

STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES

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

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

Both these Statements include the financial activities of the City, Mt. Diablo Health Care District, City of Concord Joint Powers Financing Authority, and Concord Sanitary Sewer Services, Inc., 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 POSITION
JUNE 30, 2013

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments (Note 4)	\$ 66,702,591	\$ 27,576,569	\$ 94,279,160
Cash with Fiscal Agents (Note 4)	1,674,471	405,944	2,080,415
Receivables (Net of Allowances for Uncollectibles):			
Accounts	6,775,126	145,777	6,920,903
Due from Other Governments	5,887,671		5,887,671
Interest	452,748	2,273	455,021
Loans and Notes (Note 6)	34,382,676		34,382,676
Due from Successor Agency (Note 8)	9,232,000		9,232,000
Inventories	20,645		20,645
Prepaid Items and Other Assets	1,645	35,511	37,156
Internal Balances (Note 5)	(2,776,352)	2,776,352	-
Investment in Joint Venture (Note 17)	2,129,711		2,129,711
Net OPEB Asset (Note 14)	5,028,652		5,028,652
Capital Assets (Note 7):			
Land and Construction In Progress	27,119,691	5,485,728	32,605,419
Depreciable Capital Assets, Net of Accumulated Depreciation	630,504,315	71,759,925	702,264,240
Total Assets	<u>787,135,590</u>	<u>108,188,079</u>	<u>895,323,669</u>
LIABILITIES			
Accounts, Deposits and Contracts Payable	3,712,404	14,968,459	18,680,863
Accrued Liabilities	2,961,136	27,490	2,988,626
Interest Payable	212,288	320,075	532,363
Refundable Deposits	3,926,925		3,926,925
Unearned Revenue	555,614		555,614
Net Pension Obligation (Note 11)	5,356,062		5,356,062
Compensated Absences (Note 8)			
Due in One Year	2,289,257	42,129	2,331,386
Due in More Than One Year	1,794,481	53,334	1,847,815
Claims Payable (Note 16):			
Due in One Year	3,246,644		3,246,644
Due in More Than One Year	9,393,508		9,393,508
Long-Term Debt (Note 8):			
Due in One Year	3,978,332	1,045,000	5,023,332
Due in More Than One Year	20,298,484	20,599,591	40,898,075
Total Liabilities	<u>57,725,135</u>	<u>37,056,078</u>	<u>94,781,213</u>
NET POSITION (Note 9)			
Net Investment in Capital Assets	<u>\$634,988,057</u>	<u>54,902,054</u>	<u>689,890,111</u>
Restricted for:			
Capital Projects	12,536,427		12,536,427
Debt Service	2,396,176		2,396,176
Community Development Projects	48,144,325		48,144,325
Total Restricted Net Position	<u>63,076,928</u>	<u>-</u>	<u>63,076,928</u>
Unrestricted Net Position	<u>31,345,470</u>	<u>16,229,947</u>	<u>47,575,417</u>
Total Net Position	<u>\$ 729,410,455</u>	<u>\$ 71,132,001</u>	<u>\$ 800,542,456</u>

See accompanying notes to financial statements.

