

BASIC FINANCIAL STATEMENTS

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, Concord/Pleasant Hill 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, 2014

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments (Note 3)	\$ 80,666,824	\$ 24,374,969	\$ 105,041,793
Cash with Fiscal Agents (Note 3)	1,463,242	253,995	1,717,237
Receivables (Net of Allowances for Uncollectibles):			
Accounts	2,567,721	83,959	2,651,680
Due from Other Governments	9,272,813		9,272,813
Interest	19,487	2,069	21,556
Loans and Notes (Note 5)	34,897,450		34,897,450
Due from Successor Agency (Note 7)	8,297,000		8,297,000
Inventories	43,109		43,109
Internal Balances (Note 4)	(2,776,352)	2,776,352	
Investment in Joint Venture (Note 16)	2,362,972		2,362,972
Net OPEB Asset (Note 13)	1,093,430		1,093,430
Capital Assets (Note 6):			
Land and Construction In Progress	17,571,085	638,941	18,210,026
Depreciable Capital Assets, Net of Accumulated Depreciation	620,602,906	76,801,752	697,404,658
Total Assets	<u>776,081,687</u>	<u>104,932,037</u>	<u>881,013,724</u>
LIABILITIES			
Accounts, Deposits and Contracts Payable	3,380,669	16,937,633	20,318,302
Accrued Liabilities	3,328,525	38,155	3,366,680
Interest Payable	244,759	307,369	552,128
Refundable Deposits	3,623,203		3,623,203
Unearned Revenue	1,766,578		1,766,578
Net Pension Obligation (Note 10)	5,340,233		5,340,233
Compensated Absences (Note 7)			
Due in One Year	2,614,881	38,249	2,653,130
Due in More Than One Year	1,369,578	79,702	1,449,280
Claims Payable (Note 15):			
Due in One Year	3,323,326		3,323,326
Due in More Than One Year	7,864,354		7,864,354
Long-Term Debt (Note 7):			
Due in One Year	3,225,120	1,104,324	4,329,444
Due in More Than One Year	17,930,034	19,470,943	37,400,977
Total Liabilities	<u>54,011,260</u>	<u>37,976,375</u>	<u>91,987,635</u>
NET POSITION (Note 8)			
Net Investment in Capital Assets	618,444,600	56,304,062	674,748,662
Restricted for:			
Capital Projects	2,439,255		2,439,255
Debt Service	2,406,505		2,406,505
Community Development Projects	41,835,637		41,835,637
Total Restricted Net Position	<u>46,681,397</u>		<u>46,681,397</u>
Unrestricted Net Position	56,944,430	10,651,600	67,596,030
Total Net Position	<u>\$ 722,070,427</u>	<u>\$ 66,955,662</u>	<u>\$ 789,026,089</u>

See accompanying notes to financial statements.

**CITY OF CONCORD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014**

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	\$ 17,720,024	\$ 1,960,144		\$ 5,742,865	\$ (10,017,015)		\$ (10,017,015)
Public Safety	43,124,635	1,459,631	\$ 995,512		(40,669,492)		(40,669,492)
Public Works	37,036,728	2,568,214	3,926,905	\$ 2,361,141	(28,180,468)		(28,180,468)
Community and Economic Development	8,634,948	4,421,290	1,284,225	136,620	(2,792,813)		(2,792,813)
Parks & Recreation Services	5,803,618	3,140,708	1,632,867		(1,030,043)		(1,030,043)
Interest on Long-Term Debt	1,356,197				(1,356,197)		(1,356,197)
Total Governmental Activities	113,676,150	13,549,987	7,839,509	8,240,626	(84,046,028)		(84,046,028)
Business-Type Activities:							
Sewer	26,764,449	22,099,344		96,626		(4,568,479)	(4,568,479)
Golf Course	1,351,250	1,442,836				91,586	91,586
Total Business-Type Activities	28,115,699	23,542,180		96,626		(4,476,893)	(4,476,893)
Total	\$ 141,791,849	\$ 37,092,167	\$ 7,839,509	\$ 8,337,252	(84,046,028)	(4,476,893)	(88,522,921)
		General Revenues:					
		Taxes					
		Property Taxes			15,707,019		15,707,019
		Sales Taxes			40,070,675		40,070,675
		Motor Vehicle In Lieu, Unrestricted			8,073,738		8,073,738
		Transient Occupancy Taxes			2,262,589		2,262,589
		Business License Taxes			3,324,299		3,324,299
		Other Taxes			5,962,699		5,962,699
		Investment Earnings			1,304,981	208,050	1,513,031
		Miscellaneous Revenues				92,504	92,504
		Total General Revenues			76,706,000	300,554	77,006,554
		Change in Net Position			(7,340,028)	(4,176,339)	(11,516,367)
		Net Position - Beginning			729,410,455	71,132,001	800,542,456
		Net Position - Ending			\$ 722,070,427	\$ 66,955,662	\$ 789,026,089

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 year 2014. Individual non-major governmental are aggregated and titled “Other Governmental Funds”.

