1,918,636
Loans and Notes (Note 5)		22,679,759		2,804,663	25,484,422
Employee Computer Loans (Note 6)	22,573				22,573
Special Assessments				283,896	283,896
Inventories	49,720				49,720
Prepaid Items and Other Assets	1,615				1,615
Advances to Other Funds (Note 4)	1,534,348	3,000,000		477,000	5,011,348
Land Held for Redevelopment (Note 1)		11,416,332			11,416,332
Investment in Partnership (Note 15)		1,558,695			1,558,695
Total Assets	\$25,207,233	\$63,552,770	\$4,698,505	\$23,793,206	\$117,251,714
LIABILITIES:					
Accounts, Deposits and Contracts Payable	\$2,861,057	\$152,884	\$34,731	\$170,444	\$3,219,116
Accrued Liabilities	3,031,362	113,820		1,482,120	4,627,302
Compensated Absences - Current	30,301				30,301
Due to Other Funds (Note 4)			1,886,957	31,679	1,918,636
Refundable Deposits	3,923,171				3,923,171
Deferred Revenue	712,489	5,274,564	4,423,871	4,036,346	14,447,270
Advances from Other Funds (Note 4)	8,550,000			1,281,248	9,831,248
Total Liabilities	19,108,380	5,541,268	6,345,559	7,001,837	37,997,044
FUND BALANCES:					
Fund Balances: (Note 9)					
Reserved for:					
Encumbrances	248,216	1,897,676	1,650,847	775,561	4,572,300
Loans and Notes	22,573	17,405,195		465,445	17,893,213
Advances to Other Funds	1,534,348	3,000,000		477,000	5,011,348
Inventory, Prepaid Items & Forfeitures	51,335		439,268		490,603
Land Held for Redevelopment		11,416,332			11,416,332
Investment in Partnership		1,558,695			1,558,695
Low and Moderate Income Housing		5,091,089			5,091,089
Debt Service		3,377,587		3,113,845	6,491,432
Unreserved:					
Designated for:					
Contingencies	4,191,881				4,191,881
Capital Projects					
Reported in:					
General Fund	50,500				50,500
Special Revenue Funds				1,941,164	1,941,164
Capital Project Funds		14,262,126		4,114,440	18,376,566
Community Development and Public Safety					
Reported in:					
Special Revenue Funds					
Unrealized Increase in Fair Value of Investments		2,802			2,802
Undesignated, Reported in:					
General Fund					
Special Revenue Funds				5,903,914	5,903,914
Capital Projects Funds			(3,737,169)		(3,737,169)
TOTAL FUND BALANCES	6,098,853	58,011,502	(1,647,054)	16,791,369	79,254,670
Total Liabilities and Fund Balances	\$25,207,233	\$63,552,770	\$4,698,505	\$23,793,206	\$117,251,714

See accompanying notes to financial statements

CITY OF CONCORD
 Reconciliation of the
 GOVERNMENTAL FUNDS - BALANCE SHEET
 with the
 STATEMENT OF NET ASSETS
 JUNE 30, 2010

TOTAL FUND BALANCES -- TOTAL GOVERNMENTAL FUNDS \$79,254,670

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

CAPITAL ASSETS

Capital assets used in Governmental Activities are not current assets or financial resources
 and therefore are not reported in the Governmental Funds. 700,394,592

ALLOCATION OF INTERNAL SERVICE FUND NET ASSETS

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 current assets and liabilities of the Internal Service Funds are therefore included in
 Governmental Activities following line items in the Statement of Net Assets.

Cash and Investments	22,704,427
Accounts Receivable	92,019
Interest Receivable	11,203
Prepaid Items	69,609
Advance to Other Funds	2,000,000
Net OPEB Asset	7,844,388
Accounts Payable	(2,509)
Claims Payable	(8,929,287)

ACCRUAL OF NON-CURRENT REVENUES AND EXPENSES

Revenues which are deferred on the Fund Balance Sheets because they are not available
 currently are taken into revenue in the Statement of Activities. 13,362,292

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:

Long-Term Debt	(82,567,557)
Loss on Refunding of Bond Issue	2,368,212
Interest Payable	(1,709,125)
Non-Current Portion of Accrued Liabilities	(5,927,953)