**CITY OF CONCORD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General Government	\$ 17,203,231	\$ 1,528,975			\$ (15,674,256)		\$ (15,674,256)
Public Safety	46,357,766	1,255,763	\$ 814,754		(44,287,249)		(44,287,249)
Public Works	33,607,422	5,675,622	4,385,846	\$ 3,884,422	(19,661,532)		(19,661,532)
Community and Economic Development	8,677,518	3,226,130	1,366,980	136,620	(3,947,788)		(3,947,788)
Parks & Recreation Services	6,045,819	2,531,616	1,714,216		(1,799,987)		(1,799,987)
Interest on Long-Term Debt	1,282,725				(1,282,725)		(1,282,725)
Total Governmental Activities	113,174,481	14,218,106	8,281,796	4,021,042	(86,653,537)		(86,653,537)
Business-Type Activities:							
Sewer	24,908,709	19,420,225		33,945		\$ (5,454,539)	(5,454,539)
Golf Course	1,308,344	1,381,788				73,444	73,444
Total Business-Type Activities	26,217,053	20,802,013	-	33,945	-	(5,381,095)	(5,381,095)
Total	\$ 139,391,534	\$ 35,020,119	\$ 8,281,796	\$ 4,054,987	(86,653,537)	(5,381,095)	(92,034,632)
General Revenues:							
Taxes							
Property Taxes					15,017,785		15,017,785
Sales Taxes					36,423,806		36,423,806
Motor Vehicle In Lieu, Unrestricted					7,682,740		7,682,740
Transient Occupancy Taxes					1,832,615		1,832,615
Business License Taxes					3,365,317		3,365,317
Other Taxes					5,269,956		5,269,956
Investment Earnings					109,003	73,758	182,761
Miscellaneous Revenues					357,827	38,549	396,376
Total General Revenues					70,059,049	112,307	70,171,356
Change in Net Position					(16,594,488)	(5,268,788)	(21,863,276)
Net Position - Beginning (as restated)					746,004,943	76,400,789	822,405,732
Net Position - Ending					\$ 729,410,455	\$ 71,132,001	\$ 800,542,456

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 . 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.

Concord Housing – The Concord Housing Fund accounts for the activities related to the assets assumed by the City of Concord as the Housing Successor to the housing activities of the former Redevelopment Agency of the City of Concord.

General Projects Fund - This capital projects fund accounts for all general capital improvement projects not funded from proprietary funds.

**CITY OF CONCORD
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2013**

	General	Concord Housing	General Projects	Other Governmental Funds	Total Governmental Funds
ASSETS:					
Cash and Investments (Note 4)	\$ 24,695,367	\$ 668,098	\$ 1,478,355	\$ 17,782,287	\$ 44,624,107
Cash with Fiscal Agents (Note 4)			4,120	1,670,351	1,674,471
Receivables (Net of Allowances for Uncollectible):					
Accounts	5,126,029	3,208	263,608	1,368,653	6,761,498
Due from Other Governments	3,382,504		1,913,365	591,802	5,887,671
Interest	452,748				452,748
Due from Other Funds (Note 5)	2,514,787				2,514,787
Loans and Notes (Note 6)		31,615,073		2,767,603	34,382,676
Inventories	20,645				20,645
Prepaid Items and Other Assets			1,645		1,645
Advances to Other Funds (Note 5)	2,023,121	3,000,000		318,000	5,341,121
Total Assets	<u>\$ 38,215,201</u>	<u>\$ 35,286,379</u>	<u>\$ 3,661,093</u>	<u>\$ 24,498,696</u>	<u>\$ 101,661,369</u>
LIABILITIES:					
Accounts, Deposits and Contracts Payable	\$ 3,132,263	\$ 10,170	\$ 328,562	\$ 30,363	\$ 3,501,358
Accrued Liabilities	2,424,588			475,777	2,900,365
Due to Other Funds (Note 5)				86,606	86,606
Refundable Deposits	3,926,925				3,926,925
Deferred Revenue	555,614	6,430,482	3,572,357	3,825,696	14,384,149
Advances from Other Funds (Note 5)	8,550,000		117,000	1,450,473	10,117,473
Total Liabilities	<u>18,589,390</u>	<u>6,440,652</u>	<u>4,017,919</u>	<u>5,868,915</u>	<u>34,916,876</u>
FUND BALANCES:					
Fund Balances: (Note 9)					
Nonspendable	2,043,766				2,043,766
Restricted		28,845,727		18,309,015	47,154,742
Assigned	1,082,256			594,718	1,676,974
Unassigned	16,499,789		(356,826)	(273,952)	15,869,011
TOTAL FUND BALANCES	<u>19,625,811</u>	<u>28,845,727</u>	<u>(356,826)</u>	<u>18,629,781</u>	<u>66,744,493</u>
Total Liabilities and Fund Balances	<u>\$ 38,215,201</u>	<u>\$ 35,286,379</u>	<u>\$ 3,661,093</u>	<u>\$ 24,498,696</u>	<u>\$ 101,661,369</u>

See accompanying notes to financial statements.