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, 2014**

	General	Concord Housing	General Projects	Other Governmental Funds	Total Governmental Funds
ASSETS:					
Cash and Investments (Note 3)	\$ 30,140,865	\$ 987,856	\$ 2,293,487	\$ 21,338,310	\$ 54,760,518
Cash with Fiscal Agents (Note 3)			4,133	1,459,109	1,463,242
Receivables (Net of Allowances for Uncollectible):					
Accounts	1,491,614	2,721	213,778	838,985	2,547,098
Due from Other Governments	7,352,343		930,098	990,372	9,272,813
Interest	19,487				19,487
Due from Other Funds (Note 4)				61,718	61,718
Loans and Notes (Note 5)		32,757,092		2,140,358	34,897,450
Inventories	43,109				43,109
Advances to Other Funds (Note 4)	3,123,121	3,000,000		238,500	6,361,621
Total Assets	<u>\$ 42,170,539</u>	<u>\$ 36,747,669</u>	<u>\$ 3,441,496</u>	<u>\$ 27,067,352</u>	<u>\$ 109,427,056</u>
LIABILITIES:					
Accounts, Deposits and Contracts Payable	\$ 2,470,129	\$ 9,442	\$ 349,654	\$ 208,821	\$ 3,038,046
Accrued Liabilities	2,454,461	447	14,946	778,167	3,248,021
Due to Other Funds (Note 4)				61,718	61,718
Refundable Deposits	3,623,203				3,623,203
Unearned Revenue	249,804		1,516,743	31	1,766,578
Advances from Other Funds (Note 4)	8,550,000		1,217,000	1,370,973	11,137,973
Total Liabilities	<u>17,347,597</u>	<u>9,889</u>	<u>3,098,343</u>	<u>2,419,710</u>	<u>22,875,539</u>
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue	<u>160,570</u>	<u>5,885,769</u>	<u>874,674</u>	<u>2,552,247</u>	<u>9,473,260</u>
FUND BALANCES:					
Fund Balances: (Note 8)					
Nonspendable	3,166,230	3,000,000		2,378,858	8,545,088
Restricted		27,852,011		18,829,386	46,681,397
Assigned	795,794			889,276	1,685,070
Unassigned	20,700,348		(531,521)	(2,125)	20,166,702
TOTAL FUND BALANCES	<u>24,662,372</u>	<u>30,852,011</u>	<u>(531,521)</u>	<u>22,095,395</u>	<u>77,078,257</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 42,170,539</u>	<u>\$ 36,747,669</u>	<u>\$ 3,441,496</u>	<u>\$ 27,067,352</u>	<u>\$ 109,427,056</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, 2014**

TOTAL FUND BALANCES -- TOTAL GOVERNMENTAL FUNDS \$ 77,078,257

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. 606,360,480

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. 47,141,064

INVESTMENT IN PARTNERSHIP

Long term investments are not current financial resources and therefore are not reported in the Governmental Funds. 2,362,972

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. 9,473,260

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	(19,368,615)
Interest Payable	(207,280)
Compensated Absences	(3,726,478)
Reimbursement agreement due from Successor Agency	8,297,000
Net Pension Obligation	(5,340,233)
	(19,345,606)