NET ASSETS OF GOVERNMENTAL ACTIVITIES \$728,964,981

See accompanying notes to financial statements

CITY OF CONCORD
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2010

	General	Redevelopment Agency	General Reimbursable Projects	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes					
Property	\$11,379,519	\$17,848,718		\$3,485,406	\$32,713,643
Less Tax Increment Pass Through Payment		(1,160,646)			(1,160,646)
Less Tax Increment Rebate		(195,560)			(195,560)
In Lieu Property Tax - VLF	8,430,286				8,430,286
Sales	17,584,554				17,584,554
Sales Tax In Lieu	5,786,095				5,786,095
Transient Occupancy	1,427,813				1,427,813
Franchises	4,097,706				4,097,706
Business License	3,324,011				3,324,011
Licenses and Permits	1,127,710			836,770	1,964,480
Intergovernmental	647,814		\$3,795,233	10,646,674	15,089,721
Charges for Services	6,615,092			17,336	6,632,428
Fines, Forfeitures and Penalties	826,815		195,116		1,021,931
Parks and Recreation	2,895,408				2,895,408
Use of Money and Property	235,178	216,654	2,199	1,454,534	1,908,565
Special Assessment Collections				65,201	65,201
Other	411,299	195,546	154,305	44,144	805,294
Total Revenues	64,789,300	16,904,712	4,146,853	16,550,065	102,390,930
EXPENDITURES					
Current					
General Government	11,481,742		515,416		11,997,158
Public Safety	41,133,055		226,252		41,359,307
Public Works & Engineering	9,881,512	156,589	63,820	5,141,812	15,243,733
Community Development	4,150,460	13,006,007	1,013,382	112,396	18,282,245
Community & Recreation Services	6,404,528		766,077	2,019,441	9,190,046
Capital Outlay		689,741	2,117,667	4,714,790	7,522,198
Debt Service:					
Principal		3,540,000		13,338,000	16,878,000
Interest and Fiscal Charges	48,811	2,812,972		2,364,941	5,226,724
Total Expenditures	73,100,108	20,205,309	4,702,614	27,691,380	125,699,411
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,310,808)	(3,300,597)	(555,761)	(11,141,315)	(23,308,481)
OTHER FINANCING SOURCES (USES)					
Issuance of Debt (Note 8)				5,073,500	5,073,500
Transfers In (Note 4)	680,927	247,290	203,581	15,203,671	16,335,469
Transfers (Out) (Note 4)	(10,072,965)	(1,831,113)	(562,231)	(5,978,035)	(18,444,344)
Total Other Financing Sources (Uses)	(9,392,038)	(1,583,823)	(358,650)	14,299,136	2,964,625
NET CHANGE IN FUND BALANCES	(17,702,846)	(4,884,420)	(914,411)	3,157,821	(20,343,856)
FUND BALANCES (DEFICIT): AT BEGINNING OF YEAR	23,801,699	62,895,922	(732,643)	13,633,548	99,598,526
FUND AT END OF PERIOD	\$6,098,853	\$58,011,502	(\$1,647,054)	\$16,791,369	\$79,254,670

See accompanying notes to financial statements

CITY OF CONCORD
 Reconciliation of the
 NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
 with the
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2010

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

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS (\$20,343,856)

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.

The capital outlay and other expenditures are therefore added back to fund balance 8,381,549

Depreciation expense is deducted from the fund balance
 (Depreciation expense is net of internal service fund depreciation of \$3,700,270 which has already been allocated to serviced funds.) (20,630,670)

LONG TERM DEBT PROCEEDS AND PAYMENTS

Bond proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of bond principal is an expenditure in the Governmental Funds, but in the Statement of Net Assets the repayment reduces long-term liabilities.

Repayment of debt principal is added back to fund balance 16,878,000
 Amortization of loss on refunding is deducted from fund balance (296,027)
 Proceeds from long-term debt are deducted from fund balance (5,073,500)
 Interest accrued to principal is deducted from fund balance (88,876)

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):

Long-Term Compensated Absences and pension costs (676,034)
 Deferred Revenue 268,431
 Interest Payable 444,985

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 Assets - All Internal Service Funds, less contributions from Governmental Funds 214,105

