

City of Alameda, California
Annual Financial Report
Fiscal Year Ended June 30, 2019



CITY OF ALAMEDA, CALIFORNIA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

PREPARED BY THE
FINANCE DEPARTMENT









City of Alameda, California
Annual Financial Report
For the Year Ended June 30, 2019
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Mayor Marilyn Ezzy Ashcraft

Vice Mayor John Knox White

Councilmember Tony Daysog

Councilmember Jim Oddie

Councilmember Malia Vella



ELECTED OFFICIALS



Kevin Kearney, City Auditor



Kevin Kennedy, City Treasurer

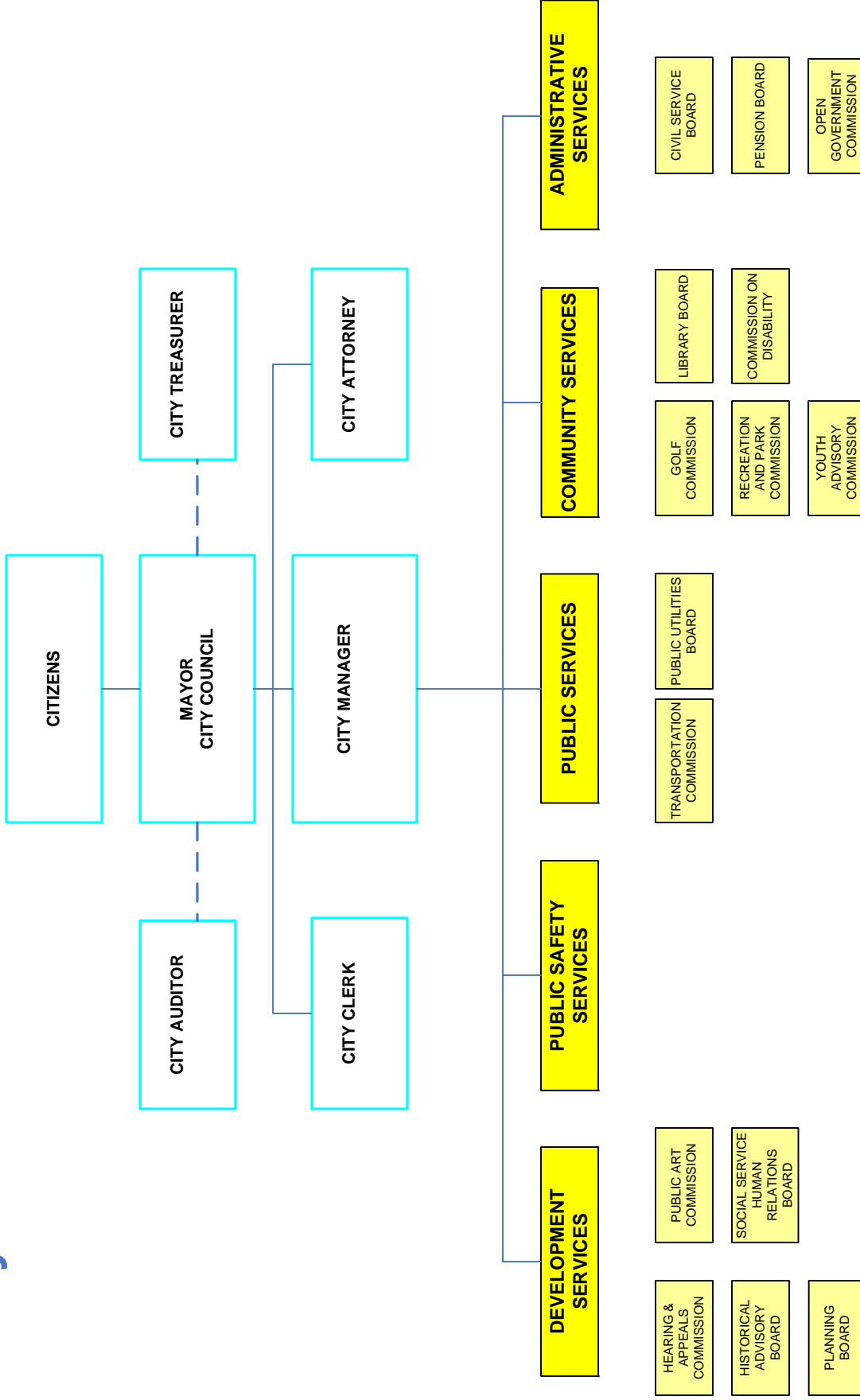
CHARTER OFFICERS

City Manager, Eric Levitt
City Attorney, Yibin Shen
City Clerk, Lara Weisiger

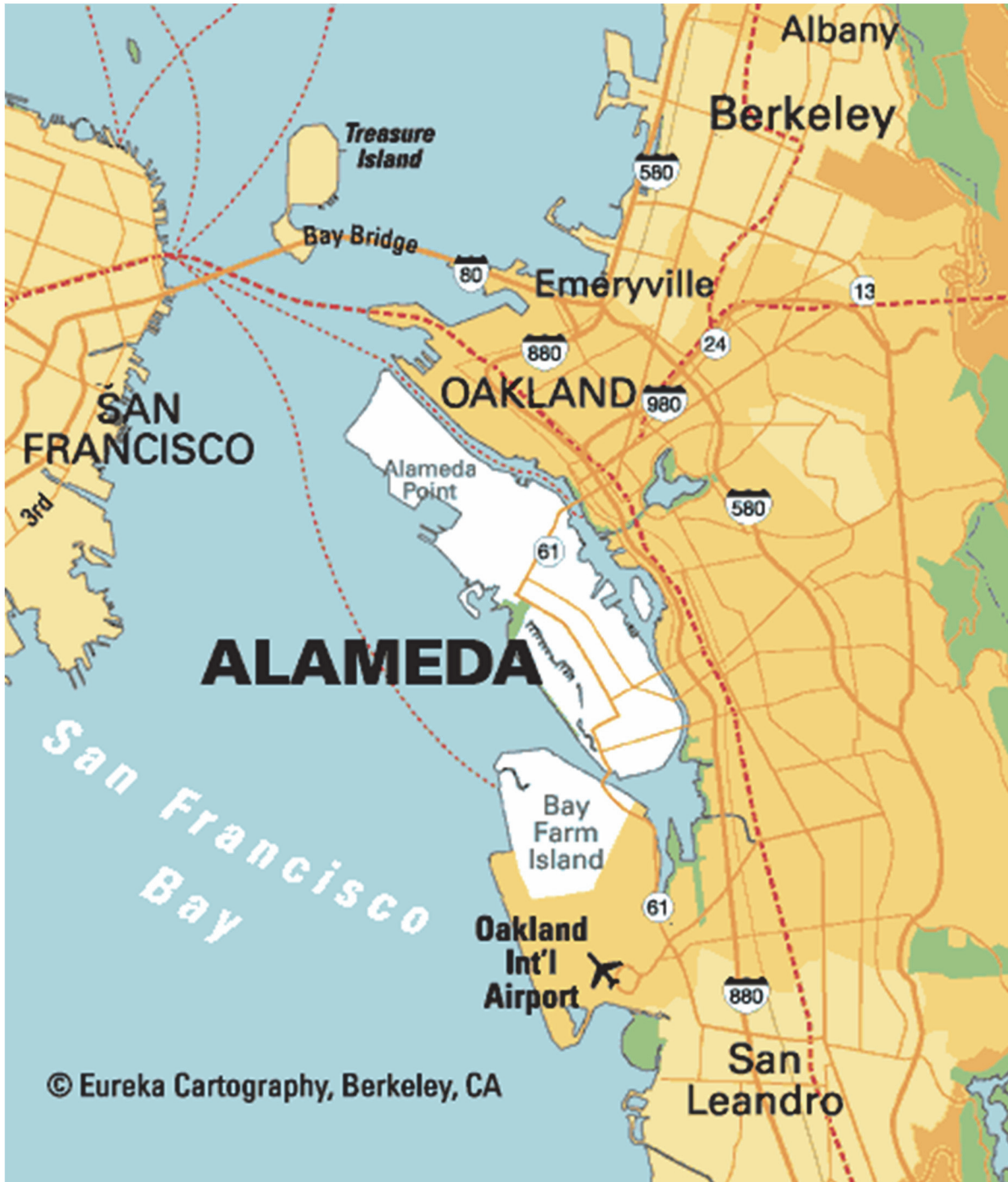
EXECUTIVE MANAGEMENT TEAM

Assistant City Manager, Gerry Beaudin
Director of Base Reuse and Transportation, Vacant
Chief of Police, Paul Roller
Community Development Director, Debbie Potter
Finance Director, Elena Adair
Fire Chief, Edmond Rodriguez
General Manager, Alameda Municipal Power, Nicolos Procos
Human Resources Director, Nancy Bronstein
Information Technology Director, Carolyn Hogg
Library Director, Jane Chisaki
Public Information Officer, Sarah Henry
Public Works Director, Liam Garland
Recreation and Park Director, Amy Wooldridge
Planning, Building & Transportation Director – Andrew Thomas

City of Alameda



The City of Alameda, incorporated April 19, 1854, is a 10.6 square mile island city located in San Francisco Bay. Alameda has a population of 78,863. The City of Alameda is seven miles east of San Francisco, situated within San Francisco Bay, and less than one mile west of the City of Oakland, directly west of Interstate 880. Alameda is a brief drive north of Oakland International Airport, which borders the City on the southeast.





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Alameda
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO





INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alameda (City), California, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents. We did not audit the financial statements of the Alameda Municipal Power Enterprise Fund, which is both a major fund and 58.8%, 44.2% and 85.5%, respectively, of the assets, net position and revenues of the business-type activities.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. The financial statements of the Alameda Municipal Power Enterprise Fund were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Alameda Municipal Power Enterprise Fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons listed in the Table of Contents as part of the basic financial statements for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Management has omitted the Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Introductory Section, Supplemental Information, and Statistical Section listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 4, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Maye & Associates

Pleasant Hill, California

May 4, 2020



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

The City's Governmental Activities include the activities of its General Fund, its Special Revenue, Capital Projects and Debt Service Funds. Since the City's Internal Service Funds primarily 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 presents the City's expenses first, listed by program, and follows these with the expenses of its business-type activities. Program revenues - that is, revenues which are generated directly by these programs - are then deducted from program expenses to arrive at the net expense of each governmental and business-type program. The City's general revenues are then listed in the Governmental Activities or Business-type Activities, as appropriate, and the Change in Net Position is computed and reconciled with the Statement of Net Position.

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



	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash and investments	\$193,386,632	\$69,723,948	\$263,110,580
Restricted cash and investments	7,861,833	5,527,823	13,389,656
Accounts receivable, net	17,910,468	7,270,198	25,180,666
Interest receivable		321,766	321,766
Greenhouse gas related sales receivable		946,213	946,213
Loans receivable	11,014,110		11,014,110
Materials, parts and supplies		4,104,160	4,104,160
Prepays and deposits	2,819,629	65,441	2,885,070
Internal balances	300,508	(300,508)	
Share of certain NCPA projects and reserve		10,673,031	10,673,031
Investments designated for special purposes		35,757,540	35,757,540
Capital assets:			
Non-depreciable	21,113,486	6,623,209	27,736,695
Depreciable, net of accumulated depreciation	284,723,299	113,065,187	397,788,486
Total Assets	539,129,965	253,778,008	792,907,973
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on refunding		561,795	561,795
Related to pensions	41,360,117	2,888,311	44,248,428
Related to OPEB	1,461,836	1,676	1,463,512
Total Deferred Outflows of Resources	42,821,953	3,451,782	46,273,735
LIABILITIES			
Accounts payable	11,151,679	2,012,566	13,164,245
Accrued payroll	4,048,605	28,611	4,077,216
Interest payable	291,732	807,377	1,099,109
Unearned revenue	3,681,983		3,681,983
Refundable deposits	2,466,529	4,225,253	6,691,782
Due to other agencies	644,463		644,463
Claims payable:			
Due within one year	4,651,987	105,013	4,757,000
Due in more than one year	10,177,489	934,938	11,112,427
Compensated absences:			
Due within one year	3,452,331	593,088	4,045,419
Long-term liabilities due in more than one year:			
Net pension liability	223,764,945	26,321,902	250,086,847
Total pension liability	6,197,709		6,197,709
Net OPEB liability	99,978,147	1,833,688	101,811,835
Long-term debt:			
Due within one year	2,653,818	1,872,351	4,526,169
Due in more than one year	34,343,247	34,455,320	68,798,567
Total Liabilities	407,504,664	73,190,107	480,694,771
DEFERRED INFLOWS OF RESOURCES			
Purchased power balancing account		26,329,878	26,329,878
Related to pensions	2,722,303	399,049	3,121,352
Related to OPEB	6,781,527	103,000	6,884,527
Total Deferred Inflows of Resources	9,503,830	26,831,927	36,335,757
NET POSITION:			
Net investment in capital assets	269,397,500	98,017,520	367,415,020
Restricted for:			
Capital projects	19,922,174		19,922,174
Debt service	1,451,594	5,527,823	6,979,417
Housing	53,472,279		53,472,279
Public safety	3,023,354		3,023,354
Community development	2,393,029		2,393,029
Maintenance assessment districts	8,412,984		8,412,984
Transportation	9,072,447		9,072,447
Tidelands properties	2,201,698		2,201,698
Waste reduction	4,424,278		4,424,278
Community services	5,789,146		5,789,146
Sewer system replacement		20,528,073	20,528,073
Total Restricted Net Position	110,162,983	26,055,896	136,218,879
Unrestricted	(214,617,059)	33,134,340	(181,482,719)
Total Net Position	\$164,943,424	\$157,207,756	\$322,151,180

See accompanying notes to financial statements.

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$19,673,640	\$3,289,980	\$50,000	
Police	45,109,592	1,121,616	227,249	
Fire	47,372,705	3,494,527	354,448	
Public works	16,185,664	10,023,569	2,146,464	\$10,813,261
Community development	16,626,697	13,541,107	303,528	64,144
Community services	4,172,503	4,564,276	1,598,924	
Housing	2,868,235		1,019,463	
Interest on long-term debt	1,276,122			
Total Governmental Activities	153,285,158	36,035,075	5,700,076	10,877,405
Business-type Activities:				
Sewer services	5,565,859	11,216,139		
Alameda municipal power	63,101,513	66,567,838		
Total Business-type Activities	68,667,372	77,783,977		
Total Primary Government	\$221,952,530	\$113,819,052	\$5,700,076	\$10,877,405

General revenues:

Taxes:	
Property taxes	
Sales taxes	
Utility users tax	
Transfer taxes	
Franchise taxes	
Transient occupancy taxes	
Property tax in-lieu	
Other taxes	
Gain from sale of capital assets	
Use of money and property	
Miscellaneous	
Transfers	
Total general revenues and transfers	

Change in Net Position

Beginning Net Position

Ending Net Position

See accompanying notes to financial statements.

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
(\$16,333,660)		(\$16,333,660)
(43,760,727)		(43,760,727)
(43,523,730)		(43,523,730)
6,797,630		6,797,630
(2,717,918)		(2,717,918)
1,990,697		1,990,697
(1,848,772)		(1,848,772)
(1,276,122)		(1,276,122)
<u>(100,672,602)</u>		<u>(100,672,602)</u>
	\$5,650,280	5,650,280
	<u>3,466,325</u>	<u>3,466,325</u>
	9,116,605	9,116,605
<u>(100,672,602)</u>	<u>9,116,605</u>	<u>(91,555,997)</u>
52,886,048		52,886,048
14,072,162		14,072,162
9,080,200		9,080,200
17,134,704		17,134,704
2,481,408		2,481,408
2,292,350		2,292,350
1,227,585		1,227,585
1,239,629		1,239,629
16,751,109		16,751,109
9,009,003	2,181,706	11,190,709
1,060,459	794,524	1,854,983
3,832,474	<u>(3,832,474)</u>	
<u>131,067,131</u>	<u>(856,244)</u>	<u>130,210,887</u>
30,394,529	8,260,361	38,654,890
<u>134,548,895</u>	<u>148,947,395</u>	<u>283,496,290</u>
<u>\$164,943,424</u>	<u>\$157,207,756</u>	<u>\$322,151,180</u>



The funds described below were determined to be major funds of the City of Alameda in fiscal year 2018-19. Individual-non-major funds may be found in the Supplemental Information section.

General Fund

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

Base Reuse Special Revenue Fund

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

HOME Program Special Revenue Fund

This fund accounts for funds received under the Home Investment Partnerships Program (HOME) designed to create affordable housing for low-income households.

Capital Improvement Projects Fund

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

	General	Base Reuse Special Revenue	HOME Program Special Revenue
ASSETS			
Cash and investments	\$35,557,557	\$42,333,694	
Restricted cash and investments	6,000		
Accounts receivable	12,517,615	8,254	\$38,667
Prepays and deposits	4,255		
Due from other funds	326,072		
Loans receivable			6,554,506
Advances to other funds	1,596,527		
	<u>50,008,026</u>	<u>42,341,948</u>	<u>6,593,173</u>
LIABILITIES			
Accounts payable	\$2,227,345	\$369,869	\$32,094
Accrued payroll	3,598,060	21,881	
Accrued interest			
Due to other funds			7,627
Due to other agencies	519,876		
Unearned revenue	1,452,418		
Refundable deposits	621,737	1,096,870	
Advances from other funds	368,812		
	<u>8,788,248</u>	<u>1,488,620</u>	<u>39,721</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - revolving loans receivable			6,554,506
Unavailable revenue - interest on advances	8,970		
	<u>8,970</u>		<u>6,554,506</u>
FUND BALANCES:			
Nonspendable	1,591,812		
Restricted		40,853,328	
Committed			
Assigned	16,173,757		
Unassigned	23,445,239		(1,054)
	<u>41,210,808</u>	<u>40,853,328</u>	<u>(1,054)</u>
Total Fund Balances	<u>41,210,808</u>	<u>40,853,328</u>	<u>(1,054)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>50,008,026</u>	<u>42,341,948</u>	<u>6,593,173</u>

See accompanying notes to financial statements.

Capital Improvement Projects	Other Governmental Funds	Total Governmental Funds
\$10,555,462	\$62,655,261	\$151,101,974
596,209	1,407,165	2,009,374
3,003,703	2,263,633	17,831,872
2,782,999	1,115	2,788,369
		326,072
	4,459,604	11,014,110
	475,636	2,072,163
<u>\$16,938,373</u>	<u>\$71,262,414</u>	<u>\$187,143,934</u>
\$2,461,669	\$4,138,362	\$9,229,339
75,664	298,776	3,994,381
	3,805	3,805
	29,132	36,759
2,855	121,732	644,463
1,097,000	1,132,565	3,681,983
38,246	709,676	2,466,529
	2,072,163	2,440,975
<u>3,675,434</u>	<u>8,506,211</u>	<u>22,498,234</u>
	4,459,604	11,014,110
	8,970	17,940
	<u>4,468,574</u>	<u>11,032,050</u>
2,782,999	1,115	4,375,926
	43,316,526	84,169,854
10,479,940	15,479,818	25,959,758
		16,173,757
	(509,830)	22,934,355
<u>13,262,939</u>	<u>58,287,629</u>	<u>153,613,650</u>
<u>\$16,938,373</u>	<u>\$71,262,414</u>	<u>\$187,143,934</u>





**City of Alameda
Reconciliation of
Governmental Funds Balance Sheet
with the Statement of Net Position
June 30, 2019**

Total fund balances reported on the governmental funds balance sheet \$153,613,650

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. 301,209,113

ALLOCATION OF INTERNAL SERVICE FUND POSITION ASSETS

Internal service funds are not governmental funds. However, they are used by management to charge the costs of certain activities, such as insurance, central services and maintenance to individual governmental funds. The net current assets of the Internal Service Funds are therefore included in Governmental Activities in the following line items in the Statement of Net Position.

Cash and cash equivalents	42,284,658
Restricted cash and investments	5,852,459
Accounts receivable	78,596
Prepays and deposits	31,260
Due from other funds	11,195
Advances	368,812
Capital assets, net of accumulated depreciation	4,627,672
Accounts payable	(1,922,340)
Accrued payroll	(54,224)
Accrued interest	(63,502)
Claims payable	(14,829,476)
Long-term debt	(2,826,376)

ACCRUAL OF NON-CURRENT REVENUES AND EXPENSES

Revenues that are unavailable on the Fund Balance Sheets because they are not available currently are taken into revenue in the Statement of Activities. 11,032,050

LONG-TERM ASSETS, LIABILITIES AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

Deferred outflows of resources related to pension	41,360,117
Deferred outflows of resources related to OPEB	1,461,836
Interest payable	(224,425)
Long-term debt	(34,170,689)
Compensated absences	(3,452,331)
Net pension liability	(223,764,945)
Total pension liability	(6,197,709)
Deferred inflows of resources related to pension	(2,722,303)
Net OPEB liability	(99,978,147)
Deferred inflows of resources related to OPEB	(6,781,527)

NET POSITION OF GOVERNMENTAL ACTIVITIES \$164,943,424

See accompanying notes to financial statements.



City of Alameda
Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended June 30, 2019

	<u>General</u>	<u>Base Reuse Special Revenue</u>	<u>HOME Program Special Revenue</u>
REVENUES			
Property taxes	\$42,037,930		
Sales taxes	11,527,704		
Transfer taxes	17,134,704		
Utility user taxes	9,077,314		
Other local taxes	10,131,804		
Licenses and permits	2,253,419		
Developer fees			
Revenues from other agencies	1,016,112	\$17,471	\$17,235
Charges for current services	3,840,788		
Fines and forfeitures	778,060		
Use of money and property	1,822,147	16,092,400	28,347
Other revenues	19,369	205,703	
	<u>99,639,351</u>	<u>16,315,574</u>	<u>45,582</u>
Total Revenues			
EXPENDITURES			
Current:			
General government	16,568,001		
Police	33,904,701		
Fire	34,541,826		
Public works	2,179,896		
Community development		11,005,250	
Community services	3,044,836		
Housing			46,676
Capital outlay	391,455	5,026	
Debt service:			
Principal	208,790		
Interest	14,564		
	<u>90,854,069</u>	<u>11,010,276</u>	<u>46,676</u>
Total Expenditures			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>8,785,282</u>	<u>5,305,298</u>	<u>(1,094)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	4,668,414		
Transfers (out)	(13,452,291)	(1,900,690)	
Issuance of debt			
Proceeds from the sale of capital assets		15,993,794	
	<u>(8,783,877)</u>	<u>14,093,104</u>	
Total Other Financing Sources (Uses)			
NET CHANGE IN FUND BALANCES	1,405	19,398,402	(1,094)
BEGINNING FUND BALANCES (DEFICITS)	<u>41,209,403</u>	<u>21,454,926</u>	<u>40</u>
ENDING FUND BALANCES (DEFICITS)	<u><u>\$41,210,808</u></u>	<u><u>\$40,853,328</u></u>	<u><u>(\$1,054)</u></u>

See accompanying notes to financial statements.

Capital Improvement Projects	Other Governmental Funds	Total Governmental Funds
	\$10,414,899	\$52,452,829
		11,527,704
		17,134,704
		9,077,314
	644,401	10,776,205
\$152,858	3,417,993	5,824,270
	750,446	750,446
4,499,788	11,991,094	17,541,700
2,999,458	5,831,529	12,671,775
	402,363	1,180,423
61,848	3,838,270	21,843,012
365,239	723,976	1,314,287
<u>8,079,191</u>	<u>38,014,971</u>	<u>162,094,669</u>
	7,297,016	23,865,017
	66,192	33,970,893
	611,259	35,153,085
	3,204,646	5,384,542
	5,539,068	16,544,318
	5,477,423	8,522,259
	2,782,015	2,828,691
20,625,740	4,653,333	25,675,554
	6,922,705	7,131,495
	1,321,168	1,335,732
<u>20,625,740</u>	<u>37,874,825</u>	<u>160,411,586</u>
<u>(12,546,549)</u>	<u>140,146</u>	<u>1,683,083</u>
17,741,043	10,717,726	33,127,183
	(16,083,728)	(31,436,709)
	4,906,000	4,906,000
	757,315	16,751,109
<u>17,741,043</u>	<u>297,313</u>	<u>23,347,583</u>
5,194,494	437,459	25,030,666
8,068,445	57,850,170	128,582,984
<u>\$13,262,939</u>	<u>\$58,287,629</u>	<u>\$153,613,650</u>





City of Alameda
Reconciliation of the
Net Change in Fund Balances - Governmental Funds
with the Change in Governmental Net Position
For the Year Ended June 30, 2019

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 \$25,030,666

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

CAPITAL ASSETS TRANSACTIONS

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

Capital outlay therefore added back to fund balance	25,675,554
Non-capitalized capital outlay expenditures were re-classified to various governmental activities	(8,285,112)
Retirement of capital assets are deducted from fund balance	(1,834,152)
Depreciation expense is deducted from fund balance (Depreciation expense is net of internal service fund depreciation of \$976,636 which has already been allocated to service funds)	(11,871,480)

LONG-TERM DEBT ISSUANCE 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.

Issuance of debt is deducted from fund balance	(4,906,000)
Repayment of debt principal is added back to fund balance	7,131,495
Amortization of bond premium is added back to fund balance	30,986

ACCRUAL OF NON-CURRENT ITEMS

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

Unavailable revenue	(165,577)
Interest payable	98,527
Net pension liability, and related deferred outflows/ inflows of resources	(8,794,591)
Total pension liability	1,802,676
Net OPEB liability, and related deferred outflows/ inflows of resources	(60,870)
Compensated absences	(19,467)

ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY

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

Change in Net Position - All Internal Service Funds	<u>6,561,874</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$30,394,529

See accompanying notes to financial statements.



City of Alameda
General Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Property taxes	\$39,229,000	\$40,355,000	\$42,037,930	\$1,682,930
Sales taxes	10,444,000	10,444,000	11,527,704	1,083,704
Transfer taxes	10,385,000	12,500,000	17,134,704	4,634,704
Utility user taxes	9,494,000	9,494,000	9,077,314	(416,686)
Other local taxes	8,123,100	8,747,100	10,131,804	1,384,704
Licenses and permits	2,428,200	2,296,200	2,253,419	(42,781)
Revenues from other agencies	497,200	1,132,700	1,016,112	(116,588)
Charges for current services	3,795,000	4,100,000	3,840,788	(259,212)
Fines and forfeitures	800,100	770,100	778,060	7,960
Use of money and property	1,556,464	1,556,464	1,822,147	265,683
Other revenue	3,864	2,936	19,369	16,433
	<u>86,755,928</u>	<u>91,398,500</u>	<u>99,639,351</u>	<u>8,240,851</u>
EXPENDITURES:				
Current:				
General government	16,619,849	18,862,781	16,568,001	2,294,780
Police	35,695,134	35,023,192	33,904,701	1,118,491
Fire	33,079,327	33,654,965	34,541,826	(886,861)
Public works	2,065,862	2,068,292	2,179,896	(111,604)
Community Services	3,300,738	2,873,266	3,044,836	(171,570)
Capital outlay	388,867	464,821	391,455	73,366
Debt service:				
Principal	241,899	241,899	208,790	33,109
Interest	226,890	226,890	14,564	212,326
	<u>91,618,566</u>	<u>93,416,106</u>	<u>90,854,069</u>	<u>2,562,037</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(4,862,638)</u>	<u>(2,017,606)</u>	<u>8,785,282</u>	<u>10,802,888</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,340,400	4,581,400	4,668,414	87,014
Transfers (out)	<u>(8,899,000)</u>	<u>(13,109,171)</u>	<u>(13,452,291)</u>	<u>(343,120)</u>
	<u>(4,558,600)</u>	<u>(8,527,771)</u>	<u>(8,783,877)</u>	<u>(256,106)</u>
NET CHANGE IN FUND BALANCE	<u>(\$9,421,238)</u>	<u>(\$10,545,377)</u>	1,405	<u>\$10,546,782</u>
Beginning fund balance			<u>41,209,403</u>	
Ending fund balance			<u>\$41,210,808</u>	

See accompanying notes to financial statements.



City of Alameda
Base Reuse
Special Revenue Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Revenue from other agencies			\$17,471	\$17,471
Use of money and property	\$14,109,000	\$14,109,000	16,092,400	1,983,400
Other			205,703	205,703
Total Revenues	14,109,000	14,109,000	16,315,574	2,206,574
EXPENDITURES:				
Current:				
Community development	10,258,934	11,818,171	11,005,250	812,921
Capital outlay			5,026	(5,026)
Total Expenditures	10,258,934	11,818,171	11,010,276	807,895
EXCESS OF REVENUES OVER EXPENDITURES	3,850,066	2,290,829	5,305,298	3,014,469
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets			15,993,794	15,993,794
Transfers (out)	(1,277,000)	(1,877,000)	(1,900,690)	(23,690)
Total other financing sources (uses)	(1,277,000)	(1,877,000)	14,093,104	15,970,104
NET CHANGE IN FUND BALANCE	\$2,573,066	\$413,829	19,398,402	\$18,984,573
Beginning fund balance			21,454,926	
Ending fund balance			<u>\$40,853,328</u>	

See accompanying notes to financial statements.



City of Alameda
HOME Program
Special Revenue Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Revenue from other agencies	\$169,504	\$244,691	\$17,235	(\$227,456)
Use of money and property	13,000	13,000	28,347	15,347
Other	496	496		(496)
Total Revenues	183,000	258,187	45,582	(212,605)
EXPENDITURES:				
Current:				
Housing	183,000	258,187	46,676	211,511
Total Expenditures	183,000	258,187	46,676	211,511
NET CHANGE IN FUND BALANCE			(1,094)	(\$1,094)
Beginning fund balance			40	
Ending fund balance			(\$1,054)	

See accompanying notes to financial statements.

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

The concept of major funds extends to Enterprise Funds. The City's only enterprise funds are major funds in fiscal year 2018-19:

Sewer Services Fund

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

Alameda Municipal Power Fund

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

	Business-Type Activities			Governmental Activities- Internal Service Funds
	Sewer Services	Alameda Municipal Power	Total Enterprise Funds	
ASSETS				
Current Assets				
Cash and cash equivalents	\$23,528,188	\$28,919,531	\$52,447,719	\$42,284,658
Investments		17,276,229	17,276,229	
Accounts receivable, net	520,357	6,749,841	7,270,198	78,596
Interest receivable		321,766	321,766	
Greenhouse gas related sales receivable		946,213	946,213	
Materials and supplies		4,104,160	4,104,160	
Due from other funds				11,195
Prepays and deposits		65,441	65,441	31,260
Total Current Assets	24,048,545	58,383,181	82,431,726	42,405,709
Noncurrent Assets				
Restricted investments	808,065	4,719,758	5,527,823	5,852,459
Share of certain NCPA projects and reserve		10,673,031	10,673,031	
Investments designated for special purposes		35,757,540	35,757,540	
Advances to other funds				368,812
Capital assets:				
Non-depreciable	2,540,846	4,082,363	6,623,209	
Depreciable, net of accumulated depreciation	77,433,000	35,632,187	113,065,187	4,627,672
Total Noncurrent Assets	80,781,911	90,864,879	171,646,790	10,848,943
Total Assets	104,830,456	149,248,060	254,078,516	53,254,652
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amount on refunding		561,795	561,795	
Related to pensions	230,510	2,657,801	2,888,311	
Related to OPEB	167	1,509	1,676	
Total Deferred Outflows of Resources	230,677	3,221,105	3,451,782	
LIABILITIES				
Current Liabilities:				
Accounts payable	783,594	1,228,972	2,012,566	1,922,340
Due to other funds		300,508	300,508	
Accrued payroll and other liabilities	28,611		28,611	54,224
Interest payable	166,852	640,525	807,377	63,502
Refundable deposits	6,079	4,219,174	4,225,253	
Compensated absences	62,888	530,200	593,088	
Claims payable		105,013	105,013	4,651,987
Long-term debt - current	532,351	1,340,000	1,872,351	341,864
Total Current Liabilities	1,580,375	8,364,392	9,944,767	7,033,917
Noncurrent Liabilities:				
Claims payable		934,938	934,938	10,177,489
Net pension liability	2,309,499	24,012,403	26,321,902	
Net OPEB liability	338,114	1,495,574	1,833,688	
Long-term debt	13,000,320	21,455,000	34,455,320	2,484,512
Total Noncurrent Liabilities	15,647,933	47,897,915	63,545,848	12,662,001
Total Liabilities	17,228,308	56,262,307	73,490,615	19,695,918
DEFERRED INFLOWS OF RESOURCES				
Purchased power balancing account		26,329,878	26,329,878	
Related to pensions	38,136	360,913	399,049	
Related to OPEB	17,376	85,624	103,000	
Total Deferred Inflows of Resources	55,512	26,776,415	26,831,927	
NET POSITION:				
Net investment in capital assets	66,441,175	31,576,345	98,017,520	1,801,296
Restricted				
Debt service	808,065	4,719,758	5,527,823	
Sewer system replacement	20,528,073		20,528,073	
Unrestricted		33,134,340	33,134,340	31,757,438
Total Net Position	\$87,777,313	\$69,430,443	\$157,207,756	\$33,558,734

See accompanying notes to financial statements.



**City of Alameda
Proprietary Funds
Statement of Revenues, Expenses
and Changes in Fund Net Position
For the Year Ended June 30, 2019**

	Business-Type Activities			Governmental Activities- Internal Service Funds
	Sewer Services	Alameda Municipal Power	Total Enterprise Funds	
OPERATING REVENUES				
Charges for services	\$11,216,139	\$64,290,054	\$75,506,193	\$12,302,861
Greenhouse gas related sales		2,277,784	2,277,784	
Miscellaneous	503	510,524	511,027	17,199,908
Total Operating Revenues	<u>11,216,642</u>	<u>67,078,362</u>	<u>78,295,004</u>	<u>29,502,769</u>
OPERATING EXPENSES				
General administrative	803,118	9,954,555	10,757,673	1,719,999
Operations and maintenance		40,801,766	40,801,766	
Wages and benefits	1,455,313		1,455,313	9,199,643
Insurance and claims				7,989,225
Contractual services	654,759		654,759	5,034,536
Depreciation	1,850,056	3,856,302	5,706,358	976,636
Utilities	100,827		100,827	
Supplies and maintenance	288,690		288,690	1,258,401
Balancing account adjustment		4,860,258	4,860,258	
Total Operating Expenses	<u>5,152,763</u>	<u>59,472,881</u>	<u>64,625,644</u>	<u>26,178,440</u>
Operating Income (Loss)	<u>6,063,879</u>	<u>7,605,481</u>	<u>13,669,360</u>	<u>3,324,329</u>
NONOPERATING REVENUES (EXPENSES)				
Interest income	536,672	1,584,596	2,121,268	1,145,552
Interest income on restricted investments		60,438	60,438	
Interest (expense)	(413,096)	(1,342,703)	(1,755,799)	(87,843)
Payment in-lieu of taxes	(741,585)	(1,474,996)	(2,216,581)	
Miscellaneous non-operating revenue		283,497	283,497	
Miscellaneous non-operating expense		(107,228)	(107,228)	
Gain (loss) from sale of capital assets		37,880	37,880	37,836
Total Nonoperating Revenues (Expenses)	<u>(618,009)</u>	<u>(958,516)</u>	<u>(1,576,525)</u>	<u>1,095,545</u>
Income (Loss) Before Transfers	<u>5,445,870</u>	<u>6,646,965</u>	<u>12,092,835</u>	<u>4,419,874</u>
Transfers in				2,142,000
Transfers (out)	(14,074)	(3,818,400)	(3,832,474)	
Change in net position	<u>5,431,796</u>	<u>2,828,565</u>	<u>8,260,361</u>	<u>6,561,874</u>
BEGINNING NET POSITION	<u>82,345,517</u>	<u>66,601,878</u>	<u>148,947,395</u>	<u>26,996,860</u>
ENDING NET POSITION	<u>\$87,777,313</u>	<u>\$69,430,443</u>	<u>\$157,207,756</u>	<u>\$33,558,734</u>

See accompanying notes to financial statements.

