

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2018



CITY OF EMERYVILLE, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Prepared by:
FINANCE DEPARTMENT

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City of Emeryville

INCORPORATED 1896

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Emeryville, California 94608-3517

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November 16, 2018

Honorable Mayor and Members of the City Council:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Emeryville (City) for the fiscal year ended June 30, 2018. Responsibility for both the accuracy of data, as well as the completeness and fairness of the presentation, including all disclosures, rests with the management and staff of the City. To the best of our knowledge and belief, the enclosed information is accurate in all material respects, presented in conformance with Generally Accepted Accounting Principles (GAAP) and reported in a manner that presents fairly the financial position and operating results of the City and its component units and fiduciary funds as of June 30, 2018. All disclosures reasonably necessary to enable the reader to gain an appropriate understanding of the City's financial affairs have been included.

The goal of an independent audit is to provide reasonable assurance that the financial statements presented here for the fiscal year ended June 30, 2018 are free of material misstatement. The City's independent auditors, Lance, Soll & Lunghard, have issued an unmodified opinion on the City of Emeryville's financial statements for the year ended June 30, 2018. The independent auditor's report is located at the front of the financial section of this report.

The management's discussion and analysis (MD&A) has been prepared by management as a narrative introduction, overview and analysis to accompany the basic financial statements. This narrative can be found immediately following the independent auditor's report. This transmittal letter is designed to complement the MD&A and should be read in conjunction with it.

The Profile of the City of Emeryville

The City of Emeryville was incorporated in 1896. Emeryville is a full-service, charter city providing police, fire (provided by way of a contract with the Alameda County Fire Department), public works, development services (economic development, housing, planning, and building), community services (child development, youth services, and adult services), and general administrative services (city manager, city clerk, city attorney, finance, human resources, and information technology). The City has operated under the Council-Manager form of government since 1984, with five City Council members elected at-large for staggered four-year terms. Annually, the City

Council members select a Mayor and Vice-Mayor. The City Manager, appointed by the Council, serves as chief administrative officer of the organization. The City Manager is responsible for administration of City affairs, day-to-day operations, and implementation of Council policies. The City Council also appoints a City Attorney.

The City of Emeryville is located in Alameda County in the San Francisco Bay Area. It is bordered by the City of Berkeley to the north and the City of Oakland to the east and south. The City has an estimated population of 11,994, as of January 1, 2018. Emeryville has evolved from an industrial town to a modern mixed-use urban center through a number of development projects which added several thousand units of housing and over a million square feet of commercial space.

The financial statements included in this Comprehensive Annual Financial Report present the City of Emeryville (the primary government), as well as the Community Development Commission of Emeryville (the Commission), the Management of Emeryville Services Authority (MESA), and the Emeryville Public Financing Authority (Authority) as its component units. The Emeryville Redevelopment Agency was also a component unit until 2012. However, due to the dissolution of redevelopment agencies in California, the activities of the former redevelopment agency are now reported as a private purpose trust fund in the financial statements, known as the Emeryville Successor Agency. The Emeryville Successor Agency is not a component unit of the City of Emeryville.

Redevelopment Dissolution

In June 2011, the Governor signed legislation, AB1x26, to dissolve and wind down the affairs of local redevelopment agencies in California. In June 2012, the Governor signed additional legislation, AB1484, which also created requirements related to the redevelopment dissolution process. In September 2015, SB 107 clarified and further amended the dissolution process.

These legislative actions negatively impacted the City's redevelopment and economic development activities that historically strengthened the City's and Redevelopment Agency's revenues and supported the high level of service provided to its residents. The elimination of the Emeryville Redevelopment Agency effective February 1, 2012 had a significant impact to the City's budget and opportunities to provide services and improvements to the community. Instead of receiving an estimated \$37 million in annual redevelopment property tax increment revenues, the City now receives 24% of the residual property taxes, amounting to \$5.7 million, distributed to all the various taxing entities, after approved obligations such as bond payments and projects that were in progress prior to the dissolution act have been funded.

As a local policy, City Council has directed residual property tax increment revenue now received by the City to be allocated in support of General Fund activities (25%), capital projects (50%), affordable housing (20%), and economic development (5%). This residual property tax increment revenue will grow as the Successor Agency continues to pay down the debts and other contract obligations of the former redevelopment agency.

Economic Condition and Outlook

The economic outlook for Emeryville and the East San Francisco Bay Area is healthy according to key economic indicators. Growth is expected to continue throughout 2018, with a possibility of slowing growth, or contraction, starting in 2019.

According to California's Employment Development Department (EDD), the City's unemployment rate for June 2018 was 2.6%, lower than the unemployment rate for Alameda County of 3.3% and the state's June 2018 overall rate of 4.5%. According to an employment report published by Beacon Economics in September 2018, the state's unemployment rate held steady at a record low of 4.2% in August 2018. Job growth for the state was strong, adding 44,800 positions in one month. Overall, the labor market continues to experience dynamic growth. However, wages have not grown correspondingly.

Residential real estate values in the East San Francisco Bay Area continue to appreciate due to low housing inventories. Data from Corelogic for August 2018 indicates that the median home price in Alameda County is now \$850,000. In Emeryville, where the median home price is 18% less expensive than the median price in Alameda County, home prices grew 10.2% compared to prior year. The supply of available housing in the East San Francisco Bay Area remains low, and supply constraints will continue to play an important role in housing prices and affordability. Increased housing construction should mitigate some of the more severe effects of the housing shortage.

Commercial real estate in the East San Francisco Bay Area continues to grow steadily. Vacancy rates remain near post-recession lows and rents are rising. Commercial office vacancy rate was at 14.1% in the fourth quarter of 2017, a slight increase of 0.5% from the fourth quarter of 2016. Rents for office space increased by 3.1% from the fourth quarter of 2016 to the fourth quarter of 2017. The retail market in the East Bay remains the most accessible of the major Bay Area markets. Vacancy rates for retail properties stood at 6.6%, unchanged from the fourth quarter of 2016. Rents in the East San Francisco Bay Area are lower than rents in the South Bay and San Francisco, providing a significant incentive to retain and attract businesses.

Consumer spending is expected to continue to grow as a result of employment and population growth, which should positively impact Emeryville through increasing tax revenues.

The City's three main revenue sources are sales tax, transient occupancy tax and business license tax. They represent about 56% of total General Fund revenue. These revenues along with other revenues are used to support important city services such as public safety and community service programs. The City's long-term financial projection prepared in 2017 revealed that expenditures are expected to outpace revenue growth in the long run, especially due to rising pension costs. As part of its strategic financial planning, the City conducted revenue studies and identified a cannabis tax as a viable revenue option. A cannabis tax measure was placed on the November 2018 ballot and was approved by voters. Additionally, the City took steps

to pay down its pension obligations and set aside funds in a pension reserve, as further discussed below. These prudent strategies will help the City achieve savings and ensure long-term sustainability. The City achieved a balanced budget in fiscal years 2017-18 and 2018-19 and will update its long-term financial forecast as part of the budget development for fiscal years 2019-20 and 2021-21.

The City's reserve policy is to maintain a target reserve of 50% of the General Fund annual operating budget in the economic uncertainty fund. In addition, the City's unassigned General Fund balance is a fluctuating balance that varies from time to time reflecting annual operating results. This fund has no minimum threshold although sufficient balances are maintained to provide contingencies for unseen operating or capital needs and cash flow requirements. For the fiscal year 2017-18, the unassigned General Fund balance was \$3.8 million, and the economic uncertainty fund balance was \$20.7 million. The total reserve of \$24.5 million represents approximately 59% of \$41.3 million budgeted operating expenditures for 2018-19.

Major Initiatives and Accomplishments

The City is committed to providing innovative and responsive services to the community to create and sustain a vibrant, livable city. The City continued to develop vital services and programs that are consistent with the community's strategic goals, mission, and value. Significant activities and accomplishments for fiscal year 2017-18 include the following:

City Governance/Administration –The City formulated strategies to pay down its unfunded pension liability including a \$4 million lump sum payment to the California Public Employees' Retirement System and the establishment of a Section 115 Pension Trust; to date, \$10.7 million has been set aside for the trust. In addition, the City Council adopted a policy allocating excess commercial property transfer tax revenue to pension funds and other city projects. In a two-year budget cycle, if the commercial property transfer tax revenue exceeds the budget, including budget adjustments made during that budget cycle, 50% of the excess funds shall be allocated either toward the annual contribution payments of the City's pension costs or to the Pension Reserve/Trust, and the remaining 50% shall be allocated to any one-time expenditures based on City Council direction. These proactive steps will help the City to achieve significant savings over time and mitigate the impact of rising pension costs, consistent with the City's goal to stabilize costs and sustain vital services and programs.

City/School Partnership – With the Emeryville Center of Community Life (ECCL) the City continued to strengthen its partnership with the Emeryville Unified School District. The ECCL includes high quality learning environments for Emeryville's youth and provides facilities for a range of community services, such as a swim center, wellness center, and after-school activities.

Livable City – The City continued to focus on "quality of life" initiatives, including improvements to the City's pedestrian and bicycle network, improvements and expansion of the City's green/open spaces, solid waste reduction, and energy

efficiency initiatives. The City completed the design phase and went out for bids on an ambitious pavement rehabilitation project that will provide surface treatment on approximately 30% of City streets. Construction will occur in fiscal year 2018-19.

The City successfully established the Emeryville Property and Business Improvement District (PBID) in fiscal year 2015-16, a special assessment district, designed to provide long-term stable funding for the Emery Go-Round shuttle through fiscal year 2029-2030. The PBID provided funding for the Emery Go-Round shuttle in fiscal year 2017-18. The City's Senior Rebate Program for the PBID received and processed a total of 82 senior rebate applications.

The City continued to provide the "8-To-Go" free paratransit shuttle, completed video detection upgrades to traffic signals throughout the City, and completed traffic signal timing upgrades to improve safety and traffic throughput. The City completed construction of Peladeau Park, a new section of the Greenway and provided lighting improvements at Temescal Creek Park. Working closely with the developer at Public Market, the City completed numerous privately constructed public improvements including the realignment and construction of a section of Shellmound Avenue, installation of new bike lanes, and started the construction phase of the Christie Park expansion.

The City's Police Department continued to adopt best practices in critical areas such as use of force, staffing, policy review, equipment, risk management, personnel and organizational resiliency, and community outreach. The department met all the State Commission on Police Officer Standards and Training (POST) training mandates for 2017 and is on track to meet all training mandates in 2018. Officers continued to receive additional training in de-escalation, crisis intervention, fair and impartial policing practices, and force options, while continuing to seize opportunities to engage the community in a non-enforcement capacity to enhance community partnerships.

The City also continued to develop a long-term strategy to financially sustain and maintain program quality at the Emeryville Child Development Center.

Economic Development and Housing – The City continued to implement the Minimum Wage/Paid Sick Leave Ordinance, which was effective on July 2, 2015, the Tenant Protection Ordinance, which was effective April 1, 2017, and the Fair Workweek Ordinance, which was effective July 1, 2017. The City also continued to implement development impact fees to support affordable housing as well as other community benefits.

The City placed a \$50 million affordable housing bond on the June 2018 ballot, which passed by a 72% vote in favor. Bond funds will help the City to create more local affordable housing and prevent displacement of vulnerable populations in Emeryville. Proceeds will be used to fund a variety of housing projects and an expenditure plan is anticipated to be presented to the Council in calendar 2019.

The City adopted new regulations for cannabis retail dispensaries and manufacturers, and completed a selection process to allow two retail dispensaries. As of June 30, 2018, seven cannabis businesses have received permits to operate, including the two retail dispensaries and five manufacturers.

The “Rotten City-Emeryville Cultural District” was designated by the California Arts Council as one of only 14 official State cultural districts. In furtherance of the City’s focus on the importance of public art, the City Council authorized a selection process for a private partner to help the City develop an Arts Center at 4060 Hollis Street; three finalist teams submitted conceptual proposals. Following the close of fiscal year 2017-2018, the City Council selected a developer with whom to negotiate a lease disposition and development agreement for the Art Center; that agreement should be concluded in 2019 with development underway shortly thereafter.

The City Council adopted an updated Economic Development Strategy, and awarded the first façade improvement grants since the dissolution of Redevelopment. Quarterly businesses networking meetings, orchestrated by the City, were also initiated to enhance business attraction and retention.

Several major development projects were completed, including Hyatt Place Hotel at Bay Street (Emeryville’s fifth hotel), the Emeryville Center of Community Life, the 101-unit 3900 Adeline Street residential project, Heritage Square Garage, and Marketplace Parcel C1 grocery store and parking structure. Construction continued on EmeryStation West/Transit Center, Marketplace Parcel D residential project (223 units), and the Estrella Vista affordable housing project at 3706 San Pablo Avenue, and building permits were issued for six new units at the Artistry apartments, Marketplace Parcel C2 residential project (66 units), and the expanded and redesigned Christie Park. Final designs were approved for the Sherwin Williams Mixed Use Project, including 500 residential units, office space, and over three acres of new park and open space; and the 35-unit Adeline Springs residential and live/work project was approved.

All of the residential projects mentioned above will include affordable units. The City continued to provide first-time home buyer loans for below market rate (BMR) and market rate units; assisted at-risk homeowners through the City’s Homeownership Foreclosure and Predatory Lending Prevention strategy; and rehabilitation loan program.

Financial Information

Internal Controls – Emeryville management is responsible for establishing and maintaining an internal control system designed to ensure that its assets are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed benefits likely to be derived from its implementation. The valuation of costs and benefits requires estimates and judgments by management. Emeryville's management believes its internal controls are adequate.

Budgetary Controls – The City adopts a biennial operating budget for all governmental funds except those dedicated to capital projects and certain special revenue funds. These fiscal year budgets are controlled at the departmental (General Fund) or fund level (all other funds) by the City Manager, who may authorize transfers from one object or purpose to another within the same department or fund. When deemed necessary, the City Council may amend the adopted budget by resolution. All operating budget appropriations lapse at year's end.

The Capital Improvement Program (CIP) sets priorities for building the City's infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities. Historically, most CIP projects have been funded through redevelopment revenue and bond financing with some funds also coming from the City's General Fund or state/regional/federal grants. However, due to the dissolution of redevelopment effective February 1, 2012, the City has been identifying other funding sources for capital, including state grants and resources from the County's sales tax measures that support transportation projects.

Since Fiscal Year 1993-1994, the City has had a long-term budget philosophy guided by the following principles:

1. Current-year expenditures should be supported by current-year revenues. One-time revenues should not be used for ongoing costs, but should instead be used for necessary one-time expenditures or to strengthen fund reserves.
2. Fund balances should be maintained in all major operating funds to provide for unforeseen circumstances. The appropriate level of fund balance depends on the particular fund.
3. Capital improvement projects, including related maintenance costs, should be identified and prioritized. The funding of many of these projects will require current and planned resources, such as special revenues, grants, and surplus general funds. The City will adhere to prudent spending of discretionary funds to allow the City to provide the necessary resources for capital improvements, including one-time expenditures and adequate replacement reserves.

4. Unfunded liabilities should be identified and funded with surplus funds when they are available. Liabilities that are currently accruing should be funded currently.
5. A strategy should be formulated and implemented, when necessary, to address potential impacts of the State budget and other State actions that may affect City and Agency revenues.
6. The operating costs of any planned capital improvement should be estimated in the planning stage, so that these amounts can be recognized and budgeted.

These principles have helped insulate the City from the short-term impact of regular economic cycles and downturns and mitigated the impact of rising pension costs. The City continues to focus on prudent spending to ensure long-term fiscal sustainability.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Emeryville for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017. This was the 23rd consecutive year that the City of Emeryville has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the governmental entity must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. This report must satisfy both accounting principles generally accepted in the United States of America, as well as all applicable legal requirements.

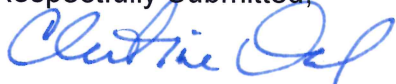
A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgments

Preparation of this Financial Report was made possible through the dedicated work of the Finance Department, in particular Gilbert Punsalan and Peggy Xu, who are commended for their continued high level of performance. Appreciation is also extended to all departments within the City who provided assistance and support.

Recognition is due to the Mayor and Members of the City Council, who have provided the City of Emeryville with leadership and vision and have supported the staff in responsible fiscal management of the City's resources.