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES (\$20,921,893)

see accompanying notes to financial statements

CITY OF CONCORD
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes				
Property	\$11,779,000	\$11,779,000	\$11,379,519	(\$399,481)
In Lieu Property Tax VLF	9,201,000	9,201,000	8,430,286	(770,714)
Sales	15,622,000	15,622,000	17,584,554	1,962,554
Sales Tax In Lieu	6,450,000	6,450,000	5,786,095	(663,905)
Transient Occupancy	2,067,000	2,067,000	1,427,813	(639,187)
Franchises	4,060,800	4,060,800	4,097,706	36,906
Business License	2,872,000	2,872,000	3,324,011	452,011
Licenses and Permits	1,140,487	1,140,487	1,127,710	(12,777)
Intergovernmental	723,800	723,800	647,814	(75,986)
Charges for Services	6,863,369	6,863,369	6,615,092	(248,277)
Fines, Forfeitures and Penalties	1,040,223	1,040,223	826,815	(213,408)
Parks and Recreation	2,983,687	2,983,687	2,895,408	(88,279)
Use of Money and Property	773,686	773,686	235,178	(538,508)
Other	165,525	165,525	411,299	245,774
Total Revenues	65,742,577	65,742,577	64,789,300	(953,277)
EXPENDITURES:				
Current				
General Government:				
Council	373,545	373,545	340,398	33,147
Manager	2,732,679	2,879,253	2,862,596	16,657
Attorney	1,362,435	1,362,873	1,321,552	41,321
Human Resources	1,546,100	1,727,548	1,181,475	546,073
Finance	6,019,625	6,080,356	5,775,721	304,635
Total General Government	12,034,384	12,423,575	11,481,742	941,833
Public Safety	41,290,728	41,591,379	41,133,055	458,324
Public Works & Engineering	11,072,348	11,101,323	9,881,512	1,219,811
Community Development	4,358,190	4,359,180	4,150,460	208,720
Community & Recreation Services	6,613,458	6,653,308	6,404,528	248,780
Interest and Fiscal Charges			48,811	(48,811)
Total Expenditures	75,369,108	76,128,765	73,100,108	3,028,657
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,626,531)	(10,386,188)	(8,310,808)	2,075,380
OTHER FINANCING SOURCES (USES)				
Transfers In	481,189	557,189	680,927	123,738
Transfers (Out)	(1,012,409)	(10,129,882)	(10,072,965)	56,917
Total Other Financing Sources (Uses)	(531,220)	(9,572,693)	(9,392,038)	180,655
NET CHANGE IN FUND BALANCE	(\$10,157,751)	(\$19,958,881)	(17,702,846)	\$2,256,035
FUND BALANCE AT BEGINNING OF YEAR			23,801,699	
FUND BALANCE AT END OF YEAR			\$6,098,853	

See accompanying notes to financial statements

PROPRIETARY FUNDS

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

The concept of *major funds* extends to Proprietary Funds. GASB 34 does not provide for the disclosure of budget vs. actual comparisons regarding proprietary funds. The City reports all Enterprise Funds as major funds:

Sewer Fund. To account for activities associated with sewage transmission and treatment.

Golf Course Fund. To account for activities associated with the development, operation and maintenance of the Diablo Creek Golf Course.