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 722,070,427

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, 2014**

	General	Concord Housing	General Projects	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes					
Property	\$ 11,914,327			\$ 3,792,692	\$ 15,707,019
In Lieu Property Tax - VLF	8,073,738				8,073,738
Sales	21,480,802				21,480,802
Measure Q	11,432,073				11,432,073
Sales Tax In Lieu	7,157,800				7,157,800
Transient Occupancy	2,262,589				2,262,589
Franchises	5,962,699				5,962,699
Business License	3,324,299				3,324,299
Licenses and Permits	1,575,008			395,545	1,970,553
Intergovernmental	675,565		\$ 4,651,050	7,559,325	12,885,940
Charges for Services	5,584,938	\$ 226		27,370	5,612,534
Fines, Forfeitures and Penalties	761,785				761,785
Parks and Recreation	2,818,062				2,818,062
Use of Money and Property	633,900	97,691	16	278,300	1,009,907
Special Assessment Collections				6,832	6,832
Other	1,140,473	2,061,946	14,412	2,058,637	5,275,468
Total Revenues	84,798,058	2,159,863	4,665,478	14,118,701	105,742,100
EXPENDITURES					
Current:					
General Government	18,582,795		22,829		18,605,624
Public Safety	43,656,334		395,265	84,626	44,136,225
Public Works	6,124,925		45,802	4,254,552	10,425,279
Community and Economic Development	5,256,085	153,579	2,146,286	1,193,054	8,749,004
Parks & Recreation Services	4,330,766		759,414	622,972	5,713,152
Capital Outlay			1,612,884	2,050,685	3,663,569
Debt Service:					
Principal				3,013,844	3,013,844
Interest and Fiscal Charges	182,286			1,064,215	1,246,501
Total Expenditures	78,133,191	153,579	4,982,480	12,283,948	95,553,198
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	6,664,867	2,006,284	(317,002)	1,834,753	10,188,902
OTHER FINANCING SOURCES (USES)					
Transfers In (Note 4)	459,225		859,320	2,368,008	3,686,553
Transfers (Out) (Note 4)	(2,087,531)		(717,013)	(737,147)	(3,541,691)
Total Other Financing Sources (Uses)	(1,628,306)		142,307	1,630,861	144,862
NET CHANGES IN FUND BALANCES	5,036,561	2,006,284	(174,695)	3,465,614	10,333,764
FUND BALANCES (DEFICIT) AT BEGINNING OF YEAR	19,625,811	28,845,727	(356,826)	18,629,781	66,744,493
FUND BALANCES (DEFICIT) AT END OF YEAR	\$ 24,662,372	\$ 30,852,011	\$ (531,521)	\$ 22,095,395	\$ 77,078,257