Respectfully Submitted,



Christine Daniel
City Manager



Susan Hsieh
Finance Director



Government Finance Officers Association

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

Presented to

**City of Emeryville
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

CITY OF EMERYVILLE

List of City Officials

(as of June 30, 2018)

City Council

Mayor John J. Bauters
Vice-Mayor Ally Medina
Councilmember Scott Donahue
Councilmember Dianne Martinez
Councilmember Christian R. Patz

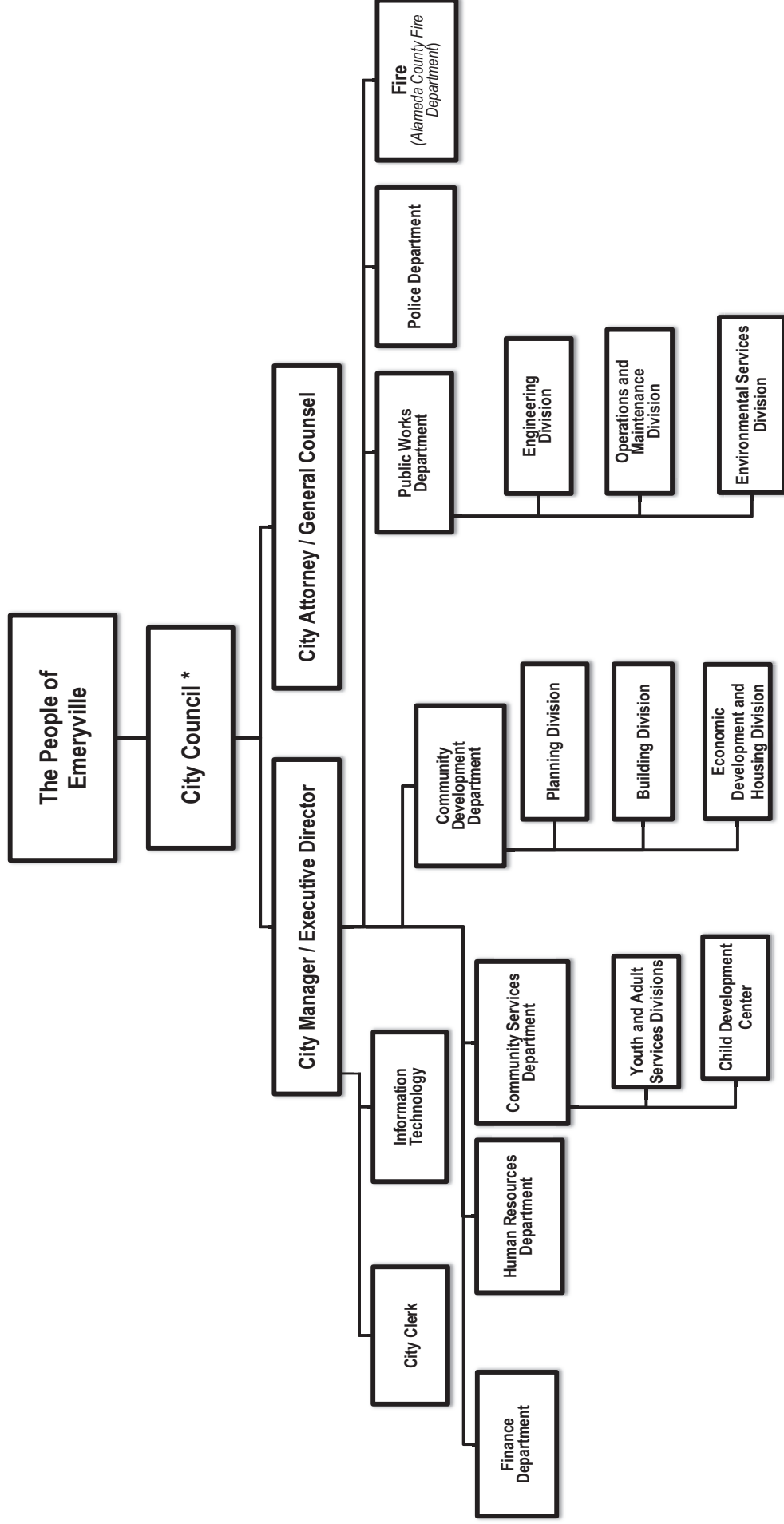
Appointed Officials and Department Heads

City Manager/Executive Director Christine Daniel*
City Attorney/General Counsel Michael Guina
City Clerk Sheri Hartz
Community Development Director Charles Bryant
Community Services Director Pedro Jimenez
Finance Director..... Susan Hsieh
Fire Division Chief for Emeryville, Alameda County Fire Department..... David Yoder
Human Resources Director..... Lisa Lopez
Police Chief..... Jennifer Tejada
Public Works Director Andrew Clough

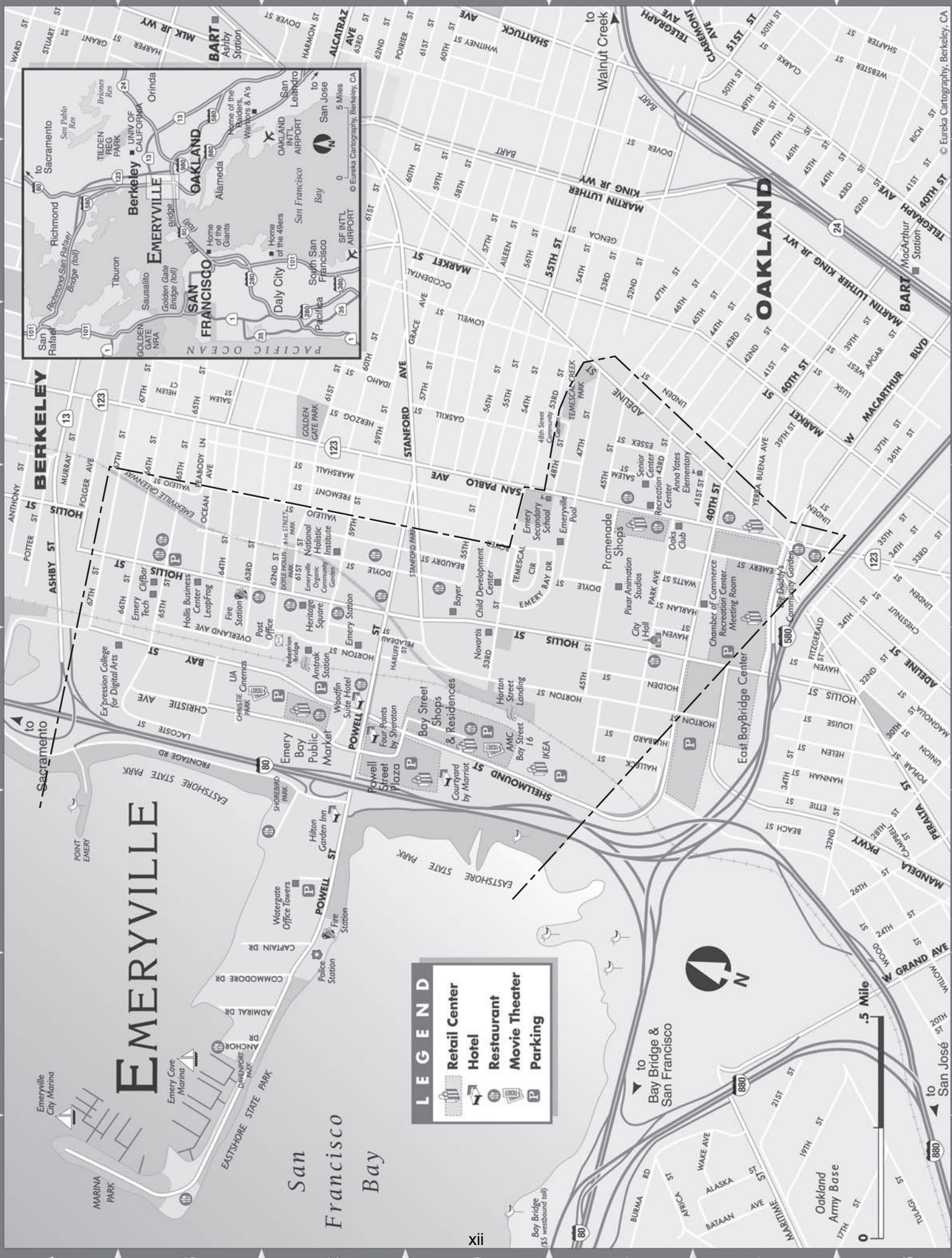
*Christine Daniel replaced the former City Manager Carolyn Lehr on September 4, 2018.

City of Emeryville

Organizational Chart of City Departments



*The Emeryville City Council also acts as the governing members of several other separate legal entities that together are responsible for the City's administration, finance, and operations. The Community Development Commission of Emeryville oversees the City's economic development efforts, the Management of Emeryville Services Authority acts as the employer of the City's non-public safety staff, and the Public Financing Authority is responsible for issuing bonds to finance capital projects.



LEGEND

Retail Center

Hotel

Restaurant

Movie Theater

Parking

EMERYVILLE

OAKLAND

BERKELEY

San Francisco Bay

to Bay Bridge & San Francisco

Oakland Army Base

to San José

© Eureka Cartography, Berkeley, CA



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Emeryville, 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 City of Emeryville, California, (the City) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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



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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, major fund, and the aggregate remaining fund information of the City of Emeryville, California, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 12 to the financial statements, the City implemented Governmental Accounting Standards Board ("GASB") Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The adoption of the standard required retrospective application of previously reported net position and reclassification of certain accounts as of July 1, 2017 as described in Note 12 to the basic financial statements. In addition, the net OPEB liability is reported in the Statement of Net Position in the amount of \$4,440,807 as of the measurement date. The City hired a qualified actuary to evaluate the Net OPEB Liability as of the measurement date as required by GASB Statement No. 75. The Net OPEB Liability is calculated by actuaries using estimates and actuarial techniques from actuarial valuation as of June 30, 2017. **The actuary applied the Section 3.7.7(c)(4) of the ASOP No. 6, as revised, and determined age-adjusted rates are not necessary and therefore, the Implicit Rate Subsidy is not applicable in calculating the total projection of benefits payments.** Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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



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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2018 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 solely 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 the effectiveness of the City's 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.

Brea, California
November 16, 2018

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CITY OF EMERYVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS

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The City of Emeryville

Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) provides an overview of the City of Emeryville's activities and financial performance for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information we have furnished in our letter of transmittal, which can be found in an earlier section of this report.

FINANCIAL HIGHLIGHTS

The comparisons in the discussion and analysis below are between fiscal years 2017-18 and 2016-17. All increases and decreases are expressed relative to fiscal year 2016-17 results. Highlights of fiscal year 2017-18 include the following:

- At the end of the current fiscal year, the unassigned General Fund Balance and the economic uncertainty fund were comprised of \$24.5 million of the total \$41.3 million General Fund Balance, or 59.3% of total General Fund budgeted expenditures of \$41.3 million for fiscal year 2018-19. The economic uncertainty fund balance was \$20.7 million, or 50.0% of total General Fund budgeted expenditures for fiscal year 2018-19. This meets the City's 50% reserve goal.
- The assets and deferred outflows of resources of the City of Emeryville exceeded its liabilities and deferred inflows of resources at June 30, 2018, by \$210.9 million (*net position*), an increase of \$9.6 million over the prior fiscal year's restated net position of \$201.3 million. Net position was restated due to implementation of GASB 75, more information can be found in Note 16 in the Notes to Financial Statement section of the CAFR.
- The governmental activities total net position at June 30, 2018, was \$198.3 million, an increase of \$9.2 million over the prior fiscal year's restated net position of \$189.1 million. Business-type total net position increased by approximately \$0.4 million before and after restatement to \$12.6 million.
- Of the City's \$210.9 million in net position, \$77.4 million represents net investment in capital assets, \$95.4 million represents resources restricted for debt service payments, community development, public safety, public works, capital projects, small business incentive, community services and pensions, and the remaining \$38.1 million represents the accumulated unrestricted surplus at the close of fiscal year 2017-18.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) Government-wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

For certain entities and funds, the City acts solely as a depository agent. For example, the City has several assessment districts for which the City provides fiduciary statements showing the cash balances and activities of these districts. These statements are presented as fiduciary funds in the accompanying financial statements and their balances are excluded from, the City's financial statements.

Government-Wide Financial Statements

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the City's finances, in a manner like private-sector businesses.

The *statement of net position* presents all the City's assets, deferred outflow of resources, deferred inflow of resources, and liabilities; with total assets plus deferred outflow of resources less deferred inflow of resources and less total liabilities reported as *net position*. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information on how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in actual cash flows in future fiscal periods such as revenues pertaining to uncollected taxes.

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to cover all or a portion of their cost through user fees and charges (*business-type activities*). The governmental activities of the City include City Council, City Manager, City Clerk, City Attorney, Finance, Human Resources, Community Development (Planning & Building and Economic Development & Housing), non-departmental operations, Property-Based Improvement District, Police, Fire, Public Works, Community Services, Child Development, Youth and Adult Services, and Information Technology services. These services are supported by general City revenues such as taxes and by specific program revenues such as fees. The City's only enterprise activity, the Sewer Fund, is reported under Business-type Activities.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate Community Development Commission, Management of Emeryville Services Authority, and a public financing authority for which the City is financially accountable.

Fund Financial Statements

Fund financial statements are designed to report groupings of related accounts, which are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds account for essentially the same functions as the government-wide activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in determining what financial resources are available in the near future to finance the City's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds

statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Emeryville maintains forty-one (41) individual governmental funds, which are distinguished between major and non-major funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, three (3) special revenue funds and one (1) capital project fund. These five (5) funds are considered to be major funds. Data from the other thirty-six (36) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Emeryville adopts a biennial budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found in the table of contents under the heading Basic Financial Statements.

Proprietary Funds are generally used to account for services for which the City charges customers – either outside customers, or internal units or departments of the City. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. Proprietary funds are used to present the same functions as *business-type activities* in the government-wide financial statements. The City uses proprietary funds to report the Sewer System and Internal Service funds, including the Management of Emeryville Services Authority (MESA). MESA is a joint powers authority that was created in 1998 and employs all the City's miscellaneous staff. The City pays MESA to provide cost-effective management, administrative, special and general personnel services to the City of Emeryville and/or CDCE, through a joint-powers agreement, which includes providing payroll services for employees of the City of Emeryville.

Fiduciary Funds are used to account for resources held for the benefit of parties outside of the City. The City's agency funds are reported under Fiduciary funds. The private-purpose trust fund was created in fiscal year 2012 to account for the dissolution of the former Emeryville Redevelopment Agency and represents the accounts of the Emeryville Successor Agency. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Basic Financial Statements

The Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund financial statements.

Other Information

The combining statements referred to earlier in connection with non-major governmental funds, internal service funds, agency funds, and the private-purpose trust funds are presented immediately following the basic financial statements. Combining and individual fund statements and schedules can be found in the table of contents under combining and individual fund statements and schedules.

FINANCIAL ANALYSIS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Analysis of Net position: As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of fiscal year 2017-18, the City of Emeryville's assets exceeded liabilities by \$210.9 million, an increase of \$9.6 million over the prior fiscal year restated net position of total of \$201.3 million.

A large portion of the City of Emeryville's net position is \$38.1 million in unrestricted net position. Net investment in capital assets totaled \$77.4 million. Net position of \$95.4 million are restricted for various programs including community development, public safety, public works, capital projects, debt service, small business incentive, community services, and pensions. The City of Emeryville uses these assets to provide services to citizens; consequently, these assets are not available for future spending.

The following is a condensed summary of the City of Emeryville's net position for governmental and business type activities:

Statement of Net Position						
(\$ In millions)						
	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Cash and Investments	\$ 155.5	\$ 149.7	\$ 4.4	\$ 3.9	\$ 159.9	\$ 153.6
Other Assets	27.8	29.4	0.2	0.1	28.0	29.5
Capital Assets	72.4	71.0	8.2	8.4	80.6	79.4
Total Assets	255.7	250.1	12.8	12.4	268.5	262.5
Deferred Outflows of Resources	17.3	8.3	0.1	-	17.4	8.3
Long-Term Debt	10.0	10.0	-	-	10.0	10.0
Net Pension Liability	43.9	38.1	0.2	0.2	44.1	38.3
Net OPEB Liability	4.4	-	-	-	4.4	-
Other Liabilities	10.9	11.0	-	-	10.9	11.0
Total Liabilities	69.2	59.1	0.2	0.2	69.4	59.3
Deferred Inflows of Resources	5.5	5.3	0.1	-	5.6	5.3
Net Position:						
Net investment in capital assets	69.2	67.6	8.2	8.4	77.4	76.0
Restricted	92.7	60.8	2.7	2.0	95.4	62.8
Unrestricted	36.4	65.6	1.7	1.8	38.1	67.4
Total Net Position	\$ 198.3	\$ 194.0	\$ 12.6	\$ 12.2	\$ 210.9	\$ 206.2

Analysis of activities: At the end of fiscal year 2017-18, the City of Emeryville's governmental net position increased \$9.2 million. Key elements of these changes are reflected in the following table.