**CITY OF CONCORD
RECONCILIATION OF THE GOVERNMENTAL
FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2013**

TOTAL FUND BALANCES -- TOTAL GOVERNMENTAL FUNDS \$ 66,744,493

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 current assets or financial resources and therefore are not reported in the Governmental Funds. 630,184,197

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. 39,004,659

INVESTMENT IN PARTNERSHIP

Long term investments are not current financial resources and therefore are not reported in the Governmental Funds. 2,129,711

ACCRUAL OF NON-CURRENT REVENUES AND EXPENSES

Revenues which are deferred in the Governmental Funds because they are not available currently are taken into revenue in the Statement of Activities. 13,828,535

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	(22,382,454)
Interest Payable	(178,684)
Compensated Absences	(3,795,940)
Reimbursement agreement due from Successor Agency	9,232,000
Net Pension Obligation	(5,356,062)

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 729,410,455

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, 2013**

	General	Concord Housing	General Projects	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes					
Property	\$ 11,178,462			\$ 3,839,323	\$ 15,017,785
In Lieu Property Tax - VLF	7,682,740				7,682,740
Sales	19,667,518				19,667,518
Measure Q	10,640,725				10,640,725
Sales Tax In Lieu	6,115,563				6,115,563
Transient Occupancy	1,832,615				1,832,615
Franchises	5,269,956				5,269,956
Business License	3,365,317				3,365,317
Licenses and Permits	1,494,008			101,955	1,595,963
Intergovernmental	664,823		\$ 6,264,776	5,448,781	12,378,380
Charges for Services	5,254,807			6,876	5,261,683
Fines, Forfeitures and Penalties	640,065		50,973		691,038
Parks and Recreation	2,685,527				2,685,527
Use of Money and Property	1,141,885	\$ 60,597	2,932	114,355	1,319,769
Special Assessment Collections				163,596	163,596
Other	2,832,605	53,027	26,774	1,429,857	4,342,263
Total Revenues	80,466,616	113,624	6,345,455	11,104,743	98,030,438
EXPENDITURES					
Current:					
General Government	14,955,958		29,545		14,985,503
Public Safety	41,998,811		647,920	57,800	42,704,531
Public Works	5,554,707		427,403	5,365,705	11,347,815
Community and Economic Development	5,145,952	247,826	1,440,054	1,163,117	7,996,949
Parks & Recreation Services	3,804,647		873,188	716,130	5,393,965
Capital Outlay			3,901,505	3,555,141	7,456,646
Debt Service:					
Principal				2,077,019	2,077,019
Interest and Fiscal Charges	150,250			1,179,060	1,329,310
Total Expenditures	71,610,325	247,826	7,319,615	14,113,972	93,291,738
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	8,856,291	(134,202)	(974,160)	(3,009,229)	4,738,700
OTHER FINANCING SOURCES (USES)					
Transfers In (Note 5)	499,904		1,513,010	1,895,146	3,908,060
Transfers (Out) (Note 5)	(2,357,422)		(13,508)	(869,945)	(3,240,875)
Total Other Financing Sources (Uses)	(1,857,518)	-	1,499,502	1,025,201	667,185
NET CHANGES IN FUND BALANCES	6,998,773	(134,202)	525,342	(1,984,028)	5,405,885
FUND BALANCES (DEFICIT) AT BEGINNING OF YEAR (as restated)	12,627,038	28,979,929	(882,168)	20,613,809	61,338,608
FUND BALANCES (DEFICIT) AT END OF YEAR	\$ 19,625,811	\$ 28,845,727	\$ (356,826)	\$ 18,629,781	\$ 66,744,493

See accompanying notes to financial statements.