	Business-Type Activities			Governmental Activities- Internal Service Funds
	Sewer Services	Alameda Municipal Power	Total Enterprise Funds	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$11,231,393	\$64,469,549	\$75,700,942	\$29,469,469
Receipts from Special Sales (C&T and REC)		4,197,647	4,197,647	
Payments to suppliers	(1,769,789)	(41,447,018)	(43,216,807)	(8,093,113)
Payments to employees	(2,067,200)	(7,566,265)	(9,633,465)	(10,953,371)
Miscellaneous non-operating payments and receipts		(9,801)	(9,801)	
Insurance and claims paid				(4,800,054)
Net Cash Provided by (Used for) Operating Activities	7,394,404	19,644,112	27,038,516	5,622,931
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Payment in-lieu of taxes	(741,585)	(1,474,996)	(2,216,581)	
Interfund receipts				347,129
Interfund payments				8,050
Transfers in				2,142,000
Transfers (out)	(14,074)	(3,818,400)	(3,832,474)	
Cash Flows from Noncapital Financing Activities	(755,659)	(5,293,396)	(6,049,055)	2,497,179
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(7,130,313)	(2,364,907)	(9,495,220)	(1,020,974)
Proceeds from disposition of capital assets		37,880	37,880	48,000
Principal payments on capital debt	(616,639)	(1,275,000)	(1,891,639)	(559,790)
Interest paid	(421,919)	(1,312,884)	(1,734,803)	
Cash Flows from Capital and Related Financing Activities	(8,168,871)	(4,914,911)	(13,083,782)	(1,532,764)
CASH FLOWS FROM INVESTING ACTIVITIES				
Sales (purchases) of restricted investments	(16,419)	(58,255)	(74,674)	(2,327,788)
Sales (purchases) of investments reserved for special purposes		(7,193,134)	(7,193,134)	
Investment in certain NCPA projects and reserves		(790,185)	(790,185)	
Interest income	536,672	1,544,625	2,081,297	1,057,709
Cash Flows from Investing Activities	520,253	(6,496,949)	(5,976,696)	(1,270,079)
Net Cash Flows	(1,009,873)	2,938,856	1,928,983	5,317,267
Cash and cash equivalents at beginning of period	24,538,061	25,980,675	50,518,736	36,967,391
Cash and cash equivalents at end of period	\$23,528,188	\$28,919,531	\$52,447,719	\$42,284,658
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:				
Operating income (loss)	\$6,063,879	\$7,605,481	\$13,669,360	\$3,324,329
Adjustments to reconcile operating income to cash flows from operating activities:				
Depreciation and amortization	1,850,056	3,856,302	5,706,358	976,636
Pension related amounts	245,015	2,461,042	2,706,057	
OPEB related amounts	(51,293)	(483,509)	(534,802)	
Change in assets and liabilities:				
(Increase) decrease in accounts receivable and refundable deposits	14,751	1,057,825	1,072,576	(33,300)
(Increase) decrease in materials and supplies		(327,674)	(327,674)	
(Increase) decrease in prepaids		(741)	(741)	1,293,802
Increase (decrease) in accounts payable	(725,513)	300,435	(425,078)	
Increase (decrease) in balancing account		4,860,258	4,860,258	
Increase (decrease) in refundable deposits		531,009	531,009	
Increase (decrease) in claims payable		(176,146)	(176,146)	42,309
Increase (decrease) in accrued payroll and others	6,025		6,025	19,155
Increase (decrease) in due general fund		26,010	26,010	
Increase (decrease) in compensated absences	(8,516)	(30,369)	(38,885)	
Miscellaneous payments and receipts		(35,811)	(35,811)	
Cash Flows from Operating Activities	\$7,394,404	\$19,644,112	\$27,038,516	\$5,622,931
Non Cash Transactions:				
Retirement of capital assets		(\$66,500)	(\$66,500)	(\$10,164)

See accompanying notes to financial statements.

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

Other Post-Employment Benefit (OPEB) Plan Trust Funds are used to account for the medical benefits for former employees of the City.

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

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



City of Alameda
Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2019

	OPEB Trust Funds	Successor Agency Private-Purpose Trust Fund	Agency Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and investments	\$9,678	\$9,473,078	\$3,236,013
Restricted cash and investments		501	2,328,164
Restricted investments - mutual funds	13,968,226		
Accounts receivable			9,138
Interest receivable			14
Loans receivable		1,339,661	
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>13,977,904</u>	<u>10,813,240</u>	<u>\$5,573,329</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on refunding		3,671,931	
	<u> </u>	<u> </u>	
LIABILITIES			
Accounts payable		242,065	
Interest payable		736,056	\$266,167
Payable to the Housing Authority		91,082	
Due to bondholders			5,307,162
Long term debt:			
Due within one year		2,200,000	
Due in more than one year		53,443,281	
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities		<u>56,712,484</u>	<u>\$5,573,329</u>
NET POSITION			
Restricted for:			
Employees' OPEB benefits	13,977,904		
Held in trust for private purposes		(42,227,313)	
	<u> </u>	<u> </u>	
Total Net Position (Deficit)	<u>\$13,977,904</u>	<u>(\$42,227,313)</u>	

See accompanying notes to financial statements.



City of Alameda
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2019

	OPEB Trust Funds	Successor Agency Private-Purpose Trust Fund
ADDITIONS		
Net investment income:		
Interest income	\$827,366	
Net increase (decrease) in the fair value of investment	5,537	
Investment management fees	(33,100)	
Employer contributions	5,288,802	
Property taxes		\$10,773,589
Use of money and property		216,968
	6,088,605	10,990,557
DEDUCTIONS		
Administration		126,133
Retirement and other benefits	3,896,106	
Contractual services		5,707,701
Debt service:		
Interest and fiscal charges		2,292,570
	3,896,106	8,126,404
CHANGE IN NET POSITION	2,192,499	2,864,153
NET POSITION (DEFICIT), BEGINNING OF YEAR	11,785,405	(45,091,466)
NET POSITION (DEFICIT), END OF YEAR	\$13,977,904	(\$42,227,313)

See accompanying notes to financial statements.



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Note 1 – Summary of Significant Accounting Policies

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

A. *Reporting Entity*

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

Primary Government

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

Blended Component Units

The Alameda Public Financing Authority (APFA) is a separate government entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. APFA has the power to purchase bonds issued by any local agency at a public or negotiated sale and may sell such bonds to public or private purchasers at a public or negotiated sale. APFA is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for APFA. The financial activities of APFA are included in the City's financial statements. The Authority does not issue separate financial statements.

The City of Alameda Financing Authority (CAFA) is a separate government entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. CAFA has the power to purchase bonds issued by any local agency at a public or negotiated sale and may sell such bonds to public or private purchasers at a public or negotiated sale. CAFA is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for CAFA. The financial activities of CAFA are included in the City's financial statements. The Authority does not issue separate financial statements.

Note 1 – Summary of Significant Accounting Policies (Continued)**B. Basis of Presentation**

The City's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States.

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

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government, the City and its blended component units. These statements include the financial activities of the overall City government, except for fiduciary activities.

Eliminations have been made to minimize the double counting of internal activities. However, the interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed, in whole or in part, by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include: (a) charges paid by the recipients of goods or services offered by the programs; (b) grants and contributions that are restricted to meeting the operational needs of a particular program; and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category — *governmental*, *proprietary*, and *fiduciary* — are presented. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. *Operating* revenues, such as charges for services, and expenses, such as contractual services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as investment earnings, and expenses, such as interest expenses, result from nonexchange transactions or ancillary activities.

Note 1 – Summary of Significant Accounting Policies (Continued)

C. Major Funds

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

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

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

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

HOME Program Special Revenue Fund - This fund accounts for funds received under the Home Investment Partnerships Program (HOME) restricted for affordable housing for low-income households.

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

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

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

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

The City also reports the following fund types:

Internal Service Funds - The funds account for central stores, central garage, information technology projects, workers' compensation insurance and claims, general liability insurance and claims, unemployment insurance and post-employment benefits, all of which are provided to other departments on a cost-reimbursement basis.

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

Note 1 – Summary of Significant Accounting Policies (Continued)

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

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

D. Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Governmental funds are reported using the *current financial resources* measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are generally collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on governmental long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

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

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

Note 1 – Summary of Significant Accounting Policies (Continued)

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

E. Budgets and Budgetary Accounting

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

Annual budgets are adopted on a basis consistent with generally accepted accounting principles except for capital projects funds. The capital projects funds are budgeted on a project length basis and, therefore, are not comparable on an annual basis.

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of the formal budgetary process. Encumbrances outstanding at year-end are reported as a component of assigned fund balance in the General Fund, and as restricted or committed fund balance in other funds, since they do not constitute expenditures or liabilities and are re-appropriated in the following year. Encumbrances outstanding at year end do not lapse and are included as part of the following year budget.

The following funds incurred expenditures in excess of budget for the year ended June 30, 2019:

Fund Name	Amount
City Hall and Library Bonds Debt Service Fund	\$4,941,102
Base Reuse Debt Service Fund	245,002

Sufficient resources were available within each fund to finance the overages.

Note 1 – Summary of Significant Accounting Policies (Continued)

F. *Materials, Parts and Supplies*

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

Enterprise Fund supplies are valued at average cost and are used primarily for internal purposes.

G. *Capital Assets*

Capital assets, other than infrastructure assets, are defined by the City as assets with an initial, individual cost of more than \$10,000 for all funds except Alameda Municipal Power, which capitalizes all assets with an initial cost of more than \$5,000 and a useful life of at least three years. All capital assets, which include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed assets are valued at their acquisition value on the date contributed.

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

Depreciation is provided using the straight-line method, which means the cost of the asset is divided by its expected useful life in years, and the result is charged to expense each year until the asset is fully depreciated. The City has assigned the useful lives listed below to capital assets:

Electric Plant	30 – 50 years
Building and Improvements	40 – 80 years
Machinery, Furniture and Equipment	4 – 40 years
Infrastructure	15 – 75 years

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

H. *Compensated Absences*

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

Note 1 – Summary of Significant Accounting Policies (Continued)

Compensated absences activity for the year ended June 30, 2019 is as follows:

	Primary Government		Total
	Governmental Activities	Business Type Activities	
Beginning Balance	\$3,432,864	\$631,973	\$4,064,837
Additions	4,235,770	614,650	4,850,420
Payments	(4,216,303)	(653,535)	(4,869,838)
Ending Balance	<u>\$3,452,331</u>	<u>\$593,088</u>	<u>\$4,045,419</u>
Current Portion	<u>\$3,452,331</u>	<u>\$593,088</u>	<u>\$4,045,419</u>

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

I. Property Tax

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

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

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

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

Note 1 – Summary of Significant Accounting Policies (Continued)

J. Purchased Power Balancing Account

The Purchased Power Balancing Account is used by Alameda Municipal Power to help stabilize rates. Specifically, the balancing account accumulates differences between the actual costs of providing a utility service with the related revenues designated for recovery of such costs. Deferred amounts are refunded to or recovered from customers through authorized rate adjustments, but can be reciprocally the beneficiaries of any temporary over-collection. The effect of using the balancing account is that unanticipated changes in sales levels and purchased power costs do not immediately affect Alameda Municipal Power's rates, because they are included in operating expenses when matched by revenues.

K. Deferred Inflows / Outflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category: 1) deferred charges on refunding debt reported in the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price; this amount is deferred and amortized over the shorter of the life of the refunded or refunding debt and 2) deferred outflows related to OPEB and pensions.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the governmental funds, the City has one item which qualifies for reporting in this category (under the modified accrual basis of accounting). Accordingly, the item, unavailable revenues, is reported only in the governmental funds balance sheet and represents unavailable revenues from revolving notes receivable, grant reimbursements, and other miscellaneous revenues not yet received. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. At the government-wide statements, this item is eliminated and recognized as revenue since "availability" of resources is not a criteria used in the government-wide statements. In addition, the City reports deferred inflows related to pensions, OPEB and deferred inflows related to the Alameda Municipal Power Fund balancing account used to help stabilize rate discussed above.

L. Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs – other than quoted prices included within level 1 – that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

Note 1 – Summary of Significant Accounting Policies (Continued)

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

M. Use of Estimates

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

General Fund Fund Balance General Fund fund balance that is available at the close of any given fiscal year is estimated during the final stages of the budget development process for the following fiscal year. Fund balance is used to achieve and maintain the City's reserve goals, and to balance subsequent budgets only when recommended by the City Manager and approved by the City Council. It is the policy of the City Council to maintain available General Fund reserves of at least 20% of annual expenditures. In addition, the City should strive to reduce its reliance upon prior year's remaining fund balance to finance subsequent year operations.

Sewer Fund Reserves In its Sewer Fund, the City shall strive to maintain a minimum of six months of operating revenues and \$2 million for future capital projects in its reserves, to account for delays in receipt of sewer charges placed on the County tax roll and to ensure sufficient available cash to pay operating and capital expenses.

N. Implementation of New GASB Pronouncements

GASB Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements - The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement did not have a material impact on the financial statements for the fiscal year 2019. See relevant disclosures in Note 6.

GASB Statement No. 83, Certain Asset Retirement Obligations - This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This Statement did not have a material impact on the financial statements for the fiscal year 2019.

Note 1 – Summary of Significant Accounting Policies (Continued)

O. Upcoming GASB Pronouncements

The City is analyzing the effects of the following pronouncements and plans to adopt them by the effective dates:

The GASB issued Statement No. 84 "*Fiduciary Activities*." The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This statement became effective for periods beginning after December 15, 2018. The City is currently evaluating the impact on the financial statements.

The GASB issued Statement No. 87 "*Leases*." The objective of this statement is to improve guidelines related to the recognition of lease assets and liabilities that previously were classified as operating leases. This statement becomes effective for periods beginning after December 15, 2019. The City is currently evaluating the impact on the financial statements.

The GASB issued Statement No. 89 "*Accounting for Interest Cost Incurred Before the end of a Construction Period*." The objective of this statement is to enhance the relevance and comparability of information about capital assets and the cost of borrowing and to simplify account for interest cost. This statement becomes effective for periods beginning after December 15, 2019. The City is currently evaluating the impact on the financial statements.

The GASB issued Statement No. 90 "*Majority Equity Interest - An Amendment of GASB Statements No. 14 and No. 61*." The objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This statement becomes effective for periods beginning after December 15, 2018. The City is currently evaluating the impact on the financial statements.

The GASB issued Statement No. 91 "*Conduit Debt Obligations*." The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This statement becomes effective for periods beginning after December 15, 2020. The City is currently evaluating the impact on the financial statements.

P. Renamed Fund, New Fund and Closed Fund

The OPEB Trust Fund was renamed the Miscellaneous and Pre-2019 Safety OPEB Trust Fund.

The Post-2018 Safety OPEB Trust Fund was established to account for the payment of medical benefits on behalf of safety employees that were active employees as of January 1, 2019 and retire on or after that date.

The Emergency Operation Center/Fire Station #3 Capital Projects Fund was closed as of June 30, 2019.

Note 2 – Cash and Investments

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

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

A. Policies

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

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

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

Cash and cash equivalents are considered to be liquid assets for purposes of measuring cash flows. Restricted cash and investments are not included for cash flow purposes.

B. Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not use is restricted under the terms of City debt instruments or agency agreements. Cash and investments as of June 30, 2019, as presented on the Statement of Net Position and Statement of Fiduciary Net Position are as follows:

Statement of Net Position:	
Cash and investments	\$263,110,580
Restricted cash and investments	13,389,656
Investments designated for special purposes	35,757,540
Fiduciary Funds:	
Cash and investments	12,718,769
Restricted cash and investments	16,296,891
	16,296,891
Total cash and investments	\$341,273,436

Note 2 – Cash and Investments (Continued)

Cash and investments as of June 30, 2019 are composed of the following categories:

Cash on hand (petty cash and change funds)	\$10,525
Deposits with financial institutions	124,745,031
Investments	216,517,880

Total cash and investments	\$341,273,436

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

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

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

Authorized Investment Type	Maximum Maturity (A)	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
Bank/Time Deposits	5 Years	N/A	No Limit	No Limit
U.S. Treasury Bonds, Notes and Bills	5 Years	N/A	No Limit	No Limit
U.S. Agency and U.S. Government Sponsored Enterprise Securities	5 Years	N/A	75%	25%
Mutual Funds an Money Market Funds	5 Years	Highest rating by 2 NRSRO's	20%	10%
Bankers' Acceptances	180 Days	A1/P1	30%	5%
Commercial Paper	270 Days	A1/P1 (A rated issuer)	25%	5%
Negotiable Certificates of Deposit (NCD)	5 Years	No rating for amount under FDIC insurance; A1/A for amounts greater than FDIC insurance	30% (Combined with CDARs)	5%
California Local Agency Investment Fund (LAIF)	N/A	N/A	\$65,000,000 per account	\$65,000,000 per account
California Asset Management Program	N/A	N/A	No Limit	No Limit
Non-Negotiable Certificates of Deposit/ CDARs	3 Years	N/A	30% (Combined with NCDs)	5%
Municipal Obligations	5 Years	A (except City's own bonds)	30%	5%
Medium-Term Corporate Notes	5 Years	A	30%	5%
Supranationals	5 Years	AA	10% (US Dollar denominated)	No Limit
Asset backed securities	5 Years	AA or higher(with issuer rated A or higher)	15%	No Limit

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

Note 2 – Cash and Investments (Continued)

D. Investments Authorized by the California Government Code and Alameda Municipal Power's Investment Policy

Alameda Municipal Power's investment policy and the California Government Code allow Alameda Municipal Power to invest in the following, provided the credit ratings of the issuers are acceptable to Alameda Municipal Power, and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or Alameda Municipal Power's Investment Policy where Alameda Municipal Power's Investment Policy is more restrictive, that addresses interest rate risk, credit risk and concentration of credit risk.

This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of Alameda Municipal Power, rather than the general provisions of the California Government Code or Alameda Municipal Power's investment policy. Alameda Municipal Power's investment policy and the California Government Code allow Alameda Municipal Power to invest in the investments in the table in the next section:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Bank/Time Deposits	5 years	N/A	No Limit	No Limit
U.S. Treasury Obligations	5 years	N/A	No Limit	No Limit
U.S. Agency Obligations	5 years	N/A	75%	25%
Mutual Funds and Money Market Funds	5 years	Highest rating by two NRSROs	20%	10%
Bankers Acceptances	180 days	A1/P1	30%	5%
Commercial Paper	270 days	A1/P1	25%	5%
		No rating for amount under FDIC insurance; A-1 / A for amounts greater than FDIC insurance		
Negotiable Certificates of Deposit	5 years		30% (combined with CDARS)	5%
California Local Agency Investment Fund (LAIF)	Upon demand	N/A	\$65,000,000 per account	N/A
California Asset Management Program (CAMP) and CalTrust	Upon demand	N/A	No Limit	N/A
Non-Negotiable Certificates of Deposit/CDARS	3 years	N/A	30% (combined with NCDs)	5%
Municipal Obligations	5 years	A (except City's own bonds)	30%	5%
Medium Term Corporate Notes	5 years	A	30%	5%
Supranationals	5 years	AA	10% (US Dollar denominated)	No Limit
		AA or higher rated issue		
Asset-Backed Securities	5 years	(with issuer rated A or higher)	15%	No Limit

E. Public Agencies Post-Employment Trust

On March 1, 2014, the City adopted the Public Agencies Post-Employment Benefits Trust (PARS) to prefund other post-employment benefits (OPEB). The Trust is an irrevocable trust and qualifies as an Internal Revenue Section 115 trust. Investments of funds held in Trust are governed by the Investment Guideline Document for the investment account and by the agreement for administrative services with PARS, rather than the general provisions of the California Government Code or the City's investment policy. The City elected a discretionary investment approach, which allows the City to maintain oversight of the investment management, control on target yield and the portfolio' risk tolerance, under the Moderate Index PLUS and Balanced Index PLUS investment options. The assets in the OPEB trust are reported in the OPEB Trust Funds.

Note 2 – Cash and Investments (Continued)

On March 22, 2017, the City Council adopted resolution 15253 approving the adoption of an amendment to the Public Agencies Post-Employment Trust administered by PARS to establish a pension trust. This trust will assist the City in mitigating the CalPERS contribution rate volatility. The City elected a discretionary investment approach, which allows the City to maintain oversight of the investment management, control on target yield and the portfolio’ risk tolerance, under the Balanced Index PLUS investment option. This pension trust is a secondary trust to the City’s CalPERS Pension Plan; therefore, the assets are reported in the City’s Pension Stabilization Internal Service Fund. The assets in the Trust will eventually be used to fund pension plan obligations.

F. Investments Authorized by Debt Agreements

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

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum in Portfolio	Maximum Investment In One Issuer
Repurchase Agreements	30 days	Top Four Rating Categories	No Limit Per Account	No limit Per Account
U.S. Treasury Bonds, Notes and Bills	No Limit	N/A	No Limit	No Limit
U.S. Agency and U.S. Government Sponsored Enterprise Securities	No Limit	No Limit	No Limit	No Limit
State Obligations	No Limit	Not Lower Than Their Bond Rating	No Limit	No Limit
Commercial Paper	180 - 270 Days	A-1+	20% - No Limit	10% of outstanding issues (A rated issuer US organized and with operations in US with a total assets in excess of \$500 mil) - No limit
Negotiable Certificates of Deposit	No Limit	N/A	No Limit	No Limit
Time Certificates	No Limit	N/A	No Limit	No Limit
Corporate Notes and Bonds	No Limit	Not Lower Than Their Bond Rating	No Limit	No Limit
Guaranteed Investment Contracts	No Limit	AA - Not Lower Than Their Bond Rating	No Limit	No Limit
Shares of Beneficial Interest	No Limit	Top Rating Category Aam - Highest Rating	No Limit	No Limit
Money Market Mutual Funds	No Limit	Category	20%	No Limit
Bankers' Acceptances	365 days	A-1+	30%	30%
Municipal Bonds	No Limit	AAA	No Limit	No Limit
California Local Agency Investment Fund (LAIF) Investment Agreements	Upon Demand No Limit	N/A AA-	\$65,000,000 per account No Limit	\$65,000,000 per account No Limit
California State Warrants, Treasury Notes or Bonds	3 Years	Top Two Highest Short-Term or Long-Term Rating Categories	No Limit	No Limit

Note 2 – Cash and Investments (Continued)

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

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	N/A	N/A	No Limit	No Limit
State Obligations	N/A	N/A	No Limit	No Limit
U.S. Agency Securities (A)	N/A	N/A	No Limit	No Limit
Commercial Paper	N/A	A1/P1	25%	5%
Certificates of Deposit	5 years	A1/A	30%	5%
Bankers Acceptances	180 days	A1/P1	30%	5%
Money Market Mutual Funds	N/A	A	20%	No Limit
California Local Agency Investment Fund (LAIF)	N/A	N/A	No Limit	No Limit
Investment Agreements (B)	N/A	AA	No Limit	No Limit

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

(B) Investment agreements, including guaranteed investment contracts, repurchase agreements, forward purchase agreements

Note 2 – Cash and Investments (Continued)

G. Interest Rate Risk

Interest rate risk is the risk that changes in economic markets that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to the changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities, so that a portion of the portfolio is maturing or realizing maturity evenly over time as necessary in order to provide the cash flow and liquidity needed for operations. Information on the sensitivity of the fair values of the City’s investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investments by maturity at June 30, 2019:

Investment Type	12 Months or less	One to Five Years	Total
U.S. Government-Sponsored			
Enterprise Agencies	\$1,294,373	\$16,385,310	\$17,679,683
Medium-Term Corporate Notes:			
Non-callable	2,244,809	17,121,964	19,366,773
Callable	1,398,501	8,309,900	9,708,401
Asset Backed Securities	27,558	10,452,067	10,479,625
Supranationals	762,061	4,242,197	5,004,258
U.S. Treasury Notes	521,965	29,205,012	29,726,977
Money Market Mutual Funds	8,202,645		8,202,645
California Local Agency Investment Fund	98,561,337		98,561,337
Negotiable Certificates of Deposit	2,413,750	3,024,710	5,438,460
Time Certificates of Deposit	268,741	7,455,667	7,724,408
Municipal Bonds		4,625,313	4,625,313
Total Investments	\$115,695,740	\$100,822,140	216,517,880
Cash deposits with banks and on hand			124,755,556
Total Cash and Investments			\$341,273,436

The City and Alameda Municipal Power are participants in the Local Agency Investment Fund (LAIF), which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City and Alameda Municipal Power report their investments in LAIF at the fair value amounts provided by LAIF, which is the same as the value of the pool share. At June 30, 2019, the fair value approximated cost of the investments of the City and Alameda Municipal Power. The balance, available for withdrawal on demand, is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Each regular LAIF account is permitted to have up to 15 transactions per month, with a minimum transaction amount of \$5,000, a maximum transaction amount of \$65 million and at least 24 hours advance notice for withdrawals of \$10 million or more. Bond proceeds accounts are subject to a one-time deposit with no cap and are set up with a monthly draw down schedule. Included in LAIF’s investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2019, these investments had an average maturity of 173 days.

Note 2 – Cash and Investments (Continued)

H. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment when an investment matures. This is measured by the assignment of a credit rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, 2019, for each City’s investment type as provided by Standard and Poor’s:

Investment Type	AAA/AAAm	AA+ to AA-	A+ to A-	A-1+ to A-1	BBB+ (A)	Total
U.S. Government-Sponsored						
Enterprise Agencies		\$17,679,683				\$17,679,683
Medium Term Corporate Notes:						
Non-callable		4,614,917	\$14,097,808		\$402,560	19,115,285
Callable	\$646,332	2,191,271	5,809,303		1,061,495	9,708,401
Supranationals	3,333,070					3,333,070
Asset Backed Securities	5,887,036					5,887,036
Money Market Mutual Funds	3,482,887	4,719,758				8,202,645
Negotiable Certificates of Deposit		1,198,276	1,826,434	\$2,413,750		5,438,460
Municipal Bonds		3,194,252	1,181,203			4,375,455
Totals	<u>\$13,349,325</u>	<u>\$33,598,157</u>	<u>\$22,914,748</u>	<u>\$2,413,750</u>	<u>\$1,464,055</u>	<u>73,740,035</u>
<i>Not rated:</i>						
Medium Term Corporate Notes:						
Non-callable (B)						251,488
California Local Agency Investment Fund						98,561,337
Supranationals						1,671,188
Asset Backed Securities						4,592,589
Time Certificates of Deposit						7,724,408
Money Market Mutual Funds						
Municipal Bonds (B)						249,858
<i>Exempt:</i>						
US Treasury Notes						<u>29,726,977</u>
Total Investments						<u>\$216,517,880</u>

(A) Investments are rated A3 by Moody's Investors Service, Inc., which is in compliance with the City's Investment Policy minimum credit rating requirements.

(B) Investments are rated A1 and Aaa, respectively, by Moody's Investors Service, Inc., which is in compliance with Alameda Municipal Power's Investment Policy minimum credit rating requirements.

I. Custodial Credit Risk

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

Note 2 – Cash and Investments (Continued)**J. Fair Value Measurements**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the City's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the City's own data.

The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The determination of what constitutes observable requires judgment by the City's management. City management considers observable data to be that market data, which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market. The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to City management's perceived risk of that investment.

Deposits and withdrawals in governmental investment pools, such as LAIF are made on the basis of \$1 and not fair value. Accordingly, the City's proportionate share in these types of investments is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

The following is a description of the valuation methods and assumptions used by the City to estimate the fair value of its investments. There have been no changes in the methods and assumptions used at June 30, 2019. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. City management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 2 – Cash and Investments (Continued)

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy.

For investments classified within Level 2 of the fair value hierarchy, the City's custodians generally use a multi-dimensional relational model. Inputs to their pricing models are based on observable market inputs in active markets. The inputs to the pricing models are typically benchmark yields, reported trades, broker-dealer quotes, issuer spreads and benchmark securities, among others.

As of June 30, 2019, the City has the following recurring fair value measurements:

	Fair Value Measurements on a Recurring Basis Using		
	Balance at June 30, 2019	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by Fair Value:			
U.S. Government-Sponsored Enterprise Agencies	\$17,679,683		\$17,679,683
Medium-Term Corporate Notes			
Non-callable	19,366,773		19,366,773
Callable	9,708,401		9,708,401
Asset Backed Securities	10,479,625		10,479,625
Supranationals	5,004,258		5,004,258
U.S. Treasury Notes	29,726,977	\$29,726,977	
Negotiable Certificates of Deposit	5,438,460		5,438,460
Time Certificates of Deposit	7,724,408		7,724,408
Municipal Bonds	4,625,313		4,625,313
Total Investments by Fair Value Level	<u>109,753,898</u>	<u>\$29,726,977</u>	<u>\$80,026,921</u>
Investments Not Measured at Fair Value or Subject to Fair Value Hierarchy:			
Local Agency Investment Funds	98,561,337		
Money Market Mutual Funds	8,202,645		
Total Investments Not Measured at Fair Value	<u>106,763,982</u>		
Total Investments	<u>\$216,517,880</u>		

Note 2 – Cash and Investments (Continued)

K. Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City's investments include corporate notes that have an embedded call feature. At June 30, 2019, those investments consisted of:

Issuer	Maturity Date	Callable Date	Reported Amount
American Express Credit	3/3/2020	2/1/2020	\$254,733
American Express Credit	10/30/2019	7/30/2019	314,251
American Express Credit Corp Notes	11/5/2021	10/5/2021	103,087
American Express Co	5/20/2022	4/20/2022	101,221
BNY Mellon Corp Note	8/17/2020	7/17/2020	301,553
Branch Banking & Trust Corp Notes	9/3/2021	8/3/2021	157,773
Branch Banking & Trust Corp Notes	6/20/2022	5/20/2022	280,903
Boeing Co Note	6/15/2023	4/15/2023	392,646
Bank of America Corp Note 1X	3/5/2024	3/5/2023	622,007
Citigroup Inc Corp Note	1/10/2020	12/10/2019	210,037
Charles Schwab Corp Notes	5/21/2021	4/21/2021	270,131
Citigroup Inc Corp Note	12/8/2021	11/8/2021	227,333
Chubb INA Holding Inc Note	11/3/2020	10/3/2020	570,244
Costco Wholesale Corp Note	5/18/2021	4/18/2021	225,227
EXXON Mobile Corp Note	3/6/2022	1/6/2022	50,415
EXXON Mobile Corp Note	3/6/2022	1/6/2022	126,038
EXXON Mobile Corp Note	3/6/2020	2/6/2020	199,663
EXXON Mobile Corp Note	3/1/2021	2/1/2021	626,732
Goldman Sachs Group Inc Bonds	12/13/2019	11/13/2019	419,817
IBM Credit Corp Note	9/8/2022	8/8/2022	548,639
Jpmorgan Chase & Co Corp Notes	6/18/2022	6/18/2021	434,336
JP Morgan Chase & Co Note 1X	1/15/2023	1/15/2022	507,257
Microsoft Note Cont	11/3/2020	10/3/2020	229,908
Microsoft Note Cont	8/8/2021	7/8/2021	416,424
Merck & Co Inc Corp Notes	9/15/2022	6/15/2022	151,381
ORACLE Corp Note	9/15/2021	8/15/2021	577,064
PNC Bank Note Cont	7/28/2022	6/28/2022	646,610
US Bancorp Notes	1/24/2022	12/23/2021	282,993
Visa Inc Note	9/15/2022	8/15/2022	225,942
3M Company	9/14/2021	8/14/21	101,896
3M Company Bonds	3/1/2022	2/1/2022	132,140

Note 3 – Interfund Transactions

A. Current Balances

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. The purpose of these balances is to eliminate negative cash balances at year end in various funds. At June 30, 2019, the amounts of current interfund balances were as follows:

Due From Other Funds	Due To Other Funds	Amount
General Fund	HOME Program Special Revenue Fund	\$7,627
	Non-Major Governmental Funds	29,132
	Alameda Municipal Power Enterprise Fund	289,313
General Liability Insurance Internal Service Fund	Alameda Municipal Power Enterprise Fund	11,195
		<u>\$337,267</u>

B. Long-Term Advances

Loan from Equipment Replacement Fund

In July 2014, the City Council authorized a long-term loan from the Equipment Replacement Internal Service Fund to the Fire Station 3/Emergency Operations Center Capital Projects Fund in the amount of \$809,000 for the construction of the new Fire Station. In October 2018, the amount of the loan was reduced to \$408,626 and the remaining \$307,305 of the loan was transferred to the General Fund. The loan bears a 3% simple interest rate and will be due in full in 20 years. The advance is secured by a promissory note where the City’s General Fund is pledged as security for the repayment of the loan. The outstanding loan balance at June 30, 2019 was \$368,812.

Loan from General Fund and FISC Lease Revenue Fund

In June 2017, the City Council authorized a long-term loan from the General Fund (\$700,000) and FISC Lease Revenue Fund (\$700,000) to the Development Impact Fee Fund for the construction of Estuary Park. The principal balances of the loans bear simple interest at a simple annual rate equivalent to the LAIF rate in effect at the time. In June 2019, the City Council authorized an additional loan of \$1,120,891 from the General Fund to the Development Impact Fee Fund. This portion of the advance bears no interest. The advances are secured by a promissory note where available funds from the Development Impact Fee Fund are pledged as security for the repayment of the loan. The original loans are repayable in annual installments of \$233,334 through June 30, 2020 and the additional loan is repayable in annual payments of \$120,000 through June 30, 2029. The outstanding balance of the loans at June 30, 2019 was \$2,072,163.

Note 3 – Interfund Transactions (Continued)

C. Transfers Between City Funds

With Council approval, resources may be transferred from one City fund to another. Transfers between City funds during fiscal year 2018-19 were as follows:

Fund Receiving Transfers	Fund Making Transfer	Amount Transferred
General Fund	Non-Major Governmental Funds	\$850,014 A
	Alameda Municipal Power Enterprise Fund	3,818,400 B
Capital Improvement Fund	General Fund	4,047,000 C
	Base Reuse Special Revenue Fund	1,200,000 C
	Non-Major Governmental Funds	12,479,969 C
	Sewer Services Enterprise Fund	14,074 C
Non-Major Governmental Funds	General Fund	7,263,291 A,C,D
	Base Reuse Special Revenue Fund	700,690 C
	Non-Major Governmental Funds	2,753,745 A,C,D
Internal Service Funds	General Fund	<u>2,142,000 A</u>
Total		<u><u>\$35,269,183</u></u>

The reasons for these transfers are set forth below:

- (A) To fund library, recreation, debt service, deferred maintenance and OPEB Costs
- (B) Transfer from Alameda Municipal Power Fund to the General Fund per Charter
- (C) To fund capital and storm drain projects
- (D) To fund housing projects

D. Internal Balances

Internal balances are presented in the entity-wide financial statements only. They represent the net interfund receivables and payables remaining after the elimination of all such balances within governmental and business-type activities.

Note 4 – Housing Rehabilitation and Affordable Housing Loans Receivable

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

The City’s remaining outstanding balance of the loans receivable from these programs at June 30, 2019 was \$11,014,110, which has been offset with unavailable revenue. Included in the outstanding balance are receivables totaling \$1,742,517 from the Alameda Housing Authority.