Changes in Net Position
Net Position at June 30
(\$ in millions)

	Governmental Activities		Business Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Charges for services	\$ 12.6	\$ 15.0	\$ 1.0	\$ 1.3	\$ 13.6	\$ 16.3
Operating contributions & grants	5.0	5.5	-	-	5.0	5.5
Capital contributions & grants	0.8	2.5	-	-	0.8	2.5
Property Taxes	8.4	7.4	-	-	8.4	7.4
Transient Occupancy Tax	8.3	7.4	-	-	8.3	7.4
Sales Taxes	8.7	8.6	-	-	8.7	8.6
Franchise Tax	1.8	1.7	-	-	1.8	1.7
Business License Taxes	9.0	8.7	-	-	9.0	8.7
Utility Users Tax	3.2	3.2	-	-	3.2	3.2
Other Taxes and Fines	6.2	3.5	-	-	6.2	3.5
Motor Vehicle In Lieu	0.9	0.8	-	-	0.9	0.8
Use of Money and Property	2.5	2.0	-	-	2.5	2.0
Miscellaneous	0.1	0.2	-	-	0.1	0.2
Total Revenues	67.5	66.5	1.0	1.3	68.5	67.8
Expenses						
City Council	0.2	0.2	-	-	0.2	0.2
City Manager's Office	1.4	1.4	-	-	1.4	1.4
City Attorney's Office	0.5	0.6	-	-	0.5	0.6
Finance Dept	1.1	1.1	-	-	1.1	1.1
Human Resources Dept	0.8	0.9	-	-	0.8	0.9
Information Technology Division	1.2	1.1	-	-	1.2	1.1
General Government	3.3	3.8	-	-	3.3	3.8
Police Department	13.5	13.1	-	-	13.5	13.1
Fire Department	8.1	7.8	-	-	8.1	7.8
Community Development Dept	9.2	4.6	-	-	9.2	4.6
Property Based Improvement District	4.1	3.9	-	-	4.1	3.9
Community Services Department	5.8	5.7	-	-	5.8	5.7
Public Works Department	9.0	13.5	-	-	9.0	13.5
Interest on long-term debt	0.1	0.1	-	-	0.1	0.1
Sewer	-	-	0.6	0.8	0.6	0.8
Total Expenses	58.3	57.8	0.6	0.8	58.9	58.6
Increase(Decrease) in Net Position	9.2	8.7	0.4	0.5	9.6	9.2
Beginning Net Position	194.0	208.3	12.2	11.7	206.2	220.0
Restatement of Net Position	(4.9)	(22.9)	(0.0)	-	(4.9)	(22.9)
Beginning Net Position, restated	189.1	185.3	12.2	11.7	201.3	197.0
Ending Net Position	\$ 198.3	\$ 194.0	\$ 12.6	\$ 12.2	\$ 210.9	\$ 206.2

Governmental Activities – Revenues

Governmental revenues totaled \$67.5 million in fiscal year 2017-18, an increase of \$1.0 million over the prior fiscal year.

Program revenues, including charges for services, operating grants and contributions, and capital grants and contributions are generated from or restricted to each activity. Together, they totaled \$18.4 million; a net decrease of \$4.6 million from the prior fiscal year, due to decreases in charges for services of \$2.4 million, operating grants and contributions of \$0.5 million, and capital grants and contributions of \$1.7 million.

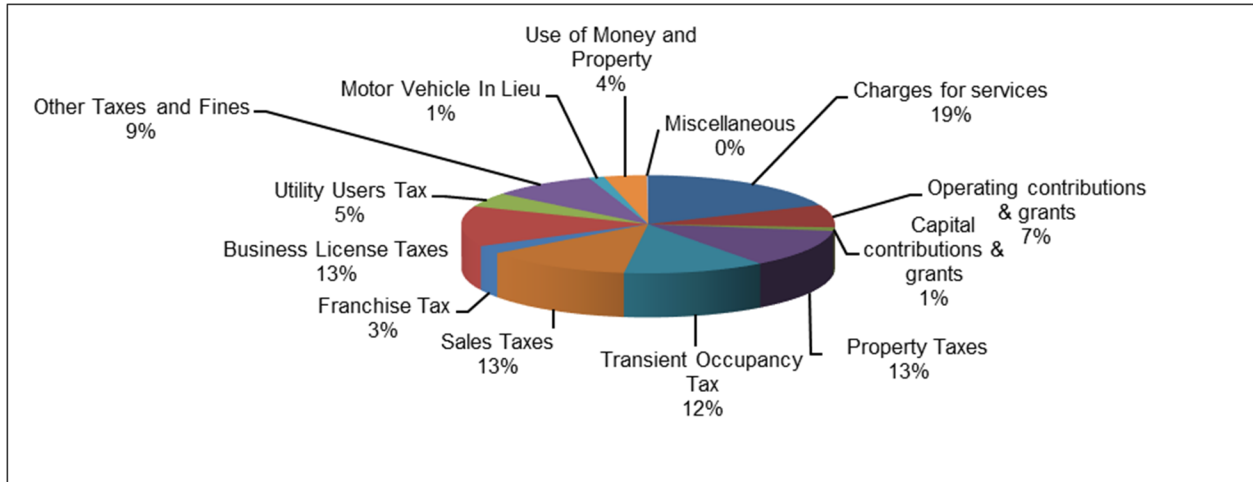
- Charges for services decrease of \$2.4 million is primarily due to decreases in Public Works Department of \$1.1 million, Community Development Department of \$0.7 million, General Government of \$0.7 million, Community Services Department of \$0.4 million, and Fire Department of \$0.2 million, offset by increases in Property Based Improvement District of \$0.4 million and Police Department of \$0.2 million.
- Operating grants and contributions decrease of \$0.5 million is primarily due to decreases in Community Development Department of \$0.4 million, Police Department of \$0.4 million, Fire Department of \$0.3 million, and General Government of \$0.1 million, offset by increases in Public Works Department of \$0.4 million and Community Services Department of \$0.2 million.
- Capital contributions and grants decrease of \$1.7 million is primarily due to a one-time revenue received in fiscal year 2016-17.

General revenues are composed of taxes and other revenues not specifically generated by or restricted to individual activities. Tax revenues, investment earnings, and rents for governmental facilities are all components of general revenues. For fiscal year 2017-18, general revenues totaled \$49.2 million an increase of \$5.7 million when compared to fiscal year 2016-17 total general revenues of \$43.5 million. The increase was primarily due to the following:

- Other Taxes and Fines increased \$2.7 million due to transfer tax for the sales of properties within the City.
- Property Tax increased \$1.0 million primarily due to the increase in assessed valuation and the collection of residual tax increment starting in the fiscal year 2017-18.
- Transient Occupancy Tax increased \$0.9 million primarily due to the opening of a new hotel in November 2016, resulting in fewer months of revenues for fiscal year 2016-17.
- Use of Money and Property increased \$0.5 million primarily due to investment earnings.

The following Total Revenues chart includes only current year revenues and includes all governmental funds, not just the General Fund.

Total Revenues, Governmental Activities – 2017-18



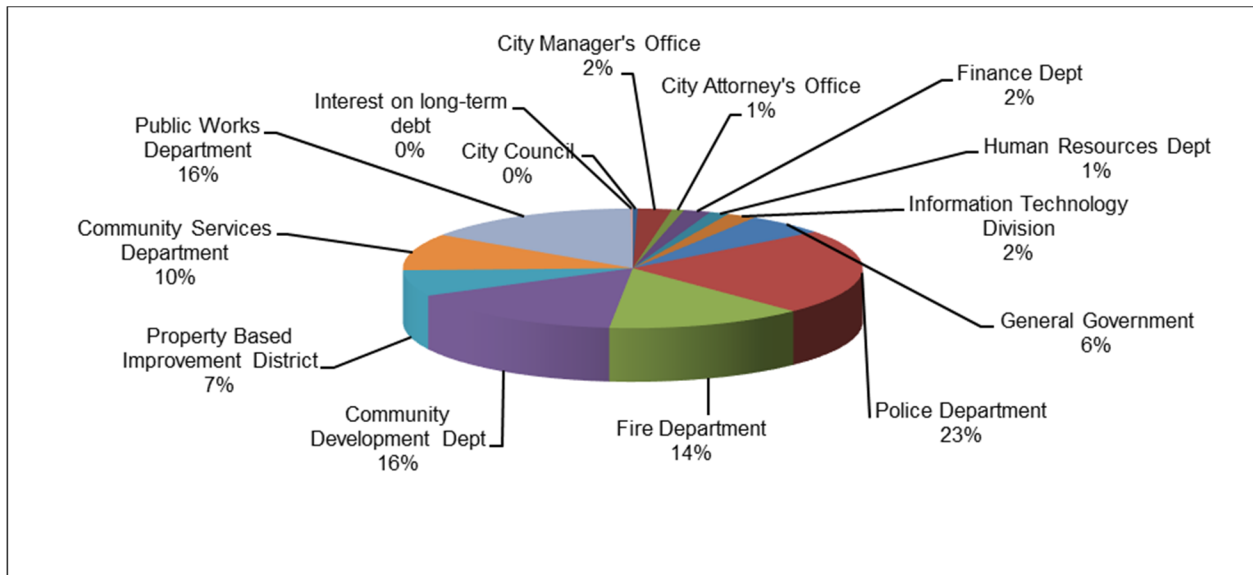
Governmental Activities – Expenses

Total governmental activities expenses were \$58.3 million in fiscal year 2017-18, an increase of \$0.5 million from the prior fiscal year. Major variances by function include:

- Increase in Community Development Department of \$4.6 million primarily due to the change in allowance for doubtful accounts for loans made during the normal course of business.
- Decrease in Public Works Department of \$4.5 million primarily due to the Transit Center Parking Garage project costs in fiscal year 2016-17.

The Functional Expenses chart below includes only current year expenses for governmental activities and is not limited to only the General Fund.

Functional Expenses, Governmental Activities – 2017-18



Business-Type Activities (Sewer Fund) – Revenues

Revenues from business-type activities were \$1.0 million, a decrease of \$0.3 million compared to the prior year primarily due to a decrease in connection fees during the year.

Business-Type Activities (Sewer Fund) – Expenses

Expenses from business-type activities were \$0.6 million, a decrease of \$0.2 million compared to the prior year primarily due to a decrease in maintenance work required during the year.

FUND FINANCIAL STATEMENTS

As noted earlier, the City uses *fund accounting* to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the City's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds.

The table below summarizes City activity and balances at the fund level.

Financial Highlights Governmental Fund Level at Fiscal Year Ended June 30 (\$ in millions)				
	2018	2017	Increase (Decrease)	%
Total Assets	\$ 167.8	\$ 163.1	\$ 4.7	2.9%
Total Liabilities	12.3	11.3	1.0	8.8%
Total Deferred Inflows of Resources	2.6	1.6	1.0	62.5%
Total Fund Balances	152.9	150.2	2.7	1.8%
Total Revenues	66.4	66.1	0.3	0.5%
Total Expenditures	62.1	53.2	8.9	16.7%
Total Other Financing Sources (uses)	(1.8)	(0.7)	(1.1)	157.1%
<i>Memo only:</i>				
Net Change in Fund Balance	2.5	12.2		
Restatement	0.3	0.2		
	2.8	12.4		
Beginning Fund Balance	150.1	137.7		
Ending Fund Balance	152.9	150.1		

At June 30, 2018, the City's Governmental Funds reported combined fund balances of \$152.9 million, an increase of \$2.5 million, or 1.7%, from the prior year. Governmental Fund revenues of \$66.4 million were on par with the prior fiscal year's total of \$66.1 million.

Governmental Fund expenditures increased \$8.9 million in fiscal year 2017-18 to \$62.1 million, primarily due to the following:

- Economic development and housing increased \$4.7 million primarily due to the change in allowance for doubtful accounts for loans made during the normal course of business.

- Police increased \$4.6 million primarily due to the \$4.0 million lump-sum payment to CalPERS to pay down the City's unfunded pension liability.
- Capital outlay increased \$2.1 million primarily due to \$1.2 million spent on the Emeryville Greenway – Stanford to Powell (AKA Peladeau Park) Project and \$0.6 million spent on the Transit Center Plaza Platform Project.
- Public works decreased \$3.6 million primarily due to the Transit Center Parking Garage project costs in fiscal year 2016-17.

General Fund - The General Fund is the City's main operating fund. At June 30, 2018, the unassigned fund balance in combination with the economic uncertainty fund were \$24.5 million while the total fund balance was \$41.3 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned and economic uncertainty fund balance and total fund balance to total General Fund expenditures. Unassigned and economic uncertainty fund balances represent 59.3% of General Fund budgeted expenditures of \$41.3 million for fiscal year 2018-19. The economic uncertainty fund balance was \$20.7 million or 50.0% of total General Fund budgeted expenditures for fiscal year 2018-19. This meets the City's 50% reserve target.

General Fund revenues totaled \$45.3 million, an increase of \$5.0 million compared to prior fiscal year's total revenues of \$40.3 million. This was primarily due to increases in taxes of \$4.3 million.

General Fund expenditures totaled \$39.9 million, an increase of \$5.3 million compared to prior fiscal year's total expenditures of \$34.6 million. This was primarily due to the \$4.0 million lump-sum payment to CalPERS to pay down the City's unfunded pension liability and \$0.8 million in increased fire services.

Other Grants Fund – This fund accounts for the Brownfields EPA Grant Fund and the Grants Fund. The Brownfield EPA is a federal grant and the Grants Fund is for various state and local grants relating to capital improvement projects and programs. Total revenues were \$2.2 million and total expenditures were \$2.6 million in fiscal year 2017-18.

Housing Assets Funds – This fund accounts for the housing assets of the City of Emeryville as Successor Agency to the former Emeryville Redevelopment Agency. Total revenues were \$0.8 million and total expenditures were \$2.7 million in fiscal year 2017-18.

Property Based Improvement District – This fund accounts for commercial property assessments and General Fund contributions collected to fund the Emery Go-Round, the City's shuttle service. Total revenues, including operating transfers in, were \$4.0 million and total expenditures were \$4.1 million in fiscal year 2017-18.

General Capital Improvements Fund – This fund accounts for capital projects and improvements typically funded with general revenues. Total revenues, including operating transfers in, were \$7.0 million and total expenditures were \$1.8 million in fiscal year 2017-18.

Enterprise Fund

The City operates the Sewer Enterprise Fund, its only Business-Type Activity. The Sewer Fund uses a separate agency to provide treatment of wastewater. Expenses are paid from customer service charges. In fiscal year 2017-18, beginning net position of \$12.2 million increased by \$0.4 million compared to prior year. Sewer Enterprise revenues may vary from year to year depending on the level of new development which affects connection fee revenue.

GENERAL FUND BUDGETARY HIGHLIGHTS

Revisions to the 2017-18 General Fund original and final amended budget resulted in an increase in budgeted revenues and transfers in of \$2.2 million, and an increase in appropriations and transfers out of \$2.1 million. The increases in appropriations were primarily the result of transfers out primarily to support Disaster Funding of \$1.0 million and PERS Liability Funding of \$1.0 million.

General Fund revenues exceeded budget by \$2.5 million primarily due to Licenses and Permits receipts \$1.2 million greater than budget due to more developer projects being requested than anticipated and Taxes receipts \$0.8 million greater than budget primarily due to more properties being sold and purchased than anticipated. Expenditures were \$11.7 million below budget primarily due to the budgeting of Pension paydowns in the Current year.

CAPITAL ASSETS

The City reports all its capital assets including infrastructure on its statement of net assets. Infrastructure includes roads, bridges, signals and similar assets used by the entire population. The table below shows capital assets and the amount of accumulated depreciation for these assets as of June 30, 2018 for Governmental and Business-type Activities (further detail may be found in Note 7 to the financial statements).

Capital Assets at Fiscal Year Ended June 30 (\$ in millions)		
	2018	2017
Governmental Activities		
Capital Asset		
Land and Construction in Progress	\$ 23.8	\$ 19.8
Park Improvements and other Improvements	19.6	19.6
Buildings and Improvements	44.1	44.1
Furnishings, Vehicles and Equipment	7.7	7.4
Marina Improvements	8.7	8.7
Grading, Curb & Gutter, Sidewalks & Driveways	36.7	36.5
Less Accumulated Depreciation	(68.2)	(65.1)
Total Governmental	\$ 72.4	\$ 71.0
Business-Type Activities (Sewer)		
Construction in progress	\$ -	\$ -
Buildings and Improvements	0.5	0.5
Automobile and Equipment	-	-
Sewer Improvements	9.9	9.9
Less Accumulated Depreciation	(2.2)	(2.0)
Total Business-Type	\$ 8.2	\$ 8.4

Governmental Activities capital assets net of depreciation increased \$1.4 million compared to fiscal year 2016-17 primarily due to the increase in construction in progress of \$4.2 million and vehicle and equipment purchase of \$0.4 million offset by depreciation of \$3.3 million. Business-Type Activities capital assets decreased by \$0.2 million due to depreciation.

The City depreciates all its capital assets over their estimated useful lives. The purpose of depreciation is to spread the cost of a capital asset over its useful life so that an allocable portion of the cost of the asset is borne by all users. Additional information on capital assets and depreciable lives may be found in Note 1 and Note 7 to the financial statements.

DEBT ADMINISTRATION

Each of the City's debt issues is discussed in detail in Note 8 to the financial statements, the Net Pension Liability is discussed in detail in Note 10 to the financial statements, and the Net OPEB Liability is discussed in detail in Note 12 to the financial statements. At June 30, 2018, the City's outstanding debt was as follows:

Long-Term Debt at Fiscal Year Ended June 30 (\$ in millions)			2018	2017
<u>Government Wide Debt:</u>				
City Obligations:				
Public Financing Authority Lease Revenue Bonds				
2013 Series A	\$	3.1	\$	3.4
Compensated Absences		2.8		2.9
Claims and Judgments		3.9		3.4
Termination Benefits		0.2		0.3
Net Pension Liability		44.1		38.2
Net OPEB Liability		4.4		-
Total City Obligations			58.5	48.2

The former redevelopment agency long-term debt was transferred to the Emeryville Successor Agency private-purpose trust fund as of February 1, 2012. All interest and principal payments due on these bonds are paid by the redevelopment property tax trust fund monies in accordance with the bond covenants and the former redevelopment dissolution laws AB1X 26, AB 1484 and SB 107. See Note 15 of the financial statements.