**CITY OF CONCORD
RECONCILIATION OF THE
NET CHANGE IN FUND BALANCES – TOTAL GOVERNMENTAL FUNDS
TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013**

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 Position 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	\$	5,405,885
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		7,740,275
Depreciation expense is deducted from the fund balance (Depreciation expense is net of internal service fund depreciation of \$3,000,991 which has already been allocated to serviced funds.)		(22,124,108)
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 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 is added back to fund balance		2,077,024
Reimbursement agreement from Successor Agency		(900,000)
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		(131,842)
Pension costs		(910,219)
Deferred Revenue		(1,349,957)
Interest Payable		113,333
Investment in Partnership		210,335
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, less contributions from Governmental Funds		(6,725,214)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>(16,594,488)</u>

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, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes				
Property	\$ 12,031,379	\$ 10,580,054	\$ 11,178,462	\$ 598,408
In Lieu Property Tax VLF	8,295,849	8,295,849	7,682,740	(613,109)
Sales	18,081,433	19,237,134	19,667,518	430,384
Measure Q	9,447,000	10,347,000	10,640,725	293,725
Sales Tax In Lieu	6,213,085	6,213,085	6,115,563	(97,522)
Transient Occupancy	1,400,000	1,400,000	1,832,615	432,615
Franchises	5,113,000	5,148,000	5,269,956	121,956
Business License	3,172,660	3,172,660	3,365,317	192,657
Licenses and Permits	1,217,272	1,557,272	1,494,008	(63,264)
Intergovernmental	200,000	200,000	664,823	464,823
Charges for Services	4,720,668	4,878,168	5,254,807	376,639
Fines, Forfeitures and Penalties	830,000	680,000	640,065	(39,935)
Parks and Recreation	2,645,675	2,562,175	2,685,527	123,352
Use of Money and Property	653,242	653,242	1,141,885	488,643
Other	363,430	2,558,561	2,832,605	274,044
	<u>74,384,693</u>	<u>77,483,200</u>	<u>80,466,616</u>	<u>2,983,416</u>
EXPENDITURES:				
Current:				
General Government:				
Council	341,358	341,358	365,966	(24,608)
Manager	2,324,501	2,382,203	2,084,014	298,189
Attorney	1,075,645	1,114,472	938,435	176,037
Human Resources	1,201,704	1,595,312	1,364,242	231,070
Finance	9,714,095	10,096,725	10,203,301	(106,576)
Total General Government	<u>14,657,303</u>	<u>15,530,070</u>	<u>14,955,958</u>	<u>574,112</u>
Public Safety	41,505,669	41,456,037	41,998,811	(542,774)
Public Works	5,512,841	5,579,553	5,554,707	24,846
Community and Economic Development	4,423,303	4,847,062	5,145,952	(298,890)
Parks & Recreation Services	4,143,914	4,146,103	3,804,647	341,456
Debt Service:				
Interest and Fiscal Charges			150,250	(150,250)
	<u>70,243,030</u>	<u>71,558,825</u>	<u>71,610,325</u>	<u>(51,500)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>4,141,663</u>	<u>5,924,375</u>	<u>8,856,291</u>	<u>2,931,916</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	936,921	786,921	499,904	(287,017)
Transfers (Out)	(1,681,137)	(3,142,619)	(2,357,422)	785,197
Total Other Financing Sources (Uses)	<u>(744,216)</u>	<u>(2,355,698)</u>	<u>(1,857,518)</u>	<u>498,180</u>
NET CHANGE IN FUND BALANCE	<u>\$ 3,397,447</u>	<u>\$ 3,568,677</u>	<u>6,998,773</u>	<u>\$ 3,430,096</u>
FUND BALANCE AT BEGINNING OF YEAR			12,627,038	
FUND BALANCE AT END OF YEAR			<u>\$ 19,625,811</u>	

See accompanying notes to financial statements.

**CITY OF CONCORD
CONCORD HOUSING FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Use of Money and Property	\$ 292,754	\$ 292,754	\$ 60,597	\$ (232,157)
Other			53,027	53,027
Total Revenues	<u>292,754</u>	<u>292,754</u>	<u>113,624</u>	<u>(179,130)</u>
EXPENDITURES:				
Current:				
Community and Economic Development	<u>122,972</u>	<u>122,972</u>	<u>247,826</u>	<u>(124,854)</u>
Total Expenditures	<u>122,972</u>	<u>122,972</u>	<u>247,826</u>	<u>(124,854)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>169,782</u>	<u>169,782</u>	<u>(134,202)</u>	<u>(303,984)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 169,782</u>	<u>\$ 169,782</u>	(134,202)	<u>\$ (303,984)</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>28,979,929</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 28,845,727</u>	

See accompanying notes to financial statements.