Note 5 – Capital Assets

A. Capital Asset Additions and Retirements

City capital asset activities for the year ended June 30, 2019, are as follows:

	Balance at June 30, 2018	Additions	Retirements	Transfers	Balance at June 30, 2019
<i>Governmental activities</i>					
Capital assets not being depreciated:					
Land	\$5,995,318				\$5,995,318
Construction in progress	31,071,904	\$16,118,305	(\$1,788,562)	(\$30,283,479)	15,118,168
Total capital assets not being depreciated	37,067,222	16,118,305	(1,788,562)	(30,283,479)	21,113,486
Capital assets being depreciated:					
Buildings	263,944,670			482,622	264,427,292
Machinery and equipment	35,494,018	2,293,111	(488,040)	45,688	37,344,777
Infrastructure:					
Streets	166,286,431			13,895,077	180,181,508
Street Lights	5,361,683				5,361,683
Landscape	21,323,234				21,323,234
Storm drains	22,638,842				22,638,842
Potable water systems	1,353,939				1,353,939
Parks	7,421,547			15,860,092	23,281,639
Marina facilities	25,011,156				25,011,156
Golf improvements	4,205,963				4,205,963
Total capital assets being depreciated	553,041,483	2,293,111	(488,040)	30,283,479	585,130,033
Less accumulated depreciation:					
Buildings	(119,163,962)	(3,445,448)			(122,609,410)
Machinery and equipment	(26,482,482)	(1,658,137)	432,286		(27,708,333)
Infrastructure:					
Streets	(82,740,339)	(4,924,381)			(87,664,720)
Street Lights	(986,236)	(986,236)			(1,972,472)
Landscape	(18,465,376)	(141,076)			(18,606,452)
Storm drains	(10,652,733)	(435,082)			(11,087,815)
Potable water systems	(1,208,587)	(7,852)			(1,216,439)
Parks	(3,711,913)	(903,142)			(4,615,055)
Marina facilities	(21,134,588)	(187,350)			(21,321,938)
Golf improvements	(3,444,688)	(159,412)			(3,604,100)
Total accumulated depreciation	(287,990,904)	(12,848,116)	432,286		(300,406,734)
Net capital assets being depreciated	265,050,579	(10,555,005)	(55,754)	30,283,479	284,723,299
Governmental activity capital assets, net	\$302,117,801	\$5,563,300	(\$1,844,316)		\$305,836,785

Note 5 – Capital Assets (Continued)

	Balance at June 30, 2018	Additions	Retirements	Transfers	Balance at June 30, 2019
<i>Business-type activities</i>					
Capital assets, not being depreciated:					
Land and Rights	\$153,643	\$66,500			\$220,143
Construction in progress	8,157,618	9,495,220		(\$11,249,772)	6,403,066
Total capital assets not being depreciated	8,311,261	9,495,220		(11,249,772)	6,623,209
Capital assets, being depreciated:					
Utility Plant	86,123,809			791,306	86,915,115
Service Center Building	8,130,625			37,444	8,168,069
Machinery and equipment	10,018,020			105,577	10,123,597
Transportation equipment	3,318,156		(\$148,133)	232,616	3,402,639
Computer equipment	4,168,912			208,417	4,377,329
Furniture and fixtures	2,378,515				2,378,515
Sewer lines	102,072,641			9,874,412	111,947,053
Easements	185,500		(185,500)		
Total capital assets being depreciated	216,396,178		(333,633)	11,249,772	227,312,317
Less accumulated depreciation for:					
Utility Plant	(54,033,016)	(3,210,737)			(57,243,753)
Service Center Building	(4,237,510)	(181,241)			(4,418,751)
Machinery and equipment	(8,905,424)	(127,833)			(9,033,257)
Transportation equipment	(2,621,613)	(137,932)	148,133		(2,611,412)
Computer equipment	(3,785,660)	(163,176)			(3,948,836)
Furniture and fixtures	(1,969,963)	(91,610)			(2,061,573)
Sewer lines	(33,135,719)	(1,793,829)			(34,929,548)
Easement	(119,000)		119,000		
Total accumulated depreciation	(108,807,905)	(5,706,358)	267,133		(114,247,130)
Total depreciable assets	107,588,273	(5,706,358)	(66,500)	11,249,772	113,065,187
Business-type activity capital assets, net	\$115,899,534	\$3,788,862	(\$66,500)		\$119,688,396

B. Capital Asset Contributions

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

Note 5 – Capital Assets (Continued)

C. Depreciation Allocation

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

<i>Governmental Activities:</i>	
General government	\$168,382
Police	115,377
Fire	532,786
Public works	7,059,430
Community development	2,271,302
Community services	1,724,203
Internal Service Funds	976,636
	<hr/>
Total Governmental Activities	\$12,848,116
	<hr/> <hr/>
<i>Business-Type Activities:</i>	
Sewer services	\$1,850,056
Alameda Municipal Power	3,856,302
	<hr/>
Total Business-Type Activities	\$5,706,358
	<hr/> <hr/>

Note 6 – Long-Term Debt

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

Note 6 – Long-Term Debt (Continued)

A. City Long-Term Debt

The City’s long-term debt activities for the year ended June 30, 2019, are as follows:

	CUSIP Number	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019	Current Portion
Governmental Activities Debt:						
Loans and Leases From Direct Borrowing						
Leases Payable	not applicable	\$3,386,166		(\$559,790)	\$2,826,376	\$341,864
HUD Section 108 Loan	not applicable	5,213,000		(5,213,000)		
HUD Section 108 Loan Refinance, 2019 Series A	not applicable		\$4,906,000		4,906,000	339,000
I-Bank Loan	not applicable	2,863,419		(139,705)	2,723,714	142,900
Alameda County EMS Liability	not applicable	2,179,712		(208,790)	1,970,922	215,054
Total Loans and Leases from Direct Borrowing		<u>13,642,297</u>	<u>4,906,000</u>	<u>(6,121,285)</u>	<u>12,427,012</u>	<u>1,038,818</u>
Certificates of Participation						
2008 Refinancing Project	010762	1,290,000		(300,000)	990,000	315,000
2013 Financing Project	010762	7,145,000		(505,000)	6,640,000	520,000
Plus: Unamortized bond premium		301,269		(25,519)	275,750	
Total Certificates of Participation		<u>8,736,269</u>		<u>(830,519)</u>	<u>7,905,750</u>	<u>835,000</u>
2003 ARRA Demand Revenue Bonds	010808	9,800,000		(400,000)	9,400,000	400,000
2013 General Obligation Refunding Bonds	010752	7,570,000		(365,000)	7,205,000	380,000
Plus: Unamortized bond premium		64,770		(5,467)	59,303	
Subtotal		<u>17,434,770</u>		<u>(770,467)</u>	<u>16,664,303</u>	<u>780,000</u>
Total Governmental Activities Debt		<u>39,813,336</u>	<u>4,906,000</u>	<u>(7,722,271)</u>	<u>36,997,065</u>	<u>2,653,818</u>
Business-Type Activities Debt:						
Loans From Direct Borrowing						
State Revolving Fund Loan, 1998	not applicable	144,670		(144,670)		
State Revolving Fund Loan, 1999	not applicable	128,479		(63,420)	65,059	65,059
State Revolving Fund Loan, 2004	not applicable	473,771		(89,952)	383,819	92,292
Total Loans from Direct Borrowing		<u>746,920</u>		<u>(298,042)</u>	<u>448,878</u>	<u>157,351</u>
Sewer Revenue Bonds, 2012 Series A	010782	13,315,000		(315,000)	13,000,000	375,000
Plus: Unamortized bond premium		87,390		(3,597)	83,793	
Revenue Bonds, Series 2010A	010808	8,700,000			8,700,000	
Taxable Revenue Bonds, Series 2010B	010808	15,370,000		(1,275,000)	14,095,000	1,340,000
Subtotal		<u>37,472,390</u>		<u>(1,593,597)</u>	<u>35,878,793</u>	<u>1,715,000</u>
Total Business-Type Activities Debt		<u>38,219,310</u>		<u>(1,891,639)</u>	<u>36,327,671</u>	<u>1,872,351</u>
Total Debt		<u>\$78,032,646</u>	<u>\$4,906,000</u>	<u>(\$9,613,910)</u>	<u>\$73,324,736</u>	<u>\$4,526,169</u>

Note 6 – Long-Term Debt (Continued)

B. Debt Service Requirements

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

For the Year Ending June 30,	Governmental Activities			
	Loans and Leases from Direct Borrowing		Certificates of Participation and Bonds	
	Principal	Interest	Principal	Interest
2020	\$1,038,818	\$248,759	\$1,615,000	\$725,655
2021	1,135,123	246,047	1,660,000	672,374
2022	1,222,967	221,071	1,815,000	615,390
2023	1,272,345	194,504	1,600,000	554,410
2024	1,318,273	166,733	1,640,000	507,135
2025-2029	5,301,174	386,178	8,795,000	1,765,278
2030-2034	937,710	77,521	7,110,000	496,643
2035-2039	200,602	2,294		
Subtotal	12,427,012	\$1,543,107	24,235,000	\$5,336,885
Plus unamortized bond premium			335,053	
Total	\$12,427,012		\$24,570,053	

For the Year Ending June 30,	Business-Type Activities			
	Loans from Direct Borrowing		Bonds	
	Principal	Interest	Principal	Interest
2020	\$157,351	\$11,809	\$1,715,000	\$1,638,763
2021	94,692	7,580	1,800,000	1,551,689
2022	97,154	5,118	1,885,000	1,460,159
2023	99,681	2,592	2,015,000	1,353,309
2024			2,135,000	1,233,016
2025-2029			10,330,000	4,181,668
2030-2034			9,930,000	1,386,580
2035-2039			3,110,000	708,218
2040-2043			2,875,000	190,266
Subtotal	448,878	\$27,099	35,795,000	\$13,703,668
Plus unamortized bond premium			83,793	
Total	\$448,878		\$35,878,793	

Note 6 – Long-Term Debt (Continued)

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

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

Governmental Activities Debt

Certificates of Participation – Some of the City's obligations are in the form of long-term leases between the City and the Alameda Public Financing Authority. Under these arrangements, the City enters into a legal agreement with the Authority to lease a specified City property to the Authority for an up-front, lump-sum lease payment. The City uses the lease proceeds to fund major capital improvements. The City furthermore continues to make use of the leased facility, and in return for that uses agrees to pay the Authority regular lease payments. The Authority, in turn, sells shares of the City's lease payments to investors. The shares are called Certificates of Participation, or COPs. The City's lease payments are made to the certificate holders through the Trustee over the term of the agreement. The cost of the assets securing these leases and the balance of the debt evidenced by these Certificates of Participation have been included in the City's financial statements, as these leases are in essence financing arrangements with ownership of the financed assets reverting to the City at the conclusion of the lease term.

2008 Refinancing Project Certificates of Participation – In July 2008, the City Council entered into a lease agreement with the Alameda Public Financing Authority for the Police Administration Building. The Authority issued Certificates of Participation to investors (in the amount of \$4,575,000) to refinance and defease the 1996 Police Building and the 1996 Library and Golf Course Upgrade and Renovation Certificates of Participation. The 2008 Certificates are collateralized by the leased Police Administration Building over the term of the lease; the City may substitute alternative sites/facilities as collateral at its option over the same time period. The certificates bear interest rates from 4% to 5%, which are payable semi-annually in May and November. The City's principal payments commenced on May 1, 2011.

The City is obligated to make the necessary annual appropriations within its budget for all lease payments owed under the lease agreement. In the event of default on the payments, the City is obligated to take certain actions or consent to certain actions of a financial nature as more fully described in the lease and related documents contained [at the EMMA-MSRB website](#), but the trustee has no right to accelerate the lease payments.

2013 Financing Project Certificates of Participation – On September 17, 2013, the City of Alameda Financing Authority authorized the issuance of the Certificates of Participation (2013 Refinancing Project) in the amount of \$9,610,000 to repay the City of Alameda 2002 Certificates of Participation and to finance the costs of construction of a new City Emergency Operations Center and associated expenses. The 2013 Certificates are collateralized by the leased Alameda City Hall over the term of the lease; the City may substitute alternative sites/facilities as collateral at its option over the same time period. The 2013 Certificates bear interest from 3% to 4%, which is payable semi-annually in May and November. Principal payments are due annually and commenced on May 1, 2014.

Note 6 – Long-Term Debt (Continued)

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

The pledge of sublease revenues ends upon repayment of the \$10,869,117 in remaining debt service on the Bonds, which is scheduled to occur in 2034. As disclosed in the bond indenture documents, pledged future sublease revenues are expected to provide coverage over debt service of 1.5 during the life of the Bonds. For fiscal year 2018-19, sublease revenues amounted to \$13,353,444, which represented coverage of 2,306% over the \$579,080 in debt service.

General Obligation and Revenue Bonds

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

Leases and Loans Payable

Leases Payable – At June 30, 2019, the City held the following leases payable. Under the lease agreements, ownership of the capital assets reverts to the City at the end of the lease terms. Since the leases are in essence financing arrangements, the costs of the capital assets and the amounts of the lease terms have been included in the City’s financial statements.

2011 Fire Apparatus Lease Payable – On October 19, 2011, the City entered into a lease agreement in the amount of \$1,750,000 with Oshkosh Capital to acquire two fire apparatus vehicles. The City agreed to pay the lease starting on October 19, 2012, with annual payments of \$147,127, which includes an interest rate of 3.05%, for fifteen years. Balance of the lease as of June 30, 2019, was \$1,030,579.

2011 Radio Lease Payable – On October 1, 2011, the City entered into a lease agreement in the amount of \$1,507,194 with Holman Capital Corporation to acquire 206 hand-held radios and 124 vehicle radios. The City agreed to pay the lease starting on October 11, 2012, with annual payments of \$227,595, which includes an interest rate of 1.89%, for seven years. The loan was repaid during fiscal year 2019.

Note 6 – Long-Term Debt (Continued)

2012 Fire Truck Lease Payable – On September 26, 2012, the City entered into a lease agreement in the amount of \$1,965,726 with Oshkosh Capital to acquire two fire apparatus vehicles. The City agreed to pay the lease starting on September 26, 2013, with annual payments of \$162,546, which includes an interest rate of 2.82%, for fifteen years. Balance of the lease as of June 30, 2019, was \$1,276,190.

2013 Ambulance Lease Payable – On April 23, 2013, the City entered into a lease agreement in the amount of \$199,348 with Oshkosh Capital to acquire an ambulance vehicle. The City agreed to pay the lease starting on April 24, 2013, with annual payments of \$25,584 which includes an interest rate of 2.90%, for eight years. Balance of the lease as of June 30, 2019, was \$21,157.

2013 Ambulance Lease Payable – On August 14, 2013, the City entered into a lease agreement in the amount of \$140,000 with US Bancorp to acquire an ambulance vehicle. The City agreed to pay the lease starting on October 24, 2013, with annual payments of \$21,779, which includes an interest rate of 2.94% for seven years. Balance of the lease as of June 30, 2019, was \$24,863.

2014 Fire Apparatus Lease Payable – On July 1, 2014, the City entered into a lease agreement in the amount of \$673,799 with Oshkosh Capital to acquire one fire apparatus vehicle. The City agreed to pay the lease starting on August 5, 2015, with annual payments of \$66,926, which includes an interest rate of 2.81% for ten years. Balance of the lease as of June 30, 2019 was \$473,587.

The leased equipment had book values at June 30, 2019 as follows:

	2011 <u>Fire Apparatus</u>	2011 <u>Radios</u>	2012 <u>Fire Trucks</u>	2013 <u>Ambulance</u>	2013 <u>Ambulance</u>	2014 <u>Fire Apparatus</u>
Equipment	\$1,750,000	\$1,523,271	\$1,750,791	\$197,288	\$140,037	\$673,799
Less: Accumulated Depreciation	<u>(904,167)</u>	<u>(1,523,271)</u>	<u>(527,894)</u>	<u>(197,288)</u>	<u>(133,035)</u>	<u>(331,284)</u>
Book Value	<u>\$845,833</u>	<u>\$0</u>	<u>\$1,222,897</u>	<u>\$0</u>	<u>\$7,002</u>	<u>\$342,515</u>

HUD Section 108 Loan – On January 5, 2006, the City entered into an agreement to borrow \$7,000,000 from the Housing and Urban Development Department. In September 2006, the City drew down \$4,000,000 for the construction of the Alameda Theater Garage Project. In August 2007, the City drew down an additional \$3,000,000 for the same project. Principal and interest payments of both loans are due semi-annually on August and February through 2027. The loan carries a variable interest rate of 20 points above the LIBOR rate. Repayments of the loans are funded by a BEDI (Brownfields Economic Development Initiative) grant, parking garage and retail and cinema lease revenues. On January 24, 2019 proceeds from the HUD Section 108 Loan Refinancing Series 2019-A (described below) were used to refund \$5,213,000 of the original HUD loans.

HUD Section 108 Loan Refinance Series 2019-A – The City issued HUD Section Loan Refinancing Bonds of \$4,906,000 on January 24, 2019 to refinance the outstanding portion of the City’s HUD Section 108 Loan, maturing on 08/01/2026, and 08/01/2027 and also to pay the costs of issuance of the Refinancing Loan. Principal payments are payable annually on August 1, and semi-annual interest payments are payable on February 1 and August 1 each fiscal year. The outstanding balance as of June 30, 2019 is \$4,906,000.

Note 6 – Long-Term Debt (Continued)

IBank Loan – On June 1, 2015, the City entered into an agreement to borrow \$3,000,000 from the California Infrastructure and Economic Development Bank. Loan proceeds were received in fiscal year 2015-16 and will be used to finance construction of a new fire station. Principal and interest payments are due semi-annually on February 1 and August 1 through 2034. The loan bears interest of 2.287%. The outstanding balance as of June 30, 2019 is \$2,723,714.

Alameda County EMS Liability – From 2005 to 2010, the County of Alameda provided Emergency Medical Services, First Responder Advanced Life Support, and Ambulance Transport Services to the City of Alameda. During this time, the City incurred an obligation of \$3,621,887 to the County. On November 1, 2011, the County of Alameda and the City of Alameda entered into an agreement to repay this obligation using First Responder Advanced Life Support funding until the debt is fully repaid. As of June 30, 2019, the outstanding balance is \$1,970,922.

D. Business-Type Activities Debt

Loans Payable

State Revolving Fund Loan 1998 – The City entered into a contract on July 1, 1998, to borrow funds from the State Water Resources Control Board. The funds are being used for a Sewer Replacement Project to correct infiltration and inflow. The maximum loan amount is \$2,292,025, of which all has been drawn down. This loan bears interest at 2.6% per year for a term of twenty years. The loan was repaid during fiscal year 2019.

State Revolving Fund Loan 1999 – The City entered into a contract on September 29, 1999, to borrow funds from the State Water Resources Control Board. The funds are being used for a Sewer Replacement Project to correct infiltration and inflow. The maximum loan amount is \$1,193,529 and bears interest at 2.7% per year for a term of twenty years. The balance as of June 30, 2019, was \$65,059.

State Revolving Fund Loan 2004 – The City entered into a contract on August 12, 2004, to borrow funds from the State Water Resources Control Board. The funds are being used for a Sewer Replacement Project to correct infiltration and inflow. The maximum loan amount is \$1,840,292 and bears interest at 2.6% per year for a term of twenty years. The balance as of June 30, 2019, was \$383,819.

Revenue Bonds

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

The pledge of sublease revenues ends upon repayment of the \$18,362,560 in remaining debt service on the Bonds, which is scheduled to occur in 2042. As disclosed in the bond indenture documents, pledged future revenues are expected to provide coverage over debt service of 1.25 during the life of the Bonds. For fiscal year 2019, net revenues amounted to \$8,450,607, which represented coverage of 11.72 over the \$720,969 in debt service.

Note 6 – Long-Term Debt (Continued)

Revenue Bonds, Series 2010A/B (AMP Refinancing) – As described in an indenture agreement dated August 1, 2010, Revenue Bonds, Series 2010A/B were issued through Alameda Public Financing Authority on behalf of AMP to provide funds, together with certain other available monies, to 1) prepay the obligations of AMP for the Electric System Revenue Certificates of Participation Series 2000A, 2) prepay the obligations of AMP for the Taxable Electric System Revenue Certificates of Participation, Series 2000AT, 3) fund a deposit to the Common Reserve Account and 4) prepay the costs of issuance of the 2010 Bonds. Revenue Bonds, Series 2010A bear interest at 4.375% to 5.25%, payable January 1 and July 1 of each year. The Revenue Bonds, Series 1010B bear interest at 1.829% to 6.517%, payable January 1 and July 1 of each year.

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

Both revenue bonds contain a rate covenant that AMP will at all times fix, prescribe and collect rates, fees and charges for the services and facilities of AMP during each fiscal year that will be at least sufficient to yield:

- (a) Adjusted Annual Revenues for such fiscal year at least equal to the sum of the following for such fiscal year:
 - a. Operating and Maintenance Cost
 - b. Adjusted Annual Debt Service
 - c. All other payments required to meet any other obligations of AMP which are charges, liens and encumbrances upon or payable from the Electric System Revenue Fund, including all amounts owed to any issuer of a Qualified Reserve Fund Credit Instrument then in effect and deposited in the Common Reserve Account under the terms of such Qualified Reserve Fund Credit Instrument and all amounts owing under subordinate debt, and Adjusted Annual Net Revenues for such fiscal year equal to at least 110% of Adjusted Annual Debt Service for such fiscal year.

If any event of default shall occur, then, and in each and every such case during the continuance of such event of default, the trustee may, and shall at the written direction of the owners of not less than a majority in aggregate principal amount of the bonds at the time outstanding, upon notice in writing to Alameda Municipal Power, declare the principal of all of the bonds then outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in the indenture or in the bonds contained to the contrary notwithstanding.

Note 7 – Special Assessment Debt Without City’s Commitment

Special assessment districts in various parts of the City have issued debt to finance infrastructure improvements and facilities within their boundaries. The City is the collecting and paying agent for the debt issued by the districts, but has no direct or contingent liability or moral obligation for the payment of this debt. Therefore, this debt is not included in general long-term debt of the City. The outstanding balance of each of these issues as of June 30, 2019 is as follows:

Description	Maturity Date	June 30, 2019
Harbor Bay Community Facilities District #1	9/1/2019	\$1,520,000
Alameda Landing Community Facilities District No. 13-1	9/1/2046	15,415,000

Note 8 – Net Position and Fund Balances

Net Position is measured on the full accrual basis, while Fund Balance is measured on the modified accrual basis.

A. Net Position

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

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

Restricted describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, and funds restricted for low and moderate housing purposes.

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

B. Fund Balances

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund’s cash and receivables, less its liabilities.

The City’s fund balances are classified in accordance with spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

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

Note 8 – Net Position and Fund Balances (Continued)

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

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

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

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

Note 8 – Net Position and Fund Balances (Continued)

Detailed classifications of the City’s Fund Balances, as of June 30, 2019, are below:

Classifications	General Fund	Base Reuse Special Revenue	HOME Program Special Revenue	Capital Improvement Projects	Other Governmental Funds	Total
Nonspendable:						
Prepays and deposits	\$4,255			\$2,782,999	\$1,115	\$2,788,369
Advances	1,587,557					1,587,557
Total Nonspendable	<u>1,591,812</u>	<u>-</u>	<u>-</u>	<u>2,782,999</u>	<u>1,115</u>	<u>4,375,926</u>
Restricted for:						
Development activities		\$40,853,328			10,518,504	51,371,832
Streets and roads					6,605,985	6,605,985
Affordable housing					1,605,895	1,605,895
Public safety					1,880,594	1,880,594
Waste reduction					4,424,278	4,424,278
Assessment district					11,236,801	11,236,801
Tidelands					2,201,698	2,201,698
Transportation					3,391,177	3,391,177
Debt service					1,451,594	1,451,594
Total Restricted	<u>-</u>	<u>40,853,328</u>	<u>-</u>	<u>-</u>	<u>43,316,526</u>	<u>84,169,854</u>
Committed to:						
Capital projects				10,479,940	942,969	11,422,909
Development activities					4,174,386	4,174,386
Community development					1,450,060	1,450,060
Culture and recreation					2,186,740	2,186,740
Library operations					3,601,291	3,601,291
Parking meter/garage					3,124,372	3,124,372
Total Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,479,940</u>	<u>15,479,818</u>	<u>25,959,758</u>
Assigned:						
General government	572,593					572,593
Public safety	1,229,942					1,229,942
Capital Projects	3,098,632					3,098,632
Economic uncertainty	3,460,500					3,460,500
Long-term obligations	7,812,090					7,812,090
Total Assigned	<u>16,173,757</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,173,757</u>
Unassigned:						
Reserve policy	18,170,814					18,170,814
Residual fund balance in excess of policy or fund balance deficits	5,274,425		(\$1,054)		(509,830)	4,763,541
Total Unassigned	<u>23,445,239</u>	<u>-</u>	<u>(1,054)</u>	<u>-</u>	<u>(509,830)</u>	<u>22,934,355</u>
Total Fund Balances	<u>\$41,210,808</u>	<u>\$40,853,328</u>	<u>(\$1,054)</u>	<u>\$13,262,939</u>	<u>\$58,287,629</u>	<u>\$153,613,650</u>

C. Fund Deficits

The funds below had fund balance or net position in the amounts shown at June 30, 2019. Future revenues and repayment of long-term debt are expected to offset these deficits.

Note 9 – Pension Plans

A. General Information About the CalPERS Pension Plans

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

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

Benefits Provided – CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law. The Plans’ provisions and benefits in effect at June 30, 2019 are summarized below:

	Miscellaneous	
	Prior to January 1, 2013	On or After January 1, 2013
Hire Date		
Benefit Formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age (range)	50 - 67+	52 - 67+
Monthly benefits, as a % of annual salary	1.426% - 2.418%	1.000% - 2.500%
Required employee contribution rates	8.868%	6.750%
Required employer contribution rates	7.976%	9.844%
Required UAL contribution	\$4,514,959	
	Safety	
	Prior to January 1, 2013	On or After January 1, 2013
Hire Date		
Benefit Formula	3% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age (range)	50 - 55+	50 - 57+
Monthly benefits, as a % of annual salary	3.000%	2.000% - 2.700%
Required employee contribution rates	15.000%	10.750%
Required employer contribution rates	13.340%	19.340%
Required UAL contribution	\$8,418,267	

Note 9 – Pension Plans (Continued)

Beginning in fiscal year 2019, CalPERS collects employer contributions for the Plans as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability (UAL). The dollar amounts are billed on an annual basis. The City’s required contributions for the unfunded liability for miscellaneous and safety plans were \$4,514,959 and \$8,418,267, respectively, in fiscal year 2019, as shown in the table above.

Contributions – Section 20814(C) of the California Public Employees’ Retirement law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rates of employees. The employees pay a percentage of their salaries toward the City’s required contribution. Employees within the miscellaneous plan pay 1.868% of the employers’ contribution and employees within the safety plan pay 6.000% of the employers’ contribution, which are reflected in the rates above. Total employer required contribution amounts during the fiscal year ended June 30, 2019 were \$6,968,668 for the miscellaneous plan and \$12,043,938 for the safety plan. In addition, the City contributed an additional \$6,142,000 to pay down the unfunded liability of the safety plan and reduce the required contribution rates in fiscal year 2020.

Employees Covered – At the June 30, 2018 measurement date, the following employees were covered by the benefit terms for each Plan:

	<u>Miscellaneous</u>	<u>Safety</u>
Inactive employees or beneficiaries currently receiving benefits	565	260
Inactive employees entitled to but not yet receiving benefits	365	60
Active employees	300	175
Total	<u>1,230</u>	<u>495</u>

Net Pension Liability – The City’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The total pension liability of each Plan is measured as of June 30, 2018, using an annual actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018. A summary of principal assumptions and methods used to determine the total pension liability is shown below.

Note 9 – Pension Plans (Continued)

Actuarial Assumptions – The total pension liabilities in the June 30, 2017 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2017	June 30, 2017
Measurement Date	June 30, 2018	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Payroll Growth	3.00%	3.00%
Projected Salary Increase	0.4% - 8.5% (1)	0.97% - 17.0% (1)
Investment Rate of Return	7.15% (2)	7.15% (2)
Mortality	Derived using CalPERS' Membership data for all funds	Derived using CalPERS' Membership data for all funds
Post Retirement Benefit Increase	Contract COLA up to 2.0% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter	Contract COLA up to 2.0% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

- (1) Depending on age, service and type of employment
- (2) Net of pension plan investment expenses, including inflation
- (3) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the CalPERS December 2017 experience study report available on CalPERS' website.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate- The discount rate used to measure the total pension liability for each Plan was 7.15%. The projection of cash flows used to determine the discount rate for each Plan assumed that contributions from all plan members in the Public Employees Retirement Fund (PERF) will be made at the current member contributions rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, each Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for all plans in PERF. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability for each Plan.

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

Note 9 – Pension Plans (Continued)

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

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

<u>Asset Class (a)</u>	<u>Current Target Allocation</u>	<u>Real Return Years 1 - 10 (b)</u>	<u>Real Return Years 11+ (c)</u>
Global Equity	50%	4.80%	5.98%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	0%	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Assets	13%	3.75%	4.93%
Liquidity	1%	0%	-0.92%
Total	<u>100%</u>		

- (a) In the CalPERS CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
- (b) An expected inflation of 2.0% used for this period.
- (c) An expected inflation of 2.92% used for this period.

Change of Assumptions – For the measurement date of June 30, 2018, the inflation rate reduced from 2.75% to 2.50%.

Note 9 – Pension Plans (Continued)

Changes in the Net Pension Liability – The Changes in the Net Pension Liability for each Plan measured as of June 30, 2018 is as follows:

Miscellaneous Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2017 Measurement Date	<u>\$285,344,974</u>	<u>\$204,011,569</u>	<u>\$81,333,405</u>
Changes in the year:			
Service cost	4,744,578		4,744,578
Interest on the total pension liability	19,883,808		19,883,808
Differences between actual and expected experience	(334,914)		(334,914)
Changes of assumptions	(1,729,391)		(1,729,391)
Net Plan to Plan Resource Movement		(497)	497
Contributions - employer		5,710,346	(5,710,346)
Contributions - employees		2,435,141	(2,435,141)
Net investment income		17,324,360	(17,324,360)
Benefit payments, including refunds of employee contributions	(15,115,521)	(15,115,521)	
Administrative expense		(317,906)	317,906
Other Miscellaneous Income/(Expense)		(603,709)	603,709
Net changes	<u>7,448,560</u>	<u>9,432,214</u>	<u>(1,983,654)</u>
Balance at June 30, 2018 Measurement Date	<u>\$292,793,534</u>	<u>\$213,443,783</u>	<u>\$79,349,751</u>

Safety Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2017 Measurement Date	<u>\$432,324,161</u>	<u>\$254,148,324</u>	<u>\$178,175,837</u>
Changes in the year:			
Service cost	7,333,306		7,333,306
Interest on the total pension liability	30,481,692		30,481,692
Differences between actual and expected experience	3,224,389		3,224,389
Changes of assumptions	(1,858,258)		(1,858,258)
Net Plan to Plan Resource Movement		(651)	651
Contributions - employer		22,171,954	(22,171,954)
Contributions - employees		3,780,834	(3,780,834)
Net investment income		21,815,840	(21,815,840)
Benefit payments, including refunds of employee contributions	(22,079,185)	(22,079,185)	
Administrative expense		(396,033)	396,033
Other Miscellaneous Income/ (Expense)		(752,074)	752,074
Net changes	<u>17,101,944</u>	<u>24,540,685</u>	<u>(7,438,741)</u>
Balance at June 30, 2018 Measurement Date	<u>\$449,426,105</u>	<u>\$278,689,009</u>	<u>\$170,737,096</u>
Total of Miscellaneous and Safety Plans	<u>\$742,219,639</u>	<u>\$492,132,792</u>	<u>\$250,086,847</u>

Note 9 – Pension Plans (Continued)

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

	<u>Miscellaneous</u>	<u>Safety</u>
1% Decrease	6.15%	6.15%
Net Pension Liability	\$115,608,988	\$230,978,227
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$79,349,751	\$170,737,096
1% Increase	8.15%	8.15%
Net Pension Liability	\$49,138,559	\$121,197,949

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

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension – For the year ended June 30, 2019, the City recognized pension expense of \$14,071,954 and \$22,600,432 for the Miscellaneous and Safety Plans, respectively, and when combined with the pension expense of the 1079 and 1082 Plans discussed in Note 9B below, the City recognized total pension expense of \$37,410,124 during the year ended June 30, 2019. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Miscellaneous</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$6,968,668	
Changes in assumptions	1,381,103	(\$943,304)
Differences between expected and actual experience	24,716	(182,680)
Net differences between projected and actual earnings on plan investments	318,434	
Total	<u>\$8,692,921</u>	<u>(\$1,125,984)</u>
	<u>Safety</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$18,185,938	
Changes in assumptions	12,774,293	(\$1,995,368)
Differences between expected and actual experience	3,633,961	
Net differences between projected and actual earnings on plan investments	961,315	
Total	<u>\$35,555,507</u>	<u>(\$1,995,368)</u>

Note 9 – Pension Plans (Continued)

	Total - Both Plans	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$25,154,606	
Changes in assumptions	14,155,396	(\$2,938,672)
Differences between expected and actual experience	3,658,677	(182,680)
Net differences between projected and actual earnings on plan investments	1,279,749	
Total	<u>\$44,248,428</u>	<u>(\$3,121,352)</u>

The amounts of \$6,968,668 and \$18,185,938 for the Miscellaneous and Safety Plans, respectively, reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Annual Amortization		
	Miscellaneous	Safety	Total
2020	\$3,078,481	\$10,053,718	\$13,132,199
2021	326,838	7,090,057	7,416,895
2022	(2,198,473)	(1,057,118)	(3,255,591)
2023	(608,577)	(712,456)	(1,321,033)
Total	<u>\$598,269</u>	<u>\$15,374,201</u>	<u>\$15,972,470</u>

B. Police and Fire Pension Plans

The City sponsors and administers two single employer defined benefit retirement plans for certain police and fire department retirees. Police and fire employees who entered service before 1953 participate in Plan 1079, a closed plan consisting of 12 participants, all of whom are retired employees or beneficiaries. Employees with twenty-five or more years of service receive monthly pension benefits equal to one-half the monthly salary paid to current City employees of the rank held by the retiree one year prior to the date of retirement. Employees retired after ten, but before twenty-five years of service receive monthly pension benefits in the proportion that the number of service years bears to twenty-five. Qualified surviving spouses receive the retirees' monthly pension benefits for life. Upon remarriage, the qualified surviving spouse receives one-half of the retiree's monthly pension benefits. Employees who became disabled from service related causes receive monthly pension benefits equal to one half the monthly salary paid to current City employees of the rank held by the disabled employee on the date of their disability, reduced by any workers' compensation benefits received.

Police and fire employees who entered service on or before January 1, 1953 and did not transfer to CalPERS participate in Plan 1082, a closed plan which consists of one retired employee. At June 30, 2019, the monthly pension benefit was \$2,604, adjusted annually by a maximum of 2% per year cost-of-living adjustment. Upon the death of a retiree, the qualified spouse receives one-half of the retiree's monthly pension benefit for life or until remarriage.

Note 9 – Pension Plans (Continued)

Total Pension Liability – The City recognizes its total pension liability, rather than a net pension liability for each Plan. In order for the City to recognize a net pension liability, assets must be accumulated in a trust that meets all of the following criteria:

- Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
- Plan assets must be dedicated to providing pensions to Plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

No assets are accumulated in a trust that meets all of the above criteria. Accordingly, the City’s total pension liability for each Plan is not reduced by any assets accumulated in a trust that meets the criteria and the City must report its total pension liability for each Plan.

The City’s total pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 (the measurement date). Changes in the City’s total pension liability were as follows:

1079 Plan:

Total pension liability - June 30, 2018	\$7,254,402
Changes for the year	
Interest	233,286
Difference between expected and actual experience	(989,902)
Change of assumptions	91,129
Benefit payments	(1,178,191)
Net increase (decrease) in total pension liability	<u>(1,843,678)</u>
Total pension liability - June 30, 2019	<u><u>\$5,410,724</u></u>

1082 Plan:

Total pension liability - June 30, 2018	\$745,983
Changes for the year	
Interest	25,563
Difference between expected and actual experience	6,679
Change of assumptions	40,009
Benefit payments	(31,249)
Net increase (decrease) in total pension liability	<u>41,002</u>
Total pension liability - June 30, 2019	<u><u>\$786,985</u></u>

Total of 1079 & 1082 Plans	<u><u>\$6,197,709</u></u>
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Note 9 – Pension Plans (Continued)

Actuarial Assumptions – Actuarial assumptions used to determine the total pension liability for each Plan in the June 30, 2018 valuation applied to all periods included in the measurement, are as follows:

Actuarial cost method	N/A; all participants have retired
Inflation	2.75%
Discount Rate	3.15%
Mortality	According to the pre-retirement mortality rates under the CalPERS pension plan updated to reflect the most recent experience study with mortality improvements using Mortality Improvement Scale MP 2014 with 15 year convergence to 2022

Discount Rate – A discount rate of 3.15% was applied in the measurement of the total pension liability. This discount rate is the average, rounded to 5 basis points, of the range of 3-20 year municipal bond rate indices: S&P Municipal Bond 20 Year High Grade Rate Index, Bond Buyer 20-Bond GO index, Fidelity GO AA 20 Year Bond Index.

Sensitivity of the Total Pension Liability Calculated Using the Discount Rate – The following presents the total pension liability calculated using the discount rate of 3.15%, as well as what the total pension liability would be if it were calculated using a discount rate that is 1% lower (2.5%) or 1% higher (4.5%) than the current rate at June 30, 2019:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total pension liability:			
1079 Plan	\$5,688,761	\$5,410,724	\$5,158,141
1082 Plan	920,935	786,985	680,521
Total both plans	<u>\$6,609,696</u>	<u>\$6,197,709</u>	<u>\$5,838,662</u>

Pension Expense – For the year ended June 30, 2019, the City recognized pension expense for Plan 1079 and Plan 1082 of \$665,487 and \$72,251, respectively.