ECONOMIC OUTLOOK

Major economic indicators show that the Emeryville and East San Francisco Bay Area economy remains healthy. Growth is expected to continue throughout 2018, with a possibility of growth slow down starting in 2019. The unemployment rates in Emeryville, Alameda County, and the state remain low. Commercial real estate in the East San Francisco Bay Area continues to grow steadily. Rents in the East San Francisco Bay Area are lower than rents in the South Bay and San Francisco, providing a significant incentive to retain and attract businesses. Additional details on the economy of the City are discussed in the accompanying Transmittal Letter.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

The Comprehensive Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the City's finances. Questions about this report should be directed to the Finance Department, at 1333 Park Avenue, Emeryville, California. This report and other financial reports can be viewed on the City of Emeryville website at www.emeryville.org.

CITY OF EMERYVILLE

STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES

The Statement of Net Position and the Statement of Activities are required by Governmental Accounting Standards Board Statement No. 34 – Basic Financial Statements. Their purpose is to summarize the financial activities and financial position of the City and its component units including the Emeryville Public Financing Authority and Management of Emeryville Services Authority. The term “City” as used in these statements refers collectively to the City and its component units.

The statements are prepared on the same basis as is used by most businesses, which means they include all the City’s assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis - the effect of the entire City’s transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between City funds have been eliminated.

The Statement of Net Position reports the difference between the City’s total assets, deferred outflows of resources, total liabilities, and deferred inflows of resources including all the City’s capital assets and all its long-term debt. The Statement of Net Position presents similar information to the old balance sheet format, but presents it in a way that focuses the reader on the composition of the City’s net position, by subtracting total liabilities from total assets.

The Statement of Net Position summarizes the financial position of the entire City’s Governmental Activities in a single column, and the financial position of the entire City’s Business-Type Activities in a single column; these are followed by a total column, which presents the financial position of the entire City.

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

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

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

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CITY OF EMERYVILLE

STATEMENT OF NET POSITION
JUNE 30, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 151,429,652	\$ 4,414,214	\$ 155,843,866
Receivables:			
Accounts	1,319,644	145,575	1,465,219
Taxes	6,068,092	-	6,068,092
Due from other governments	1,984,650	-	1,984,650
Accrued interest	283,454	8,306	291,760
Notes and loans	53,032	-	53,032
Prepaid costs	50,313	4,470	54,783
Land held for resale	17,942,606	-	17,942,606
Due from Successor Agency	113,829	-	113,829
Restricted assets:			
Cash and investments	4,114,190	-	4,114,190
Capital assets not being depreciated	23,849,498	5,130	23,854,628
Capital assets, net of depreciation	48,525,910	8,194,845	56,720,755
Total Assets	255,734,870	12,772,540	268,507,410
Deferred Outflows of Resources			
Deferred pension related items	17,048,363	67,058	17,115,421
Deferred OPEB related items	224,940	2,341	227,281
Total Deferred Outflows of Resources	17,273,303	69,399	17,342,702
Liabilities			
Accounts payable	6,885,064	6,948	6,892,012
Accrued liabilities	1,053,311	1,247	1,054,558
Accrued interest	15,454	-	15,454
Unearned revenue	2,030,830	-	2,030,830
Deposits payable	884,371	-	884,371
Noncurrent liabilities:			
Due within one year	1,901,268	-	1,901,268
Due in more than one year	8,100,889	-	8,100,889
Net pension liability	43,944,141	180,734	44,124,875
Net OPEB liability	4,395,067	45,740	4,440,807
Total Liabilities	69,210,395	234,669	69,445,064
Deferred Inflows of Resources			
Deferred pension related items	5,468,796	32,019	5,500,815
Total Deferred Inflows of Resources	5,468,796	32,019	5,500,815
Net Position			
Net investment in capital assets	69,236,908	8,199,975	77,436,883
Restricted for:			
Community development projects	27,684,717	-	27,684,717
Public safety	208,405	-	208,405
Public works	3,903,679	-	3,903,679
Capital projects	58,072,841	2,641,903	60,714,744
Debt service	3,051	-	3,051
Small business incentive	103,078	-	103,078
Community services	5,861	-	5,861
Environmental programs	65,954	-	65,954
Pensions	2,684,890	-	2,684,890
Unrestricted	36,359,598	1,733,373	38,092,971
Total Net Position	\$ 198,328,982	\$ 12,575,251	\$ 210,904,233

See Notes to Financial Statements

CITY OF EMERYVILLE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Primary Government:				
Governmental Activities:				
City council	\$ 222,581	\$ 94,494	\$ -	\$ -
City manager	1,392,176	-	-	-
City attorney	534,354	-	-	-
Finance	1,093,976	92,365	-	-
Human resources	790,400	-	-	-
Information technology	1,205,716	-	-	-
Non-departmental operations	3,299,087	876,880	51,485	-
Police	13,518,734	540,715	168,422	-
Fire	8,134,164	453,911	89,465	-
Planning and building	3,047,003	2,326,626	6,580	-
Economic development and housing	5,975,087	3,060	727,634	-
Redevelopment	135,711	84,064	602,652	-
Property based improvement district	4,064,405	3,735,926	-	-
Community services	1,062,542	77,371	3,270	-
Child development	2,308,874	1,311,260	245,555	-
Youth services	1,422,486	381,030	154,310	-
Adult services	1,041,631	23,965	55,216	-
Public works	9,013,050	2,596,644	2,876,277	784,752
Interest on long-term debt	101,435	-	-	-
Total Governmental Activities	58,363,412	12,598,311	4,980,866	784,752
Business-Type Activities:				
Sewer	564,159	996,519	-	-
Total Business-Type Activities	564,159	996,519	-	-
Total Primary Government	\$ 58,927,571	\$ 13,594,830	\$ 4,980,866	\$ 784,752

General Revenues:

Taxes:

Property taxes, levied for general purpose
 Transient occupancy taxes
 Sales taxes
 Franchise taxes
 Business licenses taxes
 Utility users tax
 Other taxes
 Motor vehicle in lieu - unrestricted
 Use of money and property
 Other

Transfers**Total General Revenues and Transfers**

Change in Net Position

Net Position, Beginning of Year, as Previously Reported

Restatements of Net Position

Net Position, Beginning of Year

Net Position, End of Year

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (128,087)	\$ -	\$ (128,087)
(1,392,176)	-	(1,392,176)
(534,354)	-	(534,354)
(1,001,611)	-	(1,001,611)
(790,400)	-	(790,400)
(1,205,716)	-	(1,205,716)
(2,370,722)	-	(2,370,722)
(12,809,597)	-	(12,809,597)
(7,590,788)	-	(7,590,788)
(713,797)	-	(713,797)
(5,244,393)	-	(5,244,393)
551,005	-	551,005
(328,479)	-	(328,479)
(981,901)	-	(981,901)
(752,059)	-	(752,059)
(887,146)	-	(887,146)
(962,450)	-	(962,450)
(2,755,377)	-	(2,755,377)
(101,435)	-	(101,435)
(39,999,483)	-	(39,999,483)
-	432,360	432,360
-	432,360	432,360
(39,999,483)	432,360	(39,567,123)
8,453,487	-	8,453,487
8,321,942	-	8,321,942
8,729,795	-	8,729,795
1,789,616	-	1,789,616
8,984,641	-	8,984,641
3,181,325	-	3,181,325
6,216,865	-	6,216,865
853,910	-	853,910
2,523,853	51,443	2,575,296
94,115	-	94,115
51,500	(51,500)	-
49,201,049	(57)	49,200,992
9,201,566	432,303	9,633,869
194,027,846	12,186,018	206,213,864
(4,900,430)	(43,070)	(4,943,500)
189,127,416	12,142,948	201,270,364
\$ 198,328,982	\$ 12,575,251	\$ 210,904,233

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CITY OF EMERYVILLE

FUND FINANCIAL STATEMENTS

The Fund Financial Statements are formatted so that only individual major funds are presented, while nonmajor funds are combined in a single column. Major funds are defined generally as having significant activities or balances in the current year. No distinction is made between fund types and the practice of combining like funds.

The funds described below were determined to be major funds by the City for fiscal year 2017-18. Individual nonmajor funds may be found in the supplemental section.

The **General Fund** is the general operating fund of the City and accounts for all financial resources except those required to be accounted for in another fund. The major revenues to the General Fund are taxes (property, sales, business licenses, utility users and transient occupancy), which comprise the majority of the fund's annual revenue stream. The major expenditure of the General Fund is Public Safety (police and fire), which accounts for the majority of the fund's annual expenditure stream.

The **Other Grants Fund** accounts for funds from third-party grants and other sources and is used to segregate costs to be reimbursed by grants. This fund was initiated in 1998.

The **Housing Assets Fund** accounts for the assets transferred from the Low and Moderate Income Housing Fund (LMIHF) to the City as Housing Successor. The Fund includes loans and notes receivable, rents and payments on these receivables after February 1, 2012, and amounts due to the LMIHF, including the SERAF loans. All monies in the Housing Assets Fund must be used in accordance with the applicable housing-related provisions of the Community Redevelopment Law.

The **Property Based Improvement District Fund** accounts for commercial and residential property assessments and General Fund contributions collected to fund the Emery Go-Round, the City's shuttle service.

The **General Capital Improvement Fund** accounts for general capital projects. The Fund includes expenditures related to improvements to buildings, equipment, infrastructure and other systems, such as storm drains, sidewalks, etc. The main source of funding for these costs comes from general revenues transferred from the General Fund. Beginning in fiscal year 2012-13 this Fund also receives a portion of the residual property taxes distributed to the City as a result of the dissolution of redevelopment, which occurred February 1, 2012.

CITY OF EMERYVILLE

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds			
	General	Other Grants	Housing Assets	Property Based Improvement District
Assets				
Cash and investments	\$ 38,958,173	\$ 3,029,577	\$ 3,465,365	\$ 2,320,974
Receivables:				
Accounts	767,650	-	42,839	297,625
Taxes	3,302,872	-	-	56,134
Due from other governments	79,506	1,887,624	-	-
Accrued interest	100,556	5,780	6,434	2,526
Notes and loans	30,956	-	-	-
Prepaid costs	38,877	-	-	-
Due from other funds	1,545,164	-	-	-
Land held for resale	-	-	17,942,606	-
Due from Successor Agency	-	-	113,829	-
Restricted assets:				
Cash and investments	3,057,229	32,548	-	-
Total Assets	\$ 47,880,983	\$ 4,955,529	\$ 21,571,073	\$ 2,677,259
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	\$ 2,961,211	\$ 263,261	\$ 267,787	\$ 2,011,823
Accrued liabilities	915,956	-	-	-
Unearned revenues	1,922,794	85,484	-	-
Deposits payable	372,788	-	-	-
Due to other funds	-	1,545,164	-	-
Total Liabilities	6,172,749	1,893,909	267,787	2,011,823
Deferred Inflows of Resources				
Unavailable revenues	368,549	1,887,124	-	297,625
Total Deferred Inflows of Resources	368,549	1,887,124	-	297,625
Fund Balances				
Nonspendable:				
Prepaid costs	38,877	-	-	-
Restricted for:				
Community development projects	80,000	-	21,303,286	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital projects	-	1,174,496	-	-
Debt service	-	-	-	-
Small business incentive	100,000	-	-	-
Community services	-	-	-	-
Environmental programs	-	-	-	-
Pensions	2,684,890	-	-	-
Committed to:				
Community development projects	-	-	-	-
Facility maintenance	-	-	-	-
Vehicle replacement	-	-	-	-
Information technology	-	-	-	-
Economic uncertainty	20,677,300	-	-	-
PERS liability	8,312,363	-	-	-
Economic development	1,647,919	-	-	-
Community programs	572,100	-	-	367,811
Assigned to:				
Capital projects	-	-	-	-
Community services	-	-	-	-
Disasters	3,382,403	-	-	-
Unassigned	3,843,833	-	-	-
Total Fund Balances	41,339,685	1,174,496	21,303,286	367,811
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 47,880,983	\$ 4,955,529	\$ 21,571,073	\$ 2,677,259

CITY OF EMERYVILLE

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

	Capital Projects Funds		
	General Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	\$ 34,899,852	\$ 51,700,914	\$ 134,374,855
Receivables:			
Accounts	-	194,969	1,303,083
Taxes	2,549,181	159,905	6,068,092
Due from other governments	-	17,520	1,984,650
Accrued interest	63,063	74,131	252,490
Notes and loans	-	22,076	53,032
Prepaid costs	-	11,395	50,272
Due from other funds	-	-	1,545,164
Land held for resale	-	-	17,942,606
Due from Successor Agency	-	-	113,829
Restricted assets:			
Cash and investments	-	1,024,413	4,114,190
Total Assets	\$ 37,512,096	\$ 53,205,323	\$ 167,802,263
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts payable	\$ 220,947	\$ 1,034,590	\$ 6,759,619
Accrued liabilities	-	137,355	1,053,311
Unearned revenues	-	22,552	2,030,830
Deposits payable	-	510,758	883,546
Due to other funds	-	-	1,545,164
Total Liabilities	220,947	1,705,255	12,272,470
Deferred Inflows of Resources			
Unavailable revenues	-	53,431	2,606,729
Total Deferred Inflows of Resources	-	53,431	2,606,729
Fund Balances			
Nonspendable:			
Prepaid costs	-	-	38,877
Restricted for:			
Community development projects	-	6,301,431	27,684,717
Public safety	-	208,405	208,405
Public works	-	3,903,679	3,903,679
Capital projects	37,256,149	19,642,196	58,072,841
Debt service	-	3,051	3,051
Small business incentive	-	3,078	103,078
Community services	-	5,861	5,861
Environmental programs	-	65,954	65,954
Pensions	-	-	2,684,890
Committed to:			
Community development projects	-	5,669,124	5,669,124
Facility maintenance	-	4,708,929	4,708,929
Vehicle replacement	-	3,581,654	3,581,654
Information technology	-	2,911,303	2,911,303
Economic uncertainty	-	-	20,677,300
PERS liability	-	-	8,312,363
Economic development	-	-	1,647,919
Community programs	-	-	939,911
Assigned to:			
Capital projects	35,000	4,260,193	4,295,193
Community services	-	181,779	181,779
Disasters	-	-	3,382,403
Unassigned	-	-	3,843,833
Total Fund Balances	37,291,149	51,446,637	152,923,064
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 37,512,096	\$ 53,205,323	\$ 167,802,263

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CITY OF EMERYVILLE

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018**

Total Fund Balances - Governmental Funds \$ 152,923,064

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet. 72,375,408

Pension contributions made subsequent to the measurement date of the net pension liability are deferred and recognized in the subsequent period. These include:

Miscellaneous pension plan	\$ 727,404	
Safety pension plan	6,307,196	
Emeryville Police Officers' Association retirement enhancement plan	151,248	7,185,848

Other post-employment benefit (OPEB) contributions made subsequent to the measurement date of the net OPEB liability are deferred and recognized in the subsequent period. 224,940

Adjustments that increase net pension liability are recorded as deferred outflows of resources and are amortized over their remaining service life. These include:

Miscellaneous pension plan	3,384,430	
Safety pension plan	6,456,533	
Emeryville Police Officers' Association retirement enhancement plan	21,552	9,862,515

Accrued interest on long-term debt does not require current financial resources. Therefore, accrued interest is not reported as a liability in the governmental funds balance sheet. (15,454)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet. These include:

Lease Revenue Bonds		(3,138,500)
Termination benefits		(160,246)

Governmental funds report all pension contributions as expenditures, however, in the statement of net position, the excess of the plan proportionate share of the total pension liability over the proportionate share of the plan fiduciary net position is reported as a net pension liability. These include:

Miscellaneous pension plan	(11,567,029)	
Safety pension plan	(32,032,873)	
Emeryville Police Officers' Association retirement enhancement plan	(344,239)	(43,944,141)

Governmental funds report all OPEB contributions as expenditures, however, in the statement of net position, the excess of the plan proportionate share of the total OPEB liability over the proportionate share of the plan fiduciary net position is reported as a net OPEB liability. (4,395,067)

Adjustments that reduce net pension liability are recorded as deferred inflows of resources and are amortized over their remaining service life. These include:

Miscellaneous pension plan	(2,280,598)	
Safety pension plan	(2,845,968)	
Emeryville Police Officers' Association retirement enhancement plan	(342,230)	(5,468,796)

The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current period expenditures are deferred and reported as unavailable revenues in the governmental funds. 2,606,729

Internal service funds are used by management to charge the costs of certain activities, such as insurance and accrued benefits, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide Statement of Net Position. 10,272,682