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, 2014**

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	\$	10,333,764
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		(1,515,577)
Depreciation expense is deducted from the fund balance (Depreciation expense is net of internal service fund depreciation of \$2,846,786 which has already been allocated to serviced funds.)		(22,308,140)
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		3,013,839
Reimbursement agreement from Successor Agency		(935,000)
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		69,462
Pension costs		15,829
Deferred inflow of resources- Unavailable revenues		(4,355,275)
Interest Payable		(28,596)
Investment in Partnership		233,261
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		8,136,405
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>(7,340,028)</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, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes				
Property	\$ 11,822,968	\$ 11,822,968	\$ 11,914,327	\$ 91,359
In Lieu Property Tax VLF	7,831,017	7,831,017	8,073,738	242,721
Sales tax	20,710,779	20,710,779	21,480,802	770,023
Measure Q tax	10,558,000	10,878,000	11,432,073	554,073
Sales Tax In Lieu	6,716,927	6,716,927	7,157,800	440,873
Transient Occupancy	1,818,000	2,008,000	2,262,589	254,589
Franchises	5,223,000	5,223,000	5,962,699	739,699
Business License	3,200,337	3,200,337	3,324,299	123,962
Licenses and Permits	1,379,187	1,562,503	1,575,008	12,505
Intergovernmental	230,000	230,000	675,565	445,565
Charges for Services	4,822,033	5,594,674	5,584,938	(9,736)
Fines, Forfeitures and Penalties	820,000	820,000	761,785	(58,215)
Parks and Recreation	2,613,627	2,732,106	2,818,062	85,956
Use of Money and Property	953,136	953,136	633,900	(319,236)
Other	490,048	1,548,151	1,140,473	(407,678)
Total Revenues	<u>79,189,059</u>	<u>81,831,598</u>	<u>84,798,058</u>	<u>2,966,460</u>
EXPENDITURES:				
Current:				
General Government:				
Council	357,044	357,044	351,092	5,952
Manager	2,367,380	2,454,220	2,400,887	53,333
Attorney	1,178,551	1,240,951	1,106,281	134,670
Human Resources	1,329,033	1,364,699	1,241,284	123,415
Finance	10,611,345	13,831,675	13,483,251	348,424
Total General Government	<u>15,843,353</u>	<u>19,248,589</u>	<u>18,582,795</u>	<u>665,794</u>
Public Safety	42,529,761	42,775,267	43,656,334	(881,067)
Public Works	5,765,674	6,337,836	6,124,925	212,911
Community and Economic Development	5,257,533	5,706,966	5,256,085	450,881
Parks & Recreation Services	4,577,119	4,614,267	4,330,766	283,501
Debt Service:				
Interest and Fiscal Charges	135,800	135,800	182,286	(46,486)
Total Expenditures	<u>74,109,240</u>	<u>78,818,725</u>	<u>78,133,191</u>	<u>685,534</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>5,079,819</u>	<u>3,012,873</u>	<u>6,664,867</u>	<u>3,651,994</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,208,486	1,208,486	459,225	(749,261)
Transfers (Out)	(2,392,912)	(3,446,015)	(2,087,531)	1,358,484
Total Other Financing Sources (Uses)	<u>(1,184,426)</u>	<u>(2,237,529)</u>	<u>(1,628,306)</u>	<u>609,223</u>
NET CHANGE IN FUND BALANCE	<u>\$ 3,895,393</u>	<u>\$ 775,344</u>	5,036,561	<u>\$ 4,261,217</u>
FUND BALANCE AT BEGINNING OF YEAR			19,625,811	
FUND BALANCE AT END OF YEAR			<u>\$ 24,662,372</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, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for Services			\$ 226	\$ 226
Use of Money and Property	\$ 145,000	\$ 145,000	97,691	(47,309)
Other			2,061,946	2,061,946
Total Revenues	<u>145,000</u>	<u>145,000</u>	<u>2,159,863</u>	<u>2,014,863</u>
EXPENDITURES:				
Current:				
Community and Economic Development	<u>15,000</u>	<u>82,000</u>	<u>153,579</u>	<u>(71,579)</u>
Total Expenditures	<u>15,000</u>	<u>82,000</u>	<u>153,579</u>	<u>(71,579)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>130,000</u>	<u>63,000</u>	<u>2,006,284</u>	<u>1,943,284</u>
NET CHANGE IN FUND BALANCE	<u>\$ 130,000</u>	<u>\$ 63,000</u>	2,006,284	<u>\$ 1,943,284</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>28,845,727</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 30,852,011</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, 2014**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Non-Major Enterprise/ Golf Course	Totals	