C. Other Retirement Systems

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

Note 9 – Pension Plans (Continued)

Under PARS, employees contribute 6% and the City contributes 1.5% of the employee's salary each pay period. For the fiscal year ending June 30, 2019, total contributions of \$206,199 were made based on a total amount of covered compensation of \$2,749,318.

One of the City's part-time employees elected to be covered under Social Security, which requires this employee and the City to each contribute 6.2% of the employee's pay. Total contributions to Social Security during the year ended June 30, 2019, amounted to \$3,259 of which the City paid 50%.

D. *Deferred Compensation Plans*

City employees may defer a portion of their compensation under four separate, optional City sponsored deferred compensation plans created in accordance with Internal Revenue Code Section 457. Under these Plans, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the Plans.

The City has Deferred Compensation Plan administration agreements with ICMA, California Public Employees Retirement System, Nationwide Retirement Solutions, Inc., and Mass Mutual Retirement Services companies to provide for the administration and management of employees' deferred compensation plan assets. These agreements incorporate changes in the laws and IRS regulations governing deferred compensation plan assets, which require plan assets to be held for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the City's property and are not subject to claims by general creditors of the City, they have been excluded from these financial statements.

Note 10 – Post-Employment Health Care Benefits

A. *General Information about the City's Other Post-Employment Benefit (OPEB) Plans*

Plan Description – The City provides medical and dental benefits to retirees through CalPERS as specified below under the City of Alameda Miscellaneous and Pre-2019 Safety Other Post-Employment Benefit (OPEB) Plan and the City of Alameda Post-2018 Safety OPEB Plan, single-employer defined benefit health care plans. The City is responsible for establishing and amending the funding policy of the Plans. The Plans do not issue financial statements of the benefit Plans. Separately issued financial statements of the benefit Plans are available from CALPERS at P.O. Box 942709, Sacramento California 94229-2709.

Prior to July 1, 2018, the City had one OPEB Plan, but active Safety employees as of January 1, 2019 transferred to the new Post-2018 Safety OPEB Plan.

The City established an irrevocable trust for each Plan with Public Agency Retirement Services (PARS) to fund its retiree health benefits contributions to the trusts are made annually according to the City's OPEB funding policy.

The City is the Plan administrator, while PARS administers the investment trusts. The City's OPEB Plans do not issue separate financial statements. PARS issues a separate annual financial report and copies of the report may be obtained by writing to PARS at 4350 Von Karman Ave., Suite 100, Newport Beach, CA 92660.

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

Eligibility Requirements and Benefits Provided – The following is a summary of Plan eligibility requirements and benefits by employee group as of June 30, 2019:

Eligibility requires retiring from the City under CalPERS typically on or after age 50 (52 for PEPRA employees) with at least 5 years of CalPERS service or disability retirement.

The City’s contribution for medical coverage for Miscellaneous employees is the Public Employees’ Medical and Hospital Care Act (PEHMCA) minimum required contribution (MRC) - \$136 per month in 2019.

The City’s contribution for Safety employees varies depending on bargaining group, date of retirement and date of hire as follows:

Employees Retiring Prior to January 1, 2011

The City pays the full premium cost for the retiree and any covered spouse. If Alameda Police Officers Association (APOA) employee was hired prior to July 1, 1995, the employee was required to have at least 15 years of City service. If APOA, Alameda Police Management Association (APMA), International Association of Firefighters Local 689 (IAFF), or Alameda Fire Chiefs Association (AFCA) employee was hired on or after July 1, 1995, the employee was required to have at least 20 years of City service. Employees that do not meet the service requirement at the time of retirement receive the PEMHCA MRC.

Employees Retiring On or After January 1, 2011

If the employee was hired on or prior to June 7, 2011, the City pays up to the higher of the Kaiser or Blue Shield Bay Area two-party rate. Employees with less than 5 years of City service receive the PEMHCA MRC. If the employee was hired after June 7, 2011, the City pays up to the higher of the Kaiser or Blue Shield rate for single coverage if the employee has at least 10 years of City service. Employees with less than 10 years of City service at the time of retirement receive the PEMHCA MRC. Surviving spouses are eligible to continue coverage after the death of the retiree and receive a similar contribution.

Dental Benefits - Full dental benefits are provided to Safety employees including spouse coverage.

Employees Covered by Benefit Terms – Membership in the Plans consisted of the following at the actuarial valuation date of June 30, 2018:

Miscellaneous and Pre-2019 Safety Plan Membership – As described in the table in Note 10A, Plan membership varies based on different employee bargaining groups. As of the June 30, 2018 valuation date, membership in the OPEB Plan consisted of the following:

Active employees	314
Inactive employees or beneficiaries currently receiving benefit payments	362
Inactive employees entitled to but not yet receiving benefit payments	42
Total	718

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

Post-2018 Safety Plan Membership – As of the June 30, 2018 valuation date, membership in the Post-2018 Safety OPEB Plan consisted of the following:

Active employees	179
Inactive employees or beneficiaries currently receiving benefit payments	0
Inactive employees entitled to but not yet receiving benefit payments	0
Total	179

B. Net OPEB Liability

Actuarial Methods and Assumptions – The total OPEB liability for each Plan was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures.

The Miscellaneous and Pre-2019 Safety Plan valuation used the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

	Actuarial Assumptions	
Valuation Date		June 30, 2018
Measurement Date		June 30, 2019
Actuarial Cost Method	Entry Age Normal Cost, level percent of pay	
Actuarial Assumptions:		
Discount Rate		4.15%
Inflation		2.75%
Payroll Growth	2.75%, plus merit increases	
Investment Rate of Return		6.25%
Mortality Rate	CalPERS 2014 experience study for the CalPERS pension plan projected fully generational Scale MP-2014 modified to converge to ultimate rates in 2022	
Healthcare Trend Rates	6.5% in 2020 and will decline to 5.0% in 2023 and later years	
Dental Trend Rate		3.00%

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

The Post-2018 Safety Plan valuation used the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

	Actuarial Assumptions	
Valuation Date		June 30, 2018
Measurement Date		June 30, 2019
Actuarial Cost Method	Entry Age Normal Cost, level percent of pay	
Actuarial Assumptions:		
Discount Rate		4.29%
Inflation		2.75%
Payroll Growth	2.75%, plus merit increases	
Investment Rate of Return		6.25%
Mortality Rate	CalPERS 2014 experience study for the CalPERS pension plan projected fully generational Scale MP-2014 modified to converge to ultimate rates in 2022	
Healthcare Trend Rates	6.5% in 2020 and will decline to 5.0% in 2023 and later years	
Dental Trend Rate		3.00%

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Miscellaneous and Pre-2019 Safety

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
<i>Moderate Plus</i>		
Equity	50.0%	4.25%
Fixed Income	45.0%	2.25%
Cash	5.0%	0.00%
Total	100.0%	

Post-2018 Safety

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
<i>Balanced Plus</i>		
Equity	60.0%	4.25%
Fixed Income	35.0%	2.25%
Cash	5.0%	0.00%
Total	100.0%	

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

Discount Rate – The discount rate used to measure the total OPEB liability was 4.15% for the Miscellaneous and Pre-2018 Safety Plan and 4.29% for the Post-2019 Safety Plan, based on a blended rate of asset expected rates of return and 3.15% using the average of 3 - 20 year municipal bond rate indices: S&P Municipal Bond 20 Year High Grade Rate Index, Bond Buyer 20-Bond GO index, and Fidelity GO AA 20 Year Bond Index. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in Actuarial Assumptions – The assumptions for both Plans changed from the measurement date June 30, 2018 to the measurement date June 30, 2019 as follows:

- Retirement rates, termination rates, disability rates, salary inflation rate and salary merit scales were updated based on the CalPERS 2017 Experience Study from the CalPERS 2014 Experience Study.
- The discount rate was updated to reflect the results of the crossover test –
 - Miscellaneous and Post-2018 Safety Plan increased from 3.98% to 4.15%
 - Post-2019 Safety Plan increased from 3.98% to 4.29%
- Medical trend rates were decreased 0.5% to an initial trend rate of 6.5% trending down to 5.0%

Rate of Return – For the year ended June 30, 2019, the annual money-weighted rate of return on OPEB Trust Fund investments, net of OPEB plan investment expense, was 6.96% for the Miscellaneous and Pre-2018 Safety Plan and 6.60% for the Post-2019 Safety Plan. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

C. Changes in Net OPEB Liability

The changes in the net OPEB liability for the Miscellaneous and Pre-2019 Safety Plan follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balance at June 30, 2018	\$114,742,012	\$11,785,405	\$102,956,607
Changes Recognized for the Measurement Period:			
Service Cost	4,213,531		4,213,531
Interest on the total OPEB liability	4,658,311		4,658,311
Changes of benefit terms			
Changes of assumptions	(1,184,636)		(1,184,636)
Differences between expected and actual experience	(2,503,398)		(2,503,398)
Contributions from the employer		4,325,122	(4,325,122)
Net investment income		268,507	(268,507)
Administrative expenses		(17,057)	17,057
Benefit payments	(3,825,122)	(3,825,122)	
Plan to Plan Transfer (1)	(44,592,304)	(8,314,828)	(36,277,476)
Net changes	<u>(43,233,618)</u>	<u>(7,563,378)</u>	<u>(35,670,240)</u>
Balance at June 30, 2019 (Measurement Date)	<u>\$71,508,394</u>	<u>\$4,222,027</u>	<u>\$67,286,367</u>

(1) The new Post-2018 Safety Plan was established on January 1, 2019 and active safety employees as of that date transferred from the Miscellaneous and Pre-2019 Safety Plan to the new plan.

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

The changes in the net OPEB liability for the Post-2018 Safety Plan is as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balance at June 30, 2018			
Changes Recognized for the Measurement Period:			
Service Cost			
Interest on the total OPEB liability			
Changes of benefit terms	\$143,210		\$143,210
Changes of assumptions	1,413,660		1,413,660
Differences between expected and actual experience	(1,796,845)		(1,796,845)
Contributions from the employer		\$963,680	(963,680)
Net investment income		568,341	(568,341)
Administrative expenses		(19,988)	19,988
Benefit payments	(70,984)	(70,984)	
Plan to Plan Transfer (1)	44,592,304	8,314,828	36,277,476
Net changes	44,281,345	9,755,877	34,525,468
Balance at June 30, 2019 (Measurement Date)	\$44,281,345	\$9,755,877	\$34,525,468
Total for Both Plans	\$115,789,739	\$13,977,904	\$101,811,835

(1) The new Post-2018 Safety Plan was established on January 1, 2019 and active safety employees as of that date transferred from the Miscellaneous and Pre-2019 Safety Plan to the new plan.

Fiscal year 2019 contributions for each Plan were comprised of the following:

	Miscellaneous and Pre-2019 Safety Plan	Post-2018 Safety Plan
Premium Payments	\$2,982,663	\$59,998
Prefunding Contributions	500,000	892,696
Implicit Subsidies	842,459	10,986
Total Contributions	\$4,325,122	\$963,680

D. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

Miscellaneous and Pre-2019 Safety Plan:

Net OPEB Liability/(Asset)		
Discount Rate -1% (3.15%)	Current Discount Rate (4.15%)	Discount Rate +1% (5.15%)
\$77,887,979	\$67,286,367	\$58,840,267

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

Post-2018 Safety Plan:

Net OPEB Liability/(Asset)		
Current		
Discount Rate -1%	Discount Rate	Discount Rate +1%
(3.29%)	(4.29%)	(5.29%)
\$43,422,463	\$34,525,468	\$27,608,643

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Miscellaneous and Pre-2019 Safety Plan:

Net OPEB Liability/(Asset)		
1% Decrease	Current Rate	1% Increase
(5.50% HMO/5.50% PPO decreasing to 4.00% HMO/4.00% PPO)	(6.50% HMO/6.50% PPO decreasing to 5.00% HMO/5.00% PPO)	(7.50% HMO/7.50% PPO decreasing to 6.00% HMO/6.00% PPO)
\$58,286,133	\$67,286,367	\$78,463,168

Post-2018 Safety Plan:

Net OPEB Liability/(Asset)		
1% Decrease	Current Rate	1% Increase
(5.50% HMO/5.50% PPO decreasing to 4.00% HMO/4.00% PPO)	(6.50% HMO/6.50% PPO decreasing to 5.00% HMO/5.00% PPO)	(7.50% HMO/7.50% PPO decreasing to 6.00% HMO/6.00% PPO)
\$25,796,321	\$34,525,468	\$46,260,126

E. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the City recognized OPEB expense for the Miscellaneous and Pre-2019 Safety Plan of (\$31,267,647) and recognized OPEB expense for the Post-2018 Safety Plan of \$36,065,385. The OPEB expense amounts include the net Plan to Plan transfer amount of \$36,277,476. At June 30, 2019, the City reported deferred inflows of resources related to OPEB from the following sources:

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

Miscellaneous and Pre-2019 Safety Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actuarial experiences on liability		(\$1,251,699)
Net differences between projected and actual earnings on plan investments	\$167,657	
Changes of assumptions		(3,760,736)
Total	<u>\$167,657</u>	<u>(\$5,012,435)</u>

Post-2018 Safety Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actuarial experiences on liability.		(\$1,647,108)
Net differences between projected and actual earnings on plan investments		(224,984)
Changes of assumptions	\$1,295,855	
Total	<u>\$1,295,855</u>	<u>(\$1,872,092)</u>
Total - Both Plans	<u>\$1,463,512</u>	<u>(\$6,884,527)</u>

Amounts reported as deferred inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

Miscellaneous and Pre-2019 Safety Plan:

Year Ended June 30	Annual Amortization
2020	(\$3,387,229)
2021	(1,543,212)
2022	40,997
2023	44,666
2024	0
Thereafter	0
Total	<u>(\$4,844,778)</u>

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

Post-2018 Safety Plan:

Year Ended June 30	Annual Amortization
2020	(\$88,178)
2021	(88,178)
2022	(88,178)
2023	(88,178)
2024	(31,932)
Thereafter	(191,593)
Total	<u><u>(\$576,237)</u></u>

Note 11 – Risk Management

The City manages risk by participating in the public entity risk pools described below and by retaining certain risks.

Public entity risk pools are formally organized, and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, those entities exercise full powers and authorities within the scope of the related Joint Powers Agreements, including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each risk pool is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective risk pool, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that board. Obligations and liabilities of these risk pools are not the City’s responsibility.

A. Risk Coverage

The City is a member of the California Joint Powers Risk Management Authority (CJPRMA), which covers general liability claims. The City has a self-insured retention of \$500,000 per claim. Once the self-insured retention is met, CJPRMA becomes responsible for payment of all claims up to the limit. During the fiscal year ended June 30, 2019, the City contributed \$721,226 for coverage during the current year.

The City is a member of the Local Agency Workers’ Compensation Excess Joint Powers Authority (LAWCX), which covers workers’ compensation claims up to statutory limits. The City has a self-insured retention of up to \$500,000 per claim. During the fiscal year ended June 30, 2019, the City contributed \$484,652, for current year coverage. In addition, the LAWCX Board of Directors approved the \$250,000 Pool Deficit Curing and Assessment Plan (Plan) on June 5, 2018. The Plan was implemented to collect additional contributions for prior program years from 1994 through 2004, and only impacted members who participated in those years. The assessments were billed on July 1, 2019. Members had two payment options: 1) pay the allocated assessment amount in ten (10) equal annual installments beginning July 1, 2019, or 2) receive a 10% discount off the allocated amount if the entire balance was paid in full by August 15, 2019. The City of Alameda’s allocated assessment was \$452,731 and the City elected option one, with the first payment to be made in fiscal year 2020.

Note 11 – Risk Management (Continued)

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

Type of Coverage	Coverage Limits
Liability	\$40,000,000
Auto - Physical damage	\$5,000,000
Workers' Compensation	\$5,000,000
All Risk Fire & Property except earthquake and flood	Replacement Cost
Boiler & Machinery	\$21,250,000
Computer Software	Self-Insured
Terrorism	\$10,000,000
Vessel	\$2,000,000

B. Insurance Internal Service Funds

Generally accepted accounting principles require municipalities to record a liability for uninsured claims and to reflect the current portion of this liability as an expense in the financial statements. As discussed above, the City has coverage for such claims, but it has retained the risk for the self-insured retention, or uninsured portion of these claims.

The City's liability for uninsured general liability claims, including claims incurred but not reported, is reported in the City's General Liability Insurance Internal Service Fund and the Alameda Municipal Power Enterprise Fund. The liability is based on an independent actuarial study prepared annually and was computed using an 80% confidence level for the years ended June 30 as follows:

	June 30, 2019	June 30, 2018
Beginning balance	\$6,165,594	\$3,810,620
Increase (decrease) in estimated liability for prior year claims	4,648	3,847,543
Claims paid in current year	(1,219,498)	(1,492,569)
Ending balance	<u>\$4,950,744</u>	<u>\$6,165,594</u>
Current portion	<u>\$1,686,689</u>	<u>\$2,870,803</u>

Note 11 – Risk Management (Continued)

The change in the Workers’ Compensation claims liability, including claims incurred but not reported, as estimated by the City’s Risk Manager, as reported in the City’s Workers’ Compensation Internal Service Fund and Alameda Municipal Power Enterprise Fund, is based on historical trend information provided by third party administrators and was computed using an 80% confidence level for the year ended June 30, 2019 and a 70% confidence level for the year ended June 30, 2018 as follows:

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Beginning balance	\$9,837,670	\$8,886,086
Increase (decrease) in estimated liability	2,388,107	2,114,267
Claims paid in current year	<u>(1,307,094)</u>	<u>(1,162,683)</u>
Ending balance	<u>\$10,918,683</u>	<u>\$9,837,670</u>
Current portion	<u>\$3,070,311</u>	<u>\$2,908,798</u>

The Alameda Municipal Power Fund (AMP) accounts for \$1,039,951 of the total claims liability. The remainder of the liability is accounted for in the General Liability Insurance and Workers’ Compensation Insurance Internal Service Funds.

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

Note 12 – Alameda Municipal Power Joint Ventures

A. General

AMP participates in joint ventures through Joint Powers Authorities (JPAs) established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these JPAs exercise full powers and authorities within the scope of the related Joint Powers Agreement, including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Obligations and liabilities of the JPAs are not those of AMP and the other participating entities unless assumed by them.

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

AMP is a member of NCPA, a joint powers agency which operates under a joint powers agreement among 14 public agencies (AMP, BART, Biggs, Gridley, Healdsburg, Lompoc, Palo Alto, Ukiah, Lodi, Port of Oakland, Redding, Roseville, Silicon Valley Power, Truckee-Donner PUD). Turlock Irrigation District withdrew from NCPA on April 1, 2011. The purpose of NCPA is to use the combined strength of its members to purchase, generate, sell and interchange electric energy and capacity through the acquisition and use of electrical generation and transmission facilities, as well as to optimize the use of those facilities and the member's position in the industry. Each agency member has agreed to fund a pro rata share of certain assessments by NCPA and certain members have entered into take-or-pay power supply contracts with NCPA. While NCPA is governed by its members, none of its obligations are those of its members unless expressly assumed by them.

Note 12 – Alameda Municipal Power Joint Ventures (Continued)

Amounts paid by AMP, net of refunds, to NCPA during the fiscal years ending June 30, 2019 and 2018 for purchased power were \$29,586,832 and \$28,618,484, respectively. Additionally, purchased power was reduced by a refund of \$753,011 and \$787,417 for power exchange distribution and budget settlement monies returned to the NCPA General Operating Reserve (GOR), for the fiscal years ended June 30, 2019 and 2018, respectively.

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

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

	<u>June 30, 2019</u>
Beginning balance	\$9,670,766
Increase (decrease) in equity in NCPA projects	<u>1,002,265</u>
Ending balance	<u><u>\$10,673,031</u></u>

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

General Operation Reserve	\$5,485,842
Purchased Power & Transmission	1,376
Share of Scheduling Coordination Balancing Account	2,095,189
Share of Congestion Revenue Rights (CRR)	199,877
Associated Member Services	108,789
Market Purchase Program (MPP) Deposit	<u>34,315</u>
	<u><u>\$7,925,388</u></u>
Alameda Municipal Power's share of NCPA Power Projects	
Geothermal Projects/Power Line	\$1,681,550
Calaveras Hydroelectric Project No. 1	1,368,154
Combustion Turbine Project No. 1	(382,417)
Combustion Turbine Project No. 2	<u>80,356</u>
	<u><u>\$2,747,643</u></u>

The General Operating Reserve represents AMP's portion of funds which resulted from the settlement in prior years of issues with financial consequences and reconciliations of several prior years' budgets for programs. These funds are available on demand and earn interest.

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

Note 12 – Alameda Municipal Power Joint Ventures (Continued)**B. *Projects in which Alameda Municipal Power is a Participant***

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

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

Combustion Turbine Project No. 1 - In October 1984, NCPA financed a five-unit, 125-megawatt combustion turbine project. The project, built in three member cities including Alameda, began full commercial operation in June 1986 and provides reserve and peaking power. During August 2010, phase two of the first amendment to the NCPA power purchase agreement finalized the transfer of ownership of two NCPA electricity generating units to the City of Roseville due to a misalignment of ISO control areas. The transfer reduced the generation output of the project to 74 MW, and increased the entitlement share to 21.82 percent. Although AMP's project percentage share increases, its resulting generating capacity entitlement remains constant at 16.05 MW. At June 30, 2019, the book value of this Project's plant, equipment and other assets was \$3,490,398 while its long-term debt totaled \$0, and other liabilities totaled \$5,242,993. AMP's share of the Project's long-term debt and other liabilities amounted to \$1,144,021 on that date.

Combustion Turbine Project No. 2 (Steam Injected Gas Turbine Project) - AMP is a participant in NCPA's 49.8 megawatt Steam Injected Gas Turbine (STIG) project which was built under turnkey contract near the City of Lodi and declared substantially complete on April 23, 1996. In 2010, the NCPA issued 2010 Refunding Series A Bonds for \$55,120,000 for the purpose of providing funds to refund all of the Refunded 1999 Bonds, to fund a deposit to the 2010 Series debt service reserve account and to pay cost of issuance of the 2010 Series A Bonds. Under the NCPA power purchase agreement, AMP is obligated to pay 19.00 percent of the debt service and operating costs for the STIG project.

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

Note 12 – Alameda Municipal Power Joint Ventures (Continued)

As of June 30, 2019, AMP's share of long-term debt for the Geothermal, Hydroelectric and Capital Facilities Projects are set forth below:

	Final Maturity	Total				AMP		
		Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019	Current Portion	AMP's Obligation %	\$
Geothermal Project								
2009A	7/1/2024	\$5,220,000		\$2,545,000	\$2,675,000	\$2,675,000	16.8825%	\$451,607
2012A	7/1/2022	6,285,000		1,340,000	4,945,000	1,375,000	16.8825%	834,840
2016A	7/1/2024	17,265,000		365,000	16,900,000	370,000	16.8825%	2,853,143
Total Geothermal Project		28,770,000	-	4,250,000	24,520,000	4,420,000		4,139,590
Hydroelectric Project								
1992A	7/1/2018	12,155,000		12,155,000	-		10.0000%	
2008A	7/1/2032	85,160,000			85,160,000	1,520,000	10.0000%	8,516,000
2008B	7/1/2020	1,235,000		1,235,000	-		10.0000%	
2010A	7/1/2023	62,975,000		62,975,000	-		10.0000%	-
2012A	7/1/2032	76,665,000			76,665,000		10.0000%	7,666,500
2012B	7/1/2024	7,120,000			7,120,000		10.0000%	712,000
2018A	7/1/2025	68,875,000			68,875,000	8,885,000	10.0000%	6,887,500
2018B	7/1/2025	1,340,000			1,340,000	1,340,000	10.0000%	134,000
2019A			\$39,250,000		39,250,000	940,000	10.0000%	3,925,000
Unamortized premium			19,649,836	3,121,845	16,527,991			
Total Hydroelectric Project		315,525,000	58,899,836	79,486,845	294,937,991	12,685,000		27,841,000
Capital Facilities (STIG)								
2010A	8/1/2025	33,640,000		3,995,000	29,645,000	4,195,000	19.0000%	5,632,550
Unamortized premium		582,000		162,033	419,967		0.0000%	
Total Capital Facilities		34,222,000	-	4,157,033	30,064,967	4,195,000	-	5,632,550
Total Long-Term Debt		\$378,517,000	\$58,899,836	\$87,893,878	\$349,522,958	\$21,300,000	-	\$37,613,140

NCPA Geothermal (2009A & 2016A) and Hydroelectric bonds pay principal July 1. Geothermal 2012A bonds pay principal both January 1 and July 1. NCPA Capital Facilities bond pay principal August 1.

Defeased Debt - Various bond refundings were undertaken to defease debt and realize future debt service savings. Debt was defeased by using the proceeds of the refunding issues and other available monies to irrevocably place in trust cash and US Gov't securities, which together with interest earned thereon, will be sufficient to pay both the interest and the appropriate maturity or redemption value of the refunded bonds as required.

In March 2018, NCPA issued Hydroelectric Project Number One Revenue Bonds 2018 Refunding Series A and B (\$70,215,000) to refund Hydroelectric Project Number One Revenue Bond 2008 Refunding Series C. The refunding was completed through the issuance of \$70,215,000 fixed rate debt (2018 Series A & B) with a yield of 2.01% with varying principal maturities ranging from \$839,850 to \$14,957,250 through July 1, 2024. AMP's share for this debt obligation is \$8,132,383 as of June 30, 2019.

In April 2019, NCPA issued Hydroelectric Project Number One Revenue Bonds, 2019 Refunding Series A (\$39,250,000) to refund Hydroelectric Project Number One Revenue Bond, 2010 Refunding Series A. The refunding was completed through the issuance of \$39,250,000 fixed rate debt (2019 Series A) with a yield of 1.40% with varying principal maturities ranging from \$940,000 to \$13,650,000 through July 1, 2023. The refunding is estimated to have decreased project debt service by an estimated \$8.9 million over the next 5 years, which results in an estimated economic gain of \$3.62 million. AMP's share for this debt obligation is \$3,925,000.

Note 12 – Alameda Municipal Power Joint Ventures (Continued)

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

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

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

Highwinds Project Power Purchase

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

Landfill Gas Projects Power Purchase

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

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

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

Note 12 – Alameda Municipal Power Joint Ventures (Continued)

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

NCPA Financial Information - NCPA's financial statements can be obtained from NCPA, 651 Commerce Drive, Roseville, California 95678.

Transmission Agency of Northern California (TANC)

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

AMP's entitlement share on COTP is 1.2274 percent and AMP is obligated to pay 1.33 percent of the project's operating costs.

AMP is obligated to pay 1.33 percent of TANC's debt-service related to the California - Oregon Transmission Project (COTP). AMP's share on the 2009 Series A bonds is 1.4496 percent. AMP is not obligated for any portion of the 2009 Series B bonds.

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

In May 2009, TANC issued \$67.0 million of tax-exempt 2009 Series A bonds and \$61.8 million of taxable 2009 Series B bonds. The proceeds of the Series A bonds were used to retire a bank loan that refinanced \$30.3 million of TANC's tax-exempt commercial paper and also to refund \$34.7 million of TANC's 2003 Series C Auction Rate Securities. The proceeds of the Series B bonds were used to retire a bank loan that refinanced \$56.3 million of TANC's taxable commercial paper. The 2009 refunding increased future aggregate debt service payments by \$19.3 million, but resulted in a total economic gain of \$6.5 million, the difference between present value of the old and new debt service payments. TANC has issued Revenue Bonds for \$435,790,000 and eliminated its obligations for the Tax Exempt Commercial Paper notes. As of June 30, 2019 and 2018, AMP's share of this debt is \$0 and \$0, respectively.

Note 12 – Alameda Municipal Power Joint Ventures (Continued)

As of July 1, 2014, AMP and other NCPA members executed a multiparty Long-Term Layoff Agreement (the Agreement) that laid off their participating percentage share of the COTP to other TANC participants namely the Sacramento Municipal Utility District, the Turlock Irrigation District, and Modesto Irrigation District, for twenty-five (25) years with the option to extend for an additional five years upon all parties approval. During the layoff period AMP and other NCPA members will not pay any debt service or operating costs. During the term of the Agreement, AMP would relinquish its voting rights on all short-term decisions and actions at TANC related to the COTP.

In 2016, TANC issued \$173.9 million of tax-exempt 2016 Series A Revenue Refunding Bonds. The proceeds of the bonds were used to refund the certain outstanding bonds issued by TANC to finance or refinance a portion of the costs of the California – Oregon Transmission Project, fund the costs of terminating in full certain interest rate swap agreements relating to the variable rate Refunded Bonds, and fund a debt service reserve account for the 2016A bonds, and pay costs of the issuance of the 2016A Bonds. The 2016 Series A “small member” debt portion is \$2,576,451. AMP is obligated to pay \$54,209, or 2.104% of that debt.

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

Note 13 – Commitments and Contingencies

A. City of Alameda

The City participates in several Federal and State grant programs. These programs have been audited by the City’s independent accountants in accordance with the provisions of the Federal Single Audit Act amendments of 1996 and applicable State requirements. No cost disallowances were proposed as a result of these audits. However, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

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

Note 13 – Commitments and Contingencies (Continued)

Encumbrances

Encumbrances outstanding as of June 30, 2019, were listed below:

	<u>Amount</u>
Major Governmental Funds:	
General Fund	\$673,315
Base Reuse Special Revenue	246,733
Capital Improvement Projects	10,070,678
Total Major Governmental Funds	<u>10,990,726</u>
Non-Major Governmental Funds:	
Special Revenue Funds	
Parking Meters	61,286
Commercial Revitalization	84,000
Community Development Block Grants	25,847
FISC Lease Revenue	37,930
Waste Reduction Surcharge	4,192
Athletic Recreation	4,959
Capital Projects Funds	
Construction Impact Fee	182,000
Urban Runoff Storm Drain Fee	154,995
Total Non-Major Governmental Funds	<u>555,209</u>
Total Governmental Fund Encumbrances	<u><u>\$11,545,935</u></u>

B. Alameda Municipal Power Fund

i) Take or Pay Agreements

Under the terms of its NCPA and TANC joint venture agreements, AMP is liable for a portion of the bonded indebtedness issued by these agencies under take-or-pay or similar agreements, as discussed in Note 12. AMP's estimated share of such debt outstanding at June 30, 2019 was \$51,321,009. Under certain circumstances, AMP may also be responsible for a portion of the costs of operating these entities. Under certain circumstances, such as default or bankruptcy of other participants, AMP may also be liable to pay a portion of the debt of these joint ventures on behalf of the other participants. These "step up" provisions are generally capped at a 25 percent increase.

Note 13 – Commitments and Contingencies (Continued)

Take-or-Pay commitments expire upon final maturity of outstanding debt for each project. Final fiscal year debt expirations are as follows:

Project	Debt Expiration	Entitlement Share %	Debt service %
NCPA - Geothermal Project (NGP)	July-2024	16.88250%	18.41241%
NCPA - Calaveras Hydroelectric Project (NCHP)	July-2032	10.00000%	13.55701%
NCPA - Capital Facilities Project (NCFP)	July-2026	19.00000%	22.68924%
TANC - CA-OR Transmission Project (COTP)	May-2024	1.22740%	1.33000%

As discussed in Note 12, as of July 1, 2014, AMP and other NCPA members executed a multiparty Long-Term Layoff Agreement that laid off their participating percentage share of the COTP to other TANC participants.

A summary of AMP’s “Take or Pay” contracts and related projects and its contingent liability for the debt service including principal and interest payments at June 30, 2019 is as follows:

Fiscal Year	NGP	NCHP	NCFP	Total
2020	\$833,471	\$3,649,589	\$1,086,174	\$5,569,234
2021	834,962	3,653,259	1,101,320	5,589,541
2022	835,761	3,638,470	1,074,019	5,548,250
2023	836,267	3,641,932	1,085,784	5,563,983
2024	586,381	4,049,077	1,093,159	5,728,617
2025-2029	587,882	12,433,531	1,381,058	14,402,471
2030-2034		8,918,913		8,918,913
Total	\$4,514,724	\$39,984,771	\$6,821,514	\$51,321,009

ii) Lease Agreement with 1835 Alameda Property, LLC

In March 2016, AMP entered into a property lease agreement with the 1835 Alameda Property, LLC for warehousing/distributing space. The lease terms for the agreement started on May 1, 2016 and will expire on April 30, 2031. The base rent is \$24,700 per month.

Fiscal Year	
2020	\$306,818
2021	316,023
2022	325,504
2023	335,269
2024	345,327
2025-2029	1,888,389
2030-2031	764,501
Total	\$4,281,831

Note 14 – Redevelopment Agency Dissolution and Successor Agency Activities

A. *Redevelopment Dissolution*

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

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

In addition, Abx1 26 and AB1484 direct the State Controller to review the activities of all redevelopment agencies and successor agencies to determine whether an asset transfer between the agency and any public agency occurred on or after January 1, 2011. If an asset transfer did occur and the public agency that received the asset is not contractually committed to a third party for the expenditure or encumbrance of the asset, the legislation purports to require the State Controller to order the asset returned to the redevelopment agency.

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

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

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

Cash and investments of the Successor Agency as of June 30, 2019 are discussed in Note 2. Information presented in the following footnotes represents other assets and liabilities of the Successor Agency as of June 30, 2019.

Note 14 – Redevelopment Agency Dissolution and Successor Agency Activities (Continued)

B. Long-Term Debt

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

Current Year Transaction and Balances

	CUSIP Number	Balance June 30, 2018	Retirements	Balance June 30, 2019	Due within one year
2014 A SA CIC Tax Exempt Bonds	010775	\$23,495,000		\$23,495,000	
Plus: Unamortized bond premium		2,888,840	(\$190,227)	2,698,613	
2014 B SA CIC Taxable Bonds	010775	18,810,000	(1,980,000)	16,830,000	\$2,020,000
2017 SA CIC Taxable Bonds	010775	12,850,000	(65,000)	12,785,000	180,000
Less: Unamortized bond discount		(172,783)	7,451	(165,332)	
Total Bonds		<u>\$57,871,057</u>	<u>(\$2,227,776)</u>	<u>\$55,643,281</u>	<u>\$2,200,000</u>

2014 Community Improvement Commission Tax Allocation Bonds

On December 23, 2014, the Successor Agency issued Series 2014 A Subordinated Tax Allocation Refunding Bonds in the principal amount of \$23,495,000 and Series 2014 B Subordinated Taxable Allocation Refunding Bonds in the principal amount of \$25,080,000, for a total original principal amount of \$48,575,000, for the former agency’s merged improvement areas. Proceeds from the sale of the Bonds will be used to (a) refund certain outstanding bonds issued by the former Community Improvement Commission of the City of Alameda (Former Agency), the proceeds of which were used to finance redevelopment and low and moderate income housing activities within and for the benefit of the redevelopment project areas of the Former Agency, (b) purchase a municipal bond insurance policy in lieu of finding a debt service reserve account for the Bonds, and (c) provide for the costs of issuing the bonds. The Series 2014 A and B Bonds are secured by a first lien on tax revenues. Principal and interest are payable annually on September 1 through 2034. The interest rates on the bonds vary from 0.553% to 5.0% The bonds were issued at a \$3,565,319 premium. The outstanding balance as of June 30, 2019 was \$43,023,613, including the premium.

2017 Community Improvement Commission Tax Allocation Refunding Bonds

On May 11, 2017, the Successor Agency issued Series 2017 Taxable Allocation Refunding Bonds in the principal amount of \$12,850,000 for the former agency’s merged improvement areas. Proceeds from the sale of the Bonds will be used to (a) refund and defease certain outstanding bonds issued by the former Community Improvement Commission of the City of Alameda (Former Agency), the proceeds of which were used to finance redevelopment and low and moderate income housing activities within and for the benefit of the redevelopment project areas of the Former Agency, (b) purchase a debt service reserve insurance policy in lieu of funding a debt service reserve fund for the Bonds, and (c) pay the costs of issuing the Bonds. The Series 2017 Bonds are secured by a lien on tax revenues. Principal and interest are payable semiannually on March 1 and September 1 through 2042. The interest rates on the bonds vary from 1.5% to 4.2%. The bonds were issued at an \$180,706 discount. The outstanding balance as of June 30, 2019 was \$12,619,668, net of the discount.