Net Position of Governmental Activities

\$ 198,328,982

CITY OF EMERYVILLE

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	Special Revenue Funds			
	General	Other Grants	Housing Assets	Property Based Improvement District
Revenues				
Taxes	\$ 37,308,344	\$ -	\$ -	\$ 3,455,126
Licenses and permits	3,999,134	-	-	-
Intergovernmental	1,650,194	2,114,604	-	-
Charges for services	892,593	-	84,064	-
Fines and forfeitures	-	-	-	-
Investment income	109,621	37,722	132,993	12,556
Rent	521,485	-	1,170	-
Contributions	362,626	-	-	-
Developer participation	-	-	-	-
Miscellaneous	421,937	3,699	549,146	-
Total Revenues	45,265,934	2,156,025	767,373	3,467,682
Expenditures				
Current:				
City council	191,890	-	-	17,000
City manager	1,298,346	-	-	-
City attorney	509,639	-	-	-
Finance	1,028,306	-	-	-
Human resources	732,127	-	-	-
Information technology	682,869	-	-	-
Non-departmental operations	1,885,164	53,223	-	-
Police	16,110,038	-	-	-
Fire	7,701,535	-	-	-
Planning and building	2,349,572	-	-	-
Economic development and housing	832,883	-	2,686,356	-
Property based improvement district	-	-	-	4,064,405
Community services	975,672	-	-	-
Child development	-	-	-	-
Youth services	1,356,466	-	-	-
Adult services	961,012	-	-	-
Public works	3,232,761	1,250,358	-	-
Capital outlay	48,220	1,281,595	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	39,896,500	2,585,176	2,686,356	4,081,405
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,369,434	(429,151)	(1,918,983)	(613,723)
Other Financing Sources (Uses)				
Transfers in	61,500	-	-	553,542
Transfers out	(5,081,826)	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	(5,020,326)	-	-	553,542
Net Change in Fund Balances	349,108	(429,151)	(1,918,983)	(60,181)
Fund Balances, Beginning of Year, as previously reported	40,707,126	1,603,647	23,222,269	427,992
Restatements	283,451	-	-	-
Fund Balances, Beginning of Year	40,990,577	1,603,647	23,222,269	427,992
Fund Balances, End of Year	\$ 41,339,685	\$ 1,174,496	\$ 21,303,286	\$ 367,811

CITY OF EMERYVILLE

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	Capital Projects Funds	Nonmajor Governmental	Total Governmental
	General Capital Improvements	Funds	Funds
Revenues			
Taxes	\$ 6,424,081	\$ 1,928,421	\$ 49,115,972
Licenses and permits	-	760,637	4,759,771
Intergovernmental	-	994,352	4,759,150
Charges for services	-	1,133,658	2,110,315
Fines and forfeitures	-	50,146	50,146
Investment income	422,086	508,274	1,223,252
Rent	-	585,959	1,108,614
Contributions	-	100	362,726
Developer participation	-	3,060	3,060
Miscellaneous	36,500	1,858,625	2,869,907
Total Revenues	6,882,667	7,823,232	66,362,913
Expenditures			
Current:			
City council	-	-	208,890
City manager	-	-	1,298,346
City attorney	-	-	509,639
Finance	-	-	1,028,306
Human resources	-	-	732,127
Information technology	-	304,206	987,075
Non-departmental operations	524,491	746,658	3,209,536
Police	-	155,389	16,265,427
Fire	-	187,357	7,888,892
Planning and building	6,285	685,625	3,041,482
Economic development and housing	-	2,427,976	5,947,215
Property based improvement district	-	-	4,064,405
Community services	-	50,652	1,026,324
Child development	-	2,121,898	2,121,898
Youth services	-	-	1,356,466
Adult services	-	-	961,012
Public works	-	1,706,009	6,189,128
Capital outlay	1,220,445	2,333,863	4,884,123
Debt service:			
Principal retirement	-	263,200	263,200
Interest and fiscal charges	-	102,731	102,731
Total Expenditures	1,751,221	11,085,564	62,086,222
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,131,446	(3,262,332)	4,276,691
Other Financing Sources (Uses)			
Transfers in	110,000	2,548,284	3,273,326
Transfers out	-	(10,000)	(5,091,826)
Proceeds from sale of capital asset	-	24,735	24,735
Total Other Financing Sources (Uses)	110,000	2,563,019	(1,793,765)
Net Change in Fund Balances	5,241,446	(699,313)	2,482,926
Fund Balances, Beginning of Year, as previously reported	32,049,703	52,145,950	150,156,687
Restatements	-	-	283,451
Fund Balances, Beginning of Year	32,049,703	52,145,950	150,440,138
Fund Balances, End of Year	\$ 37,291,149	\$ 51,446,637	\$ 152,923,064

CITY OF EMERYVILLE

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018**

Net Change in Fund Balances - Total Governmental Funds \$ 2,482,926

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. However, in the government-wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expenses. This is the amount by which capital outlays of \$4,642,544 exceeded depreciation expense of \$3,278,328, and disposal of assets of \$29,490 in the current period. 1,334,726

Pension obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These include:

Miscellaneous pension plan	\$ (619,457)	
Safety pension plan	3,293,263	
Emeryville Police Officers' Association retirement enhancement plan	<u>32,955</u>	2,706,761

Other post-employment benefit (OPEB) obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (31,572)

Interest payments on long-term debt are reported as an expenditure in the governmental funds when interest payments actually occur, but does not account for future interest due on long-term debt since accrued interest does not require current financial resources. The change in accrued interest is reported in the government-wide Statement of Activities. 1,296

Principal payments on long-term debt are not an expense in the government-wide Statement of Activities, but are considered expenditures in governmental funds. These include:

Repayment of Lease Revenue Bonds	263,200
----------------------------------	---------

Termination benefits require the use of current financial resources to the extent of actual benefits payments made during the year, which are reported as expenditures in the governmental funds. Termination benefits not expected to be paid with current financial resources are expensed in the government-wide Statement of Activities. 96,544

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. 958,578

Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet operations, to individual funds. The funds' revenues and expenses are included as governmental activities in the Statement of Activities. 1,389,107

Change in Net Position of Governmental Activities \$ 9,201,566

CITY OF EMERYVILLE

PROPRIETY FUNDS STATEMENTS

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

The concept of *major funds* established by GASB Statement No. 34 extends to Proprietary Funds. The City has only one enterprise fund, the Sewer Fund, which is described below:

GASB Statement No. 34 does not provide for the disclosure of budget vs. actual comparisons regarding proprietary funds that are major funds.

The **Sewer Fund** accounts for the operation and maintenance of the City sewer system. The fund is supported by Sewer Service Charges billed through water usage bills and connection fees.

The **Internal Service Funds** account for the financing of goods and services provided by one department or agency to other departments or agencies on a cost-sharing basis.

CITY OF EMERYVILLE

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

	Business-Type Activities - Enterprise Funds	Governmental Activities- Internal Service Funds
	Sewer	
Assets		
Current:		
Cash and investments	\$ 4,414,214	\$ 17,054,797
Receivables:		
Accounts	145,575	16,561
Accrued interest	8,306	30,964
Prepaid costs	4,470	41
Total Current Assets	4,572,565	17,102,363
Noncurrent:		
Capital assets, net of accumulated depreciation	8,199,975	-
Total Noncurrent Assets	8,199,975	-
Total Assets	12,772,540	17,102,363
Deferred Outflows of Resources		
Deferred pension related items	67,058	-
Deferred OPEB related items	2,341	-
Total Deferred Outflows of Resources	69,399	-
Liabilities, Deferred Inflows of Resources and Net Position		
Liabilities		
Current:		
Accounts payable	6,948	125,445
Accrued liabilities	1,247	-
Deposits payable	-	825
Compensated absences	-	637,491
Claims and judgments	-	888,137
Total Current Liabilities	8,195	1,651,898
Noncurrent:		
Compensated absences	-	2,205,764
Claims and judgments	-	2,972,019
Net pension liability	180,734	-
Net OPEB liability	45,740	-
Total Noncurrent Liabilities	226,474	5,177,783
Total Liabilities	234,669	6,829,681
Deferred Inflows of Resources		
Deferred pension related items	32,019	-
Total Deferred Inflows of Resources	32,019	-
Net Position		
Investment in capital assets	8,199,975	-
Restricted for capital projects	2,641,903	-
Unrestricted	1,733,373	10,272,682
Total Net Position	\$ 12,575,251	\$ 10,272,682

CITY OF EMERYVILLE

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Business-Type Activities - Enterprise Funds	Governmental Activities- Internal Service Funds
	Sewer	
Operating Revenues		
Charges for services	\$ 996,519	\$ 14,936,128
Total Operating Revenues	996,519	14,936,128
Operating Expenses		
Administration and general	293,395	13,971,259
Cost of sales and services	79,712	-
Claims expense	-	1,637,749
Depreciation expense	191,052	-
Total Operating Expenses	564,159	15,609,008
Operating Income (Loss)	432,360	(672,880)
Nonoperating Revenues		
Investment income	51,443	191,987
Total Nonoperating Revenues	51,443	191,987
Income (Loss) Before Transfers	483,803	(480,893)
Transfers in	-	1,870,000
Transfers out	(51,500)	-
Changes in Net Position	432,303	1,389,107
Net Position, Beginning of Year, as Previously Reported	12,186,018	8,883,575
Restatements	(43,070)	-
Net Position, Beginning of Year, as Restated	12,142,948	8,883,575
Net Position, End of Year	\$ 12,575,251	\$ 10,272,682

CITY OF EMERYVILLE

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018**

	Business-Type Activities - Enterprise Funds	Governmental Activities- Internal Service Funds
	Sewer	
Cash Flows from Operating Activities		
Receipts from customers and users	\$ 930,880	\$ 14,932,409
Payments to suppliers and providers	(130,835)	(394,632)
Payments to employees for salaries and benefits	(283,519)	(13,835,802)
Payments for claims	-	(1,110,594)
Net Cash Provided by (Used for) Operating Activities	516,526	(408,619)
Cash Flows from Non-Capital Financing Activities		
Cash transfers in	-	1,870,000
Cash transfers out	(51,500)	-
Net Cash Provided by (Used for) Non-Capital Financing Activities	(51,500)	1,870,000
Cash Flows from Capital and Related Financing Activities		
Acquisition and construction of capital assets	(5,130)	-
Net Cash Provided by Capital and Related Financing Activities	(5,130)	-
Cash Flows from Investing Activities		
Interest on cash and investments	46,793	175,204
Net Cash Provided by Investing Activities	46,793	175,204
Net Increase (Decrease) in Cash and Cash Equivalents	506,689	1,636,585
Cash and Cash Equivalents, Beginning of Year	3,907,525	15,418,212
Cash and Cash Equivalents, End of Year	\$ 4,414,214	\$ 17,054,797
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities		
Operating income (loss)	\$ 432,360	\$ (672,880)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities		
Depreciation	191,052	-
(Increase) in accounts receivable	(65,639)	(4,544)
(Increase) decrease in prepaid costs	(4,470)	19,397
Increase (decrease) in accounts payable	(46,653)	(173,270)
Increase (decrease) in deposits payable	-	825
(Decrease) in compensated absences	-	(76,532)
Increase in claims and judgments	-	498,385
Increase (decrease) in salaries and benefits payable	9,876	-
Total Adjustments	84,166	264,261
Net Cash Provided by (Used for) Operating Activities	\$ 516,526	\$ (408,619)
Non-Cash Investing, Capital, and Financing Activities:		
Restatement due to GASB 75	\$ (43,070)	\$ -

CITY OF EMERYVILLE

FIDUCIARY FUNDS STATEMENTS

Fiduciary Funds include all Trust and Agency funds, which account for assets held by the City as a trustee or agent for individuals, other governmental units and/or other funds.

The **Agency Funds** account for receipt of special assessments and the payment of principal, interest and bond administration costs on Assessment District Bonds. These funds are treated as Agency Funds to report resources held by the City in a purely custodial capacity, which involves only the receipt, temporary investment and remittance of fiduciary resources to individuals, private organizations or other governments. These funds are separate and unrelated to the Development Commission of Emeryville funds.

The **Private-Purpose Trust Fund** was established to account for the assets and liabilities of the City of Emeryville as Successor Agency to the former Emeryville Redevelopment Agency per the Redevelopment dissolution laws AB 1X 26, AB 1484 and SB 107. The Fund is allocated revenue (previously known as property tax increment revenue) to pay estimated payments of the enforceable obligations as approved by the State Department of Finance, until obligations of the former Redevelopment Agency are paid in full and assets have been liquidated. The Fund also receives certain payments for leases and notes that are payable to the former Redevelopment Agency.

CITY OF EMERYVILLE

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2018

	Agency Funds	Private-Purpose Trust Funds Successor Agency of the Former RDA
Assets		
Cash and investments	\$ 1,981,973	\$ 5,880,903
Receivables:		
Accounts	7,259	241
Accrued interest	28,763	22,609
Notes and loans	-	16,596,341
Prepaid costs	-	453,950
Land held for resale	-	24,818,694
Restricted assets:		
Cash and investments with fiscal agents	1,263,977	9,029,461
Capital assets:		
Capital assets, not being depreciated	-	20,813,594
Capital assets, net of accumulated depreciation	-	3,826,714
Total Assets	\$ 3,281,972	81,442,507
Liabilities		
Accounts payable	\$ 398	197,365
Accrued interest	-	1,457,527
Due to bondholders	3,281,574	-
Long-term liabilities:		
Due in one year	-	6,815,000
Due in more than one year	-	97,201,507
Total Liabilities	\$ 3,281,972	105,671,399
Net Position		
Held in trust for other purposes		(24,228,892)
Total Net Position		\$ (24,228,892)

CITY OF EMERYVILLE

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	<u>Private-Purpose Trust Funds Successor Agency of the Former RDA</u>
Additions	
Taxes	\$ 13,385,506
Interest and change in fair value of investments	604,001
Transfers in	<u>11,122,579</u>
Total Additions	<u>25,112,086</u>
Deductions	
Administrative expenses	515,476
Contractual services	869,507
Interest expense	3,685,228
Depreciation expense	112,724
Contributions to other governments	342,254
Transfers out	<u>11,122,579</u>
Total Deductions	<u>16,647,768</u>
Changes in Net Position	8,464,318
Net Position, Beginning of Year	<u>(32,693,210)</u>
Net Position, End of Year	<u>\$ (24,228,892)</u>

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

Note 1: Organization and Summary of Significant Accounting Policies

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the City of Emeryville's significant accounting policies applied in the preparation of these financial statements follows.

a. Reporting Entity

The City of Emeryville, California (the City), was incorporated in 1896. On November 4, 2014, the voters passed Measure U which established the City as a Charter City. The City operates under the Council-Manager form of government and provides the following services: public safety (police and fire); public works; community services such as adult services, child development and youth services; building and planning; economic development; and general administrative services.

These financial statements present the activities of the City, as the primary government, and its component units. The component units described below are included in the City's reporting entity because of the significance of their operations or financial relationship with the City.

1. Blended Component Units

The Community Development Commission of Emeryville, the Emeryville Public Financing Authority, and the Management of Emeryville Services Authority are all entities controlled by and dependent on the City. While these are separate legal entities, City Council serves in separate sessions as their governing body, and the financial activities are integral to those of the City. The financial activities of these entities have been aggregated and merged (termed "blended") with those of the City in the accompanying financial statements.

The **Community Development Commission of Emeryville (the Commission)** is a separate governmental entity whose purpose is to prepare and implement plans for improvement, rehabilitation and development of certain areas within the City. The Commission was formed in June 2011, in response to the Governor's proposed State budget and enabling legislation that calls for the elimination of redevelopment agencies. The City Council and former Redevelopment Agency board established the Commission to continue the City's economic development and affordable housing initiatives due to the State's action to dissolve redevelopment agencies, and to safeguard the City's general operations and bonding procedures that are currently conducted through joint exercise of power agreements between the City and the Successor Agency. The Commission has the same governing body as the City, which also performs all accounting and administrative functions for the Commission.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

The **Emeryville Public Financing Authority (the Authority)** is a separate governmental entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City and Commission. The Authority has the power to purchase bonds issued by any local agency at public or negotiated sale and may sell such bonds to public or private purchasers at public or negotiated sale. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority are included in these financial statements in the Debt Service Funds. Separate financial statements for the Authority are not prepared.

The **Management of Emeryville Services Authority (MESA)** is a separate governmental entity whose purpose is to provide more efficient and cost-effective services management, administrative, special or general services to the City, Commission, Authority, and other governmental agencies. MESA is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for MESA. The financial activities of MESA are reported in the MESA Internal Service Fund. Separate financial statements for the Authority are not prepared.

2. Fiduciary Component Unit

The **Successor Agency of the Former Redevelopment Agency (the Successor Agency)** was created January 17, 2012, as outlined in Assembly Bill 1X 26 (the Bill) which provides the requirements for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City which had previously reported the activities of the former redevelopment agency within the reporting entity of the City as a blended component unit. The Successor Agency is a separate legal entity from the City, but City Council serves in separate sessions as their governing body. The responsibilities of the City as Successor Agency of the Former Redevelopment Agency are limited to acting in a fiduciary capacity, until all enforceable obligations of the Successor Agency have been paid. Because of the nature and significance of the relationship between the City and the Successor Agency, it would be misleading to exclude the Successor Agency from the City's financial statements. The financial activities of the Successor Agency are reported in the City's fiduciary fund statements as a private-purpose trust fund. Separate financial statements for the Successor Agency are not prepared.

b. Basis of Presentation

1. Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall City government, except for fiduciary activities. Separate financial statements are prepared for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Eliminations have been made to minimize the double counting of internal activities. 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

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 operation of a particular program or service, and c) development fees and permits, all of which are capital grants under California law. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category (e.g., 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.