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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 the Sewer Enterprise Fund as a major fund:

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

The City reports the Golf Course Fund as a non-major fund.

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

See accompanying notes to financial statements.

**CITY OF CONCORD
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2013**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Non-Major Enterprise/ Golf Course	Totals	
ASSETS:				
Current Assets:				
Cash and Investments (Note 4)	\$ 27,255,103	\$ 321,466	\$ 27,576,569	\$ 22,078,484
Cash with Fiscal Agents (Note 4)	152,913	253,031	405,944	
Accounts Receivable	3,981	141,796	145,777	13,628
Interest Receivable	2,273		2,273	
Prepaid Items		8,500	8,500	
Total Current Assets	<u>27,414,270</u>	<u>724,793</u>	<u>28,139,063</u>	<u>22,092,112</u>
Non-Current Assets:				
Advances to Other Funds (Note 5)	3,550,000		3,550,000	2,000,000
Debt Issue Costs (Net of Amortization)		27,011	27,011	
Net OPEB Asset (Note 14)				5,028,652
Capital Assets (Note 7):				
Land	334,839	60,344	395,183	
Construction In Progress	5,090,545		5,090,545	1,909,487
Buildings and Improvements	2,824,944	5,876,042	8,700,986	42,619,511
Machinery and Equipment	112,189	136,177	248,366	20,864,563
Sewer Collection System	209,485,479		209,485,479	
Less: Accumulated Depreciation	<u>(143,484,874)</u>	<u>(3,190,032)</u>	<u>(146,674,906)</u>	<u>(37,953,752)</u>
Net Capital Assets	<u>74,363,122</u>	<u>2,882,531</u>	<u>77,245,653</u>	<u>27,439,809</u>
Total Non-Current Assets	<u>77,913,122</u>	<u>2,909,542</u>	<u>80,822,664</u>	<u>34,468,461</u>
Total Assets	<u>105,327,392</u>	<u>3,634,335</u>	<u>108,961,727</u>	<u>56,560,573</u>
LIABILITIES:				
Current Liabilities (Payable from Current Assets):				
Accounts and Contracts Payable	14,964,157	4,302	14,968,459	211,046
Accrued Liabilities	27,490		27,490	60,771
Due To Other Funds (Note 5)				2,428,181
Compensated Absences Payable (Note 8)	42,129		42,129	104,409
Bond Interest Payable	296,202	23,873	320,075	33,604
Capital Lease Payable (Note 8)				493,478
Certificates of Participation (Note 8)	875,000	170,000	1,045,000	
Claims Payable (Note 16)				3,246,644
Total Current Liabilities	<u>16,204,978</u>	<u>198,175</u>	<u>16,403,153</u>	<u>6,578,133</u>
Noncurrent Liabilities:				
Compensated Absences Payable (Note 8)	53,334		53,334	183,389
Advance from Other Funds (Note 5)		773,648	773,648	
Capital Lease Payable (Note 8)				1,400,884
Certificates of Participation (Note 8)	19,609,591	990,000	20,599,591	
Claims Payable (Note 16)				9,393,508
Total Noncurrent Liabilities	<u>19,662,925</u>	<u>1,763,648</u>	<u>21,426,573</u>	<u>10,977,781</u>
Total Liabilities	<u>35,867,903</u>	<u>1,961,823</u>	<u>37,829,726</u>	<u>17,555,914</u>
NET POSITION: (Note 9):				
Net investment in Capital Assets	53,429,416	1,472,638	54,902,054	25,511,843
Unrestricted	<u>16,030,073</u>	<u>199,874</u>	<u>16,229,947</u>	<u>13,492,816</u>
Total Net Position	<u>\$ 69,459,489</u>	<u>\$ 1,672,512</u>	<u>\$ 71,132,001</u>	<u>\$ 39,004,659</u>

See accompanying notes to financial statements.