Note 14 – Redevelopment Agency Dissolution and Successor Agency Activities (Continued)

With the dissolution of the CIC discussed above, tax increment is no longer distributed, and instead the Successor Agency receives payments from the County’s Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues. In addition, under the provisions of the laws dissolving the CIC, the Successor Agency only receives the funds necessary to fulfill its approved obligations. Total property taxes received by the Successor Agency in the current fiscal year were \$10,773,589 which represented coverage of 2.50 times the \$4,305,169 of debt service.

The outstanding balance of the defeased debt as of June 30, 2019 was \$10,740,000.

Debt Service Requirements

Annual debt service requirements are shown below:

For the Year Ending June 30,	Principal	Interest
2020	\$2,200,000	\$2,210,941
2021	2,315,000	2,151,516
2022	2,405,000	2,082,211
2023	2,515,000	2,003,025
2024	2,630,000	1,915,187
2025-2029	15,375,000	7,847,417
2030-2034	20,245,000	3,686,138
2035-2039	4,235,000	595,745
2040-2042	1,190,000	79,050
Subtotal	53,110,000	<u>\$22,571,230</u>
Plus unamortized bond premium	2,698,613	
Less unamortized bond discount	(165,332)	
Total	<u>\$55,643,281</u>	

C. State Approval of Enforceable Obligations

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

D. Alameda County-wide Consolidated Oversight Board

On July 1, 2018, the duties of the Alameda Oversight Board transferred to a new Alameda County-wide Consolidated Oversight Board, which will now be responsible for overseeing the winddown affairs of all Successor Agencies in Alameda County, including the Successor Agency to the CIC.

Note 15 – Subsequent Events

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders for all but those deemed essential services. While the business disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and shelter in place orders. Although many of the City's services are considered essential, City Hall was closed to the public, certain other services transitioned to online-only and because the City's major revenue sources, including businesses that collect sales taxes, are directly impacted by these events, it is probable that this matter will negatively impact the City. However, the ultimate financial impact and duration cannot be reasonably estimated at this time.

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

Fiscal Year Ended June 30,	2019	2018	2017	2016	2015
Measurement Period	2017-18	2016-17	2015-16	2014-15	2013-14
Total Pension Liability					
Service Cost	\$4,744,578	\$4,641,162	\$3,760,714	\$3,766,998	\$3,808,115
Interest on the total pension liability	19,883,808	19,356,195	18,828,640	18,158,298	17,592,705
Changes of assumptions	(1,729,391)	15,192,135		(4,194,628)	
Difference between expected and actual experience	(334,914)	271,870	163,395	(1,883,727)	
Benefit payments, including refunds of employee contributions	(15,115,521)	(14,095,607)	(13,711,596)	(12,934,211)	(12,081,658)
Net change in total pension liability	<u>7,448,560</u>	<u>25,365,755</u>	<u>9,041,153</u>	<u>2,912,730</u>	<u>9,319,162</u>
Total pension liability - beginning	<u>285,344,974</u>	<u>259,979,219</u>	<u>250,938,066</u>	<u>248,025,336</u>	<u>238,706,174</u>
Total pension liability - ending (a)	<u>292,793,534</u>	<u>285,344,974</u>	<u>259,979,219</u>	<u>250,938,066</u>	<u>248,025,336</u>
Plan fiduciary net position					
Contributions - employer	5,710,346	5,273,062	4,525,123	3,713,053	3,088,658
Contributions - employees	2,435,141	2,306,147	2,159,065	2,094,771	2,206,769
Net investment income	17,324,360	21,234,381	1,095,194	4,478,705	30,399,751
Benefit payments, including refunds of employee contributions	(15,115,521)	(14,095,607)	(13,711,596)	(12,934,211)	(12,081,658)
Plan to Plan Resource Movement	(497)			(2,433,966)	
Administrative expense	(317,906)	(279,892)	(119,223)	(222,927)	
Other Miscellaneous Income/(Expense)	(603,709)				
Net change in fiduciary net position	<u>9,432,214</u>	<u>14,438,091</u>	<u>(6,051,437)</u>	<u>(5,304,575)</u>	<u>23,613,520</u>
Plan fiduciary net position - beginning	<u>204,011,569</u>	<u>189,573,478</u>	<u>195,624,915</u>	<u>200,929,490</u>	<u>177,315,970</u>
Plan fiduciary net position - ending (b)	<u>213,443,783</u>	<u>204,011,569</u>	<u>189,573,478</u>	<u>195,624,915</u>	<u>200,929,490</u>
Net pension liability - ending (a)-(b)	<u>\$79,349,751</u>	<u>\$81,333,405</u>	<u>\$70,405,741</u>	<u>\$55,313,151</u>	<u>\$47,095,846</u>
Plan fiduciary net position as a percentage of the total pension liability	72.90%	71.50%	72.92%	77.96%	81.01%
Covered payroll	\$28,387,102	\$27,176,983	\$26,437,131	\$25,612,255	\$24,479,720
Net pension liability as percentage of covered payroll	279.53%	299.27%	266.31%	215.96%	192.39%
Measurement date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

*Fiscal year 2015 was the 1st year of implementation

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

Fiscal Year Ended June 30,	2019	2018	2017	2016	2015
Measurement Period	2017-18	2016-17	2015-16	2014-15	2013-14
Total Pension Liability					
Service Cost	\$7,333,306	\$7,034,547	\$6,047,019	\$6,121,040	\$6,141,031
Interest on the total pension liability	30,481,692	29,313,329	28,386,449	27,178,001	25,739,517
Changes of assumptions	(1,858,258)	24,387,287		(6,618,407)	
Difference between expected and actual experience	3,224,389	248,108	2,256,432	5,283,538	
Benefit payments, including refunds of employee contributions	(22,079,185)	(20,966,135)	(20,335,284)	(19,108,175)	(17,814,345)
Net change in total pension liability	17,101,944	40,017,136	16,354,616	12,855,997	14,066,203
Total pension liability - beginning	432,324,161	392,307,025	375,952,409	363,096,412	349,030,209
Total pension liability - ending (a)	449,426,105	432,324,161	392,307,025	375,952,409	363,096,412
Plan fiduciary net position					
Contributions - employer	22,171,954	10,537,863	9,569,765	9,071,332	8,190,138
Contributions - employees	3,780,834	3,678,165	3,329,883	2,920,035	3,115,074
Net investment income	21,815,840	25,858,078	1,191,816	5,399,063	36,726,928
Benefit payments, including refunds of employee contributions	(22,079,185)	(20,966,135)	(20,335,284)	(19,108,175)	(17,814,345)
Plan to Plan Resource Movement	(651)				
Administrative expense	(396,033)	(347,534)	(147,352)	(272,101)	
Other Miscellaneous Income /(Expense)	(752,074)				
Net change in plan fiduciary net position	24,540,685	18,760,437	(6,391,172)	(1,989,846)	30,217,795
Plan fiduciary net position - beginning	254,148,324	235,387,887	241,779,059	243,768,905	213,551,110
Plan fiduciary net position - ending (b)	278,689,009	254,148,324	235,387,887	241,779,059	243,768,905
Net pension liability - ending (a)-(b)	\$170,737,096	\$178,175,837	\$156,919,138	\$134,173,350	\$119,327,507
Plan fiduciary net position as a percentage of the total pension liability	62.01%	58.79%	60.00%	64.31%	67.14%
Covered payroll	\$25,275,362	\$24,303,190	\$25,965,660	\$25,200,216	\$23,779,986
Net pension liability as percentage of covered payroll	675.51%	733.14%	604.33%	532.43%	501.80%
Measurement date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

*Fiscal year 2015 was the 1st year of implementation

CALPERS AGENT MULTIPLE EMPLOYER PLAN - MISCELLANEOUS
SCHEDULE OF CONTRIBUTIONS
Last 10 Years*

Fiscal Year Ended June 30,	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 6,968,668	\$ 5,710,194	\$ 5,265,991	\$ 4,527,506	\$ 3,713,053
Contributions in relation to the actuarially determined contributions	6,968,668	5,710,194	5,265,991	4,527,506	3,713,053
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 29,336,402	\$ 28,387,102	\$ 27,176,983	\$ 26,437,131	\$ 25,612,255
Contributions as a percentage of covered payroll	23.75%	20.12%	19.38%	17.13%	14.50%

Notes to Schedule

Valuation date:	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
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Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method
Amortization method	Level percent of payroll	Level percent of payroll	Level percent of payroll	Level percent of payroll	Level percent of payroll
Asset valuation method	Market value	Market value	Market value	Actuarial value of assets	Actuarial value of assets
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increase	3.3% to 14.20% depending on Age, Service, and type of employment	3.3% to 14.20% depending on Age, Service, and type of employment	3.3% to 14.20% depending on Age, Service, and type of employment	3.3% to 14.20% depending on Age, Service, and type of employment	3.3% to 14.20% depending on Age, Service, and type of employment
Investment rate of return	7.50% net of administrative expenses, includes inflation	7.50% net of administrative expenses, includes inflation	7.50% net of administrative expenses, includes inflation	7.50% net of administrative expenses, includes inflation	7.50% net of administrative expenses, includes inflation
Retirement age	50-67 years	50-67 years	50-67 years	50-67 years	50-67 years
Mortality	The probabilities of retirement and mortality are based on 2014 CalPERS experience study for the period from 1997 to 2011. Pre-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries	The probabilities of retirement and mortality are based on 2010 CalPERS experience study for the period from 1997 to 2007. Pre-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries	The probabilities of retirement and mortality are based on 2010 CalPERS experience study for the period from 1997 to 2007. Pre-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries	The probabilities of retirement and mortality are based on 2010 CalPERS experience study for the period from 1997 to 2007. Pre-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries	The probabilities of retirement and mortality are based on 2010 CalPERS experience study for the period from 1997 to 2007. Pre-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries

*Fiscal year 2015 was the 1st year of implementation

CALPERS AGENT MULTIPLE EMPLOYER PLAN - SAFETY
SCHEDULE OF CONTRIBUTIONS
Last 10 Years*

Fiscal Year Ended June 30,	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 18,185,938	\$ 11,470,898	\$ 10,530,166	\$ 9,572,502	\$ 9,071,332
Contributions in relation to the actuarially determined contributions	18,185,938	11,470,898	10,530,166	9,572,502	9,071,332
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 25,333,206	\$ 25,275,362	\$ 24,303,190	\$ 25,965,660	\$ 25,200,216
Contributions as a percentage of covered payroll	71.79%	45.38%	43.33%	36.87%	36.00%
Notes to Schedule					
Valuation date:	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Methods and assumptions used to determine contribution rates:					
Actuarial cost method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method
Amortization method	Level percent of payroll	Level percent of payroll	Level percent of payroll	Level percent of payroll	Level percent of payroll
Asset valuation method	Market value	Market value	Market value	Actuarial value of assets	Actuarial value of assets
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increase	3.3% to 14.20% depending on Age, Service, and type of employment	3.3% to 14.20% depending on Age, Service, and type of employment	3.3% to 14.20% depending on Age, Service, and type of employment	3.3% to 14.20% depending on Age, Service, and type of employment	3.3% to 14.20% depending on Age, Service, and type of employment
Investment rate of return	7.50% net of administrative expenses, includes inflation	7.50% net of administrative expenses, includes inflation	7.50% net of administrative expenses, includes inflation	7.50% net of administrative expenses, includes inflation	7.50% net of administrative expenses, includes inflation
Retirement age	50-57 years	50-57 years	50-57 years	50-57 years	50-57 years
Mortality	The probabilities of retirement and mortality are based on 2014 CalPERS experience study for the period from 1997 to 2011. Pre-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries	The probabilities of retirement and mortality are based on 2010 CalPERS experience study for the period from 1997 to 2007. Pre-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries	The probabilities of retirement and mortality are based on 2010 CalPERS experience study for the period from 1997 to 2007. Pre-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries	The probabilities of retirement and mortality are based on 2010 CalPERS experience study for the period from 1997 to 2007. Pre-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries	The probabilities of retirement and mortality are based on 2010 CalPERS experience study for the period from 1997 to 2007. Pre-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries

*Fiscal year 2015 was the 1st year of implementation

1079 & 1082 Pension Plan
 Schedule of Changes in Total Pension Liability and Related Ratios
 Last Ten Years*

Fiscal Year Ended June 30,	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Pension Liability			
Interest on the total pension liability	\$258,849	\$288,416	\$349,073
Difference between expected and actual experience	(983,223)	(46,556)	39,819
Changes of assumptions	131,138		
Benefit payments	<u>(1,209,440)</u>	<u>(1,448,612)</u>	<u>(1,448,612)</u>
Net change in total pension liability	<u>(1,802,676)</u>	<u>(1,206,752)</u>	<u>(1,059,720)</u>
Total pension liability - beginning	<u>8,000,385</u>	<u>9,207,137</u>	<u>10,266,857</u>
Total pension liability - ending	<u>\$6,197,709</u>	<u>\$8,000,385</u>	<u>\$9,207,137</u>
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017

Note to Schedule:

No assets are accumulated in a trust that meets all of the following criteria of GASB Statement No. 73, paragraph 4:

- Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
- Plan assets must be dedicated to providing pensions to Plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

The plan is a closed plan and there are no active employees participating in the Plan.

*Fiscal year 2017 was the first year of implementation

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
 Single-Employer Miscellaneous and Pre-2019 Safety Plan Defined Benefit OPEB Plans
 Last 10 fiscal years*

Measurement Date	6/30/19	6/30/18
Total OPEB Liability		
Service Cost	\$4,213,531	\$4,193,392
Interest	4,658,311	4,316,741
Changes in benefit terms		
Differences between expected and actual experience	(2,503,398)	
Changes of assumptions	(1,184,636)	(6,336,836)
Benefit payments	(3,825,122)	(3,715,083)
Plan to Plan Transfer (1)	(44,592,304)	
Net change in total OPEB liability	(43,233,618)	(1,541,786)
Total OPEB liability - beginning	114,742,012	116,283,798
Total OPEB liability - ending (a)	\$71,508,394	\$114,742,012
Plan fiduciary net position		
Contributions - employer	\$4,325,122	\$7,546,879
Contributions - employee		
Net investment income	268,507	598,104
Administrative expense	(17,057)	(33,220)
Benefit payments	(3,825,122)	(3,715,083)
Other		703
Plan to Plan Transfer (1)	(8,314,828)	
Net change in plan fiduciary net position	(7,563,378)	4,397,383
Plan fiduciary net position - beginning	11,785,405	7,388,022
Plan fiduciary net position - ending (b)	\$4,222,027	\$11,785,405
 Net OPEB liability - ending (a)-(b)	 \$67,286,367	 \$102,956,607
 Plan fiduciary net position as a percentage of the total OPEB liability	 5.90%	 10.27%
 Covered-employee payroll	 \$32,365,183	 \$61,252,086
 Net OPEB liability as a percentage of covered-employee payroll	 207.90%	 168.09%

* Fiscal year 2018 was the first year of implementation.

SCHEDULE OF CONTRIBUTIONS
 Miscellaneous and Pre-2019 Safety Plan
 Single-Employer Defined Benefit OPEB Plan
 Last 10 fiscal years*

For the Year Ended June 30	2019	2018
Contractually required contributions	\$3,825,122	\$3,715,083
Contributions in relation to the contractually required contributions	(3,825,122)	(3,715,083)
Contribution deficiency (excess)	\$0	\$0
 Covered-employee payroll	 \$32,365,183	 \$61,252,086
 Contributions as a percentage of covered-employee payroll	 11.82%	 6.07%

* Fiscal year 2018 was the first year of implementation.

**POST - RETIREMENT HEALTH CARE DEFINED BENEFIT OPEB PLAN
 MISCELLANEOUS AND PRE-2019 SAFETY PLAN
 SCHEDULE OF INVESTMENT RETURNS
 Last 10 Fiscal Years (1)**

For the Fiscal Year End June 30	2019	2018
Annual money-weighted rate of return, net of investment expense	6.96%	6.49%

Notes:

(1) Fiscal year 2017 was the first year of implementation.

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
Post-2018 Safety Plan
 Single-Employer Defined Benefit OPEB Plan
 Last 10 fiscal years*

Measurement Date	<u>6/30/19</u>
Total OPEB Liability	
Service Cost	
Interest	
Changes in benefit terms	\$143,210
Differences between expected and actual experience	(1,796,845)
Changes of assumptions	1,413,660
Benefit payments	(70,984)
Plan to Plan Transfer (1)	44,592,304
Net change in total OPEB liability	<u>44,281,345</u>
Total OPEB liability - beginning	
Total OPEB liability - ending (a)	<u><u>\$44,281,345</u></u>
 Plan fiduciary net position	
Contributions - employer	\$963,680
Contributions - employee	
Net investment income	568,341
Administrative expense	(19,988)
Benefit payments	(70,984)
Plan to Plan Transfer (1)	8,314,828
Net change in plan fiduciary net position	<u>9,755,877</u>
Plan fiduciary net position - beginning	
Plan fiduciary net position - ending (b)	<u><u>\$9,755,877</u></u>
 Net OPEB liability - ending (a)-(b)	<u><u>\$34,525,468</u></u>
 Plan fiduciary net position as a percentage of the total OPEB liability	22.03%
 Covered-employee payroll	<u><u>\$29,946,145</u></u>
 Net OPEB liability as a percentage of covered-employee payroll	<u><u>115.29%</u></u>

* Plan was established in Fiscal year 2019.

SCHEDULE OF CONTRIBUTIONS
Post-2018 Safety Plan
 Single-Employer Defined Benefit OPEB Plan
 Last 10 fiscal years*

For the Year Ended June 30	<u>2019</u>
Contractually required contributions	\$952,694
Contributions in relation to the contractually required contributions	<u>(952,694)</u>
Contribution deficiency (excess)	<u><u>\$0</u></u>
Covered-employee payroll	<u><u>\$29,946,145</u></u>
Contributions as a percentage of covered-employee payroll	<u><u>3.18%</u></u>

* Plan was established in Fiscal year 2019.

**POST - RETIREMENT HEALTH CARE DEFINED BENEFIT OPEB PLAN
POST-2018 SAFETY PLAN
SCHEDULE OF INVESTMENT RETURNS
Last 10 Fiscal Years (1)**

For the Fiscal Year End June 30	<u>2019</u>
Annual money-weighted rate of return, net of investment expense	6.96%

Notes:

(1) The Plan was established in fiscal year 2019.

Special Revenue Funds:

Community Development

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

Library

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

Gas Tax

This fund accounts for revenues and expenditures received from the State of California under Street and Highways Code Section 2105, 2106, 2107, 2107.5, 7360 and 2103.1. The allocations must be expended for street related maintenance and construction and a limited amount for engineering.

Asset Seizure/Traffic Safety

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

County Measure B/BB

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

Tidelands

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

Parking Meter

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

Commercial Revitalization

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

Community Development Block Grant

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

Housing

This fund accounts for funds received from developer impact fees to be used for the affordable housing programs in the City.

Garbage/Recycling Surcharge

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

Athletic Recreation

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

Grants

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

Waste Reduction Surcharge

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

Maintenance Assessment Districts

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

Vehicle Registration Fee

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

Parking

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

FISC Lease Revenue

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

Debt Service Funds:

City Hall and Library Bonds

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

Base Reuse

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

Capital Projects Funds:

Construction Impact Fee

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

Streets/Transportation

This fund accounts for expenditures for street and transportation projects.

Development Impact Fee

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

Urban Runoff Storm Drain Fee

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

Maintenance Assessment Districts

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

Emergency Operation Center/Fire Station #3

This fund accounts for the revenues and expenditures related to the construction of a new Emergency Operation Center and Fire Station #3. Fund was closed in the current fiscal year.

Alameda Point

This fund accounts for revenues and expenditures related to construction, improvements and capital maintenance projects within Alameda Point.

	SPECIAL REVENUE FUNDS			
	Community Development	Library	Gas Tax	Asset Seizure/ Traffic Safety
ASSETS				
Cash and investments	\$2,162,334	\$3,623,041	\$2,718,625	\$60,634
Restricted cash and investments				
Accounts receivable	121,131	129,425	258,105	
Prepays and deposits				
Loans receivable				
Advances to other funds				
Total Assets	<u>\$2,283,465</u>	<u>\$3,752,466</u>	<u>\$2,976,730</u>	<u>\$60,634</u>
LIABILITIES				
Accounts payable	\$735,446	\$100,094	\$38,743	
Accrued payroll	68,556	51,081	1,958	
Accrued interest				
Due to other funds				
Due to other agencies				\$12,068
Unearned revenue				
Refundable deposits	536,494			
Advances from other funds				
Total Liabilities	<u>1,340,496</u>	<u>151,175</u>	<u>40,701</u>	<u>12,068</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - revolving loans receivable				
Unavailable revenue - interest on advances				
Total Deferred Inflows of Resources				
FUND EQUITY				
Fund balances				
Nonspendable				
Restricted			2,936,029	48,566
Committed	942,969	3,601,291		
Unassigned				
Total Fund Balances	<u>942,969</u>	<u>3,601,291</u>	<u>2,936,029</u>	<u>48,566</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$2,283,465</u>	<u>3,752,466</u>	<u>\$2,976,730</u>	<u>\$60,634</u>

SPECIAL REVENUE FUNDS

County Measure B/BB	Tidelands	Parking Meter	Commercial Revitalization	Community Development Block Grant	Housing
\$2,177,646	\$2,222,411	\$3,176,501	\$1,487,710	\$186,867	\$2,319,032
863,532		7,350	2,044	123,061	26,904
				2,813,263	1,646,341
<u>\$3,041,178</u>	<u>\$2,222,411</u>	<u>\$3,183,851</u>	<u>\$1,489,754</u>	<u>\$3,123,191</u>	<u>\$3,992,277</u>
	\$7,652	\$55,158 4,321	\$39,694	\$109,087 278 3,805	\$231,578 4,450
\$29,132					700,771
	13,061				
<u>29,132</u>	<u>20,713</u>	<u>59,479</u>	<u>39,694</u>	<u>113,170</u>	<u>936,799</u>
				2,813,263	1,646,341
				<u>2,813,263</u>	<u>1,646,341</u>
3,012,046	2,201,698	3,124,372	1,450,060	196,758	1,409,137
<u>3,012,046</u>	<u>2,201,698</u>	<u>3,124,372</u>	<u>1,450,060</u>	<u>196,758</u>	<u>1,409,137</u>
<u>\$3,041,178</u>	<u>\$2,222,411</u>	<u>\$3,183,851</u>	<u>\$1,489,754</u>	<u>\$3,123,191</u>	<u>\$3,992,277</u>

(Continued)

	SPECIAL REVENUE FUNDS			
	Garbage/ Recycling Surcharge	Athletic Recreation	Grants Fund	Waste Reduction Surcharge
ASSETS				
Cash and investments	\$1,521,480	\$2,618,223	\$1,968,146	\$3,010,339
Restricted cash and investments				
Accounts receivable	17,358	26,617	220,306	112,577
Prepays and deposits		1,115		
Loans receivable				
Advances to other funds				
Total Assets	<u>\$1,538,838</u>	<u>\$2,645,955</u>	<u>\$2,188,452</u>	<u>\$3,122,916</u>
LIABILITIES				
Accounts payable	\$6,021	\$177,524	\$32,730	\$114,789
Accrued payroll	695	74,482	30,070	6,307
Accrued interest				
Due to other funds				
Due to other agencies				109,664
Unearned revenue		138,170	293,624	
Refundable deposits		67,924		
Advances from other funds				
Total Liabilities	<u>6,716</u>	<u>458,100</u>	<u>356,424</u>	<u>230,760</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - revolving loans receivable				
Unavailable revenue - interest on advances				
Total Deferred Inflows of Resources				
FUND EQUITY				
Fund balances				
Nonspendable		1,115		
Restricted	1,532,122		1,832,028	2,892,156
Committed		2,186,740		
Unassigned				
Total Fund Balances	<u>1,532,122</u>	<u>2,187,855</u>	<u>1,832,028</u>	<u>2,892,156</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$1,538,838</u>	<u>\$2,645,955</u>	<u>\$2,188,452</u>	<u>\$3,122,916</u>

SPECIAL REVENUE FUNDS			DEBT SERVICE FUNDS		
Maintenance Assessment Districts	Vehicle Registration Fee	Parking	FISC Lease Revenue	City Hall and Library Bonds	Base Reuse
\$8,236,291	\$602,077	\$509,850	\$3,744,106	\$397,602	\$2,344
369,144				984,703	36,018
80,536	55,833		1,096	33,271	
			475,636		
<u>\$8,685,971</u>	<u>\$657,910</u>	<u>\$509,850</u>	<u>\$4,220,838</u>	<u>\$1,415,576</u>	<u>\$38,362</u>
\$268,163			\$17,273		\$2,344
4,824			7,224		
		\$25,000	12,985		
<u>272,987</u>		<u>25,000</u>	<u>37,482</u>		<u>2,344</u>
			8,970		
			8,970		
8,412,984	\$657,910	484,850	4,174,386	\$1,415,576	36,018
<u>8,412,984</u>	<u>657,910</u>	<u>484,850</u>	<u>4,174,386</u>	<u>1,415,576</u>	<u>36,018</u>
<u>\$8,685,971</u>	<u>\$657,910</u>	<u>\$509,850</u>	<u>\$4,220,838</u>	<u>\$1,415,576</u>	<u>\$38,362</u>

(Continued)

	CAPITAL PROJECTS FUNDS			
	Construction Impact Fee	Streets/ Transportation	Development Impact Fee	Urban Runoff Strom Drain Fee
ASSETS				
Cash and cash equivalents	\$2,659,267	\$2,985,656	\$3,037,133	\$3,934,128
Restricted cash and investments				17,300
Accounts receivable		67,512		115,663
Prepays and deposits				
Loans receivable				
Advances to other funds				
Total Assets	<u>\$2,659,267</u>	<u>\$3,053,168</u>	<u>\$3,037,133</u>	<u>\$4,067,091</u>
LIABILITIES				
Accounts payable	\$18,000	\$137,665	\$1,473,300	\$127,323
Accrued payroll		9,176		27,702
Accrued interest				
Due to other funds				
Due to other agencies				
Unearned revenue				
Refundable deposits			1,500	52,712
Advances from other funds			2,072,163	
Total Liabilities	<u>18,000</u>	<u>146,841</u>	<u>3,546,963</u>	<u>207,737</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - revolving loans receivable				
Unavailable revenue - interest on advances				
Total Deferred Inflows of Resources				
FUND EQUITY				
Fund balances				
Nonspendable				
Restricted	2,641,267	2,906,327		3,859,354
Committed				
Unassigned			(509,830)	
Total Fund Balances	<u>2,641,267</u>	<u>2,906,327</u>	<u>(509,830)</u>	<u>3,859,354</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$2,659,267</u>	<u>\$3,053,168</u>	<u>\$3,037,133</u>	<u>\$4,067,091</u>

CAPITAL PROJECTS FUNDS

Maintenance Assessment Districts	Emergency Operation Center / Fire Station #3	Alameda Point	Total Nonmajor Governmental Funds
\$2,822,505		\$4,471,313	\$62,655,261
1,312			1,407,165
			2,263,633
			1,115
			4,459,604
			475,636
<u>\$2,823,817</u>		<u>\$4,471,313</u>	<u>\$71,262,414</u>
		\$453,430	\$4,138,362
			298,776
			3,805
			29,132
			121,732
			1,132,565
			709,676
			2,072,163
		<u>453,430</u>	<u>8,506,211</u>
			4,459,604
			8,970
			<u>4,468,574</u>
\$2,823,817		4,017,883	1,115
			43,316,526
			15,479,818
			(509,830)
<u>2,823,817</u>		<u>4,017,883</u>	<u>58,287,629</u>
<u>\$2,823,817</u>		<u>\$4,471,313</u>	<u>\$71,262,414</u>



City of Alameda
Non-Major Governmental Funds
Combining Statements of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2019

	SPECIAL REVENUE FUNDS			
	Community Development	Library	Gas Tax	Asset Seizure/ Traffic Safety
REVENUES				
Property taxes		\$2,523,525		
Other taxes				
Licenses and permits	\$3,339,070			
Developer fees				
Revenue from other agencies		52,458	\$2,962,884	\$5,489
Charges for current services	1,422,067	56,022	2,199	
Fines and forfeitures	311,239			
Use of money and property	30,777	70,185	55,672	1,341
Other revenues		36,029	88,934	
Total Revenues	5,103,153	2,738,219	3,109,689	6,830
EXPENDITURES				
Current:				
General government				1,524
Police				
Fire				
Public works			738,683	
Community Development	4,798,643			
Community Services		4,584,574		
Housing				
Capital outlay	2,500	57,155		
Debt service:				
Principal				
Interest				
Total Expenditures	4,801,143	4,641,729	738,683	1,524
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	302,010	(1,903,510)	2,371,006	5,306
OTHER FINANCING SOURCES (USES)				
Transfers in		2,297,004		
Transfers (out)			(1,501,564)	
Issuance of debt				
Proceeds from the sale of capital assets				
Total Other Financing Sources (Uses)		2,297,004	(1,501,564)	
NET CHANGE IN FUND BALANCE	302,010	393,494	869,442	5,306
BEGINNING FUND BALANCES	640,959	3,207,797	2,066,587	43,260
ENDING FUND BALANCES	\$942,969	\$3,601,291	\$2,936,029	\$48,566

SPECIAL REVENUE FUNDS

County Measure B/BB	Tidelands	Parking Meter	Commercial Revitalization	Community Development Block Grant	Housing
\$5,251,567		\$1,264,208		\$966,738	\$1,261,972
127,091	\$968,281	60,000 68,438	\$101,607 286,057	123,745 135	31,124 50,466 36,490
<u>5,378,658</u>	<u>968,281</u>	<u>1,392,646</u>	<u>387,664</u>	<u>1,090,618</u>	<u>1,380,052</u>
	530,520	847,181			
		2,150	316,021	980,398	1,314,587
	<u>530,520</u>	<u>849,331</u>	<u>316,021</u>	<u>980,398</u>	<u>1,314,587</u>
<u>5,378,658</u>	<u>437,761</u>	<u>543,315</u>	<u>71,643</u>	<u>110,220</u>	<u>65,465</u>
(6,641,717)	(1,100,360)	(775,361)			
<u>(6,641,717)</u>	<u>(1,100,360)</u>	<u>(775,361)</u>			
(1,263,059)	(662,599)	(232,046)	71,643	110,220	65,465
<u>4,275,105</u>	<u>2,864,297</u>	<u>3,356,418</u>	<u>1,378,417</u>	<u>86,538</u>	<u>1,343,672</u>
<u>\$3,012,046</u>	<u>\$2,201,698</u>	<u>\$3,124,372</u>	<u>\$1,450,060</u>	<u>\$196,758</u>	<u>\$1,409,137</u>

(Continued)



City of Alameda
Non-Major Governmental Funds
Combining Statements of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2019

	SPECIAL REVENUE FUNDS			
	Garbage/ Recycling Surcharge	Athletic Recreation	Grants Fund	Waste Reduction Surcharge
REVENUES				
Property taxes				
Other taxes	\$208,296	\$2,886		
Licenses and permits			\$2,000	
Developer fees				
Revenue from other agencies		77,761	625,890	\$328,128
Charges for current services		2,397,656	5,250	468,233
Fines and forfeitures				
Use of money and property	32,839	826,156	23,032	66,648
Other		28,302	100,047	110,260
Total Revenues	241,135	3,332,761	756,219	973,269
EXPENDITURES				
Current:				
General government	175,622	4,727,601		
Police			66,192	
Fire			611,259	
Public works				961,945
Community Development				
Community Services				
Housing			171,009	
Capital outlay		552	166,115	2,150
Debt service:				
Principal				
Interest				
Total Expenditures	175,622	4,728,153	1,014,575	964,095
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	65,513	(1,395,392)	(258,356)	9,174
OTHER FINANCING SOURCES (USES)				
Transfers in		1,856,004	1,351,675	
Transfers (out)		(292,142)		
Issuance of debt				
Proceeds from the sale of capital assets				
Total Other Financing Sources (Uses)		1,563,862	1,351,675	
NET CHANGE IN FUND BALANCE	65,513	168,470	1,093,319	9,174
BEGINNING FUND BALANCES	1,466,609	2,019,385	738,709	2,882,982
ENDING FUND BALANCES	\$1,532,122	\$2,187,855	\$1,832,028	\$2,892,156

SPECIAL REVENUE FUNDS				DEBT SERVICE FUNDS	
Maintenance Assessment Districts	Vehicle Registration Fee	Parking	FISC Lease Revenue	City Hall and Library Bonds	Base Reuse
\$2,818,464				\$648,725	
58,052	\$321,089		\$64,144		
172,304	10,216	\$329,736	259,254	20,461	\$484
10,000				746	
3,058,820	331,305	329,736	323,398	669,932	484
797,098					
1,504,018			740,425		
			3,100		
				6,522,705	\$400,000
				988,397	297,002
2,301,116			743,525	7,511,102	697,002
757,704	331,305	329,736	(420,127)	(6,841,170)	(696,518)
288,623				1,922,779	700,690
(481,784)		(330,000)	(93,000)	4,906,000	
(193,161)		(330,000)	(93,000)	6,828,779	700,690
564,543	331,305	(264)	(513,127)	(12,391)	4,172
7,848,441	326,605	485,114	4,687,513	1,427,967	31,846
\$8,412,984	\$657,910	\$484,850	\$4,174,386	\$1,415,576	\$36,018

(Continued)



City of Alameda
 Non-Major Governmental Funds
 Combining Statements of Revenues, Expenditures
 and Changes in Fund Balance
 For the Year Ended June 30, 2019

	CAPITAL PROJECTS FUNDS			
	Construction Impact Fee	Streets/ Transportation	Development Impact Fee	Urban Runoff Strom Drain Fee
REVENUES				
Property taxes	\$1,129,988	\$625,287		\$2,459,929
Other taxes		433,219		
Licenses and permits	76,923			
Developer fees			\$750,446	
Revenue from other agencies		72,974		
Charges for current services		133,245		24,597
Fines and forfeitures				
Use of money and property	70,941	48,747	72,664	107,680
Other revenues				
Total Revenues	<u>1,277,852</u>	<u>1,313,472</u>	<u>823,110</u>	<u>2,592,206</u>
EXPENDITURES				
Current:				
General government	88,697	128,773		
Police				
Fire				
Public works				
Community Development				
Community Services		892,849		
Housing				
Capital outlay		510,502		3,193,636
Debt service:				
Principal				
Interest			29,402	
Total Expenditures	<u>88,697</u>	<u>1,532,124</u>	<u>29,402</u>	<u>3,193,636</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,189,155</u>	<u>(218,652)</u>	<u>793,708</u>	<u>(601,430)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	9,996	803,265		66,996
Transfers (out)	(1,328,708)		(2,539,437)	(670,683)
Issuance of debt				
Proceeds from the sale of capital assets				
Total Other Financing Sources (Uses)	<u>(1,318,712)</u>	<u>803,265</u>	<u>(2,539,437)</u>	<u>(603,687)</u>
NET CHANGE IN FUND BALANCE	(129,557)	584,613	(1,745,729)	(1,205,117)
BEGINNING FUND BALANCES	<u>2,770,824</u>	<u>2,321,714</u>	<u>1,235,899</u>	<u>5,064,471</u>
ENDING FUND BALANCES	<u><u>\$2,641,267</u></u>	<u><u>\$2,906,327</u></u>	<u><u>(\$509,830)</u></u>	<u><u>\$3,859,354</u></u>

CAPITAL PROJECTS FUNDS

<u>Maintenance Assessment District</u>	<u>Emergency Operation Center / Fire Station #3</u>	<u>Alameda Point</u>	<u>Total Nonmajor Governmental Funds</u>
\$208,981			\$10,414,899 644,401 3,417,993 750,446 11,991,094 5,831,529 402,363
61,827 26,976		\$137,678	3,838,270 723,976
<u>297,784</u>		<u>137,678</u>	<u>38,014,971</u>
			7,297,016 66,192 611,259 3,204,646 5,539,068 5,477,423 2,782,015 4,653,333
14,739		700,734	6,922,705 1,321,168
	\$6,367		
<u>14,739</u>	<u>6,367</u>	<u>700,734</u>	<u>37,874,825</u>
<u>283,045</u>	<u>(6,367)</u>	<u>(563,056)</u>	<u>140,146</u>
(958)	408,626 (328,014)	1,012,068	10,717,726 (16,083,728) 4,906,000 757,315
	<u>757,315</u>		<u>757,315</u>
<u>(958)</u>	<u>837,927</u>	<u>1,012,068</u>	<u>297,313</u>
282,087	831,560	449,012	437,459
<u>2,541,730</u>	<u>(831,560)</u>	<u>3,568,871</u>	<u>57,850,170</u>
<u>\$2,823,817</u>		<u>\$4,017,883</u>	<u>\$58,287,629</u>