Governmental or enterprise funds with assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures equal to at least 10% of their fund-type total, and at least 5% of the combined total of governmental funds and enterprise funds, are required to be reported as a major fund. A governmental or enterprise fund may also be presented as a major fund in the basic financial statements, even if it does not meet the size criteria just described, if the City's officials believe that the fund is particularly important to the financial statement users (because of public interest, reporting consistency, or otherwise). The General Fund is always reported as a major fund.

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

The **General Fund** is the general operating fund of the City and accounts for all financial resources except those required to be accounted for in another fund. The major revenues to the General Fund are taxes (property, sales, business licenses, utility users and transient occupancy), which comprise approximately 65%-75% of the fund's annual revenue stream. The major expenditure of the General Fund is Public Safety (police and fire), which accounts for about half of the fund's annual expenditure stream.

The **Other Grants Fund** accounts for funds from third-party grants and other sources and is used to segregate costs to be reimbursed by grants. This fund was initiated in 1998.

The **Housing Assets Fund** is a special revenue fund created by the Redevelopment Dissolution Act (AB 1484) to account for the assets transferred from the Low and Moderate Income Housing Fund (LMIHF) to the City as the Housing Successor. The Fund includes loans and notes receivable, rents and payments on these receivables after February 1, 2012, and amounts due to the LMIHF, including the SERAF loans. The funding sources are primarily loan activities. All monies in the Housing Assets Fund must be used in accordance with the applicable housing-related provisions of the Community Redevelopment Law.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

The **Property Based Improvement District Fund** accounts for commercial and residential property assessments and General Fund contributions collected to fund the Emery Go-Round, the City's shuttle service.

The **General Capital Improvements Fund** accounts for general capital projects, which include expenditures related to improvements to City Capital Assets. Source of funding comes from revenues transferred from the General Fund and a portion of the residual property taxes.

The City reports its enterprise fund as a major fund in the accompanying financial statements:

The **Sewer Fund** accounts for the operation and maintenance of the City sewer system. The fund is supported by sewer service charges billed through water usage bills and connection fees.

The City also reports the following fund types:

The **Special Revenue Funds** account for taxes and other revenues, which are set aside for a specific purpose in accordance with law or administrative regulation.

The **Capital Projects Funds** account for financial resources used for the acquisition or construction of major capital facilities.

The **Debt Service Funds** account for the accumulation of resources for, and the payment of, general long-term debt principal and interest payments.

The **Internal Service Funds** account for the activities of the MESA, accrued leave, workers' compensation, litigation, dental and unemployment coverage, all of which are provided to other departments on a cost-sharing basis.

The **Agency Funds** account for the receipt of special assessments and the payment of principal and interest and bond administration costs on Assessment District Bonds. These funds are treated as Agency Funds because there is no City liability for their repayment.

The **Private-Purpose Trust Fund** was established to account for the assets and liabilities of the Successor Agency of the former redevelopment agency and is allocated revenue to pay estimated payments of the enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at the end of the year are reported as advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made between the funds included in governmental activities (i.e., the governmental and internal services funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Further, certain activities occur during the year involving transfers of resources between funds. In the fund financial statements, these amount are reported at gross amounts as transfers in and out. While reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated.

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

1. Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

2. Fund Financial Statements

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the year, except for sales tax revenue, which is considered available if collected within 90 days after the end of the year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days after the end of the year). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period, or within the availability period for this revenue source (within 60 days after the end of the year). Under the terms of grant agreements, the City may fund certain

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

programs with a combination of cost-reimbursement grants, categorical block grants and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The City's policy is to first apply restricted grant resources to such programs, followed by general revenues, if necessary. All other revenues are considered to be measurable and available only when cash is received by the government. Certain indirect costs are included in program expenses reported for individual functions and activities.

The Proprietary Fund Financial Statements, which includes the City's enterprise fund, and internal services funds, as well as private-purpose trust funds within the Fiduciary Fund Financial Statements, are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund, also reported within the Fiduciary Fund Financial Statements, has no measurement focus, but utilizes the accrual basis of accounting for reporting its assets and liabilities.

d. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

1. Cash and Investments

The City follows the practice of pooling cash and investments of all funds, except for restricted funds required to be held separately, for the purpose of obtaining the highest investment yield with the greatest safety and least risk. The balance in the pooled cash account is available to meet current operating requirements. Each fund's share in this pool is displayed in the accompanying financial statements as 'cash and investments'.

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, deposits with financial institutions, and short-term investments with original maturities of three months or less from the date of acquisition. Cash and cash equivalents are included in the amounts reported as cash and investments.

For purposes of reporting cash flows, the City considers each fund's share in the cash and investments pool to be cash and cash equivalents, including cash and investments with fiscal agents.

Investments

City investments are recorded at fair value, which is primarily determined on the basis of quoted market prices at the end of the year. The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in structured notes and asset-backed securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these structured notes and asset-backed securities are subject to market risk as to change in interest rates.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Investment income includes interest earnings, changes in fair value of investments held to maturity, and any gains or losses realized upon liquidation, maturity, or sale of investments. Investment earnings of the pooled investments are allocated to the various funds based on each fund's average cash and investment balance at the end of a quarter. Investment income earned from restricted cash and investments is credited directly to the related fund.

2. Prepaid Costs

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

3. Land Held for Resale

Land purchased for resale is capitalized as inventory at acquisition costs plus the cost of environmental remediation clean-up, or net realizable value, if lower.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements, as well as in the proprietary and fiduciary fund statements, since the measurement focus for those fund types is on economic resources.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their acquisition value on the date contributed. The City's policy is to capitalize all assets with costs exceeding certain minimum thresholds and with useful lives exceeding three years.

Costs associated with acquisition and construction of capital assets are not considered to be costs in the period that they are incurred, because of the future value that these assets provide to the City and its residents. With the exception of Land, and Construction in Progress, the City's capital assets are depreciated using the straight-line method over their estimated useful lives, as indicated for each asset classification listed below. By doing this, the cost of these assets is systematically allocated over the number of years that the assets are expected to be useful. The City has assigned the useful lives and capitalization thresholds listed below to capital assets:

	Years	Thresholds
Park and other improvements	20	\$ 50,000
Building and improvements	25 - 50	50,000
Furnishings, vehicles and equipment	3 - 20	5,000
Marina improvements	5 - 65	50,000
Grading, curb, gutter, sidewalks and driveway approaches	10 - 50	50,000
Sewer equipment	5 - 20	5,000
Sewer improvements	65	50,000

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Some capital assets may be acquired using federal and state grant funds or they may be contributed by developers or other governments. GASB Statement No. 34 requires that these contributions be accounted for as revenues at the time the capital assets are contributed.

With the implementation of GASB Statement No. 34, the City recorded all current year expenditures for its public domain (infrastructure) capital assets, including grading, curb, gutter, sidewalk and driveways approaches, which it maintains. GASB Statement No. 34 also requires the City to look back 20 years and estimate, depreciate and record prior year infrastructure costs. This retroactive restatement has been completed and the City's capital assets and net position were increased by the undepreciated balance of infrastructure.

5. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63 *"Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,"* and GASB Statement No. 65 *"Items Previously Reported as Assets and Liabilities,"* the City rereports deferred outflows and inflows of resources.

Deferred Outflows of Resources

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 that applies to a future period(s) and so 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. Outflows from changes in net pension liability arise only under a full accrual basis of accounting and are reported in the government-wide Statement of Net Position and proprietary funds Statement of Net Position. Outflows from changes in net OPEB liability arise only under a full accrual basis of accounting and are reported in the government-wide Statement of Net Position and proprietary funds Statement of Net Position. Deferred outflows of resources that are reported in the proprietary funds are also included in the Statement of Net Position.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items which qualify for reporting in this category. Inflows from changes in net pension liability arise only under a full accrual basis of accounting, and are reported in the government-wide Statement of Net Position and proprietary funds Statement of Net Position. Deferred inflows of resources that are reported in the proprietary funds are also included in the Statement of Net Position. Additionally, unavailable revenues arise only under a modified accrual basis of accounting, and are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: special assessments and deferred loans. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

6. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

7. Receivables

All trade and property tax receivables are shown net of an allowance for uncollectibles. The noncurrent portion of receivables related to revenue is set up as deferred inflow of resources and recognized as revenue when the receivables become current. The noncurrent portion of loans and other receivables are offset by fund balance reserve accounts.

8. Net Position

Net position is the excess of all the City's assets over all its liabilities, regardless of fund. Net position is divided into three captions under GASB Statement No. 34. These captions apply only to net position, which is determined only at the government-wide level, and are described below:

Net Investment in Capital Assets describes the portion of net position that 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 that 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, funds restricted to community development projects purposes and funds for use in sewer operations and sewer connection fees.

Unrestricted describes the portion of net position that is not restricted as to use.

9. Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

10. Fund Balances

In the fund financial statements, City funds report the following fund balance classification in accordance with GASB Statement No. 54:

Nonspendable includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted includes amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest authority, City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution. Included in the General Fund committed fund balance is a reserve for minimum economic uncertainty, as follows:

Economic uncertainty reserve target - the City's policy is to maintain a target reserve of 50% of the General Fund annual operating budget. Appropriations are to be reserved for emergencies and limited to one-time and or short-term (one or two fiscal years) use. Examples of such emergencies include, but are not limited to:

- Unplanned, major event such as a catastrophic disaster requiring expenditures over 5% of the General Fund adopted budget
- Economic uncertainties, local disasters and other hardships, or downturns in the local economy
- Budgeted revenue taken by another government entity
- Drop in projected/actual revenue of more than 5% of the General Fund adopted revenue budget

Assigned include amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Manager is authorized to assign amounts to a specific purpose, which was established by the governing body in a resolution.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes in the General Fund.

This reserve is considered primarily a working capital requirement, bridging the gap between the time expenses are paid and the time revenues are collected. Undesignated reserve balances will fluctuate from time to time and reflect annual operating results. This fund has no minimum threshold although sufficient balances are maintained to provide contingencies for unseen operating or capital needs and cash flow requirements.

The unassigned fund balance, with the committed fund balance for economic uncertainty, total \$24,521,133, or approximately 59% of \$41,354,599 budgeted operating expenditures for fiscal year 2018-19.

11. Fund Balance Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

e. New Accounting Standards

The City implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment benefits other than pensions. The statement supersedes GASB Statement No. 45.

f. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 1: Organization and Summary of Significant Accounting Policies (Continued)**2. Property Taxes**

Since the passage of Proposition 13, beginning with fiscal year 1979, general property taxes paid by property owners are based on a flat 1% rate applied either to the 1975 to 1976 full value of the property, or on 1% of the sales price of the property on sales transactions or construction value after the 1975 to 1976 valuation. Taxable values on properties (exclusive of increases related to sales and construction) are limited to increasing by a maximum of 2% per year. The levy and lien date on secured property taxes is January 1. Secured property taxes are due to Alameda County from property owners on November 1 and March 1 and become delinquent on December 10 and April 10, respectively, each year. The County of Alameda is responsible for assessing, collecting, and distributing property taxes in accordance with enabling state law, and remitting such amounts to the City.

3. Compensated Absences

City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is paid for accumulated vacation days up to the equivalent of 50 days of vacation or twice the annual rate of accrual. Employees are entitled to compensation for 60% of accumulated sick leave up to 120 days upon termination. The cost of accumulated vacation and sick leave is recorded in the Accrued Benefits Internal Service Fund. Compensated absences are paid, if matured, out of the Accrued Benefits Fund.

4. Pensions

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

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

	Miscellaneous Plan	Safety Plan	EPOA Retirement Enhancement Plan
Valuation Date (VD)	June 30, 2016	June 30, 2016	June 30, 2016
Measurement Date (MD)	June 30, 2017	June 30, 2017	June 30, 2017
Measurement Period (MP)	June 30, 2016 to June 30, 2017	June 30, 2016 to June 30, 2017	June 30, 2016 to June 30, 2017

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 1: Organization and Summary of Significant Accounting Policies (Continued)
5. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Sewer enterprise fund, and internal service funds are charges to customers for sales and services. The Sewer enterprise fund recognizes operating revenues based on monthly receipts from East Bay Municipal Utility District (the entity that performs the billing service for the City's sanitary sewer charges). Revenues for services provided but not billed at the end of a fiscal period are not considered significant to the presentation of the financial statements and are not accrued. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Note 2: Stewardship, Compliance, and Accountability
a. Budgets

Bi-annual budgets are adopted on a basis consistent with generally accepted accounting principles. For the year-end June 30, 2018, a budget was not adopted for the Small Local Bus Support Fund, the Plan 2010-14 Fund and the Pedestrian Path Improvement Fund. The Small Local Bus Support Fund is a new fund that had a small amount of revenue and did not incur any expenditures.

The Housing Assets Fund exceeded annual appropriations by \$567,804.

Note 3: Cash and Investments
a. Summary of Cash and Investments

Cash and investments as of June 30, 2018, are reported in the accompanying financial statements as follows:

Governmental Activities	
Cash and investments	\$ 151,429,652
Restricted cash and investments	4,114,190
Business-Type Activities	
Cash and investments	4,414,214
Fiduciary Funds	
Cash and investments	7,862,876
Restricted cash and investments with fiscal agents	10,293,438
	<hr/>
Total	\$ 178,114,370
	<hr/>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 3: Cash and Investments (Continued)

Cash and investments as of June 30, 2018 consist of the following:

Cash on hand	\$ 1,250
Deposits with financial institutions	7,997,549
Investments	170,115,571
	<hr/>
Total	\$ 178,114,370
	<hr/>

b. Deposits

At June 30, 2018, the carrying amount of the City's deposits was \$7,997,549 and the bank balance was \$8,941,809. The \$944,260 difference represents outstanding checks and other reconciling items.

California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure a City's deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an Agent of Depository has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository is considered to be held for, and in the name of, the local governmental agency.

c. Investments**1. Investments Authorized by California Government Code/City Investment Policy**

Under provision of the City's investment policy, and in accordance with the California Government Code, the following investments are authorized:

- Securities of the U.S. Government or its agencies
- Certificates of deposit placed with commercial banks and S&L's
- Medium term corporate notes
- Passbook savings account demand deposits
- Money market mutual funds
- Government sponsored pools and/or mutual funds

2. Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 3: Cash and Investments (Continued)**3. Investments in State Investment Pool**

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares.

4. Investment Balances

Investments as of June 30, 2018 consist of the following:

	Fair Value
Investments Authorized by CA Government Code/City Investment Policy	
Local Agency Investment Fund (LAIF)	\$ 68,756,120
Certificates of deposit	952,141
Government obligations	83,236,008
Money market funds	6,877,864
	<hr/>
Total Investments Authorized by CA Government Code/City Investment Policy	159,822,133
	<hr/>
Investments Authorized by Debt Agreements	
Guaranteed investment contracts	1,241,528
Money market funds	9,051,910
	<hr/>
Total Investments Authorized by Debt Agreements	10,293,438
	<hr/>
Total Investments	\$ 170,115,571
	<hr/> <hr/>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018
Note 3: Cash and Investments (Continued)**5. Fair Value Measurement**

Fair value is defined as the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy is established prioritizing the inputs to valuation techniques used to measure fair value. 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 measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- **Level 1** - Inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.
- **Level 2** - Inputs other than quoted prices within Level 1 that are observable, either directly or indirectly such as quoted prices for similar assets or liabilities in active markets or inactive markets, or inputs other than quoted prices that are observable for the asset or liability.
- **Level 3** - Inputs are unobservable. Valuations for assets and liabilities are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

The City uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the City measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available.

The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurement at the reporting date. The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying investments.

The City reported the following recurring fair value measurements as of June 30, 2018:

Investment Type	Value	Fair Value Measurement		
		Level 1	Level 2	Level 3
City Investments				
Certificates of deposit	\$ 952,141	\$ -	\$ 952,141	\$ -
Government obligations	83,236,008	-	83,236,008	-
Local Agency Investment Fund (LAIF)	68,756,120		\$ 68,756,120	
Money market funds	6,877,864	-	6,877,864	-
Total City Investments	159,822,133	-	159,822,133	-
Investments with Fiscal Agents				
Guaranteed investment contracts	1,241,528	-	1,241,528	-
Money market funds	9,051,910	-	9,051,910	-
Total Investments with Fiscal Agents	10,293,438	-	10,293,438	-
Total Investments	\$ 170,115,571	\$ -	\$ 170,115,571	\$ -

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 3: Cash and Investments (Continued)**6. Custodial Credit Risk**

The 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 deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The City's investment policy does not address custodial credit risk. As of June 30, 2018, none of the City's deposits or investments were exposed to custodial credit risk.

7. Credit Risk

The City's investment policy limits investments in medium-term notes (MTN's) to those rated "AA" or higher by a recognized rating service such as Standard and Poor's (S&P) or by Moody's. As of June 30, 2018, the City's investments in government obligations were rated AA+ by S&P. Investments in guaranteed investment contracts (GIC) held with Westdeutsche Landesbank were rated A by S&P. Investments in money market funds were rated AA+ by S&P, investments in certificates of deposit (CD) held with financial institutions, and the City's investments in external investment pools, California Local Agency Investment Fund, were unrated.