**CITY OF CONCORD
PROPRIETARY FUNDS
STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Non-Major Enterprise/ Golf Course	Totals	
OPERATING REVENUES				
Service Fees	\$ 19,413,123		\$ 19,413,123	
Charges for Services				\$ 17,424,515
Golf Course Fees and Charges		\$ 1,346,790	1,346,790	
Other	7,102	34,998	42,100	3,485
Total Operating Revenues	<u>19,420,225</u>	<u>1,381,788</u>	<u>20,802,013</u>	<u>17,428,000</u>
OPERATING EXPENSES				
Operating and Maintenance	19,396,021	1,087,700	20,483,721	16,285,343
Cost of Sales and Services				39,882
Depreciation and Amortization	4,272,101	161,331	4,433,432	3,000,991
Claims and Judgments				4,749,001
Total Operating Expenses	<u>23,668,122</u>	<u>1,249,031</u>	<u>24,917,153</u>	<u>24,075,217</u>
Operating Income (Loss)	<u>(4,247,897)</u>	<u>132,757</u>	<u>(4,115,140)</u>	<u>(6,647,217)</u>
NON-OPERATING REVENUES (EXPENSES):				
Investment Income	72,599	1,159	73,758	139,191
Interest Expense	(943,251)	(59,313)	(1,002,564)	(66,750)
Gain (Loss) from Disposition of Capital Assets				66,759
Other	(297,336)	75,000	(222,336)	
Total Non-Operating Revenues (Expenses)	<u>(1,167,988)</u>	<u>16,846</u>	<u>(1,151,142)</u>	<u>139,200</u>
Income (Loss) Before Contributions and Transfers	(5,415,885)	149,603	(5,266,282)	(6,508,017)
Contributions	33,945		33,945	413,537
Transfer In (Note 5)		43,549	43,549	230,000
Transfer Out (Note 5)	(80,000)		(80,000)	(860,734)
Changes in Net Position	(5,461,940)	193,152	(5,268,788)	(6,725,214)
Total Net Position - Beginning	<u>74,921,429</u>	<u>1,479,360</u>	<u>76,400,789</u>	<u>45,729,873</u>
Total Net Position - Ending	<u>\$ 69,459,489</u>	<u>\$ 1,672,512</u>	<u>\$ 71,132,001</u>	<u>\$ 39,004,659</u>

See accompanying notes to financial statements.

**CITY OF CONCORD
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Non-Major Enterprise/ Golf Course	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	\$ 19,422,236	\$ 1,361,308	\$ 20,783,544	\$ 17,471,216
Payments to Suppliers	(18,572,898)	(1,088,011)	(19,660,909)	(12,349,260)
Payments to Employees	(9,987)		(9,987)	805
Claims paid				(2,121,390)
Net Cash Provided by (Used for) Operating Activities	<u>839,351</u>	<u>273,297</u>	<u>1,112,648</u>	<u>3,001,371</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Borrowings of Advances From/To Other Funds		(12,074)	(12,074)	1,124,810
Transfers In		43,549	43,549	230,000
Transfers (Out)	(80,000)		(80,000)	(860,734)
Cash Flows Provided by (Used for) Non-Capital Financing Activities	<u>(80,000)</u>	<u>31,475</u>	<u>(48,525)</u>	<u>494,076</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(3,733,399)	(1)	(3,733,400)	(2,461,803)
Principal Paid on Debt, Bond Maturities	(265,409)	(160,000)	(425,409)	98,154
Interest and Fiscal Charges Paid	(1,014,194)	(62,480)	(1,076,674)	(63,999)
Cash Flows Provided by (Used for) Capital and Related Financing Activities	<u>(5,013,002)</u>	<u>(222,481)</u>	<u>(5,235,483)</u>	<u>(2,427,648)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	73,639	1,159	74,798	139,192
Cash Flows Provided by (Used for) Investing Activities	<u>73,639</u>	<u>1,159</u>	<u>74,798</u>	<u>139,192</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(4,180,012)	83,450	(4,096,562)	1,206,991
Cash and Investments at Beginning of Period	<u>\$31,588,028</u>	<u>\$491,047</u>	<u>32,079,075</u>	<u>20,871,493</u>
Cash and Investments at End of Period	<u>\$ 27,408,016</u>	<u>\$ 574,497</u>	<u>\$ 27,982,513</u>	<u>\$ 22,078,484</u>
NON-CASH TRANSACTIONS:				
Inception of capital lease				\$ 752,403
Contributions and Transfers of Capital Assets, Net	<u>\$ 33,945</u>	<u>\$ -</u>	<u>\$ 33,945</u>	<u>\$ 151,443</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	\$ (4,247,897)	\$ 132,757	\$ (4,115,140)	\$ (6,647,217)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Other Non-Operating Revenue	(297,336)	75,000	(222,336)	
Depreciation and Amortization	4,272,101	161,331	4,433,432	3,000,991
Change in Assets and Liabilities:				
Receivables, Net	2,011	(95,480)	(93,469)	43,219
Prepaid Expenses				97,874
Net OPEB Asset				2,726,867
Accounts Payable	1,116,988	(311)	1,116,677	167,971
Accrued Liabilities	(6,516)		(6,516)	(6,442)
Self Insurance Claims Payable				3,618,108
Net Cash Provided by (Used for) Operating Activities	<u>\$ 839,351</u>	<u>\$ 273,297</u>	<u>\$ 1,112,648</u>	<u>\$ 3,001,371</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 POSITION
JUNE 30, 2013**