City of Alameda
Budgeted Non-Major Funds
Combining Schedules of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2019

	SPECIAL REVENUE FUNDS					
	COMMUNITY DEVELOPMENT			LIBRARY		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Property taxes				\$2,183,966	\$2,523,525	\$339,559
Other taxes						
Licenses and permits	\$3,620,000	\$3,339,070	(\$280,930)			
Revenue from other agencies				156,000	52,458	(103,542)
Charges for current services	1,709,000	1,422,067	(286,933)	50,000	56,022	6,022
Fines and forfeitures	450,500	311,239	(139,261)			
Use of money and property	3,000	30,777	27,777	18,000	70,185	52,185
Other					36,029	36,029
Total Revenues	<u>5,782,500</u>	<u>5,103,153</u>	<u>(679,347)</u>	<u>2,407,966</u>	<u>2,738,219</u>	<u>330,253</u>
EXPENDITURES						
Current:						
General government						
Police						
Fire						
Public works						
Community Development	5,408,827	4,798,643	610,184			
Community Services				4,890,658	4,584,574	306,084
Housing						
Capital outlay	2,500	2,500		79,500	57,155	22,345
Debt service:						
Principal						
Interest						
Total Expenditures	<u>5,411,327</u>	<u>4,801,143</u>	<u>610,184</u>	<u>4,970,158</u>	<u>4,641,729</u>	<u>328,429</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>371,173</u>	<u>302,010</u>	<u>(69,163)</u>	<u>(2,562,192)</u>	<u>(1,903,510)</u>	<u>658,682</u>
OTHER FINANCING SOURCES (USES)						
Issuance of debt						
Transfers in				2,297,000	2,297,004	4
Transfers (out)						
Total Other Financing Sources (Uses)				<u>2,297,000</u>	<u>2,297,004</u>	<u>4</u>
NET CHANGE IN FUND BALANCE	<u>\$371,173</u>	<u>302,010</u>	<u>(\$69,163)</u>	<u>(\$265,192)</u>	<u>393,494</u>	<u>\$658,686</u>
BEGINNING FUND BALANCES (DEFICITS)		<u>640,959</u>			<u>3,207,797</u>	
ENDING FUND BALANCES (DEFICITS)		<u>\$942,969</u>			<u>\$3,601,291</u>	

SPECIAL REVENUE FUNDS

GAS TAX			ASSET SEIZURE/TRAFFIC SAFETY			COUNTY MEASURE B/BB		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$3,057,611	\$2,962,884 2,199	(\$94,727) 2,199	\$1,000	\$5,489	\$4,489	\$4,396,654	\$5,251,567	\$854,913
5,000	55,672	50,672		1,341	1,341	600	127,091	126,491
90,389	88,934	(1,455)				(254)		254
<u>3,153,000</u>	<u>3,109,689</u>	<u>(43,311)</u>	<u>1,000</u>	<u>6,830</u>	<u>5,830</u>	<u>4,397,000</u>	<u>5,378,658</u>	<u>981,658</u>
			10,000	1,524	8,476			
964,239	738,683	225,556						
<u>964,239</u>	<u>738,683</u>	<u>225,556</u>	<u>10,000</u>	<u>1,524</u>	<u>8,476</u>			
<u>2,188,761</u>	<u>2,371,006</u>	<u>182,245</u>	<u>(9,000)</u>	<u>5,306</u>	<u>14,306</u>	<u>4,397,000</u>	<u>5,378,658</u>	<u>981,658</u>
<u>(2,718,411)</u>	<u>(1,501,564)</u>	<u>1,216,847</u>				<u>(5,076,089)</u>	<u>(6,641,717)</u>	<u>(1,565,628)</u>
<u>(2,718,411)</u>	<u>(1,501,564)</u>	<u>1,216,847</u>				<u>(5,076,089)</u>	<u>(6,641,717)</u>	<u>(1,565,628)</u>
<u>(\$529,650)</u>	869,442	<u>\$1,399,092</u>	<u>(\$9,000)</u>	5,306	<u>\$14,306</u>	<u>(\$679,089)</u>	(1,263,059)	<u>(\$583,970)</u>
	<u>2,066,587</u>			<u>43,260</u>			<u>4,275,105</u>	
	<u>\$2,936,029</u>			<u>\$48,566</u>			<u>\$3,012,046</u>	

(Continued)



City of Alameda
Budgeted Non-Major Funds
Combining Schedules of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
For the year ended June 30, 2019

	SPECIAL REVENUE FUNDS					
	TIDELANDS			PARKING METER		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Property taxes						
Other taxes						
Licenses and permits						
Revenue from other agencies						
Charges for current services				\$1,443,000	\$1,264,208	(\$178,792)
Fines and forfeitures				60,000	60,000	
Use of money and property	\$804,000	\$968,281	\$164,281	1,000	68,438	67,438
Other						
Total Revenues	<u>804,000</u>	<u>968,281</u>	<u>164,281</u>	<u>1,504,000</u>	<u>1,392,646</u>	<u>(111,354)</u>
EXPENDITURES						
Current:						
General government	924,184	530,520	393,664	1,352,769	847,181	505,588
Police						
Fire						
Public works	360,000		360,000			
Community Development						
Community Services						
Housing						
Capital outlay					2,150	(2,150)
Debt service:						
Principal						
Interest						
Total Expenditures	<u>1,284,184</u>	<u>530,520</u>	<u>753,664</u>	<u>1,352,769</u>	<u>849,331</u>	<u>503,438</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(480,184)</u>	<u>437,761</u>	<u>917,945</u>	<u>151,231</u>	<u>543,315</u>	<u>392,084</u>
OTHER FINANCING SOURCES (USES)						
Issuance of debt						
Transfers in						
Transfers (out)	(1,161,400)	(1,100,360)	61,040	(630,000)	(775,361)	(145,361)
Total Other Financing Sources (Uses)	<u>(1,161,400)</u>	<u>(1,100,360)</u>	<u>61,040</u>	<u>(630,000)</u>	<u>(775,361)</u>	<u>(145,361)</u>
NET CHANGE IN FUND BALANCE	<u>(\$1,641,584)</u>	<u>(662,599)</u>	<u>\$978,985</u>	<u>(\$478,769)</u>	<u>(232,046)</u>	<u>\$246,723</u>
BEGINNING FUND BALANCES (DEFICITS)		<u>2,864,297</u>			<u>3,356,418</u>	
ENDING FUND BALANCES (DEFICITS)		<u>\$2,201,698</u>			<u>\$3,124,372</u>	

SPECIAL REVENUE FUNDS								
COMMERCIAL REVITALIZATION			COMMUNITY DEVELOPMENT BLOCK GRANT			HOUSING		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
			\$2,008,976	\$966,738	(\$1,042,238)	\$1,251,000	\$1,261,972	\$10,972
							31,124	31,124
\$90,000	\$101,607	\$11,607	145,000	123,745	(21,255)	102,000	50,466	(51,534)
170,000	286,057	116,057		135	135	7,500	36,490	28,990
260,000	387,664	127,664	2,153,976	1,090,618	(1,063,358)	1,360,500	1,380,052	19,552
609,954	316,021	293,933	2,240,947	980,398	1,260,549	2,331,474	1,314,587	1,016,887
609,954	316,021	293,933	2,240,947	980,398	1,260,549	2,331,474	1,314,587	1,016,887
(349,954)	71,643	421,597	(86,971)	110,220	197,191	(970,974)	65,465	1,036,439
(\$349,954)	71,643	\$421,597	(\$86,971)	110,220	\$197,191	(\$970,974)	65,465	\$1,036,439
	1,378,417			86,538			1,343,672	
	\$1,450,060			\$196,758			\$1,409,137	

(Continued)



City of Alameda
 Budgeted Non-Major Funds
 Combining Schedules of Revenues, Expenditures
 and Changes in Fund Balances
 Budget and Actual
 For the Year Ended June 30, 2019

	SPECIAL REVENUE FUNDS					
	GARBAGE/RECYCLING SURCHARGE			ATHLETIC RECREATION		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Property taxes						
Other taxes	\$178,000	\$208,296	\$30,296		\$2,886	\$2,886
Licenses and permits						
Revenue from other agencies				\$60,000	77,761	17,761
Charges for current services				2,366,500	2,397,656	31,156
Fines and forfeitures						
Use of money and property	1,000	32,839	31,839	988,300	826,156	(162,144)
Other				29,200	28,302	(898)
Total Revenues	<u>179,000</u>	<u>241,135</u>	<u>62,135</u>	<u>3,444,000</u>	<u>3,332,761</u>	<u>(111,239)</u>
EXPENDITURES						
Current:						
General government	326,052	175,622	150,430	5,269,705	4,727,601	542,104
Police						
Fire						
Public works						
Community Development						
Community Services						
Housing						
Capital outlay					552	(552)
Debt service:						
Principal						
Interest						
Total Expenditures	<u>326,052</u>	<u>175,622</u>	<u>150,430</u>	<u>5,269,705</u>	<u>4,728,153</u>	<u>541,552</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(147,052)</u>	<u>65,513</u>	<u>212,565</u>	<u>(1,825,705)</u>	<u>(1,395,392)</u>	<u>430,313</u>
OTHER FINANCING SOURCES (USES)						
Issuance of debt						
Transfers in				1,856,000	1,856,004	4
Transfers (out)				(314,000)	(292,142)	21,858
Total Other Financing Sources (Uses)				<u>1,542,000</u>	<u>1,563,862</u>	<u>21,862</u>
NET CHANGE IN FUND BALANCE	<u>(\$147,052)</u>	<u>65,513</u>	<u>\$212,565</u>	<u>(\$283,705)</u>	<u>168,470</u>	<u>\$452,175</u>
BEGINNING FUND BALANCES (DEFICITS)		<u>1,466,609</u>			<u>2,019,385</u>	
ENDING FUND BALANCES (DEFICITS)		<u>\$1,532,122</u>			<u>\$2,187,855</u>	

SPECIAL REVENUE FUNDS								
GRANTS FUND			WASTE REDUCTION SURCHARGE			MAINTENANCE ASSESSMENT DISTRICTS		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
						\$2,837,318	\$2,818,464	(\$18,854)
\$1,000	\$2,000	\$1,000						
2,660,423	625,890	(2,034,533)	\$220,000	\$328,128	\$108,128			
	5,250	5,250	734,000	468,233	(265,767)		58,052	58,052
1,000	23,032	22,032		66,648	66,648	22,366	172,304	149,938
(14,330)	100,047	114,377	118,000	110,260	(7,740)	12,164	10,000	(2,164)
2,648,093	756,219	(1,891,874)	1,072,000	973,269	(98,731)	2,871,848	3,058,820	186,972
25,000		25,000				1,159,395	797,098	362,297
127,735	66,192	61,543						
3,912,490	611,259	3,301,231	1,242,513	961,945	280,568	2,121,999	1,504,018	617,981
162,732	171,009	(8,277)						
122,288	166,115	(43,827)	8,000	2,150	5,850			
4,350,245	1,014,575	3,335,670	1,250,513	964,095	286,418	3,281,394	2,301,116	980,278
(1,702,152)	(258,356)	1,443,796	(178,513)	9,174	187,687	(409,546)	757,704	1,167,250
1,476,671	1,351,675	(124,996)				288,623	288,623	
			(150,000)		150,000	(487,623)	(481,784)	5,839
1,476,671	1,351,675	(124,996)	(150,000)		150,000	(199,000)	(193,161)	5,839
(\$225,481)	1,093,319	\$1,318,800	(\$328,513)	9,174	\$337,687	(\$608,546)	564,543	\$1,173,089
	738,709			2,882,982			7,848,441	
	\$1,832,028			\$2,892,156			\$8,412,984	

(Continued)



City of Alameda
Budgeted Non-Major Funds
Combining Schedules of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2019

	SPECIAL REVENUE FUNDS					
	VEHICLE REGISTRATION FEE			PARKING		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Property taxes						
Other taxes						
Licenses and permits						
Revenue from other agencies	\$332,000	\$321,089	(\$10,911)			
Charges for current services						
Fines and forfeitures						
Use of money and property	1,500	10,216	8,716	\$434,400	\$329,736	(\$104,664)
Other	(500)		500			
Total Revenues	333,000	331,305	(1,695)	434,400	329,736	(104,664)
EXPENDITURES						
Current:						
General government						
Police						
Fire						
Public works						
Community Development						
Community Services						
Housing						
Capital outlay						
Debt service:						
Principal						
Interest						
Total Expenditures						
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	333,000	331,305	(1,695)	434,400	329,736	(104,664)
OTHER FINANCING SOURCES (USES)						
Issuance of debt						
Transfers in						
Transfers (out)	(325,000)		325,000	(330,000)	(330,000)	
Total Other Financing Sources (Uses)	(325,000)		325,000	(330,000)	(330,000)	
NET CHANGE IN FUND BALANCE	\$8,000	331,305	\$323,305	\$104,400	(264)	(\$104,664)
BEGINNING FUND BALANCES (DEFICITS)		326,605			485,114	
ENDING FUND BALANCES (DEFICITS)		\$657,910			\$484,850	

SPECIAL REVENUE FUNDS			DEBT SERVICE FUNDS					
FISC LEASE REVENUE			CITY HALL AND LIBRARY BONDS			BASE REUSE DEBT SERVICE		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
			\$600,000	\$648,725	\$48,725			
\$217,000	\$64,144	(\$152,856)						
410,000	259,254	(150,746)	7,000	20,461 746	13,461 746	\$200	\$484	\$284
<u>627,000</u>	<u>323,398</u>	<u>(303,602)</u>	<u>607,000</u>	<u>669,932</u>	<u>62,932</u>	<u>200</u>	<u>484</u>	<u>284</u>
1,448,542	740,425	708,117						
4,000	3,100	900						
			1,616,705 953,295	6,522,705 988,397	(4,906,000) (35,102)	400,000 52,000	400,000 297,002	(245,002)
<u>1,452,542</u>	<u>743,525</u>	<u>709,017</u>	<u>2,570,000</u>	<u>7,511,102</u>	<u>(4,941,102)</u>	<u>452,000</u>	<u>697,002</u>	<u>(245,002)</u>
<u>(825,542)</u>	<u>(420,127)</u>	<u>405,415</u>	<u>(1,963,000)</u>	<u>(6,841,170)</u>	<u>(4,878,170)</u>	<u>(451,800)</u>	<u>(696,518)</u>	<u>(244,718)</u>
			1,947,000	4,906,000 1,922,779	4,906,000 (24,221)	452,000	700,690	248,690
<u>(93,000)</u>	<u>(93,000)</u>		<u>1,947,000</u>	<u>6,828,779</u>	<u>4,881,779</u>	<u>452,000</u>	<u>700,690</u>	<u>248,690</u>
<u>(\$918,542)</u>	<u>(513,127)</u>	<u>\$405,415</u>	<u>(\$16,000)</u>	<u>(12,391)</u>	<u>\$3,609</u>	<u>\$200</u>	<u>4,172</u>	<u>\$3,972</u>
	<u>4,687,513</u>			<u>1,427,967</u>			<u>31,846</u>	
	<u>\$4,174,386</u>			<u>\$1,415,576</u>			<u>\$36,018</u>	



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

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

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

Equipment Replacement

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

Central Services

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

Fleet Maintenance

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

Technology Services

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

Facilities Maintenance

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

Workers’ Compensation Insurance

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

General Liability Insurance

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

Unemployment Insurance

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

Other Post-Employment Benefits (OPEB)/Vacation

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

Pension Stabilization Fund

This fund accounts for expenditures for the City’s pension obligation in future periods when unforeseen changes or adjustments to required contributions requires additional funding beyond anticipated expenditures.



City of Alameda
Internal Service Funds
Combining Statements of Net Position
June 30, 2019

	<u>Equipment Replacement</u>	<u>Central Services</u>	<u>Fleet Maintenance</u>	<u>Technology Services</u>
ASSETS:				
Current Assets:				
Cash and cash equivalents	\$6,552,840	\$88,703	\$261,113	\$6,421,169
Accounts receivable	56,432		6,237	
Prepays and deposits				31,260
Due from other funds				
Total Current Assets	<u>6,609,272</u>	<u>88,703</u>	<u>267,350</u>	<u>6,452,429</u>
Noncurrent Assets:				
Restricted investments				
Advances to other funds	368,812			
Capital assets, depreciable, net	4,345,282			282,390
Total Non-current Assets	<u>4,714,094</u>			<u>282,390</u>
Total Assets	<u>11,323,366</u>	<u>88,703</u>	<u>267,350</u>	<u>6,734,819</u>
LIABILITIES:				
Current Liabilities:				
Accounts payable			113,476	229,149
Interest payable	63,502			
Accrued payroll			14,115	15,732
Claims payable:				
Due within one year				
Equipment lease payable:				
Due within one year	341,864			
Total Current Liabilities	<u>405,366</u>		<u>127,591</u>	<u>244,881</u>
Long-Term Liabilities:				
Claims payable:				
Due in more than one year				
Equipment purchase agreement				
Due in more than one year	2,484,512			
Total Long-Term Liabilities	<u>2,484,512</u>			
Total Liabilities	<u>2,889,878</u>		<u>127,591</u>	<u>244,881</u>
NET POSITION				
Net investment in capital asset	1,518,906			282,390
Unrestricted	6,914,582	88,703	139,759	6,207,548
Total Net Position (Deficits)	<u>\$8,433,488</u>	<u>\$88,703</u>	<u>\$139,759</u>	<u>\$6,489,938</u>

<u>Facilities Maintenance</u>	<u>Workers' Compensation Insurance</u>	<u>General Liability Insurance</u>	<u>Unemployment Insurance</u>	<u>OPEB/Vacation</u>	<u>Pension Stabilization Fund</u>	<u>Total</u>
\$5,328,324	\$11,539,027 3,375	\$4,654,171 5,479	\$655,864	\$6,741,067 7,073	\$42,380	\$42,284,658 78,596 31,260 11,195
<u>5,328,324</u>	<u>11,542,402</u>	<u>4,670,845</u>	<u>655,864</u>	<u>6,748,140</u>	<u>42,380</u>	<u>42,405,709</u>
					5,852,459	5,852,459 368,812 4,627,672
					<u>5,852,459</u>	<u>10,848,943</u>
<u>5,328,324</u>	<u>11,542,402</u>	<u>4,670,845</u>	<u>655,864</u>	<u>6,748,140</u>	<u>5,894,839</u>	<u>53,254,652</u>
484,671	694,116	385,407	15,521			1,922,340 63,502 54,224
5,062	6,364	12,951				4,651,987
	3,000,298	1,651,689				341,864
<u>489,733</u>	<u>3,700,778</u>	<u>2,050,047</u>	<u>15,521</u>			<u>7,033,917</u>
	7,778,359	2,399,130				10,177,489 2,484,512
	<u>7,778,359</u>	<u>2,399,130</u>				<u>12,662,001</u>
<u>489,733</u>	<u>11,479,137</u>	<u>4,449,177</u>	<u>15,521</u>			<u>19,695,918</u>
4,838,591	63,265	221,668	640,343	6,748,140	5,894,839	1,801,296 31,757,438
<u>\$4,838,591</u>	<u>\$63,265</u>	<u>\$221,668</u>	<u>\$640,343</u>	<u>\$6,748,140</u>	<u>\$5,894,839</u>	<u>\$33,558,734</u>



City of Alameda
Internal Service Funds
Combining Statements of Revenues, Expenses and
Changes in Fund Net Position
For the Year Ended June 30, 2019

	<u>Equipment Replacement</u>	<u>Central Services</u>	<u>Fleet Maintenance</u>	<u>Technology Services</u>
OPERATING REVENUES				
Charges for services			\$113,912	\$547,821
Miscellaneous	\$2,027,151		2,156,919	2,079,291
Total Operating Revenues	<u>2,027,151</u>		<u>2,270,831</u>	<u>2,627,112</u>
OPERATING EXPENSES				
General administrative	46,711		394,961	663,876
Wages and benefits			679,470	1,119,218
Insurance and claims				
Contractual services	(19,102)		304,185	362,465
Supplies and maintenance	142,122		866,947	52,687
Depreciation	920,046			56,590
Total Operating Expenses	<u>1,089,777</u>		<u>2,245,563</u>	<u>2,254,836</u>
Operating Income (Loss)	<u>937,374</u>		<u>25,268</u>	<u>372,276</u>
NONOPERATING REVENUES (EXPENSES)				
Interest income	146,009	\$1,947	4,806	99,845
Interest expense	(87,843)			
Gain (loss) from sale of capital assets	37,836			
Total Nonoperating Revenues (Expenses)	<u>96,002</u>	<u>1,947</u>	<u>4,806</u>	<u>99,845</u>
Income (Loss) Before Transfers	<u>1,033,376</u>	<u>1,947</u>	<u>30,074</u>	<u>472,121</u>
Transfers in	<u>117,000</u>			<u>1,350,000</u>
Net Transfers	<u>117,000</u>			<u>1,350,000</u>
Change in Net Position	1,150,376	1,947	30,074	1,822,121
BEGINNING NET POSITION (DEFICITS)	<u>7,283,112</u>	<u>86,756</u>	<u>109,685</u>	<u>4,667,817</u>
ENDING NET POSITION	<u>\$8,433,488</u>	<u>\$88,703</u>	<u>\$139,759</u>	<u>\$6,489,938</u>

<u>Facilities Maintenance</u>	<u>Workers' Compensation Insurance</u>	<u>General Liability Insurance</u>	<u>Unemployment Insurance</u>	<u>OPEB/Vacation</u>	<u>Pension Stabilization Fund</u>	<u>Total</u>
	\$3,538,683	\$3,623,539		\$4,478,906		\$12,302,861
<u>\$2,747,375</u>					<u>\$8,189,172</u>	<u>17,199,908</u>
<u>2,747,375</u>	<u>3,538,683</u>	<u>3,623,539</u>		<u>4,478,906</u>	<u>8,189,172</u>	<u>29,502,769</u>
311,411	19,903	33,137		250,000		1,719,999
273,396	181,956	445,426	\$64,584	283,593	6,152,000	9,199,643
	3,342,617	1,567,746		3,078,862		7,989,225
2,801,600	137,069	1,429,218	1,620		17,481	5,034,536
172,720	1,138	22,787				1,258,401
						976,636
<u>3,559,127</u>	<u>3,682,683</u>	<u>3,498,314</u>	<u>66,204</u>	<u>3,612,455</u>	<u>6,169,481</u>	<u>26,178,440</u>
<u>(811,752)</u>	<u>(144,000)</u>	<u>125,225</u>	<u>(66,204)</u>	<u>866,451</u>	<u>2,019,691</u>	<u>3,324,329</u>
118,962	207,265	96,443	15,472	131,562	323,241	1,145,552
						(87,843)
						37,836
<u>118,962</u>	<u>207,265</u>	<u>96,443</u>	<u>15,472</u>	<u>131,562</u>	<u>323,241</u>	<u>1,095,545</u>
<u>(692,790)</u>	<u>63,265</u>	<u>221,668</u>	<u>(50,732)</u>	<u>998,013</u>	<u>2,342,932</u>	<u>4,419,874</u>
<u>500,004</u>				<u>174,996</u>		<u>2,142,000</u>
<u>500,004</u>				<u>174,996</u>		<u>2,142,000</u>
<u>(192,786)</u>	<u>63,265</u>	<u>221,668</u>	<u>(50,732)</u>	<u>1,173,009</u>	<u>2,342,932</u>	<u>6,561,874</u>
<u>5,031,377</u>			<u>691,075</u>	<u>5,575,131</u>	<u>3,551,907</u>	<u>26,996,860</u>
<u>\$4,838,591</u>	<u>\$63,265</u>	<u>\$221,668</u>	<u>\$640,343</u>	<u>\$6,748,140</u>	<u>\$5,894,839</u>	<u>\$33,558,734</u>

	Equipment Replacement	Central Services	Fleet Maintenance	Technology Services
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$2,018,805		\$2,264,594	\$2,595,852
Payments to suppliers	(278,612)		(1,057,656)	(195,189)
Payments to employees	(46,711)		(1,073,484)	(1,789,263)
Insurance and claims paid				
Cash Flows from Operating Activities	<u>1,693,482</u>		<u>133,454</u>	<u>611,400</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund receipts	347,129			
Interfund payments				
Transfers In (out)	<u>117,000</u>			<u>1,350,000</u>
Cash Flows from Noncapital Financing Activities	<u>464,129</u>			<u>1,350,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets, net	(726,576)			(294,398)
Proceeds from the sale of assets	48,000			
Principal payments on capital debt	<u>(559,790)</u>			
Cash Flows from Capital and Related Financing Activities	<u>(1,238,366)</u>			<u>(294,398)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Sales (purchases) of restricted investments				
Interest	<u>58,166</u>	<u>\$1,947</u>	<u>4,806</u>	<u>99,845</u>
Cash Flows from Capital and Related Investing Activities	<u>58,166</u>	<u>1,947</u>	<u>4,806</u>	<u>99,845</u>
Net Cash Flows	977,411	1,947	138,260	1,766,847
Cash and investments at beginning of period	<u>5,575,429</u>	<u>86,756</u>	<u>122,853</u>	<u>4,654,322</u>
Cash and investments at end of period	<u>\$6,552,840</u>	<u>\$88,703</u>	<u>\$261,113</u>	<u>\$6,421,169</u>
Reconciliation of operating income (loss) to net cash flows from operating activities:				
Operating income (loss)	\$937,374		\$25,268	\$372,276
Adjustments to reconcile operating income to cash flows from operating activities:				
Depreciation	920,046			56,590
Change in assets and liabilities:				
(Increase) decrease in accounts receivable and refundable deposits	(8,346)		(6,237)	(31,260)
Increase (decrease) accounts payable	(155,592)		113,476	219,963
Increase (decrease) accrued payroll			947	(6,169)
Claims payable				
Cash Flows from Operating Activities	<u>\$1,693,482</u>		<u>\$133,454</u>	<u>\$611,400</u>
Non-cash Transactions:				
Retirement of capital assets	<u>(\$10,164)</u>			

<u>Facilities Maintenance</u>	<u>Workers' Compensation Insurance</u>	<u>General Liability Insurance</u>	<u>Unemployment Insurance</u>	<u>OPEB/Vacation</u>	<u>Pension Stabilization Fund</u>	<u>Total</u>
\$2,747,375	\$3,556,108	\$3,618,203		\$4,479,360	\$8,189,172	\$29,469,469
(2,558,637)	417,167	(1,322,223)	(\$1,620)	(3,078,862)	(17,481)	(8,093,113)
(579,745)	(195,495)	(465,612)	(49,468)	(601,593)	(6,152,000)	(10,953,371)
	<u>(2,154,571)</u>	<u>(2,645,483)</u>				<u>(4,800,054)</u>
<u>(391,007)</u>	<u>1,623,209</u>	<u>(815,115)</u>	<u>(51,088)</u>	<u>798,905</u>	<u>2,019,691</u>	<u>5,622,931</u>
						347,129
		8,050				8,050
<u>500,004</u>				<u>174,996</u>		<u>2,142,000</u>
<u>500,004</u>		<u>8,050</u>		<u>174,996</u>		<u>2,497,179</u>
						(1,020,974)
						48,000
						<u>(559,790)</u>
						<u>(1,532,764)</u>
					(2,327,788)	(2,327,788)
<u>118,962</u>	<u>207,265</u>	<u>96,443</u>	<u>15,472</u>	<u>131,562</u>	<u>323,241</u>	<u>1,057,709</u>
<u>118,962</u>	<u>207,265</u>	<u>96,443</u>	<u>15,472</u>	<u>131,562</u>	<u>(2,004,547)</u>	<u>(1,270,079)</u>
227,959	1,830,474	(710,622)	(35,616)	1,105,463	15,144	5,317,267
<u>5,100,365</u>	<u>9,708,553</u>	<u>5,364,793</u>	<u>691,480</u>	<u>5,635,604</u>	<u>27,236</u>	<u>36,967,391</u>
<u>\$5,328,324</u>	<u>\$11,539,027</u>	<u>\$4,654,171</u>	<u>\$655,864</u>	<u>\$6,741,067</u>	<u>\$42,380</u>	<u>\$42,284,658</u>
(\$811,752)	(\$144,000)	\$125,225	(\$66,204)	\$866,451	\$2,019,691	\$3,324,329
						976,636
	17,425	(5,336)		454		(33,300)
415,683	555,374	129,782	15,116			1,293,802
5,062	6,364	12,951				19,155
	<u>1,188,046</u>	<u>(1,077,737)</u>		<u>(68,000)</u>		<u>42,309</u>
<u>(\$391,007)</u>	<u>\$1,623,209</u>	<u>(\$815,115)</u>	<u>(\$51,088)</u>	<u>\$798,905</u>	<u>\$2,019,691</u>	<u>\$5,622,931</u>
						<u>(\$10,164)</u>



OPEB TRUST FUNDS

OPEB Trust Funds are used to account for the resources accumulated by the City for the payment of medical benefits on behalf of retirees:

Miscellaneous and Pre-2019 Safety OPEB Trust Fund accounts for the payment of medical benefits on behalf of miscellaneous employees and safety employees that retired before January 1, 2019.

Post-2019 Safety OPEB Trust Fund accounts for the payment of medical benefits on behalf of safety employees that were active employees as of January 1, 2019 and retire on or after that date.



City of Alameda
OPEB TRUST FUNDS
Combining Statement of Net Position
June 30, 2019

	Miscellaneous and Pre-2019 Safety OPEB Trust Fund	Post-2018 Safety OPEB Trust Fund	Total
ASSETS			
Cash and investments	\$9,678		\$9,678
Restricted investments - mutual funds	4,212,349	\$9,755,877	13,968,226
Total Assets	4,222,027	9,755,877	13,977,904
NET POSITION			
Restricted for: Employees' OPEB benefits	4,222,027	9,755,877	13,977,904
Total Net Position (Deficit)	\$4,222,027	\$9,755,877	\$13,977,904



City of Alameda
OPEB TRUST FUNDS
Combining Statement of Changes in Net Position
For the Year Ended June 30, 2019

	Miscellaneous and Pre-2019 Safety OPEB Trust Fund	Post-2018 Safety OPEB Trust Fund	Total
ADDITIONS			
Net investment income:			
Interest income	\$259,025	\$568,341	\$827,366
Net increase (decrease) in the fair value of investment	5,537		5,537
Investment management fees	(13,112)	(19,988)	(33,100)
Employer contributions	4,325,122	963,680	5,288,802
Transfer in		8,314,828	8,314,828
	<u>4,576,572</u>	<u>9,826,861</u>	<u>14,403,433</u>
DEDUCTIONS			
Administration			
Retirement and other benefits	3,825,122	70,984	3,896,106
Transfer out	8,314,828		8,314,828
	<u>12,139,950</u>	<u>70,984</u>	<u>12,210,934</u>
CHANGE IN NET POSITION	(7,563,378)	9,755,877	2,192,499
NET POSITION (DEFICIT), BEGINNING OF YEAR	<u>11,785,405</u>		<u>11,785,405</u>
NET POSITION (DEFICIT), END OF YEAR	<u>\$4,222,027</u>	<u>\$9,755,877</u>	<u>\$13,977,904</u>



Agency Funds

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

Assessment Districts

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



City of Alameda
Agency Funds
Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2019

	Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019
<hr/>				
<u>Assessment Districts</u>				
Assets:				
Cash and cash equivalents:				
Cash and investments	\$4,176,877	\$1,361,301	\$2,302,165	\$3,236,013
Restricted cash and investments	2,332,535		4,371	2,328,164
Accounts receivable	6,803	9,138	6,803	9,138
Interest receivable	14	14	14	14
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$6,516,229</u>	<u>\$1,370,453</u>	<u>\$2,313,353</u>	<u>\$5,573,329</u>
Liabilities:				
Interest payable	\$287,371	\$266,167	\$287,371	\$266,167
Due to bondholders	6,228,858	1,104,286	2,025,982	5,307,162
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>\$6,516,229</u>	<u>\$1,370,453</u>	<u>\$2,313,353</u>	<u>\$5,573,329</u>





This section of the City’s Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information presents with respect to the City’s overall financial health. In contrast to the Financial Section, the Statistical Section information is not subject to independent audit.

Financial Trends

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

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances of Governmental Funds
4. Changes in Fund Balances of Governmental Funds
5. Basic Revenue Index (BRI)

Revenue Capacity

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

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

Debt Capacity

These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future:

1. Ratio of Outstanding Debt by Type
2. Ratio of General Bonded Debt Outstanding
3. Computation of Direct and Overlapping Debt
4. Computation of Legal Bonded Debt Margin
5. Sewer Services Fund Debt Coverage
6. Alameda Municipal Power Fund (AMP) Debt Coverage
7. Bonded Debt Pledged Revenue Coverage, CIC Revenue Bonds and Tax Allocation Bonds

Demographic and Economic Information

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

1. Demographic and Economic Statistics
2. Principal Employers

Operating Information

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

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

Sources

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



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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Governmental activities				
Invested in capital assets, net of related debt	\$179,200,175	\$173,302,089	\$249,436,223	\$234,318,345
Restricted	81,018,431	81,525,686	57,906,023	65,063,180
Unrestricted	17,744,797	21,985,164	17,632,805	27,586,926
Total governmental activities net position	<u>\$277,963,403</u>	<u>\$276,812,939</u>	<u>\$324,975,051</u>	<u>\$326,968,451</u>
Business-type activities				
Invested in capital assets, net of related debt	\$45,131,483	\$39,458,176	\$44,169,706	\$32,309,753
Restricted				29,374,748
Unrestricted	18,336,223	19,025,625	18,085,254	
Total business-type activities net position	<u>\$63,467,706</u>	<u>\$58,483,801</u>	<u>\$62,254,960</u>	<u>\$61,684,501</u>
Primary government				
Invested in capital assets, net of related debt	\$224,331,658	\$213,414,695	\$293,605,929	\$266,628,098
Restricted	81,018,431	81,525,686	57,906,023	94,437,928
Unrestricted	36,081,020	39,344,911	35,718,059	27,586,926
Total primary government net position	<u>\$341,431,109</u>	<u>\$334,285,292</u>	<u>\$387,230,011</u>	<u>\$388,652,952</u>

Source: City Finance Department

(a) The City implemented the provisions of GASB Statement No. 75 in fiscal year 2018.
 Prior year amounts have not been restated.