ASSETS:				
Current Assets:				
Cash and Investments (Note 3)	\$ 23,788,450	\$ 586,519	\$ 24,374,969	\$ 25,906,306
Cash with Fiscal Agents (Note 3)		253,995	253,995	
Accounts Receivable	296	83,663	83,959	20,623
Interest Receivable	2,069		2,069	
Total Current Assets	<u>23,790,815</u>	<u>924,177</u>	<u>24,714,992</u>	<u>25,926,929</u>
Non-Current Assets:				
Advances to Other Funds (Note 4)	3,550,000		3,550,000	2,000,000
Net OPEB Asset (Note 13)				1,093,430
Capital Assets (Note 6):				
Land	334,839	60,344	395,183	
Construction In Progress	243,758		243,758	833,755
Buildings and Improvements	2,832,944	5,876,042	8,708,986	47,535,765
Machinery and Equipment	112,189	136,177	248,366	23,478,224
Sewer Collection System	219,042,107		219,042,107	
Less: Accumulated Depreciation	<u>(147,852,394)</u>	<u>(3,345,313)</u>	<u>(151,197,707)</u>	<u>(40,034,233)</u>
Net Capital Assets	<u>74,713,443</u>	<u>2,727,250</u>	<u>77,440,693</u>	<u>31,813,511</u>
Total Non-Current Assets	<u>78,263,443</u>	<u>2,727,250</u>	<u>80,990,693</u>	<u>34,906,941</u>
Total Assets	<u>102,054,258</u>	<u>3,651,427</u>	<u>105,705,685</u>	<u>60,833,870</u>
LIABILITIES:				
Current Liabilities (Payable from Current Assets):				
Accounts and Contracts Payable	16,934,615	3,018	16,937,633	342,623
Accrued Liabilities	36,752	1,403	38,155	80,504
Compensated Absences Payable (Note 7)	38,249		38,249	148,201
Interest Payable	286,896	20,473	307,369	37,479
Capital Lease Payable (Note 7)				616,806
Certificates of Participation (Note 7)	924,324	180,000	1,104,324	
Claims Payable (Note 15)				3,323,326
Total Current Liabilities	<u>18,220,836</u>	<u>204,894</u>	<u>18,425,730</u>	<u>4,548,939</u>
Noncurrent Liabilities:				
Compensated Absences Payable (Note 7)	79,702		79,702	109,780
Advance from Other Funds (Note 4)		773,648	773,648	
Capital Lease Payable (Note 7)				1,169,733
Certificates of Participation (Note 7)	18,660,943	810,000	19,470,943	
Claims Payable (Note 15)				7,864,354
Total Noncurrent Liabilities	<u>18,740,645</u>	<u>1,583,648</u>	<u>20,324,293</u>	<u>9,143,867</u>
Total Liabilities	<u>36,961,481</u>	<u>1,788,542</u>	<u>38,750,023</u>	<u>13,692,806</u>
NET POSITION: (Note 9):				
Net investment in capital assets	54,841,280	1,462,782	56,304,062	29,989,493
Unrestricted	<u>10,251,497</u>	<u>400,103</u>	<u>10,651,600</u>	<u>17,151,571</u>
Total Net Position	<u>\$ 65,092,777</u>	<u>\$ 1,862,885</u>	<u>\$ 66,955,662</u>	<u>\$ 47,141,064</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, 2014**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Sewer	Non-Major Enterprise/ Golf Course	Totals	
OPERATING REVENUES				
Service Fees	\$ 22,099,344		\$ 22,099,344	
Charges for Services				\$ 20,562,332
Golf Course Fees and Charges		\$ 1,409,768	1,409,768	
Other		33,068	33,068	4,069,601
Total Operating Revenues	<u>22,099,344</u>	<u>1,442,836</u>	<u>23,542,180</u>	<u>24,631,933</u>
OPERATING EXPENSES				
Operating and Maintenance	21,663,031	1,117,405	22,780,436	17,706,744
Cost of Sales and Services				64,655
Depreciation and Amortization	4,367,520	182,293	4,549,813	2,880,601
Claims and Judgments				1,264,553
Total Operating Expenses	<u>26,030,551</u>	<u>1,299,698</u>	<u>27,330,249</u>	<u>21,916,553</u>
Operating Income (Loss)	<u>(3,931,207)</u>	<u>143,138</u>	<u>(3,788,069)</u>	<u>2,715,380</u>
NON-OPERATING REVENUES (EXPENSES):				
Investment Income	201,767	6,283	208,050	295,074
Interest Expense	(681,805)	(51,552)	(733,357)	(81,100)
Gain (Loss) from Disposition of Capital Assets		42,504	42,504	(4,049)
Other		50,000	50,000	
Total Non-Operating Revenues (Expenses)	<u>(480,038)</u>	<u>47,235</u>	<u>(432,803)</u>	<u>209,925</u>
Income (Loss) Before Contributions and Transfers	(4,411,245)	190,373	(4,220,872)	2,925,305
Contributions	96,626		96,626	5,303,869
Transfer In (Note 5)				742,103
Transfer Out (Note 5)	(52,093)		(52,093)	(834,872)
Changes in Net Position	(4,366,712)	190,373	(4,176,339)	8,136,405
Total Net Position - Beginning	<u>69,459,489</u>	<u>1,672,512</u>	<u>71,132,001</u>	<u>39,004,659</u>
Total Net Position - Ending	<u>\$ 65,092,777</u>	<u>\$ 1,862,885</u>	<u>\$ 66,955,662</u>	<u>\$ 47,141,064</u>