CITY OF CONCORD
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2010

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Golf Course	Totals	
ASSETS:				
Current Assets:				
Cash and Investments (Note 3)	\$30,972,404		\$30,972,404	\$22,704,427
Cash with Fiscal Agents (Note 3)	955,088	\$249,227	1,204,315	
Accounts Receivable	1,983	38,000	39,983	92,019
Interest Receivable	5,125		5,125	11,203
Prepaid Items				69,609
Total Current Assets	<u>31,934,600</u>	<u>287,227</u>	<u>32,221,827</u>	<u>22,877,258</u>
Non-Current Assets:				
Advances to Other Funds (Note 4)	3,550,000		3,550,000	2,000,000
Debt Issue Costs (Net of Amortization)		43,215	43,215	
Net OPEB Asset (Note 12)				7,844,388
Capital Assets (Note 7):				
Land	334,839	60,343	395,182	
Construction In Progress	12,648,342	484,279	13,132,621	76,182
Buildings and Improvements	2,824,944	5,389,313	8,214,257	73,834,096
Machinery and Equipment	237,450	136,177	373,627	16,811,249
Sewer Collection System	196,538,010		196,538,010	
Less: Accumulated Depreciation	<u>(130,925,856)</u>	<u>(2,728,892)</u>	<u>(133,654,748)</u>	<u>(42,672,634)</u>
Net Capital Assets	<u>81,657,729</u>	<u>3,341,220</u>	<u>84,998,949</u>	<u>48,048,893</u>
Total Non-Current Assets	<u>85,207,729</u>	<u>3,384,435</u>	<u>88,592,164</u>	<u>57,893,281</u>
Total Assets	<u>117,142,329</u>	<u>3,671,662</u>	<u>120,813,991</u>	<u>80,770,539</u>
LIABILITIES:				
Current Liabilities (Payable from Current Assets):				
Accounts and Contracts Payable	12,867,535	3,018	12,870,553	2,509
Accrued Liabilities	9,154	570	9,724	33,058
Compensated Absences Payable (Note 1)	30,863		30,863	105,474
Bond Interest Payable (Note 8)	388,731	32,929	421,660	1,474
Capital Lease Payable (Note 8)				340,658
Certificates of Participation (Note 8)	730,000	145,000	875,000	
Claims Payable (Note 14)				2,852,977
Total Current Liabilities	<u>14,026,283</u>	<u>181,517</u>	<u>14,207,800</u>	<u>3,336,150</u>
Noncurrent Liabilities:				
Compensated Absences Payable (Note 1)	60,612		60,612	106,513
Advance from Other Funds (Note 4)		730,100	730,100	
Capital Lease Payable (Note 8)				171,880
Claims Payable (Note 14)				6,076,310
Certificates of Participation (Note 8)	21,500,000	1,375,000	22,875,000	
Total Noncurrent Liabilities	<u>21,560,612</u>	<u>2,105,100</u>	<u>23,665,712</u>	<u>6,354,703</u>
Total Liabilities	<u>35,586,895</u>	<u>2,286,617</u>	<u>37,873,512</u>	<u>9,690,853</u>
NET ASSETS:				
Invested in Capital Assets, Net of Related Debt	60,382,817	2,113,662	62,496,479	47,536,355
Unrestricted	<u>21,172,617</u>	<u>(728,617)</u>	<u>20,444,000</u>	<u>23,543,331</u>
Total Net Assets Business-Type Activities	<u>\$81,555,434</u>	<u>\$1,385,045</u>	<u>\$82,940,479</u>	<u>\$71,079,686</u>

See accompanying notes to financial statements

CITY OF CONCORD
 PROPRIETARY FUNDS
 STATEMENT OF REVENUE, EXPENSES
 AND CHANGES IN FUND NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2010

	<u>Business-Type Activities - Enterprise Funds</u>			Governmental Activities - Internal Service Funds
	<u>Sewer</u>	<u>Golf Course</u>	<u>Totals</u>	
OPERATING REVENUES				
Service Fees	\$18,418,094		\$18,418,094	
Charges for Services				\$18,204,067
Golf Course Fees and Charges		\$1,326,167	1,326,167	
Claims Settlement				129,294
Other	5,608		5,608	86,617
Total Operating Revenues	<u>18,423,702</u>	<u>1,326,167</u>	<u>19,749,869</u>	<u>18,419,978</u>
OPERATING EXPENSES				
Operating and Maintenance	16,341,482	1,098,368	17,439,850	8,541,414
Cost of Sales and Services				4,487,591
Depreciation and Amortization	4,014,964	147,848	4,162,812	3,700,270
Claims and Judgments				4,169,876
Total Operating Expenses	<u>20,356,446</u>	<u>1,246,216</u>	<u>21,602,662</u>	<u>20,899,151</u>
Operating Income (Loss)	<u>(1,932,744)</u>	<u>79,951</u>	<u>(1,852,793)</u>	<u>(2,479,173)</u>
NON-OPERATING REVENUES (EXPENSES):				
Investment Income	919,133	(5,199)	913,934	510,722
Interest Expense	(946,822)	(76,858)	(1,023,680)	(131,105)
Gain from Disposition of Capital Assets				22,632
Other		62,500	62,500	
Net Non-Operating Revenues (Expenses)	<u>(27,689)</u>	<u>(19,557)</u>	<u>(47,246)</u>	<u>402,249</u>
Income (Loss) Before Contributions and Transfers	<u>(1,960,433)</u>	<u>60,394</u>	<u>(1,900,039)</u>	<u>(2,076,924)</u>
Contributions				315,760
Transfer In (Note 4)				6,583,500
Transfer Out (Note 4)				<u>(4,474,625)</u>
Change in Net Assets	<u>(1,960,433)</u>	<u>60,394</u>	<u>(1,900,039)</u>	<u>347,711</u>
Total Net Assets - Beginning	<u>83,515,867</u>	<u>1,324,651</u>	<u>84,840,518</u>	<u>70,731,975</u>
Total Net Assets - Ending	<u>\$81,555,434</u>	<u>\$1,385,045</u>	<u>\$82,940,479</u>	<u>\$71,079,686</u>