2014	2015	2016	2017	2018 (a)	2019
\$248,976,617	\$259,298,585	\$257,003,558	\$258,670,492	\$261,696,061	\$269,397,500
64,148,556	47,340,040	49,089,375	53,494,064	91,334,323	110,162,983
22,934,963	(132,097,358)	(128,732,691)	(138,357,430)	(218,481,489)	(214,617,059)
<u>\$336,060,136</u>	<u>\$174,541,267</u>	<u>\$177,360,242</u>	<u>\$173,807,126</u>	<u>\$134,548,895</u>	<u>\$164,943,424</u>
\$36,408,147	\$72,843,612	\$77,527,656	\$87,340,526	\$93,673,669	\$98,017,520
29,591,239	31,979,615	32,369,845	29,829,844	26,462,741	26,055,896
	17,235,250	23,848,220	31,259,576	28,810,985	33,134,340
<u>\$65,999,386</u>	<u>\$122,058,477</u>	<u>\$133,745,721</u>	<u>\$148,429,946</u>	<u>\$148,947,395</u>	<u>\$157,207,756</u>
\$285,384,764	\$332,142,197	\$334,531,214	\$346,011,018	\$355,369,730	\$367,415,020
93,739,795	79,319,655	81,459,220	83,323,908	117,797,064	136,218,879
22,934,963	(114,862,108)	(104,884,471)	(107,097,854)	(189,670,504)	(181,482,719)
<u>\$402,059,522</u>	<u>\$296,599,744</u>	<u>\$311,105,963</u>	<u>\$322,237,072</u>	<u>\$283,496,290</u>	<u>\$322,151,180</u>



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

	For the Fiscal Year Ended June 30,			
	2010	2011	2012	2013
Expenses				
Governmental Activities:				
General Government	\$15,456,715	\$18,188,575	\$15,237,357	\$13,569,619
Police	26,798,928	26,889,284	25,904,606	30,431,546
Fire	22,861,254	24,532,288	23,970,035	27,374,670
Public Works	10,939,983	18,950,456	13,738,143	12,664,895
Community Development	19,248,260	16,550,661	5,718,100	20,805,104
Community Services	8,749,436	9,296,269	8,741,325	8,296,495
Housing	7,975,615	7,261,310	14,452,825	1,222,077
Interest on Long-Term Debt	5,764,642	5,677,260	4,142,152	1,409,201
Total Governmental Activities Expenses	117,794,833	127,346,103	111,904,543	115,773,607
Business-Type Activities:				
Ferry Services	4,200,933	3,357,896		
Golf Course	3,914,763	3,917,153	3,814,979	
Sewer Service	4,359,415	4,598,661	3,864,222	5,125,508
Alameda Municipal Power (a)				
Total Business-Type Activities Expenses	12,475,111	11,873,710	7,679,201	5,125,508
Total Primary Government Expenses	\$130,269,944	\$139,219,813	\$119,583,744	\$120,899,115
Component Units:				
Housing Authority	\$30,114,145	\$31,077,746		
Alameda Municipal Power	56,686,475	50,902,652	\$54,520,590	\$53,896,090
Total Component Units	\$86,800,620	\$81,980,398	\$54,520,590	\$53,896,090
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$7,065,225	\$8,378,706	\$6,899,450	\$7,507,538
Police	1,196,533	1,248,344	1,181,455	1,125,359
Fire	2,459,169	1,875,008	2,156,989	2,625,040
Public Works	5,234,368	6,743,825	6,694,970	7,329,147
Community Development	9,628,742	9,628,742	9,261,637	9,717,218
Community Services	2,600,886	2,643,386	2,771,489	3,477,649
Housing				45
Operating Grants and Contributions	7,401,177	7,753,440	9,898,631	7,434,721
Capital Grants and Contributions	6,703,662	8,305,292	5,111,573	3,504,228
Total Government Activities Program Revenues	42,289,762	46,576,743	43,976,194	42,720,945
Business-Type Activities:				
Charges for Services:				
Ferry Services		222		
Golf Course	3,768,555	3,546,251	3,958,933	
Sewer Service	6,068,908	6,936,223	7,447,477	8,966,628
Operating Grants and Contributions	2,245,111	2,245,111		
Capital Grants and Contributions				
Alameda Municipal Power (a)				
Total Business-Type Activities Program Revenue	12,082,574	12,727,807	11,406,410	8,966,628
Total Primary Government Program Revenues	\$54,372,336	\$59,304,550	\$55,382,604	\$51,687,573
Component Units:				
Charges for Services:				
Housing Authority	\$2,957,381	\$2,959,697		
Alameda Municipal Power	49,284,110	51,237,727	\$51,526,195	\$56,157,469
Operating Grants and Contributions	28,796,857	29,390,234		
Total Component Units Program Revenues	\$81,038,348	\$83,587,658	\$51,526,195	\$56,157,469
Net (Expense)/Revenue				
Governmental Activities	(\$75,505,071)	(\$75,504,996)	(\$67,928,349)	(\$73,052,662)
Business-Type Activities	(392,537)	1,027,225	3,727,584	3,841,120
Component Units Activities	(5,762,272)	1,607,260		
Total Primary Government Net Expense	(\$81,659,880)	(\$72,870,511)	(\$64,200,765)	(\$69,211,542)

(a) Reclassified as Enterprise Fund

Source: City Finance Department

2014	2015	2016	2017	2018	2019
\$15,040,701	\$15,566,704	\$17,312,864	\$22,613,362	\$27,567,933	\$19,673,640
30,848,485	30,310,509	31,230,359	34,249,563	38,203,293	45,109,592
27,866,089	30,247,841	33,701,192	34,380,486	39,616,964	47,372,705
14,344,311	20,576,356	21,611,732	22,493,921	21,305,228	16,185,664
15,947,090	21,707,219	19,926,259	20,854,357	19,124,858	16,626,697
6,995,080	6,808,162	8,192,325	7,825,636	10,785,609	4,172,503
2,004,958	1,883,617	2,298,345	1,955,239	3,343,039	2,868,235
2,307,691	984,165	1,104,604	983,685	1,298,608	1,276,122
<u>115,354,405</u>	<u>128,084,573</u>	<u>135,377,680</u>	<u>145,356,250</u>	<u>161,245,532</u>	<u>153,285,158</u>
5,339,491	6,069,959	5,189,080	5,062,826	4,915,297	5,565,859
	47,958,639	54,131,601	53,311,749	59,886,250	63,101,513
<u>5,339,491</u>	<u>54,028,598</u>	<u>59,320,681</u>	<u>58,374,575</u>	<u>64,801,547</u>	<u>68,667,372</u>
<u>\$120,693,896</u>	<u>\$182,113,171</u>	<u>\$194,698,361</u>	<u>\$203,730,825</u>	<u>\$226,047,079</u>	<u>\$221,952,530</u>
<u>\$50,466,129</u>					
<u>\$50,466,129</u>					
\$9,820,809	\$9,928,486	\$9,914,050	\$11,400,449	\$9,068,963	\$3,289,980
1,772,066	1,557,542	1,461,077	1,378,632	1,228,935	1,121,616
2,242,200	2,902,627	3,161,928	3,134,509	3,306,867	3,494,527
6,915,488	8,048,038	8,869,421	9,955,286	9,280,689	10,023,569
10,267,249	10,900,322	11,261,739	13,523,363	13,044,105	13,541,107
3,238,812	3,273,681	3,550,181	3,671,588	4,423,440	4,564,276
	2,500				
6,416,506	5,806,249	5,209,502	6,045,401	9,032,803	5,700,076
3,188,964	6,156,043	6,270,247	7,058,283	12,386,648	10,877,405
<u>43,862,094</u>	<u>48,575,488</u>	<u>49,698,145</u>	<u>56,167,511</u>	<u>61,772,450</u>	<u>52,612,556</u>
9,734,164	9,906,045	9,404,120	9,690,132	10,498,070	11,216,139
		546,768	489,751		
	58,759,497	62,012,528	63,449,233	63,455,688	66,567,838
<u>9,734,164</u>	<u>68,665,542</u>	<u>71,963,416</u>	<u>73,629,116</u>	<u>73,953,758</u>	<u>77,783,977</u>
<u>\$53,596,258</u>	<u>\$117,241,030</u>	<u>\$121,661,561</u>	<u>\$129,796,627</u>	<u>\$135,726,208</u>	<u>\$130,396,533</u>
<u>\$59,774,933</u>					
<u>\$59,774,933</u>					
(\$71,492,311)	(\$79,509,085)	(\$85,679,535)	(\$89,188,739)	(\$99,473,082)	(\$100,672,602)
4,394,673	14,636,944	12,642,735	15,254,541	9,152,211	9,116,605
<u>(\$67,097,638)</u>	<u>(\$64,872,141)</u>	<u>(\$73,036,800)</u>	<u>(\$73,934,198)</u>	<u>(\$90,320,871)</u>	<u>(\$91,555,997)</u>

(Continued)



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

	For the Fiscal Year Ended June 30,			
	2010	2011	2012	2013
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property Taxes	\$30,779,575	\$30,205,060	\$27,965,276	\$26,937,823
Incremental property tax	11,631,272	11,868,722	5,748,695	
Urban runoff special assessments	1,897,652	1,886,557	1,844,180	1,842,568
Sales Taxes	4,880,379	5,077,031	6,035,950	5,932,043
Utility Users Tax	8,822,075	9,182,248	8,787,016	9,095,600
Transfer Tax	4,647,057	5,896,294	4,921,032	5,582,337
Franchise Tax	4,403,092	4,451,081	4,477,426	4,439,185
Transient Occupancy Tax	1,084,850	1,118,732	1,294,691	1,396,432
Property Tax In-Lieu	1,278,940	1,255,240	1,271,253	1,112,896
Other Taxes	891,109	1,197,746	1,489,036	2,788,444
Motor Vehicle In-Lieu, Unrestricted	6,041,729	6,120,156	5,874,386	5,897,923
Use of Money and properties	3,836,073	5,059,361	617,852	4,039,370
Gain/Loss from disposal of capital assets				
Miscellaneous	742,404	4,080,095	5,803,134	1,531,218
Transfers	(1,114,750)	(1,628,137)	207,258	269,538
Extraordinary item			40,764,726	
Total Government Activities	<u>79,821,457</u>	<u>85,770,186</u>	<u>117,101,911</u>	<u>70,865,377</u>
Business-Type Activities:				
Use of Money and properties	348,032		192,687	33,149
Miscellaneous	285,028	(230,894)	58,146	5,495
Transfers	1,114,750	1,628,137	(207,258)	(269,538)
Total Business-Type Activities	<u>1,747,810</u>	<u>1,397,243</u>	<u>43,575</u>	<u>(230,894)</u>
Total Primary Government	<u>\$81,569,267</u>	<u>\$87,167,429</u>	<u>\$117,145,486</u>	<u>\$70,634,483</u>
Component Units Activities:				
Use of Money and properties	\$356,673	\$1,965,040	\$119,699	\$98,920
Miscellaneous	506,590	249,207	54,142	176,225
Increase in value of certain NPCA projects and reserves				1,447,092
Net Extraordinary Items				
Total Component Units Activities	<u>\$863,263</u>	<u>\$2,214,247</u>	<u>\$173,841</u>	<u>\$1,722,237</u>
Change in Net Position				
Governmental Activities	\$4,316,386	\$2,828,006	\$49,173,562	(\$2,187,285)
Business-Type Activities	1,355,273	3,473,803	3,771,159	3,610,226
Total Primary Government	<u>\$5,671,659</u>	<u>\$6,301,809</u>	<u>\$52,944,721</u>	<u>\$1,422,941</u>
Changes in Net Position				
Component units Activities	<u>(\$4,899,009)</u>	<u>\$3,821,507</u>	<u>(\$2,820,554)</u>	<u>\$3,983,616</u>

Source: City Finance Department

2014	2015	2016	2017	2018	2019
\$38,088,577	\$39,057,776	\$43,665,977	\$45,651,646	\$48,745,491	\$52,886,048
6,260,057	9,340,828	10,187,902	10,740,580	10,967,955	14,072,162
8,500,351	8,330,638	8,368,125	9,061,296	9,336,326	9,080,200
6,730,655	8,258,516	9,451,755	10,333,813	15,679,218	17,134,704
3,919,351	1,496,491	2,396,918	2,473,634	2,473,040	2,481,408
1,612,283	1,928,731	2,174,973	2,126,612	2,146,038	2,292,350
1,382,336	1,002,871	1,157,160	1,167,072	1,203,862	1,227,585
4,175,348	4,460,633	1,831,805	1,500,155	1,339,471	1,239,629
5,068,924	4,465,916	5,136,494	6,957,802	5,300,785	9,009,003
4,428,117	2,787,194	1,160,517	2,312,459	12,971,153	16,751,109
417,997	3,027,004	2,831,684	2,891,411	1,478,855	1,060,459
	1,007,196			8,463,788	3,832,474
80,583,996	85,163,794	88,363,310	95,216,480	120,105,982	131,067,131
337,908	279,817	685,463	507,799	1,014,577	2,181,706
301	90,277	1,190,730	1,813,296	1,235,399	794,524
(417,997)	(3,027,004)	(2,831,684)	(2,891,411)	(8,463,788)	(3,832,474)
(79,788)	(2,656,910)	(955,491)	(570,316)	(6,213,812)	(856,244)
\$80,504,208	\$82,506,884	\$87,407,819	\$94,646,164	\$113,892,170	\$130,210,887
\$86,293					
1,548,129					
(789,918)					
\$844,504					
\$9,091,684	\$5,654,709	\$2,683,775	\$6,027,741	\$20,632,900	\$30,394,529
4,314,885	11,980,034	11,687,244	14,684,225	2,938,399	8,260,361
\$13,406,569	\$17,634,743	\$14,371,019	\$20,711,966	\$23,571,299	\$38,654,890
\$10,153,308					



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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Fund				
<i>Pre-GASB 54 Classifications:</i>				
Reserved	\$5,426,061			
Unreserved	16,223,164			
<i>GASB 54 Classifications:</i>				
Nonspendable			\$2,685,205	\$2,200,000
Restricted		\$400,000		
Committed		603,629	400,000	
Assigned		16,693,535	315,045	
Unassigned			19,618,518	21,293,014
Total General Fund	<u>\$21,649,225</u>	<u>\$17,697,164</u>	<u>\$23,018,768</u>	<u>\$23,493,014</u>
All Other Governmental Funds				
<i>Pre-GASB 54 Classifications:</i>				
Reserved	\$33,900,970			
Unreserved, reported in:				
Special revenue funds	32,037,363			
Capital project funds	14,178,257			
<i>GASB 54 Classifications:</i>				
Nonspendable		\$45,639,192	\$8,894	
Restricted		36,594,620	24,442,662	\$21,293,253
Committed		10,965	35,055,243	36,907,806
Assigned		(9,200)		
Unassigned			(1,600,776)	(657,163)
Total all other governmental funds	<u>\$80,116,590</u>	<u>\$82,235,577</u>	<u>\$57,906,023</u>	<u>\$57,543,896</u>

Source: City of Alameda Finance Department

(a) The change in total fund balance for the General Fund and other government funds is explained in Management's Discussion and Analysis.

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$2,261,871	\$2,591,009	\$872,617	\$1,575,550	\$782,440	\$1,591,812
		6,043,000	11,568,004		
	3,000,000	6,281,684	8,525,868	15,354,029	16,173,757
<u>29,071,830</u>	<u>30,165,670</u>	<u>27,284,395</u>	<u>28,726,377</u>	<u>25,072,934</u>	<u>23,445,239</u>
<u>\$31,333,701</u>	<u>\$35,756,679</u>	<u>\$40,481,696</u>	<u>\$50,395,799</u>	<u>\$41,209,403</u>	<u>\$41,210,808</u> (a)
\$9,395				\$1,115	\$2,784,114
23,349,158	\$50,922,259	\$48,736,806	\$52,352,209	64,846,207	84,169,854
40,790,003	17,909,767	21,233,524	21,938,791	23,357,819	25,959,758
	(14,081)		(2,519,632)	(831,560)	(510,884)
<u>\$64,148,556</u>	<u>\$68,817,945</u>	<u>\$69,970,330</u>	<u>\$71,771,368</u>	<u>\$87,373,581</u>	<u>\$112,402,842</u> (a)



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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Revenues				
Property taxes	\$44,308,500	\$44,304,076	\$36,215,189	\$30,299,428
Other local taxes	27,032,505	29,209,243	28,731,775	29,441,266
Licenses and permits	3,172,848	3,389,609	2,962,194	3,220,082
Developer fees				
Revenue from other agencies	19,354,972	18,584,868	15,017,173	15,017,173
Charges for current services	12,252,283	12,102,124	16,992,163	16,992,163
Fines and forfeitures	1,434,684	1,350,974	1,498,967	1,712,558
Use of money and property	17,208,171	17,595,184	16,284,321	16,284,321
Other	791,233	5,454,018	3,716,012	1,366,611
Total Revenues	<u>125,555,196</u>	<u>131,990,096</u>	<u>121,417,794</u>	<u>114,333,602</u>
Expenditures				
Current:				
General government	9,756,226	4,130,188	8,505,007	13,996,654
Police	26,749,247	27,612,111	27,697,939	28,538,108
Fire	22,589,195	24,297,287	23,735,534	23,262,699
Public Works	4,682,917	6,324,136	5,045,594	4,320,452
Community Development	19,288,336	22,899,662	17,959,889	17,828,779
Community Services	7,738,644	8,292,609	8,358,813	6,704,716
Culture and Recreation				1,178,313
Housing	10,060,973	8,460,735	14,513,011	2,051,269
Capital outlay	15,527,159	17,392,517	12,969,550	13,306,766
Debt service:				
Principal repayment	2,569,040	3,169,360	2,844,360	1,710,214
Interest and fiscal charges	5,675,982	5,732,593	3,700,852	1,431,642
Total Expenditures	<u>124,637,719</u>	<u>128,311,198</u>	<u>125,330,549</u>	<u>114,329,612</u>
Excess (deficiency) of revenues over (under) expenditures	<u>917,477</u>	<u>3,678,898</u>	<u>(3,912,755)</u>	<u>3,990</u>
Other Financing Sources (Uses)				
Contribution from (to) other entities		(1,347,013)		
Transfers in	16,789,896	20,625,790	22,598,326	13,236,792
Transfers (out)	(23,293,991)	(24,690,492)	(25,611,556)	(14,172,654)
Sale of capital assets		735,000	8,213	
Payment to escrow agent		(985,000)		
Bond issuance premium (discount) on debt		(125,326)		
Issuance of long-term debt		11,035,000		
Total other financing sources (uses)	<u>(6,504,095)</u>	<u>5,247,959</u>	<u>(3,005,017)</u>	<u>(935,862)</u>
Extraordinary item			(20,454,496)	
Net Change in fund balances	<u>(\$5,586,618)</u>	<u>\$8,926,857</u>	<u>(\$27,372,268)</u>	<u>(\$931,872)</u>
Debt service as a percentage of noncapital expenditures	7.4% (a)	7.6% (a)	6.2% (a)	2.9% (a)

NOTE:

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

Source: City Finance Department

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$40,030,928	\$41,511,670	\$43,665,978	\$45,651,646	\$48,681,491	\$52,452,829
31,532,635	34,307,623	36,600,031	38,995,559	43,717,400	48,515,927
3,649,220	4,834,523	4,599,669	5,353,671	5,435,030	5,824,270
					750,446
8,383,901	10,472,056	11,799,727	13,461,497	20,936,253	17,541,700
16,881,772	16,601,934	18,801,604	19,328,754	18,586,442	12,671,775
1,940,326	1,579,608	1,505,913	1,141,664	1,235,816	1,180,423
17,130,340	17,472,748	18,278,665	18,876,427	19,512,445	21,843,012
4,638,439	2,898,060	1,088,097	4,920,412	2,362,537	1,314,287
<u>124,187,561</u>	<u>129,678,222</u>	<u>136,339,684</u>	<u>147,729,630</u>	<u>160,467,414</u>	<u>162,094,669</u>
14,807,500	17,213,207	22,246,735	21,770,743	26,765,743	23,865,017
28,767,165	28,682,826	28,816,779	30,853,005	38,367,994	33,970,893
24,269,387	27,961,054	28,529,688	30,652,703	37,809,548	35,153,085
4,432,334	4,558,311	4,742,674	4,918,684	5,452,709	5,384,542
14,920,522	16,145,736	17,686,827	18,077,608	17,180,357	16,544,318
5,755,718	5,797,562	6,453,987	6,382,003	7,584,297	8,522,259
2,282,435	1,883,479	2,298,345	1,955,239	4,056,097	2,828,691
12,836,513	16,402,343	17,408,895	22,147,962	28,835,746	25,675,554
17,866,047	1,906,000	2,149,564	1,957,436	2,153,966	7,131,495
2,398,072	791,566	1,128,676	1,163,030	1,229,634	1,335,732
<u>128,335,693</u>	<u>121,342,084</u>	<u>131,462,170</u>	<u>139,878,413</u>	<u>169,436,091</u>	<u>160,411,586</u>
<u>(4,148,132)</u>	<u>8,336,138</u>	<u>4,877,514</u>	<u>7,851,217</u>	<u>(8,968,677)</u>	<u>1,683,083</u>
19,087,597	18,842,178	20,777,712	24,650,200	29,546,528	33,127,183
(19,626,956)	(19,093,145)	(22,913,024)	(22,300,789)	(27,133,187)	(31,436,709)
			1,514,513	12,971,153	16,751,109
512,838					
18,620,000		3,000,000			4,906,000
<u>18,593,479</u>	<u>(250,967)</u>	<u>864,688</u>	<u>3,863,924</u>	<u>15,384,494</u>	<u>23,347,583</u>
	1,007,196				
<u>\$14,445,347</u>	<u>\$9,092,367</u>	<u>\$5,742,202</u>	<u>\$11,715,141</u>	<u>\$6,415,817</u>	<u>\$25,030,666</u>

17.6% (a)

2.5% (a)

2.6% (a)

2.3% (a)

2.2% (a)

6.3% (a)



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

Object Series	Revenue Type	Calendar Year 2019 Wage Increase (a)			
		FY16-17	FY17-18	Value Change	% Change
31000	General Fund Property Tax	\$ 36,090,128	\$ 38,726,739	\$ 2,636,611	7.31%
32100	Bradley Burns Sales Tax	10,094,100	10,279,885	185,785	1.84%
32200	Property Transfer Tax	10,333,813	15,679,218	5,345,405	51.73%
32300	Utility Users Tax	9,061,296	9,333,533	272,237	3.00%
32400	Transient Occupancy Tax	2,126,612	2,146,038	19,426	0.91%
	TOTALS	\$67,705,949	\$76,165,413	\$8,459,464	12.49%
	50% Of Total Increase applicable to Wage Increases				6.25%
	Minimum/Maximum per MOUs			3.0% to 5%	
	BRI WAGE INCREASE EFFECTIVE JANUARY				6.25%

(a) City's safety groups memoranda of understanding provide for zero percent wage increase in January 2019.

Calendar Year 2020 Wage Increase (a)

FY18-19	Value Change	% Change
\$42,037,930	\$ 3,311,191	8.55%
11,527,704	1,247,820	12.14%
17,134,704	1,455,486	9.28%
9,077,313	(256,220)	-2.75%
2,292,350	146,312	6.82%
\$82,070,001	\$5,904,588	7.75%

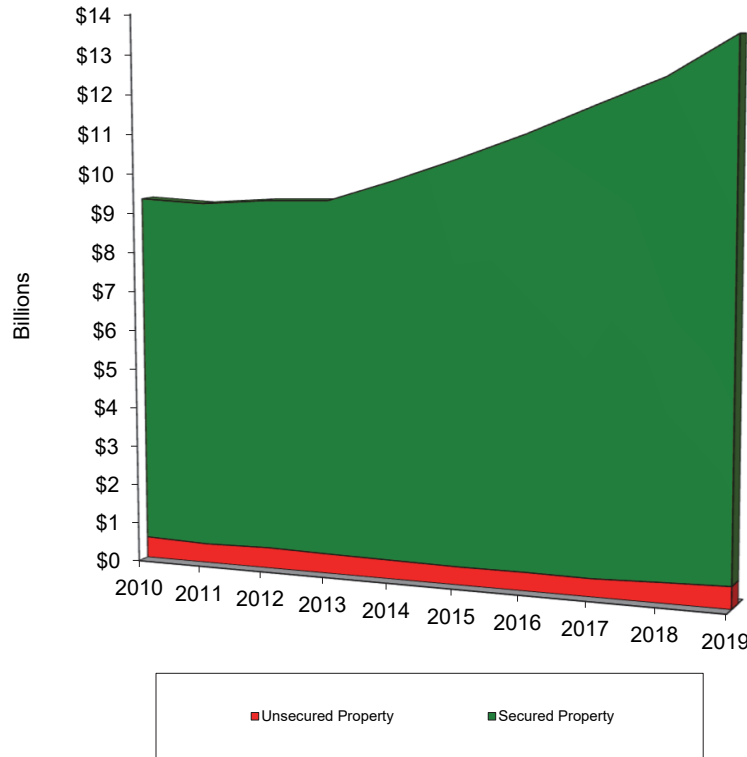
3.88%

3.0% to 5%

3.88%



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



Fiscal Year	Secured Property	Percent Change	Unsecured Property	Percent Change	Total Assessed
2010	\$8,796,462,645	1.11%	\$536,786,045	7.08%	\$9,436,632,497
2011	8,767,561,741	-0.33%	486,282,942	-9.41%	9,284,599,251
2012	8,851,986,300	0.96%	524,614,003	2.00%	9,387,095,373
2013	8,927,046,504	0.85%	496,000,269	-5.45%	9,423,046,773
2014	9,472,636,207	6.11%	476,558,073	-3.92%	9,949,194,280
2015	10,074,322,282	6.35%	457,262,328	-4.05%	10,531,584,610
2016	10,688,573,728	6.10%	466,708,505	2.07%	11,155,282,233
2017	11,404,111,189	6.69%	454,198,686	-2.68%	11,858,309,875
2018	12,033,671,681	5.52%	511,300,374	12.57%	12,544,972,055
2019	12,983,045,316	7.89%	560,482,846	9.62%	13,543,528,162

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

Source: Alameda County Auditor Controller Office Certificate of Assessed Valuations



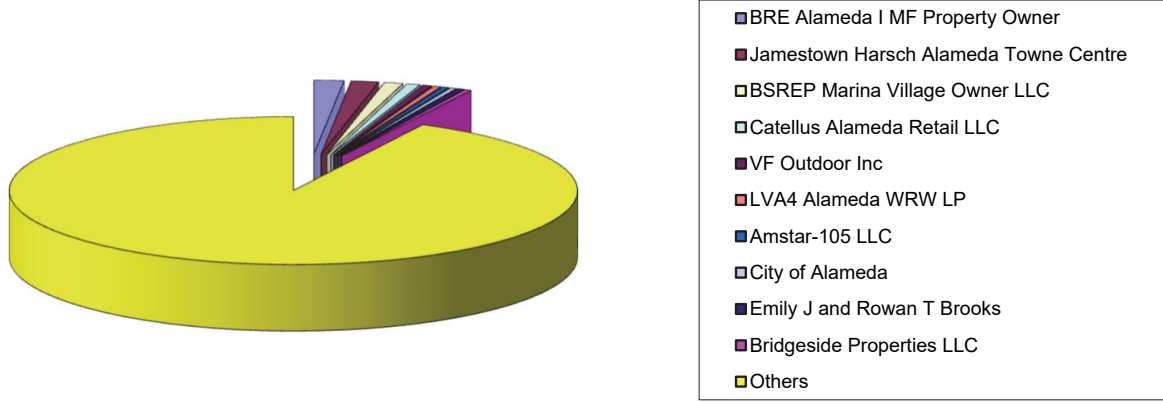
**City of Alameda
Property Tax Rates
All Direct and Overlapping Governments
Last Ten Fiscal Years**

Fiscal Year	Basic County Wide Levy (a)	City	Alameda Unified School Bonds	East Bay Regional Park	EBMUD Special District 1	Oakland Unified School Dist. Bonds	BART	Peralta College	County Go Bond	Total
2010	\$1.0000	\$0.0245	\$0.0498	\$0.0108	\$0.0065	\$0.1259	\$0.0057	\$0.0430	0.0000	\$1.2662
2011	1.0000	0.0244	0.0520	0.0084	0.0067	0.0000	0.0031	0.0430	0.0000	1.1376
2012	1.0000	0.0249	0.0527	0.0071	0.0067	0.0000	0.0041	0.0436	0.0000	1.1391
2013	1.0000	0.0260	0.0553	0.0051	0.0068	0.0000	0.0043	0.0434	0.0000	1.1409
2014	1.0000	0.0260	0.0534	0.0078	0.0066	0.0000	0.0075	0.0419	0.0000	1.1432
2015	1.0000	0.0250	0.0503	0.0085	0.0047	0.0000	0.0045	0.0412	0.0000	1.1342
2016	1.0000	0.0240	0.1043	0.0067	0.0034	0.0000	0.0026	0.0337	0.0000	1.1747
2017	1.0000	0.0230	0.0967	0.0032	0.0028	0.0000	0.0080	0.0256	0.0000	1.1593
2018	1.0000	0.0225	0.0653	0.0021	0.0011	0.0000	0.0084	0.0310	0.0000	1.1304
2019	1.0000	0.0220	0.0974	0.0057	0.0000	0.0000	0.0070	0.0269	0.0112	1.1702

Source: Alameda County Assessors Office

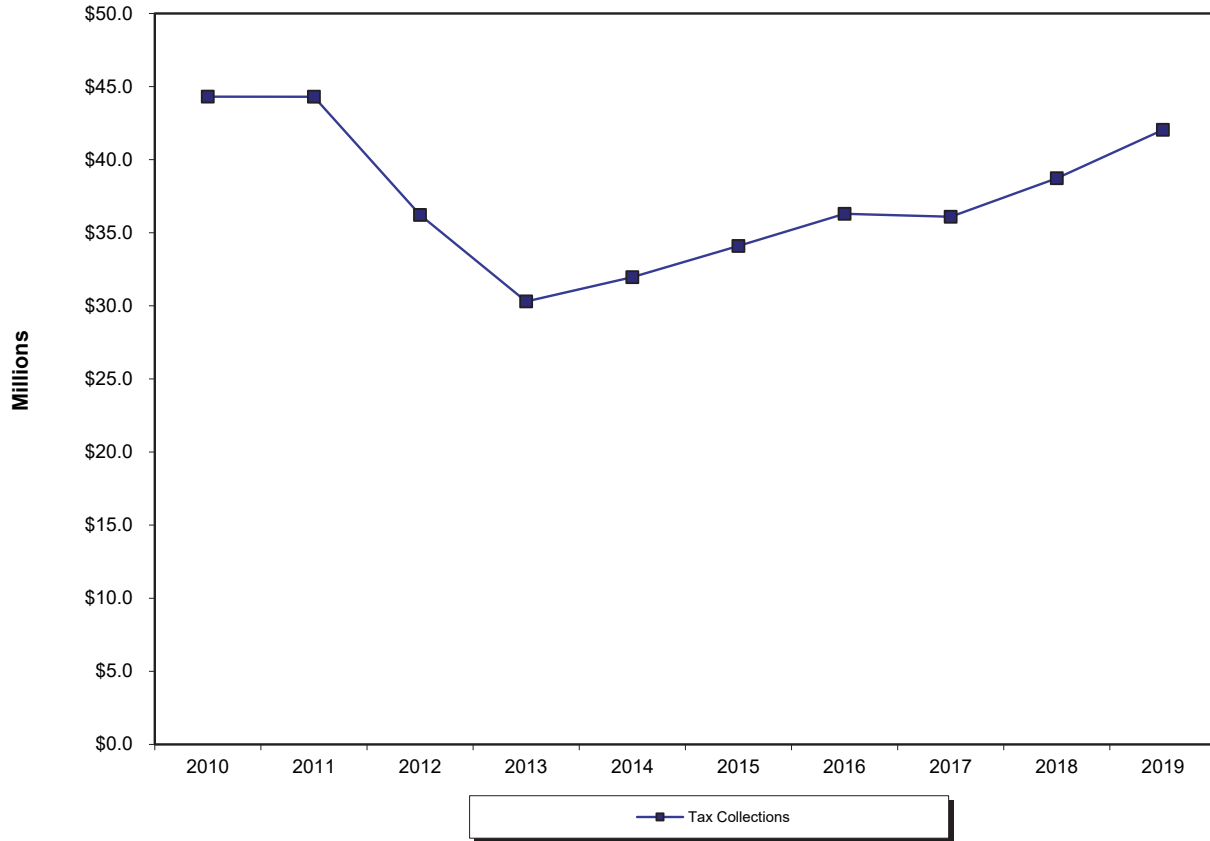
(a) The City of Alameda is .3331, Alameda County is .3293, Alameda USD is .1956 and other government agencies represent .142 of the basic county wide levy

Current Year Taxpayers



Taxpayer	2018-19			2009-10		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
BRE Alameda I MF Property Owner	\$230,363,046	1	1.70%			
Jamestown Harsch Alameda Towne Centre	210,774,562	2	1.56%			
BSREP Marina Village Owner LLC	144,257,744	3	1.07%			
Catellus Alameda Retail LLC	105,878,002	4	0.78%			
VF Outdoor Inc	69,713,668	5	0.51%			
LVA4 Alameda WRW LP	60,782,026	6	0.45%			
Amstar-105 LLC	50,820,734	7	0.38%			
City of Alameda	49,575,196	8	0.37%			
Emily J and Rowan T Brooks	48,112,799	9	0.36%			
Bridgeside Properties LLC	48,112,091	10	0.36%			
Legacy Partners I Alameda LLC				\$211,301,364	1	2.26%
KW Alameda LLC				109,702,439	2	1.17%
Alameda Waterfront Investors LLC				67,120,900	3	0.72%
Wind River Systems Inc				65,292,376	4	0.70%
Abbott Laboratories				63,014,111	5	0.67%
Harsch Investment Realty LLC				62,166,355	6	0.66%
CREA Bridgeside LLC				42,614,317	7	0.46%
SKS Harbor Bay Associates LLC				41,054,995	8	0.44%
Peet's Operating Company				38,964,214	9	0.42%
SRM Marina Investors LLC				35,227,658	10	0.38%
Subtotal	<u>\$1,018,389,868</u>		<u>7.54%</u>	<u>\$736,458,729</u>		<u>7.88%</u>
Total Net Assessed Valuation:						
Fiscal Year 2018-19	\$13,543,528,162					
Fiscal Year 2009-10	\$9,358,967,427					

Source: Alameda County Assessor Fiscal Year Combined Tax Rolls.



Fiscal Year	Total Tax Levy (a)	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections (a)	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
2010	\$44,308,500	\$44,308,500	100%	0	\$44,308,500	100%
2011	44,304,076	44,304,076	100%	0	44,304,076	100%
2012 (b)	36,215,189	36,215,189	100%	0	36,215,189	100%
2013	30,299,428	30,299,428	100%	0	30,299,428	100%
2014	31,960,530	31,960,530	100%	0	31,960,530	100%
2015	34,093,132	34,093,132	100%	0	34,093,132	100%
2016	36,292,959	36,292,959	100%	0	36,292,959	100%
2017	36,090,128	36,090,128	100%	0	36,090,128	100%
2018	38,726,740	38,726,740	100%	0	38,726,740	100%
2019	42,037,930	42,037,930	100%	0	42,037,930	100%

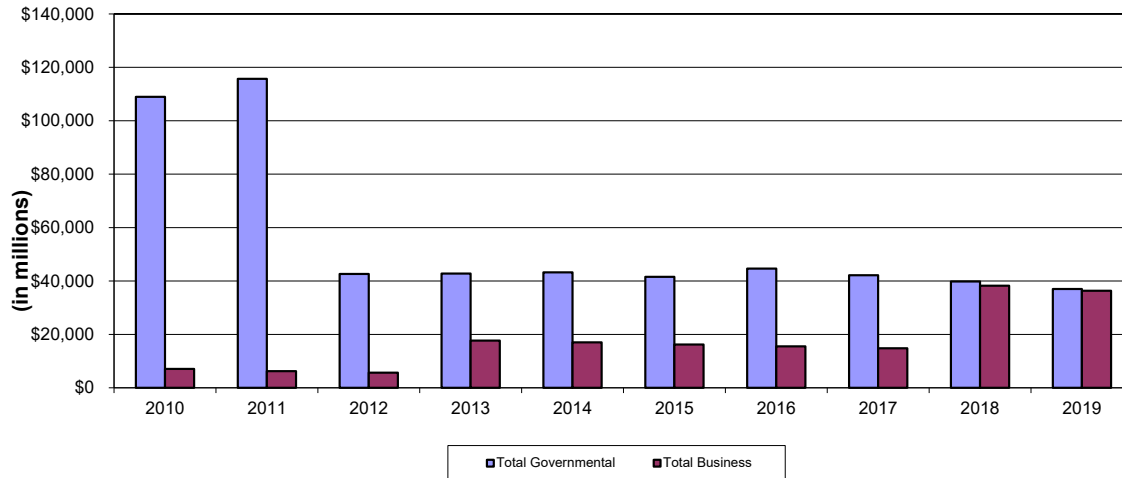
Source: City of Alameda Records

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

(a) During fiscal year 1995, the County began providing the City 100% of its tax levy under an agreement (Teeter Plan) which allows the County to keep all interest and delinquency charges collected.

(b) Upon the dissolution of the Community Improvement Commission effective January 31, 2012, a Successor Agency assumed the revenues of the former Community Improvement Commission.