8. Concentration of Credit Risk

The City's investment policy imposes restrictions on the percentage that the City can invest in certain types of investments. In accordance with GASB Statement No. 40 requirements, the City is exposed to concentration of credit risk whenever they have invested more than 5% of their total investments in any one issuer. As of June 30, 2018, the City has invested more than 5% of their total investments in the following issuers:

Issuer	Investment Type	Fair Value	% of Total Investment
Federal National Mortgage Association	Government Obligations	\$ 15,943,758	9.37%
Federal Home Loan Bank	Government Obligations	24,791,520	14.57%
Federal Home Loan Mortgage Corporation	Government Obligations	19,831,320	11.66%
Federal Farm Credit Bank	Government Obligations	22,669,410	13.33%

Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 3: Cash and Investments (Continued)

9. Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment policy states that maturities cannot exceed five years without City Council approval. Investments with fiscal agents are subject to separate provisions as outlined in the related bond indentures. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2018, the City had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Months)		
		12 months or less	12 months to 36 months	36 months to 60 months
City Investments				
Local Agency Investment Fund (LAIF)	\$ 68,756,120	\$ 68,756,120	\$ -	\$ -
Certificates of deposit	952,141	243,706	240,747	467,688
Government obligations	83,236,008	13,074,198	41,324,530	28,837,280
Money market funds	6,877,864	6,877,864	-	-
Total City Investments	159,822,133	88,951,888	41,565,277	29,304,968
Investments with Fiscal Agents				
Guaranteed investment contracts	1,241,528	-	635,832	605,696
Money market funds	9,051,910	9,051,910	-	-
Total Investments with Fiscal Agents	10,293,438	9,051,910	635,832	605,696
Total Investments	\$ 170,115,571	\$ 98,003,798	\$ 42,201,109	\$ 29,910,664

Note 4: Interfund Activities

a. Transfers In/Out

Transfers are reported in the accompanying financial statements as of June 30, 2018, as follows:

Transfers In	Transfers Out			
	Governmental Activities		Business-Type Activities	Total
	General Fund	Nonmajor Governmental Funds	Sewer Fund	
Governmental Activities				
General Fund	\$ -	\$ 10,000	\$ 51,500	\$ 61,500
Property Based Improvement District	553,542	-	-	553,542
General Capital Improvements	110,000	-	-	110,000
Nonmajor Governmental Funds	2,548,284	-	-	2,548,284
Internal Service Funds	1,870,000	-	-	1,870,000
Total	\$ 5,081,826	\$ 10,000	\$ 51,500	\$ 5,143,326

CITY OF EMERYVILLE

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

Note 4: Interfund Activities (Continued)

The General fund received \$10,000 and \$51,500 from a nonmajor governmental fund and the Sewer fund, respectively, for support of general operations.

The General Fund transferred \$110,000 to the General Capital Improvements Fund, to help fund the condition study for the City's principal facilities, \$553,542 to the Property Based Improvement District fund to help fund the Emeryville shuttle services, and transferred \$2,548,284 to various nonmajor funds, including \$725,000 to information technology, \$365,931 to the 1998 Lease Revenue Bond Fund to fund a debt service payment, \$906,753 to the Child Development fund to support the operation of the City's Child Development Center, \$430,000 to the Major Maintenance fund to support maintenance of the City's Facility and to purchase tree equipment, and \$120,600 to the Vehicle Replacement fund to fund the City's vehicle replacement.

The General Fund also transferred \$1,870,000 to various internal service funds, including \$470,000 to the Litigation fund to support the General Liability Works insurance fund, \$1,150,000, \$50,000, and \$200,000 to the Workers' Compensation Self-Insurance fund, Dental Self-Insurance fund, and the Accrued Benefits fund, respectively, to support general operations.

b. Due To/From

The General Fund had a short-term inter-fund receivable from the other grants fund for \$1,545,164.

Note 5: Due from Successor Agency

On May 4, 2010, the City Council and former Redevelopment Agency passed a resolution approving an advance from the Combined Low and Moderate Income Housing Fund to the 1976 Project Area Capital Project Fund and Shellmound Project Area Capital Projects Fund for \$8,494,300 and \$2,797,700, respectively totaling \$11,292,000 for the purpose of providing funding to pay the County's "Supplemental" Educational Revenue Augmentation Fund (SERAF) payment for 2010-2011.

There is no repayment schedule, but repayments of \$578,005 were made in the current year and \$10,600,166 in previous years for a total of \$11,178,171. The advance was transferred from the former Redevelopment Agency to the Successor Agency as of February 1, 2012, because of the dissolution of redevelopment, and will be repaid in accordance with approved recognized obligation payments schedule (ROPS).

The receivable resides in the Housing Assets Fund. The ending balance of the amount due to the City from the Successor Agency of the Former Redevelopment Agency as of June 30, 2018, is \$113,829.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 6: Notes and Loans Receivable

The City engages 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 spend these funds in accordance with the City's terms. Since the City does not expect to collect all of these loans in the near term, a portion have been offset by an allowance for uncollectible loans in the fund financial statements.

Notes and loans receivable are reported in the accompanying financial statements as of June 30, 2018, as follows:

General Fund	
Paxio Settlement	\$ 30,956
Total General Fund	<u>30,956</u>
Housing Assets	
First-Time Home Buyer Program	4,025,160
Ownership Housing Assistance	3,689,553
Homeowner's Association Assessment	73,798
Home Rehabilitation and Assistance	261,991
Bay Bridge Corporation (AIDS Housing) Deferred	540,748
Avalon Senior Housing, LP	2,852,766
Bakery Lofts	250,000
3706 San Pablo	2,714,973
Gateway Housing Corp. Development	35,492
Help Housing Loan Program	1,244,568
Allowance on Uncollectible Loans	<u>(15,689,049)</u>
Total Housing Assets	<u>-</u>
Nonmajor Governmental Funds	
First-Time Home Buyer Program	52,151
Home Rehabilitation and Assistance	193,669
EAH Housing 3706 San Pablo	1,896,684
Cal Home Loan Program	1,323,800
Allowance on Uncollectible Loans	<u>(3,444,228)</u>
Total Nonmajor Governmental Funds	<u>22,076</u>
Total Notes and Loans Receivables	<u>\$ 53,032</u>

a. Paxio Settlement

On June 25, 2014, the City and Paxio entered into a settlement agreement, wherein Paxio is obligated to make monthly payments of \$1,862.20 to the City commencing on November 1, 2014.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 6: Notes and Loans Receivable (Continued)

b. First-Time Homebuyer Program

The City's First-Time Homebuyer Program offers down payment assistance to low and moderate income first-time homebuyers purchasing a home in the City of Emeryville. The deferred loans bear interest at a rate that is 75% of the interest rate on the first mortgage, or 5%, whichever is less. The deferred loans require no monthly payments, are not due until the property is sold, transferred or rented and are collateralized by second deeds of trust. The loans are forgiven if the buyer resides in the home for more than 30 years.

c. Ownership Housing Assistance

The City's Ownership Housing Assistance Program offers down payment assistance to very low and low-income homebuyers purchasing a below-market-rate unit in the City of Emeryville. The deferred loans bear interest at 5%, require no monthly payments, are not due until the property is sold or transferred, are completely forgiven after 30 years, and are collateralized by subordinate deeds of trust.

d. Homeowner's Association Assessment

In February 2009, the City provided loans to owners of Below Market Rate (BMR) units and market rate units in the Oliver Lofts development. Loans to owners of market rate units are secured by trust deeds bear interest at 3.7% and are fully amortized over 20 years. Loans to BMR unit owners are partially or fully unsecured and may be deferred to meet debt-to-income ratio requirements. Deferred loans will be reassessed every five years and converted to amortized loans based on owners' ability to make payments. The BMR loans bear interest at 3.7% and are due in 20 years, with the exception that the deferred loans bear interest at a simple interest rate.

Assessment Loans to owners of market rate units in Emery Bay Village are secured by trust deeds bear interest at 3% and are fully amortized over 15 years.

e. Home Rehabilitation and Assistance

The Economic Development and Housing Department administers a Cal Home and housing rehabilitation loan program using Community Development Block Grant funds. Under this program, individuals with income below a certain level are eligible to receive low interest, 15-year loans, secured by deeds of trust, for rehabilitation work on their homes. The loan repayments may be amortized over the life of the loans, deferred or a combination of both.

f. Bay Bridge Corporation (AIDS Housing) Deferred

In May 1995, the City loaned \$325,000 to a nonprofit public benefit corporation that used the funds to develop a six-unit rental housing project for low-income persons who are disabled because of being HIV positive or diagnosed with AIDS. The loan is secured by a second deed of trust on the project and bears annual interest rate at 3%. The loan principal and all accrued interest will be due and payable on the earliest of 40 years from the date of the loan, when the property is sold or refinanced or in the event of default on the loan agreement.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 6: Notes and Loans Receivable (Continued)

g. Avalon Senior Housing, LP

On December 4, 1998, the City loaned the developer of the Avalon Senior Housing Project \$1,800,000 to cover development costs associated with the senior housing space of the project. The interest rate is 3% and secured by a deed of trust on the property. Payments of principal and interest are to be made from residual cash flow as defined in the promissory note with the full amount of outstanding principal and interest due the earliest of 55 years from the date of the note, when the property is sold or refinanced, or in the event of default on the loan agreement.

h. Home Rehabilitation and Assistance

The City administers a housing rehabilitation loan program using Housing Funds. Under these programs, individuals with incomes below a certain level are eligible to receive low interest 15-30 year loans, secured by deeds of trust, for rehabilitation work on their homes. The loan repayments may be amortized over the life of the loans, deferred or a combination of both.

i. Bakery Lofts

During the fiscal year ended June 30, 2001, the City loaned \$250,000 to a developer to finance the development of eight affordable residential units in a 41-unit project with rental levels for moderate-income households. The loan is secured by a second deed of trust. The loan does not have a due date and is only obligated to be repaid to the City at 8% interest per annum in the event of a violation of the affordability agreement.

j. 3706 San Pablo

In June 2017, the City loaned the developer of the 3706 San Pablo Avenue Affordable Housing Project \$2,637,248 to cover development costs associated with this project. Loan funds were provided by the City's Affordable Housing Impact Fee Fund (\$1,840,000) and Housing Assets Fund (\$797,248). During fiscal year 2017-18, the City loaned the developer an additional \$1,862,752 from the Housing Assets Fund for a total of \$4,500,000. The loan will accrue simple interest at the rate of 3% per annum from the date of disbursement. The borrower is required to make repayments of the loan equal to the city share of residual receipts commencing on May 1, 2019, and on May 1 of each calendar year thereafter through the end of the term. The loan is secured by a deed of trust and is due if the property is transferred or sold.

k. Gateway Housing Corp. Development

During the fiscal year ended June 30, 2001, the City loaned \$1,475,000 to developers Gateway Housing Corporation (GHC). GHC made 3% notes to low income buyers as a way of repayment; however, the developer's company dissolved and the remaining expected repayment is \$35,000. The loan balance has a 20-year term and will be forgiven effective December 12, 2020, unless the property is sold prior to that date, at which time repayment is expected.

l. Help Housing Loan Program

The City's Help Program offers down payment assistance to lower-income homebuyers purchasing a Below-Market-Rate home in the City of Emeryville. The deferred loans are provided at 3% simple interest rate, require no monthly payments, are not due until the property is sold, transferred or rented or 30 years, whichever occurs first. The loans allow interest to be forgiven after 30 years, and are collateralized by subordinate deeds of trust.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 6: Notes and Loans Receivable (Continued)

m. Cal Home Loan Program

The City's Cal Home Program offers down payment assistance to lower-income homebuyers purchasing a home in the City of Emeryville. The deferred loans are provided at a 3% simple interest rate, require no monthly payments, are not due until the property is sold, transferred or rented or 30 years, whichever occurs first. The loans allow interest to be forgiven after 30 years, and are collateralized by subordinate deeds of trust.

n. EAH Housing Loan

In June 2017, the City loaned the developer of the 3706 San Pablo Avenue Affordable Housing Project \$2,637,248 to cover development costs associated with this project. Loan funds were provided by the City's Affordable Housing Impact Fee Fund (\$1,840,000) and Housing Assets Fund (\$797,248). During fiscal year 2017-18, the City loaned the developer an additional \$1,862,752 from the Housing Assets Fund for a total of \$4,500,000. The loan will accrue simple interest at the rate of 3% per annum from the date of disbursement. The borrower is required to make repayments of the loan equal to the city share of residual receipts commencing on May 1, 2019, and on May 1 of each calendar year thereafter through the end of the term. The loan is secured by a deed of trust and is due if the property is transferred or sold.

Note 7: Capital Assets

Governmental Activities capital asset activity as of June 30, 2018, is as follows:

	Balance at July 1, 2017	Additions	Construction Placed in Service	Disposals	Balance at June 30, 2018
Governmental Activities					
Capital assets not being depreciated:					
Land	\$ 18,148,649	\$ -	\$ -	\$ -	\$ 18,148,649
Construction in progress	1,709,336	4,201,274	(209,761)	-	5,700,849
Total Capital Assets Not Being Depreciated	19,857,985	4,201,274	(209,761)	-	23,849,498
Capital assets being depreciated:					
Park and other improvements	19,591,804	-	-	-	19,591,804
Buildings and improvements	44,140,353	-	-	-	44,140,353
Furnishings, vehicles and equipment	7,388,737	441,270	-	(154,233)	7,675,774
Marina improvements	8,674,685	-	-	-	8,674,685
Grading, curbs, gutters, sidewalks and driveway approaches	36,471,075	-	209,761	-	36,680,836
Total Capital Assets Being Depreciated	116,266,654	441,270	209,761	(154,233)	116,763,452
Less accumulated depreciation for:					
Park and other improvements	8,408,080	856,291	-	-	9,264,371
Buildings and improvements	18,906,081	1,099,942	-	-	20,006,023
Furnishings, vehicles and equipment	5,044,840	625,602	-	(124,743)	5,545,699
Marina improvements	7,157,534	26,972	-	-	7,184,506
Grading, curbs, gutters, sidewalks and driveway approaches	25,567,422	669,521	-	-	26,236,943
Total Accumulated Depreciation	65,083,957	3,278,328	-	(124,743)	68,237,542
Net Capital Assets Being Depreciated	51,182,697	(2,837,058)	209,761	(29,490)	48,525,910
Governmental Activity Capital Assets, Net	\$ 71,040,682	\$ 1,364,216	\$ -	\$ (29,490)	\$ 72,375,408

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**Note 7: Capital Assets (Continued)**

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

Governmental Activities:	
City council	\$ 13,498
City manager	4,905
Finance	5,410
Information technology	40,310
Non-departmental operations	122,140
Police	378,911
Fire	166,214
Child development	42,601
Youth services	31,187
Adult services	74,665
Public works	2,398,487
Total Governmental Activities Depreciation Expense	<u>\$ 3,278,328</u>

Business-Type Activities capital asset activity as of June 30, 2018, is as follows:

	Balance at June 30, 2017	Additions	Deletions	Balance at June 30, 2018
Business-Type Activities				
Capital Assets, not being depreciated				
Construction in progress	\$ -	\$ 5,130	\$ -	\$ 5,130
Total Capital Assets Not Being Depreciated:	-	5,130	-	5,130
Capital assets being depreciated:				
Buildings and improvements	487,482	-	-	487,482
Automobile and equipment	5,396	-	-	5,396
Sewer improvements	9,943,529	-	-	9,943,529
Total Capital Assets Being Depreciated	10,436,407	-	-	10,436,407
Less accumulated depreciation for:				
Buildings and improvements	97,498	9,748	-	107,246
Automobile and equipment	5,396	-	-	5,396
Sewer improvements	1,947,616	181,304	-	2,128,920
Total Accumulated Depreciation	2,050,510	191,052	-	2,241,562
Net Capital Assets Being Depreciated	8,385,897	(191,052)	-	8,194,845
Business-Type Activity Capital Assets, Net	<u>\$ 8,385,897</u>	<u>\$ (185,922)</u>	<u>\$ -</u>	<u>\$ 8,199,975</u>

Depreciation expense of \$191,052 was charged to the Sewer fund for the year ended June 30, 2018.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**Note 8: Long-Term Liabilities**

The following is a summary of the changes in long-term debt for the fiscal year ended June 30, 2018:

	Balance at June 30, 2017	Additions	Retirements	Balance at June 30, 2018	Current Portion
Governmental Activities					
Bonds:					
Public Financing Authority, Lease Revenue Bonds, 2013 Series A	\$ 3,401,700	\$ -	\$ 263,200	\$ 3,138,500	\$ 272,900
Total Bonds	3,401,700	-	263,200	3,138,500	272,900
Obligations:					
Compensated absences	2,919,787	578,118	654,650	2,843,255	637,491
Claims and judgment	3,361,771	1,415,361	916,976	3,860,156	888,137
Termination benefits	256,790	-	96,544	160,246	102,740
Total Obligations	6,538,348	1,993,479	1,668,170	6,863,657	1,628,368
Total Governmental Activities Long-Term Liabilities	\$ 9,940,048	\$ 1,993,479	\$ 1,931,370	\$ 10,002,157	\$ 1,901,268

a. Public Financing Authority Lease Revenue Bonds, 2013 Series A

The Emeryville Public Financing Authority (the Authority) issued \$4,390,300 in Lease Revenue Bonds, 2013 Series A, with an effective interest rate of 3.02% per annum. The proceeds were used to refund \$4,745,000 of outstanding 1998 Series A Lease Revenue Bonds.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2018, including interest, are as follows:

	Lease Revenue Bonds, 2013 Series A	
	Principal	Interest
2019	\$ 272,900	\$ 94,783
2020	282,100	86,541
2021	290,900	78,022
2022	299,200	69,237
2023	306,900	60,201
2024-2028	1,686,500	155,735
Totals	\$ 3,138,500	\$ 544,519

b. Compensated Absences

In governmental activities, the liability for employee compensated absences are reported in the Cities Accrued Benefits internal service fund and will be liquidated by that fund.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 8: Long-Term Liabilities (Continued)

c. Claims and Judgement

The self-insurance claims are also reported in the respective Workers' Compensation, and other self-insurance internal service funds, and will be liquidated by those funds. Please refer to Note 13 for more information on claims and judgement liability.