See accompanying notes to financial statements

CITY OF CONCORD
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2010

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Golf Course	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	\$18,442,773	\$1,334,099	\$19,776,872	\$18,472,951
Payments to Suppliers	(17,123,538)	(1,040,775)	(18,164,313)	(7,470,941)
Payments to Employees	(1,283,540)	(59,494)	(1,343,034)	(3,995,537)
Claims paid				(2,313,060)
Net Cash Provided by Operating Activities	<u>35,695</u>	<u>233,830</u>	<u>269,525</u>	<u>4,693,413</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Borrowings of Advances From/To Other Funds	(3,000,000)	(41,007)	(3,041,007)	(2,000,000)
Other Non-Operating Revenue		62,500	62,500	
Transfers In				6,583,500
Transfers (Out)				(4,474,625)
Cash Flows from Non-Capital Financing Activities	<u>(3,000,000)</u>	<u>21,493</u>	<u>(2,978,507)</u>	<u>108,875</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(454,059)	(36,134)	(490,193)	(328,993)
Proceeds from Sale of Capital Assets				22,632
Principal Paid on Debt, Bond Maturities	(705,000)	(135,000)	(840,000)	(2,557,763)
Interest and Fiscal Charges Paid	(956,728)	(82,702)	(1,039,430)	(168,913)
Cash Flows from Capital and Related Financing Activities	<u>(2,115,787)</u>	<u>(253,836)</u>	<u>(2,369,623)</u>	<u>(3,033,037)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	927,778	(5,199)	922,579	520,264
Cash Flows from Investing Activities	<u>927,778</u>	<u>(5,199)</u>	<u>922,579</u>	<u>520,264</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(4,152,314)	(3,712)	(4,156,026)	2,289,515
Cash and Investments at Beginning of Period	<u>36,079,806</u>	<u>252,939</u>	<u>36,332,745</u>	<u>20,414,912</u>
Cash and Investments at End of Period	<u>\$31,927,492</u>	<u>\$249,227</u>	<u>\$32,176,719</u>	<u>\$22,704,427</u>
NON-CASH TRANSACTIONS:				
Contributions and Transfers of Capital Assets, Net				<u>\$315,760</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	(\$1,932,744)	\$79,951	(\$1,852,793)	(\$2,479,173)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	4,014,964	147,848	4,162,812	3,700,270
Change in Assets and Liabilities:				
Receivables, Net	19,071	7,932	27,003	52,973
Prepaid Expenses				(52,691)
Net OPEB Asset				1,672,335
Accounts Payable	(1,910,850)	(7,452)	(1,918,302)	(15,366)
Accrued Liabilities	(154,746)	5,551	(149,195)	6,788
Self Insurance Claims Payable				1,808,277
Net Cash Provided by Operating Activities	<u>\$35,695</u>	<u>\$233,830</u>	<u>\$269,525</u>	<u>\$4,693,413</u>

See accompanying notes to financial statements

FIDUCIARY FUNDS

Fiduciary Funds – 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 City-wide financial statement, but are presented in separate Fiduciary Fund financial statements.

CITY OF CONCORD
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2010

	<u>City of Concord Retirement System Pension Trust</u>
ASSETS:	
Cash and Investments (Note 3)	
Money Market Funds	\$2,467,647
Corporate Debt Instruments	12,226,939
California Local Agency Investment Fund	4,792,357
Federal Agencies	6,245,539
Pooled Investments	3,846,544
U.S. Treasury Notes	2,672,964
Common Stock	6,520,473
Mutual Funds	<u>4,816,566</u>
Total Cash and Investments	<u>43,589,029</u>
Receivables (Net of Allowances for Uncollectibles):	
Interest	<u>6,644</u>
Total Assets	<u>43,595,673</u>
NET ASSETS:	
Employee Retirement System	<u><u>\$43,595,673</u></u>

See accompanying notes to the financial statements

CITY OF CONCORD
PENSION TRUST FUND
STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010

	City of Concord Retirement System Pension Trust
ADDITIONS	
Contributions	
Employer	\$1,312,385
Total Contributions	1,312,385
Investment Income	2,734,404
Less Management Expenses	(190,250)
Other Revenue	22,200
Net Investment Income	2,566,354
Total Additions	3,878,739
DEDUCTIONS	
Retirement and Other Benefits	5,490,089
Total Deductions	5,490,089
NET DECREASE IN NET ASSETS	(1,611,350)
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
Beginning of Year	45,207,023
End of Year	\$43,595,673

See accompanying notes to the financial statements