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



Governmental Activities

Fiscal Year	Tax Allocation Bonds	Certificates of Participation	General Obligation Bond	Revenue Bonds	Loans & Lease Purchases	Total
2010	\$64,685,000	\$13,305,000	\$9,580,000	\$13,745,000	\$7,620,380	\$108,935,380
2011	74,254,674	12,470,000	9,375,000	12,300,000	7,291,020	115,690,694
2012	-	(b)	11,600,000	9,155,000	12,000,000	42,633,854
2013	-	(b)	10,700,000	8,925,000	11,700,000	42,765,764
2014	-	(b)	11,855,000	9,010,000	11,400,000	43,228,100
2015	-	(b)	10,930,000	8,610,000	11,000,000	41,535,218
2016	-	(b)	9,960,000	8,270,000	10,600,000	44,637,781
2017	-	(b)	9,210,000	7,925,000	10,200,000	42,147,439
2018	-	(b)	8,736,269	7,634,770	9,800,000	39,813,336
2019	-	(b)	7,905,750	7,264,303	9,400,000	36,997,064

Business-Type Activities

Fiscal Year	COPS & Revenue Bonds	Loans & Lease Purchases	Total	Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
2010	\$2,755,000	\$4,304,311	\$7,059,311	\$115,994,691	3.73%	\$1,552.06
2011	2,465,000	3,776,678	6,241,678	121,932,372	4.48%	1,645.93
2012	2,160,000	3,498,778	5,658,778	48,292,632	1.78%	647.01
2013	14,715,000	2,956,277	17,671,277	60,437,041	2.14%	804.48
2014	14,465,000	2,542,379	17,007,379	60,235,479	1.77%	788.29
2015	14,190,000	2,033,841	16,223,841	57,759,059	1.87%	760.38
2016	13,905,000	1,616,170	15,521,170	60,158,951	1.88%	758.84
2017	13,615,000	1,187,296	14,802,296	56,949,735	1.66%	712.51
2018	37,472,390 (c)	746,920	38,219,310	78,032,646	2.28%	989.47
2019	35,878,793 (c)	448,877	36,327,670	73,324,734	1.98%	924.46

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

Sources: City of Alameda

State of California, Department of Finance (population)

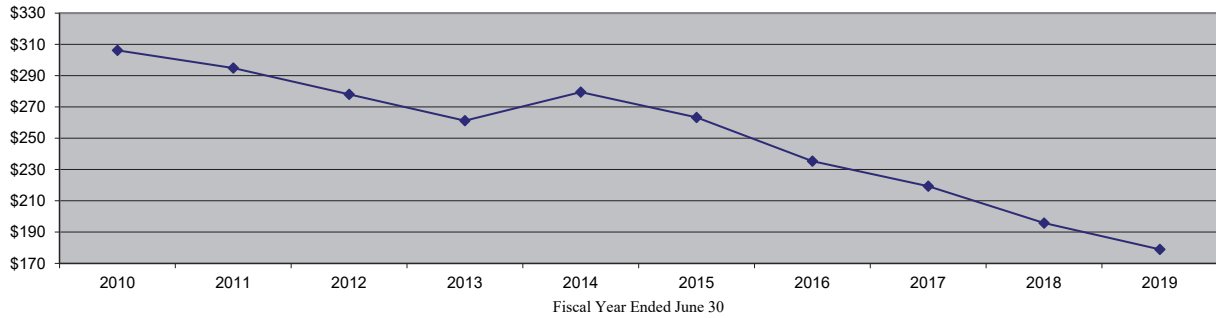
U.S. Department of commerce, Bureau of the Census (income)

(a) See page 175 (Demographic Statistics) for personal income and population data.

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

(c) Includes Alameda Municipal Power debt balances beginning in fiscal year 2018. Prior year amounts have not been restated

General Bonded Debt Outstanding
Per Capita



General Bonded Debt Outstanding

Fiscal Year	Certificates of Participation	General Obligation Bond	Plus Unamortized Bond Premium	Less Cash and Investments Restricted for Repayment of Debt	Net Bonds Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2010	\$13,305,000	\$9,580,000			\$22,885,000	0.24%	\$306.21
2011	12,470,000	9,375,000			21,845,000	0.24%	294.88
2012	11,600,000	9,155,000			20,755,000	0.22%	278.07
2013	10,700,000	8,925,000			19,625,000	0.21%	261.23
2014	11,855,000	9,010,000	\$490,790		21,355,790	0.21%	279.48
2015	10,930,000	8,610,000	459,812		19,999,812	0.19%	263.29
2016	9,960,000	8,270,000	428,011		18,658,011	0.17%	235.35
2017	9,210,000	7,925,000	397,025		17,532,025	0.15%	219.35
2018	8,435,000	7,570,000	366,039	(\$930,503)	15,440,536	0.12%	193.18
2019	7,630,000	7,205,000	335,053	(978,478)	14,191,575	0.10%	178.92

Source: City of Alameda Finance Department



City of Alameda
Computation of Direct and Overlapping Debt
June 30, 2019

2018-19 Assessed Valuation: \$13,543,528,162

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	Total Debt 6/30/19	% Applicable (a)	City's Share of Debt 6/30/19
Alameda County	\$240,000,000	4.673%	\$11,215,200
Bay Area Rapid Transit District	809,660,000	1.802%	14,590,073
Peralta Community College District	365,985,000	13.088%	47,900,117
Alameda Unified School District	149,932,268	100.000%	149,932,268
East Bay Regional Park District	178,710,000	2.854%	5,100,383
City of Alameda	7,264,303	100.000%	7,264,303
City of Alameda Facilities District No. 1	1,520,000	100.000%	1,520,000
City of Alameda Facilities District No. 13-1	15,415,000	100.000%	15,415,000
TOTAL NET DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			\$252,937,344

Ratios to 2018-19 Assessed Valuation:

Direct Debt (\$14,835,000)	0.05%
Total Direct and Overlapping Tax Assessment Debt	1.87%

DIRECT AND OVERLAPPING GENERAL FUND DEBT:

Alameda County and Coliseum Authority General Fund Obligations	\$868,272,500	4.673%	\$40,574,374
Alameda-Contra Costa Transit District Certificates of Participation	11,465,000	5.533%	634,358
Peralta Community College District Pension Obligations	147,577,908	13.088%	19,314,997
Alameda Unified School District General Fund Obligations	5,763,000	100%	5,763,000
City of Alameda General Fund Obligations	7,905,750	100%	7,905,750 (b)
TOTAL OVERLAPPING GENERAL FUND OBLIGATION DEBT			\$74,192,478

OVERLAPPING TAX INCREMENT DEBT (Successor Agency): \$53,110,000 100% \$53,110,000

Total Direct Debt	\$14,835,000
Total Overlapping Debt	\$365,069,770
COMBINED TOTAL DEBT	\$379,904,770 (b)

(a) Percentage of overlapping debt applicable to the City is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the City divided by the district's total taxable assessed value.

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

Ratios to 2018-19 Assessed Valuation:

Total Direct Debt (\$14,835,000)	0.11%
Combined Total Debt	2.81%

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



**City of Alameda
Computation of Legal Bonded Debt Margin
June 30, 2019**

ASSESSED VALUATION:

Secured property assessed value, net of exempt real property \$12,977,179,607

BONDED DEBT LIMIT (15% OF ASSESSED VALUE) \$1,946,576,941

AMOUNT OF DEBT SUBJECT TO LIMIT:

Total Bonded Debt (a) \$60,448,846

Less:

Revenue Bonds 45,278,793

Certificates of Participations 7,905,750

Amount of debt subject to limit 7,264,303

LEGAL BONDED DEBT MARGIN \$1,939,312,638

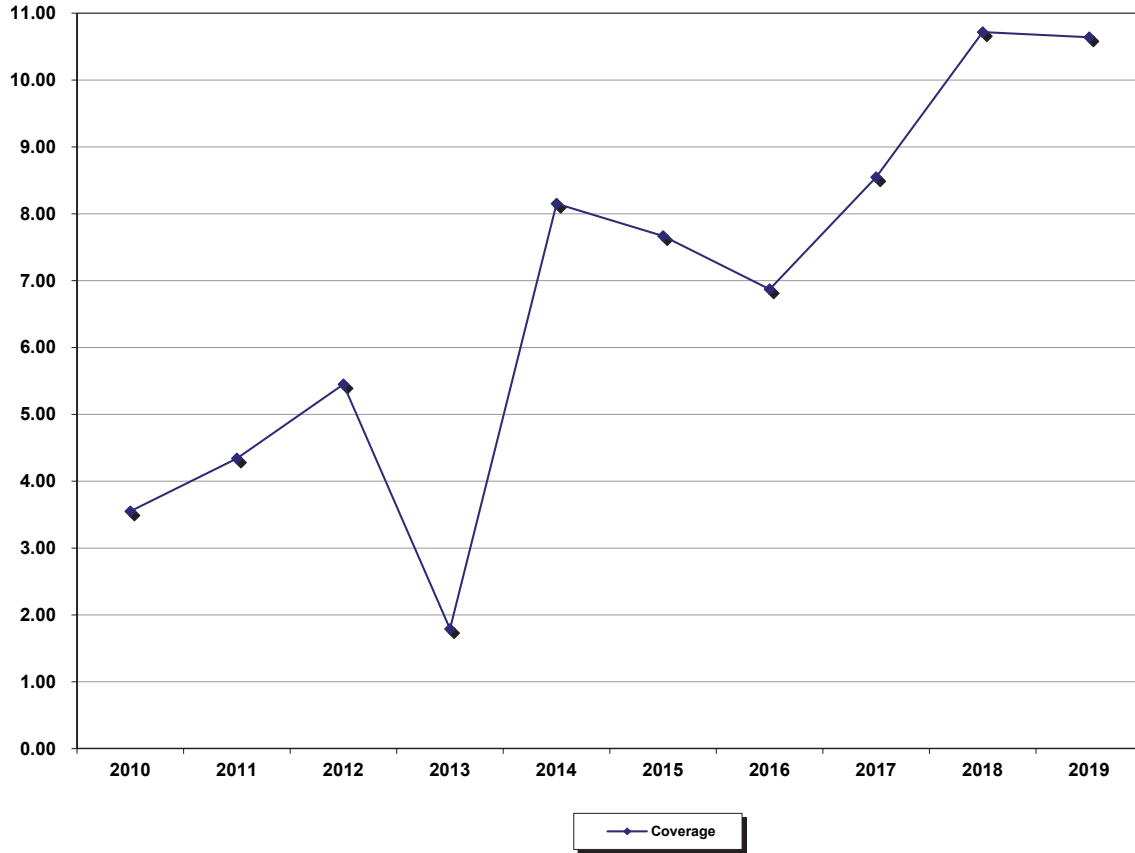
Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2009	\$1,304,949,038	\$9,775,000	\$1,295,174,038	0.75%
2010	1,319,469,397	9,580,000	1,309,889,397	0.73%
2011	1,315,134,261	9,375,000	1,276,577,544	3.02%
2012	1,327,797,945	9,155,000	1,318,642,945	0.69%
2013	1,413,457,016	8,925,000	1,404,532,016	0.64%
2014	1,478,724,777	9,090,000	1,469,634,777	0.62%
2015	1,510,066,600	8,610,000	1,501,456,600	0.57%
2016	1,602,204,317	8,270,000	1,501,456,600	0.55%
2017	1,709,534,936	7,925,000	1,701,609,936	0.47%
2018	1,804,066,088	7,570,000	1,796,496,088	0.42%
2019	1,946,576,941	7,205,000	1,939,371,941	0.37%

Source: City Finance Department

(a) Upon the dissolution of the Community Improvement Commission effective January 31, 2012, a Successor Agency assumed the liabilities of the former Community Improvement Commission, therefore the total bonded debt and revenue bonds have decreased.



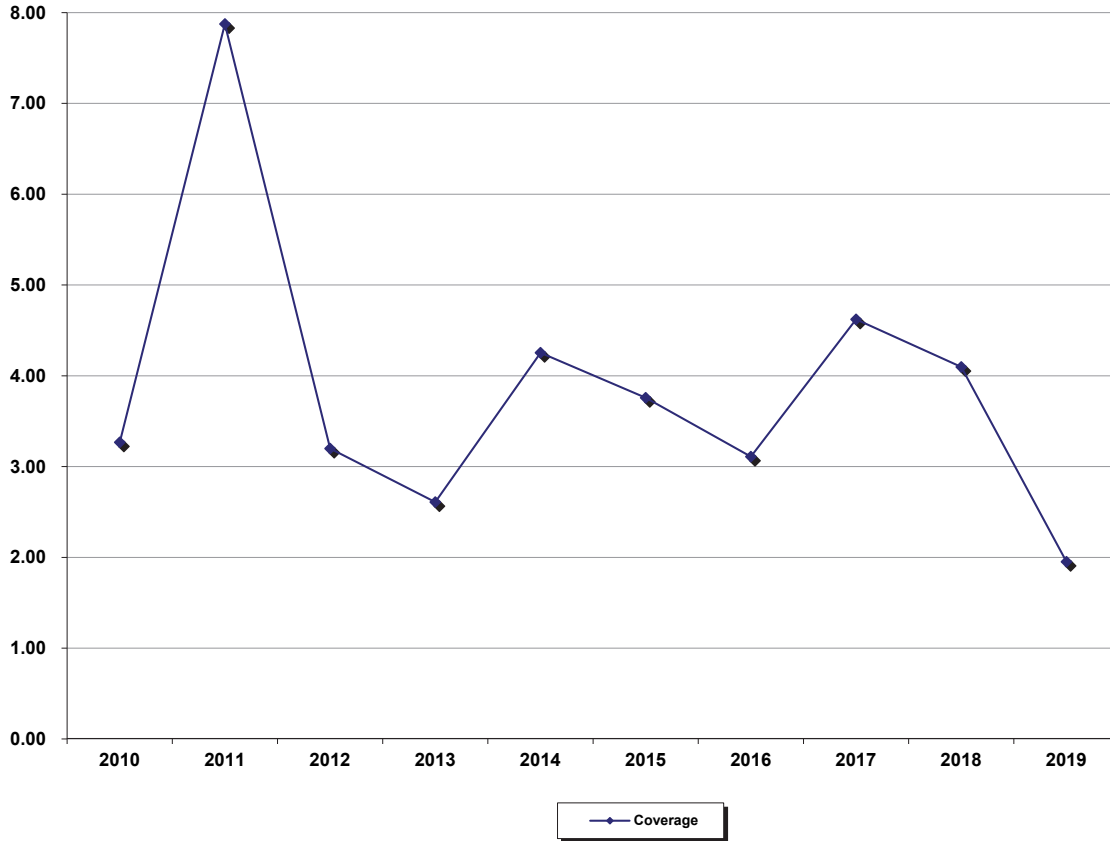
City of Alameda
Sewer Fund Debt Coverage
Last Ten Fiscal Years



Fiscal Year	Gross Revenue (a)	Operating Expenses (b)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2010	\$6,362,273	\$3,075,856	\$3,286,417	\$652,237	\$272,959	\$925,196	3.55
2011	7,322,938	3,328,747	3,994,191	677,500	242,891	920,391	4.34
2012	7,638,530	2,609,730	5,028,800	703,047	219,274	922,321	5.45
2013	8,972,123	3,748,512	5,223,611	2,571,399	346,976	2,918,375	1.79
2014	10,072,496	3,702,154	5,757,611	250,000	456,319	706,319	8.15
2015	10,011,701	4,475,317	5,536,384	275,000	447,069	722,069	7.67
2016	10,278,327	5,305,530	4,972,797	285,000	438,719	723,719	6.87
2017	10,197,953	4,043,407	6,154,546	290,000	430,069	720,069	8.55
2018	10,671,202	2,973,134	7,698,068	300,000	418,269	718,269	10.72
2019	11,495,009	4,720,299	6,774,710	315,000	405,969	720,969	10.64

NOTE: (a) Includes all Sewer Operating Revenues, Non-operating Interest Revenue, Connection Fees, other Non-operating Revenue
(b) Includes all Sewer Operating Expenses less Depreciation and Interest

Source: City of Alameda Annual Financial Statements



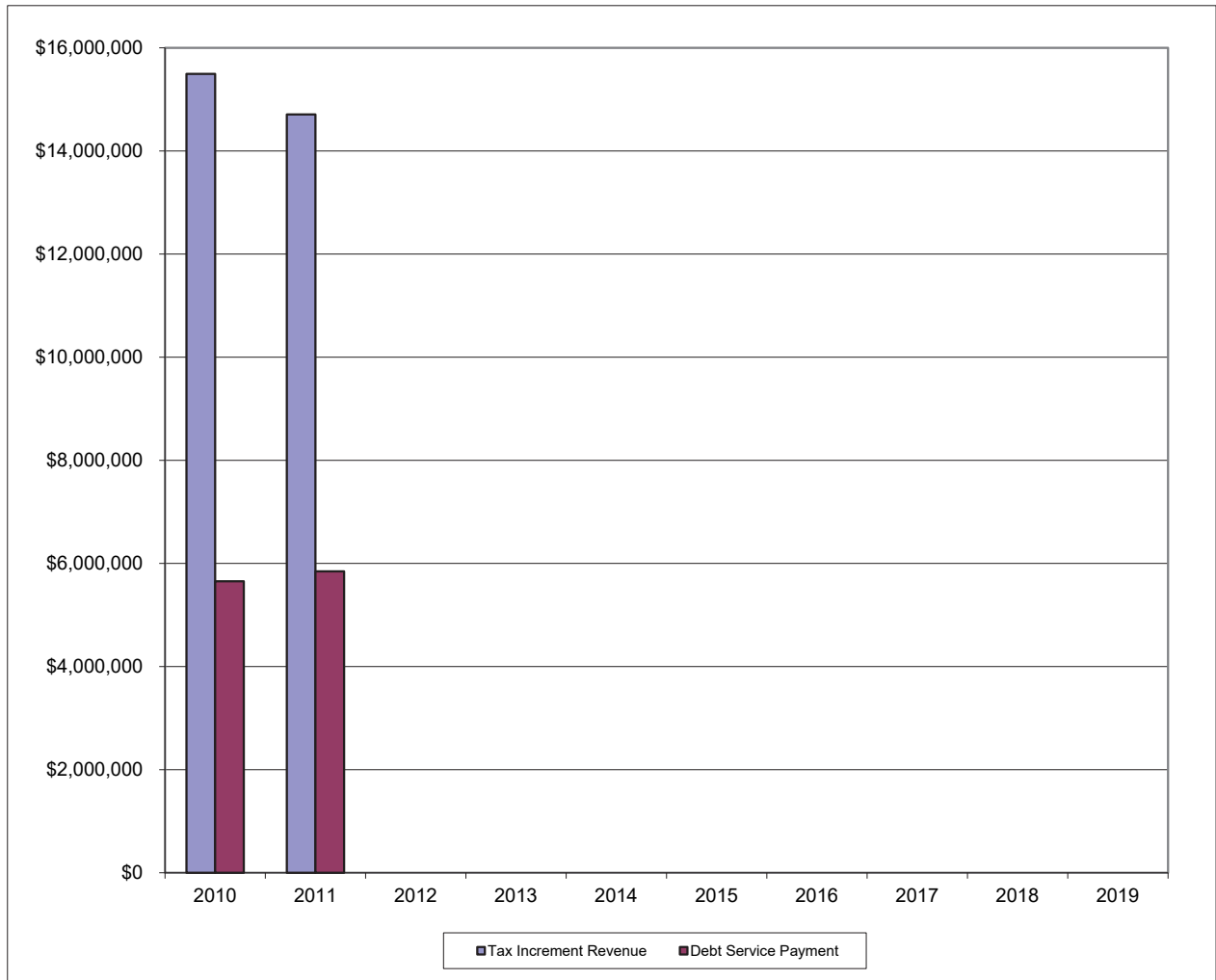
Fiscal Year	Gross Revenue (a)	Revenues Not Available for Debt Service (b)	Operating Expenses (c)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
					Principal	Interest	Total	
2010	\$49,540,502		\$39,750,159	\$9,790,343	\$51,495	\$2,945,095	\$2,996,590	3.27
2011	50,482,874		37,590,949	12,891,925	54,526	1,582,668	1,637,194	7.87
2012	51,698,976		43,284,441	8,414,535	952,770	1,677,854	2,630,624	3.20
2013	56,431,462	\$4,283,423	44,964,882	7,183,157	1,101,205	1,651,892	2,753,097	2.61
2014	59,435,371	6,938,783	40,809,073	11,687,515	1,129,824	1,617,655	2,747,479	4.25
2015	59,005,393	6,824,069	41,987,012	10,194,312	1,158,581	1,554,056	2,712,637	3.76
2016	62,437,408	6,362,947	47,864,751	8,209,710	1,130,000	1,510,325	2,640,325	3.11
2017	64,156,296	5,071,175	46,926,046	12,159,075	1,170,000	1,461,044	2,631,044	4.62
2018	64,813,580	3,435,082	50,616,373	10,762,125	1,220,000	1,406,364	2,626,364	4.10
2019	64,885,415	4,159,358	55,616,579	5,109,478	1,275,000	1,342,703	2,617,703	1.95

NOTE: (a) Includes all Municipal Power operating revenues, non-operating interest revenue, other non-operating revenue
(b) GHG / C&T related sales
(c) Includes all Municipal Power operating expenses, less depreciation and interest

Source: City of Alameda Annual Financial Statements



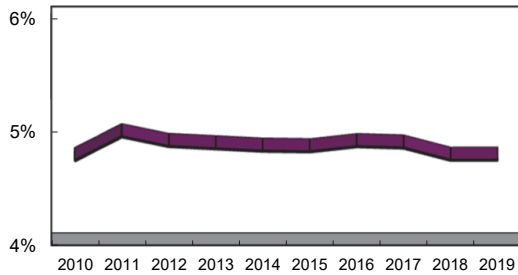
City of Alameda
Bonded Debt Pledged Revenue Coverage
CIC Revenue Bonds and Tax Allocation Bonds
Last Ten Fiscal Years



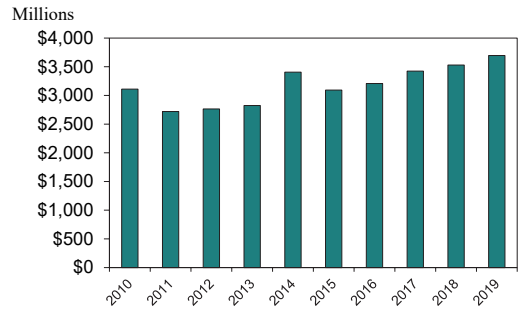
Fiscal Year	Tax Increment Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2010	\$15,494,892	\$1,582,000	\$4,070,898	\$5,652,898	2.74
2011	14,708,012	1,722,000	4,124,257	5,846,257	2.52
2012	-	(a)	(a)	(a)	(a)
2013	-	(a)	(a)	(a)	(a)
2014	-	(a)	(a)	(a)	(a)
2015	-	(a)	(a)	(a)	(a)
2016	-	(a)	(a)	(a)	(a)
2017	-	(a)	(a)	(a)	(a)
2018	-	(a)	(a)	(a)	(a)
2019	-	(a)	(a)	(a)	(a)

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

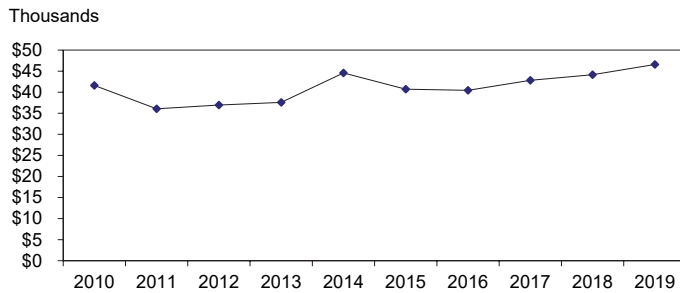
Source: City of Alameda Annual Financial Statements



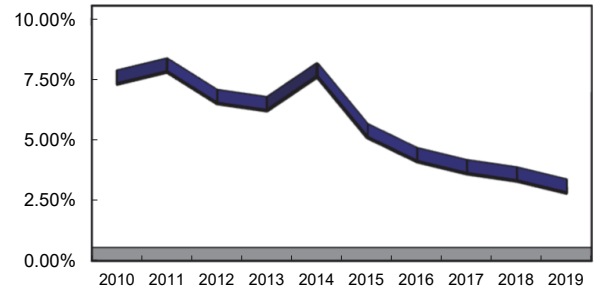
■ Graph City Population



■ Graph County Population



◆ Per Capita Personal Income



■ Unemployment Rate (%)

Fiscal Year	City Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate (%)	Alameda County Population	City Population % of County
2010	74,736	\$3,110,554,000	\$41,621	7.3%	1,574,857	4.75%
2011	74,081	2,719,701,000	36,066	7.8%	1,521,157	4.96%
2012	74,640	2,763,776,399	36,962	6.5%	1,532,137	4.87%
2013	75,126	2,824,096,775	37,591	6.2%	1,548,681	4.85%
2014	76,413	3,406,033,062	44,574	7.6%	1,578,891	4.83%
2015	75,961	3,092,904,037	40,717	5.1%	1,574,497	4.82%
2016	79,277	3,207,096,000	40,454	4.1%	1,627,865	4.87%
2017	79,928	3,423,524,000	42,832	3.6%	1,645,359	4.86%
2018	78,863	3,529,109,000	44,153	3.3%	1,660,202	4.75%
2019	79,316	3,695,508,000	46,592	2.8%	1,669,301	4.75%

Source: California State Department of Finance



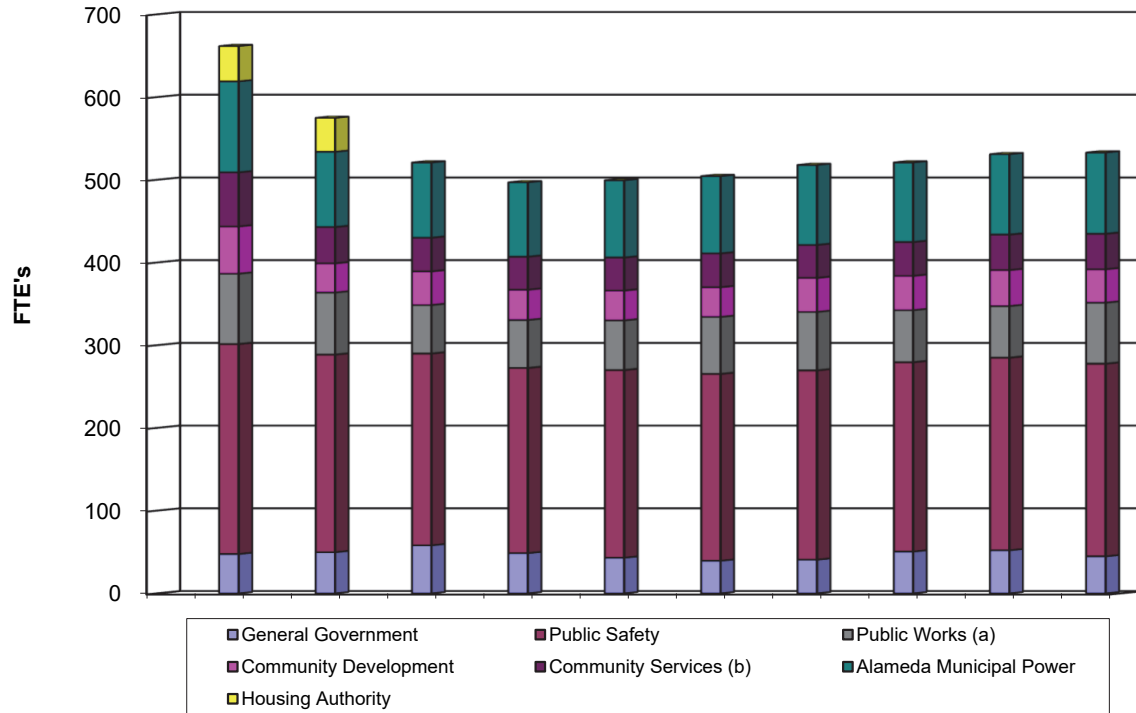
**City of Alameda
Principal Employers
Current Year and Nine Years Ago**

Employer	2018-19			2009-10		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Penumbra, Inc	1,839	1	2.32%			
Alameda Unified School District	1,025	2	1.29%	1,068	5	1.37%
Allegis Group Services, Inc	950	3	1.20%			
Alameda Hospital	754	4	0.95%	492	8	0.63%
Oakland Raiders	694	5	0.87%			
Abbott Diabetes Care Inc.	600	6	0.76%			
City of Alameda	533	6	0.67%	620	6	0.80%
Kaiser Foundation Health Plan	425	8	0.54%			
U.S. Department of Transportation	400	9	0.50%			
Performance Contracting Inc	380	10	0.48%			
UT Starcom Inc				2,400	1	3.08%
U.S. Coast Guard				2,200	2	2.83%
Telecare Corp				2,100	3	2.70%
Wind River Systems				1,673	4	2.15%
Celera				551	7	
Bay Ship & Yacht Co				250	9	0.32%
Bay View Nursing & Rehab Center				180	10	0.23%
Subtotal	<u>7,600</u>		<u>9.58%</u>	<u>11,534</u>		<u>14.82%</u>
Total City Day Population	<u>79,316</u>			<u>77,838</u>		

Sources: City of Alameda Community Development Department and City of Alameda Business License Records



City of Alameda
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years



	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Function										
General Government	47.50	49.70	58.00	48.55	43.00	39.35	40.62	50.47	51.97	44.70
Public Safety	254.00	239.00	232.00	224.00	227.00	226.00	229.00	229.00	233.00	233.00
Public Works (a)	85.00	75.00	58.60	57.95	60.00	68.90	70.65	62.90	62.40	73.75
Community Development	57.00	35.20	40.60	36.50	36.00	35.75	41.00	41.38	43.38	40.30
Community Services (b)	65.50	44.00	40.75	40.00	40.00	41.00	39.98	41.00	43.00	43.00
Alameda Municipal Power	110.00	91.00	91.00	90.00	93.50	93.50	96.75	96.25	97.25	98.25
Housing Authority	42.70	41.00	(c)	(c)	(c)	(c)	(c)	(c)	(c)	(c)
Total	<u>661.70</u>	<u>574.90</u>	<u>520.95</u>	<u>497.00</u>	<u>499.50</u>	<u>504.50</u>	<u>518.00</u>	<u>521.00</u>	<u>531.00</u>	<u>533.00</u>

NOTE:

- (a) Public Works includes Wastewater and Solid Waste
- (b) Community Services includes Library, Recreation and Park and Golf
- (c) The Housing Authority became a separate legal entity during Fiscal Year 2011-12

Source: City of Alameda



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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Information				
Area in square miles	22.7	22.7	22.7	22.7
Number of registered voters	42,547	41,665	42,547	44,444
Number of Hospitals	1	1	1	1
Education:				
Student enrollment	8,704	8,704	8,704	10,836
Elementary schools	10	10	10	11
Junior high schools	3	3	3	3
High schools	4	4	4	4
Continuation schools	1	1	1	1
Independent study	1	1	1	1
Teachers (full & part time)	628	628	628	381
Function/Program				
Fire:				
Fire calls for service	6,100	6,100	6,100	6,523
Primary fire inspections conducted	1,991	1,991	1,991	1,414
Police:				
Police calls for Service	65,963	65,963	65,963	70,360
Law violations:				
Part I and Part II crimes	5,141	5,141	5,141	4,582
Physical arrests (adult and juvenile)	3,103	3,103	3,103	2,396
Traffic violations	12,000	12,000	12,000	28,793
Sewer				
Storm drain inlets	2,300	2,300	2,300	2,300
Sewer service connections	20,590	20,590	20,590	20,590
Solid Waste				
Refuse Landfill (tons per year)	33,280.00	33,280.00	33,280.00	31,181.00
Recyclables Processed (tons per year)	17,777.00	17,777.00	17,777.00	18,240.00

2014	2015	2016	2017	2018	2019
22.7	22.7	22.7	22.7	22.7	22.7
44,271	44,006	46,055	48,074	47,367	49,036
1	1	1	1	1	1
8,975	9,552	9,455	9,481	9,502	9,380
10	10	10	10	9	9
2	2	2	2	4	4
4	3	3	4	4	4
1	1	1	1	1	1
1	1	1	1	1	1
613	549	626	713	610	686
6,314	6,439	6,860	7,410	7,378	7,027
1,311	1,444	1,617	1,058	1,814	1,685
75,920	69,347	74,517	67,832	68,074	74,369
4,957	4,383	4,494	4,638	5,133	4,816
2,583	2,332	2,127	2,024	1,674	1,370
10,754	8,507	8,334	9,058	7,807	6,248
2,951	2,951	2,951	2,951	2,951	4,914
19,432	19,454	19,454	19,454	19,454	19,926
26,298.98	26,139.00	28,742.07	28,420.00	27,170.35	27,240.21
10,682.52	22,859.00	17,016.32	24,303.00	24,736.97	25,309.57



City of Alameda
Operating Indicators by Function/Program
Last Ten Fiscal Years
(Continued)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Planning & Building:				
Number of Building Permits issued	4,575	4,575	4,575	4,314
Recreation and Parks:				
Youth & Teens:				
Number of youth programs	151	151	151	239
Number of youth attendees	153,056	153,056	153,056	146,191
Seniors:				
Number of senior programs	114	114	114	125
Number of senior attendees	153,056	153,056	153,056	145,795
Number of meals served	9,672	9,672	9,672	7,053
Number of Mastick Senior Center attendees	153,056	153,056	153,056	145,795
Library:				
Volumes in Collection (thousands)	216	216	216	211
Total Volumes Borrowed (thousands)	630	630	630	550
Finance:				
Number of Business Licenses issued	8,638	8,638	8,638	8,700
Alameda Municipal Power:				
Number of electric customers	34,231	34,231	34,231	34,338
Number of kilowatt hours sold	383,119,780	383,119,780	383,119,780	373,787,288
Reliability rate	99.99	99.99	99.99	99.99

Source: City of Alameda

NOTE: (a) AMP no longer compiled this data as of FY 2013

2014	2015	2016	2017	2018	2019
4,286	4,038	4,018	3,677	3,832	3,722
251	278	277	268	299	625
34,121	32,259	29,920	22,603	23,750	41,108
144	164	177	216	233	272
144,607	148,520	137,143	136,092	131,213	113,838
6,860	6,620	3,021	5,340	5,963	5,472
144,607	148,520	137,143	136,092	131,213	113,383
211	214	215	219	219	139
510	476	456	392	424	403
5,563	5,553	5,169	6,068	6,948	7,168
34,482	34,525	34,494	34,648	34,799	35,396
353,913,305	342,202,785	348,819,863	343,765,738	335,025,906	332,129,078
- (a)	- (a)	- (a)	- (a)	- (a)	- (a)



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

	2010	2011	2012	2013
Function/Program				
Fire:				
Fire stations	3	3	3	4
Police:				
Police stations	1	1	1	1
Public works:				
Miles of streets	141	141	141	145
Miles of bike lanes	15	15	15	15
Street and parking lot fixtures				
Traffic Signals	78	78	78	82
Wastewater				
Miles of sanitary sewers	165	165	165	165
Miles of storm sewers	41	41	41	41
Recreation and Parks:				
City parks	32	32	32	33
City parks acreage	156	156	156	155
Playgrounds	13	13	13	7
City trails/Bike paths	13	13	13	13
Community centers	13	13	13	13
Senior centers	1	1	1	1
Swimming pools (a)	5	5	5	5
Tennis courts (b)	19	19	19	19
Baseball/softball diamonds	18	18	18	18
Soccer/football fields (c)	3	3	3	3
Synthetic Turf Multi-Purpose Field				
Synthetic Turf Challenger Baseball Field				
Library:				
City Libraries	3	3	3	3
Alameda Municipal Power:				
Miles of lines	257	257	257	259
Street lights	6,069	6,069	6,069	5,593

Source: City of Alameda

NOTE: (a) Owned by Alameda Unified School District but operated jointly by City and District
 (b) 16 courts are owned by the City
 (c) 1 Dedicated soccer field in City Parks with one not owned by City at Alameda Point
 (d) Street lights were transferred to Public Works per voter approval on November 2016 ballot

Fiscal Years					
2014	2015	2016	2017	2018	2019
4	4	4	4	4	4
1	1	1	1	1	1
140	140	138	120	125	125
13	15	15	26	28	49
				6,342	6,609
87	87	87	86	87	86
150	150	143	143	142	142
70	70	70	126	126	126
33	32	32	32	32	35
155	152	152	152	152	192
7	12	12	12	12	13
13	13	13	13	13	14
13	13	13	13	13	13
1	1	1	1	1	1
5	2	2	2	2	2
19	16	16	16	16	16
18	18	18	18	18	18
3	3	3	3	3	3
					1
					1
3	3	3	3	3	3
260	263	263	264	273	273
5,372	5,441	5,470	5,470	(d)	(d)