	<u>City of Concord Retirement System Pension Trust</u>	<u>Successor Agency Private Purpose Trust Fund</u>
ASSETS:		
Cash and Investments (Note 4)		
Money Market Funds	\$ 607,157	
Corporate Debt Instruments	9,715,273	
California Local Agency Investment Fund	1,325,051	
Federal Agencies	5,250,004	
Municipal Bonds	665,029	
Pooled Investments	4,825,861	\$ 3,749,573
Common Stock	8,998,716	
Foreign Stock	810,276	
Mutual Funds	5,442,346	
Cash with Fiscal Agents (Note 4)		3,300,117
Total Cash and Investments	<u>37,639,713</u>	<u>7,049,690</u>
Receivables (Net of Allowances for Uncollectibles):		
Interest	805	380
Notes and Loans Receivable (Note 20)		704,370
Prepaid Items		217,137
Land Held for Redevelopment		11,416,332
Capital Assets, Not Being Depreciated (Note 20)		485,155
Capital Assets, Being Depreciated (net) (Note 20)		1,531,784
Total Assets	<u>37,640,518</u>	<u>21,404,848</u>
LIABILITIES:		
Accounts Payable		1,077
Interest Payable		1,245,047
Long-Term Debt (Note 20):		
Due in One Year		5,080,000
Due in More Than One Year		61,552,806
Total Liabilities	<u>-</u>	<u>67,878,930</u>
NET POSITION:		
Net position held in trust for pension benefits and other purposes (as restated)	<u>37,640,518</u>	<u>(46,474,082)</u>
Total Net Position	<u>\$ 37,640,518</u>	<u>\$ (46,474,082)</u>

See accompanying notes to financial statements.

**CITY OF CONCORD
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013**

	City of Concord Retirement System Pension Trust	Successor Agency Private Purpose Trust Fund
	<u>Trust</u>	<u>Trust Fund</u>
ADDITIONS		
Contributions	\$ 1,045,782	
Property Taxes, Net of Pass Through Payments		\$ 8,573,064
Other Income		115,184
Investment Income	2,434,160	93,174
	<u>3,479,942</u>	<u>8,781,422</u>
Total Additions	<u>3,479,942</u>	<u>8,781,422</u>
DEDUCTIONS		
Retirement and Other Benefits	5,474,198	
Management Expenses	184,742	
Community Planning and Economic Development		6,293,010
Amount remitted to the County Auditor-Controller		9,230,817
Depreciation		81,825
Interest expense		3,229,527
	<u>5,658,940</u>	<u>18,835,179</u>
Total Deductions	<u>5,658,940</u>	<u>18,835,179</u>
NET CHANGES IN NET POSITION	(2,178,998)	(10,053,757)
Net Position Beginning of Year (as restated)	<u>\$39,819,516</u>	<u>(36,420,325)</u>
Net Position End of Year	<u>\$ 37,640,518</u>	<u>\$ (46,474,082)</u>

See accompanying notes to financial statements.