See accompanying notes to financial statements.

**CITY OF CONCORD
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014**

	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	\$ 22,103,029	\$ 1,550,969	\$ 23,653,998	\$ 24,624,938
Payments to Suppliers	(19,683,311)	(1,108,786)	(20,792,097)	(12,433,771)
Payments to Employees	22,488		22,488	(26,785)
Claims paid				(3,971,153)
Net Cash Provided by (Used for) Operating Activities	<u>2,442,206</u>	<u>442,183</u>	<u>2,884,389</u>	<u>8,193,229</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Borrowings of Advances From/To Other Funds				1,575,761
Transfers In				742,103
Transfers (Out)	(52,093)		(52,093)	(834,872)
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>(52,093)</u>		<u>(52,093)</u>	<u>1,482,992</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(4,621,215)	42,503	(4,578,712)	(5,958,424)
Principal Paid on Debt, Bond Maturities	(899,324)	(170,000)	(1,069,324)	(107,823)
Interest and Fiscal Charges Paid	(691,111)	(54,952)	(746,063)	(77,225)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(6,211,650)</u>	<u>(182,449)</u>	<u>(6,394,099)</u>	<u>(6,143,472)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	201,971	6,283	208,254	295,073
Net Cash Provided by (Used for) Investing Activities	<u>201,971</u>	<u>6,283</u>	<u>208,254</u>	<u>295,073</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(3,619,566)	266,017	(3,353,549)	3,827,822
Cash and Cash Equivalents at Beginning of Period	27,408,016	574,497	27,982,513	22,078,484
Cash and Cash Equivalents at End of Period	<u>\$ 23,788,450</u>	<u>\$ 840,514</u>	<u>\$ 24,628,964</u>	<u>\$ 25,906,306</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	\$ (3,931,207)	\$ 143,138	\$ (3,788,069)	\$ 2,715,380
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Other Non-Operating Revenue		50,000	50,000	
Depreciation and Amortization	4,367,520	182,293	4,549,813	2,880,601
Change in Assets and Liabilities:				
Receivables, Net	3,685	58,133	61,818	(6,995)
Prepaid Expenses		8,500	8,500	
Net OPEB Asset				3,935,222
Accounts Payable	1,970,458	(1,284)	1,969,174	131,577
Accrued Liabilities	31,750	1,403	33,153	(10,084)
Self Insurance Claims Payable				(1,452,472)
Net Cash Provided by (Used for) Operating Activities	<u>\$ 2,442,206</u>	<u>\$ 442,183</u>	<u>\$ 2,884,389</u>	<u>\$ 8,193,229</u>
NON-CASH TRANSACTIONS:				
Inception of capital lease				\$ 752,403
Contributions and Transfers of Capital Assets, Net	\$ 96,626		\$ 96,626	\$ 5,303,869

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, 2014**

	City of Concord Retirement System Pension Trust	Successor Agency Private Purpose Trust Fund
	<u> </u>	<u> </u>
ASSETS:		
Cash and Investments (Note 3)		
Corporate Debt Instruments	\$ 10,066,850	
California Local Agency Investment Fund	1,328,323	
Federal Agencies	5,176,573	
Municipal Bonds	697,457	
Pooled Investments	4,749,228	\$ 3,225,047
Foreign Bonds	967,499	
Mutual Funds	14,338,907	
Cash with Fiscal Agents (Note 3)		8,583,657
Total Cash and Investments	<u>37,324,837</u>	<u>11,808,704</u>
Receivables (Net of Allowances for Uncollectibles):		
Interest	733	4,829
Notes and Loans Receivable (Note 19)		993,170
Land Held for Resale		11,416,332
Capital Assets, Not Being Depreciated (Note 19)		448,293
Capital Assets, Being Depreciated (net) (Note 19)		1,485,049
Total Assets	<u>37,325,570</u>	<u>26,156,377</u>
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred charge on refunding		1,184,104
LIABILITIES:		
Accounts Payable		22,516
Interest Payable		1,144,413
Long-Term Debt (Note 19):		
Due in One Year		5,258,000
Due in More Than One Year		57,774,937
Total Liabilities		<u>64,199,866</u>
NET POSITION:		
Net position held in trust for pension benefits and other purposes	<u>37,325,570</u>	<u>(36,859,385)</u>
Total Net Position	<u>\$ 37,325,570</u>	<u>\$ (36,859,385)</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, 2014**

	City of Concord Retirement System Pension Trust	Successor Agency Private Purpose Trust Fund
ADDITIONS		
Contributions	\$ 1,971,829	
Property Taxes, Net of Pass Through Payments		\$ 8,065,998
Other Income		4,249,595
Investment Income	3,423,144	22,411
Total Additions	<u>5,394,973</u>	<u>12,338,004</u>
DEDUCTIONS		
Retirement and Other Benefits	5,516,398	
Management Expenses	193,523	
Community Planning and Economic Development		1,059,445
Depreciation		83,597
Interest expense		1,580,265
Total Deductions	<u>5,709,921</u>	<u>2,723,307</u>
NET CHANGES IN NET POSITION	(314,948)	9,614,697
Net Position Beginning of Year	<u>37,640,518</u>	<u>(46,474,082)</u>
Net Position End of Year	<u>\$ 37,325,570</u>	<u>\$ (36,859,385)</u>

See accompanying notes to financial statements.