Internal service funds serve governmental activities; accordingly, their long-term liabilities are included as part of the totals for governmental activities.

Note 9: Debt Without City Commitment

a. Public Financing Authority 1999 Revenue Bonds

On July 21, 1999, the Public Financing Authority issued \$14,420,000 1999 Revenue Bonds to refinance three previously issued bonds: The West Emeryville Assessment District Improvement Bonds, the Bay Street-Shellmound Street Extension Assessment District Limited Obligation Bonds, and the East Bay Bridge Assessment District Limited Obligation Improvement Bonds, No. 1993-1. In addition, proceeds of the 1999 Revenue Bonds have been used to finance acquisition and construction of certain capital improvements in the City. The City is in no way liable for repayment of the bonds, but acts as agent for the property owners in collecting the assessments, forwarding the collections to bondholders, and initiating foreclosure proceedings, if appropriate.

Note 10: Defined Benefit Pension Plans

a. Miscellaneous and Safety Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in Management of Emeryville Services Authority's Miscellaneous Plan, or the City of Emeryville's Safety Police or Safety Fire Plans (the Plans), cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). 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.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 10: Defined Benefit Pension Plans (Continued)

Benefits Provided

The Plans provide service 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. Plan members are provided one of the following death benefit: the Basic Death Benefit, the 1959 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.

On July 1, 2012, the City's Safety Fire plan became inactive due to the transfer of all active employees to the Alameda County Fire Department.

	Miscellaneous Plan		
	Classic*	Second Tier*	PEPRA
	Prior to January 1, 2012	January 1, 2012 but prior to January 1, 2013	January 1, 2013 and after
Hire date			
Benefit formula	2% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 52 yrs
Monthly benefits, as a % of eligible compensation	1.426% - 2.418%	1.092% - 2.418%	1.000% - 2.500%
Required employee contribution rates	7.000%	7.000%	6.500%
Required employer contribution rates	13.577%	8.092%	7.122%

*Closed to new entrants

	Safety Plan			
	Police Classic*	Police Tier II*	Police PEPRA	Fire**
	Prior to January 1, 2013	January 1, 2012 but prior to January 1, 2013	January 1, 2013 and after	N/A
Hire date				
Benefit formula	3% @ 55	3% @ 55	2.7% @ 57	3% @ 50
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 50 yrs	minimum 52 yrs
Monthly benefits, as a % of eligible compensation	2.400% - 3.000%	2.400% - 3.000%	2.000% - 2.700%	3.000%
Required employee contribution rates	9.000%	9.000%	12.250%	N/A
Required employer contribution rates	34.564%	18.487%	13.294%	N/A

*Closed to new entrants

** There were no active employees in this plan; therefore no employee contributions were made during the measurement period. The City made a contribution for the measurement period in the amount of \$736,680 toward the payment of the unfunded liability.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 10: Defined Benefit Pension Plans (Continued)**Contributions**

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for all Miscellaneous Plans are determined annually on an actuarial basis as of June 30. 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 rate of employees.

For the year ended June 30, 2018, the contributions recognized as a reduction to the net pension liability for the Plan was \$715,234 for Miscellaneous and \$2,260,671 for Safety.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liabilities in the June 30, 2016 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table**	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor of Purchasing Power applies, 2.75% thereafter

**The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report on the CalPERS website.

Change of Assumptions

In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 10: Defined Benefit Pension Plans (Continued)**Discount Rate**

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of the discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees' Retirement Fund (PERF). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS website under the GASB 68 section.

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

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF) cash flows. Taking into account historical returns of all the Public Employees Retirement Funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF 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 equal to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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. The target allocation shown was adopted by the Board effective on July 1, 2014.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10*	Real Return Years 11+**
Global Equity	47.0 %	4.90 %	5.38 %
Global Fixed Income	19.0	0.80	2.27
Inflation Sensitive	6.0	0.60	1.39
Private Equity	12.0	6.60	6.60
Real Estate	11.0	2.80	5.21
Infrastructure and Forestland	3.0	3.90	5.36
Liquidity	2.0	(0.40)	(0.90)
	<u>100.0 %</u>		

*An expected inflation of 2.5% used for this period.

**An expected inflation of 3.0% used for this period.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 10: Defined Benefit Pension Plans (Continued)

Pension Liabilities, Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

As of June 30, 2018, the City reported net pension liabilities for its proportionate shares of the net pension liability of each Plan as follows:

<u>Proportionate Share of Net Pension Liability/(Asset)</u>	
Miscellaneous Plan	\$ 11,747,763
Safety Plan	32,032,873
Total Plan Net Pension Liability	<u>\$ 43,780,636</u>

The City's net pension liability for each of the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plans are measured as of June 30, 2017, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the net pension liability for the City's Miscellaneous Plan as of June 30, 2016 and 2017 was as follows:

	<u>Miscellaneous Plan</u>
Proportion - June 30, 2016	0.27322%
Proportion - June 30, 2017	0.29801%
Change - Increase/(Decrease)	0.02479%

The City's proportionate share of the net pension liability for each of the City's Safety Plan as of June 30, 2016 and 2017 was as follows:

	<u>Safety Plan</u>
Proportion - June 30, 2016	0.53922%
Proportion - June 30, 2017	0.53610%
Change - Increase/(Decrease)	-0.00312%

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**Note 10: Defined Benefit Pension Plans (Continued)**

For the year ended June 30, 2018, the City recognized total pension expense of \$1,359,191 for the Miscellaneous Plan and \$3,013,932 for the Safety Plan.

At June 30, 2018, the City reported deferred outflows and deferred inflows of resources related to the Miscellaneous Plan as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 730,186	\$ -
Changes in assumptions	2,507,797	191,222
Differences between expected and actual experiences	20,212	289,570
Net difference between projected and actual earnings of pension plan investments	567,160	-
Unamortized difference between employer contribution and the plans proportionate share of aggregate employer contributions	-	1,413,882
Adjustment due to differences in proportions	353,538	417,943
Total Miscellaneous Plan	<u>\$ 4,178,893</u>	<u>\$ 2,312,617</u>

At June 30, 2018, the City reported deferred outflows and deferred inflows of resources related to the Safety Plan as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 6,307,196	\$ -
Changes in assumptions	4,885,123	374,800
Differences between expected and actual experiences	336,847	87,825
Net difference between projected and actual earnings of pension plan investments	1,065,148	-
Unamortized difference between employer contribution and the plans proportionate share of aggregate employer contributions	-	1,168,816
Adjustment due to differences in proportions	169,415	1,214,527
Total Safety Plan	<u>\$ 12,763,729</u>	<u>\$ 2,845,968</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018
Note 10: Defined Benefit Pension Plans (Continued)

\$730,186 for the Miscellaneous Plan and \$6,307,196 for the Safety Plan, 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, 2018. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources		
	Miscellaneous Plan	Safety Plan	Total
2019	\$ (304,054)	\$ 40,203	\$ (263,851)
2020	1,117,926	2,580,233	3,698,159
2021	658,951	1,613,383	2,272,334
2022	(336,733)	(623,256)	(959,989)
Total	\$ 1,136,090	\$ 3,610,563	\$ 4,746,653

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

Plan	Proportionate Share of Net Pension Liability/(Asset)		
	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Miscellaneous Plan	\$ 20,014,179	\$ 11,747,763	\$ 4,901,369
Safety Plan	48,171,295	32,032,873	18,840,517
Total	\$ 68,185,474	\$ 43,780,636	\$ 23,741,886

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 10: Defined Benefit Pension Plans (Continued)

b. Emeryville Police Officers' Association Retirement Enhancement Plan

Plan Description, Benefits Provided and Employees Covered

The Emeryville Police Officers' Association (EPOA) Retirement Enhancement Plan is an agent multiple-employer defined benefit pension plan administered by the Public Agency Retirement System (PARS). The plan does not issue separately audited financial statements.

The plan provides supplemental retirement benefits in the form of monthly annuities to retirees and survivors of retirees in the plan.

The membership as of June 30, 2016 included 28 active participants and 1 retiree. The plan is closed to new entrants.

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined by an independent pension actuary using information furnished by the City and by PARS. 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 employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2017 (the measurement date), the employer's contribution rate is 3.15% percent of annual payroll, and no contributions were made by the employees. Employer contribution rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 10: Defined Benefit Pension Plans (Continued)**Actuarial Methods and Assumptions Used to Determine Total Pension Liability**

The June 30, 2016 total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Discount Rate	7.00%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.00%
Cost of Living Adjustments	2.00%
Mortality	Pre-Retirement: CalPERS Public Agency Police Mortality rates. Post-Retirement: CalPERS 1997-2011 Healthy Retiree Mortality Tables (sex-distinct) with an assumed based year of 2008 and full generational projections using Scale AA.
Retirement	CalPERS Public Agency Police 3% at Age 50 Retirement rates.
Maximum Benefits and Salary	Salary limits under 401(a)(17) apply
Beneficiaries	90% of participants are assumed to have an eligible spouse or domestic partner, with males three years older than their female partners.

Discount Rate

The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per actuarial investment consulting practice as of June 30, 2017.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 10: Defined Benefit Pension Plans (Continued)

Asset Class	Index	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
US Cash	BofA Merrill Lynch 3-month T-Bills	2.96%	0.36%	0.35%
US Core Fixed Income	Barclays Aggregate	46.97%	2.17%	2.04%
US Equity Market	Russell 3000	36.08%	4.83%	3.57%
Foreign Developed Equity	MSCI EAFE NR	9.24%	5.76%	4.15%
Emerging Markets Equity	MSCI EM NR	3.25%	8.06%	4.84%
US REITs	FTSE NAREIT Equity REIT	1.50%	5.04%	3.27%
Assumed Inflation - Mean			2.32%	2.30%
Assumed Inflation - Standard Deviation			1.85%	1.85%
Portfolio Real Mean Return			3.64%	3.26%
Portfolio Nominal Mean Return			5.96%	5.64%
Portfolio Standard Deviation				8.45%
Long-Term Expected Rate of Return				7.00%

A blended discount rate is generally required to be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate will often require that the actuary perform complex projects of future benefit payments and asset values. Alternative evaluations of projected solvency are allowed, if such evaluation can reliably be made.

Pension Plan Fiduciary Net Position

The following table shows the changes in net pension liability recognized over the measurement period.

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/(Assets) (c)=(a)-(b)
Balance as of June 30, 2016	\$ 1,737,522	\$ 922,100	\$ 815,422
Changes for the year:			
Service Cost	68,184	-	68,184
Interest on the Total Pension Liability	126,160	-	126,160
Effect of Economic/Demographic Gains or Losses	(387,260)	-	(387,260)
Benefit Payments	(6,962)	(6,962)	-
Employer Contributions	-	181,897	(181,897)
Net Investment Income	-	101,720	(101,720)
Administrative Expenses	-	(5,350)	5,350
Balance as of June 30, 2017	\$ 1,537,644	\$ 1,193,405	\$ 344,239

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 10: Defined Benefit Pension Plans (Continued)**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the City of Emeryville, calculated using the discount rate of 7.00%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate.

	Discount Rate - 1% (6.00%)	Current Discount Rate (7.00%)	Discount Rate + 1% (8.00%)
Total Pension Liability	\$ 1,798,010	\$ 1,537,644	\$ 1,326,676
Fiduciary Net Position	1,193,405	1,193,405	1,193,405
Net Pension Liability	<u>\$ 604,605</u>	<u>\$ 344,239</u>	<u>\$ 133,271</u>

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Recognition of Gains and Losses

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings	5 year straight-line amortization
All other amounts	Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

As of the start of the measurement period, July 1, 2016, the net pension liability was \$815,422. For the measurement period ending June 30, 2017, the City of Emeryville incurred a pension expense of \$95,709 for the Plan. As of the measurement date, June 30, 2017, the net pension liability was \$344,329.

CITY OF EMERYVILLE

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

Note 10: Defined Benefit Pension Plans (Continued)

As of June 30, 2018, the City of Emeryville has deferred outflows and deferred inflows of resources related to this pension plan as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made subsequent to measurement date	\$ 151,248	\$ -
Difference between expected and actual experience	-	342,230
Net difference between projected and actual earnings of pension plan investments	21,551	-
Total	<u>\$ 172,799</u>	<u>\$ 342,230</u>

\$151,248 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, 2018. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources
2019	\$ (33,603)
2020	(33,604)
2021	(40,065)
2022	(51,296)
2023	(45,030)
Thereafter	<u>(117,081)</u>
Total	<u>\$ (320,679)</u>

Note 11: Deferred Compensation Plan

City employees may defer a portion of their compensation under a City sponsored Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457 and 401(a). 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 certain hardships as defined by the plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust 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 City control, they have been excluded from these financial statements.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 12: Post-Employment Benefits Other Than Pensions (OPEB)**Plan Description**

The City has established a Retiree Healthcare Plan (HC Plan), an agent multiple-employer defined benefit retiree healthcare plan. The City has established a qualified OPEB trust with the California Government Voluntary Employee Beneficiary Association (VEBA) to perform post-retirement medical reimbursement. Currently, the City funds retiree healthcare benefits on a pay-as-you-go basis and sets aside additional amounts in the trust as they become available.

Employees Covered

As of the June 30, 2017 actuarial valuation, the following current and former employees were covered by the benefit terms under the HC Plan:

Active employees	138
Inactive employees or beneficiaries currently receiving benefits	<u>107</u>
Totals	<u><u>245</u></u>

Contributions

The HC Plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreements between the City and the bargaining units. The annual contribution is based on the actuarially determined contribution. For the measurement date ended June 30, 2017, the City's cash contributions were \$211,899 in total payments, which were recognized as a reduction to the OPEB liability.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 12: Post-Employment Benefits Other Than Pensions (OPEB) (Continued)
Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2017 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2017 that was used to determine the June 30, 2017 total OPEB liability, based on the following actuarial methods and assumptions. The actuary applied the Section 3.7.7(c)(4) of the ASOP No. 6, as revised, and determined age-adjusted rates are not necessary and therefore, the Implicit Rate Subsidy is not applicable in calculating the total projection of benefits payments:

Valuation date	June 30, 2017
Measurement date	June 30, 2017
Actuarial funding method	Entry age normal cost, level percent of pay
Asset Valuation Method	Market value of assets
Actuarial assumptions:	
Discount rate	5.20%
Inflation	2.75%
Salary increases	2.75% per year, used only to allocated to cost of benefits between service years
Investment rate of return	5.20%
Mortality Rate*	Derived using CalPERS' membership data for all funds
Pre-Retirement Turnover**	Derived using CalPERS' membership data for all funds

Notes:

(1) Pre-retirement mortality information was derived from data collected during 1997 to 2011 CalPERS Experience Study dated January 2014 and post-retirement mortality information was derived from the 2007 to 2011 CalPERS Experience Study. The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

(2) The pre-retirement turnover information was developed based on CalPERS' specific data. For more details, please refer to the 2007 to 2011 Experience Study Report. The Experience Study Report may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

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:

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 12: Post-Employment Benefits Other Than Pensions (OPEB) (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>
All Equities	10.00%	7.80%
Other Fixed Income	90.00%	3.25%
Total	100.00%	

Discount Rate

The discount rate used to measure the total OPEB liability was 5.20 percent. 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 the OPEB Liability

The changes in the net OPEB liability for the HC Plan are as follows:

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability (Asset)</u>
Balance at June 30, 2016	\$ 6,882,330	\$ 2,488,806	\$ 4,393,524
Change in the year:			
Service Cost	126,800	-	126,800
Interest on total OPEB liability	348,921	-	348,921
Contribution-employer	-	368,550	(368,550)
Investment experience	-	78,423	(78,423)
Administrative Expenses	-	(18,535)	18,535
Benefit payments, including refunds of employee contributions	(467,946)	(467,946)	-
Net changes	7,775	(39,508)	47,283
Balance at June 30, 2017	\$ 6,890,105	\$ 2,449,298	\$ 4,440,807

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2017:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	<u>(4.20%)</u>	<u>(5.20%)</u>	<u>(6.20%)</u>
Net OPEB Liability	\$ 5,328,002	\$ 4,440,807	\$ 3,712,988

CITY OF EMERYVILLE

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

Note 12: Post-Employment Benefits Other Than Pensions (OPEB) (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2017:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability	\$ 3,967,237	\$ 4,440,807	\$ 5,095,050

OPEB Plan Fiduciary Net Position

VEBA does not issue financial statements, however MetLife has financial reports. VEBA contracts with The Brentwood Companies to oversee the transactions. The Brentwood Companies are located at 5999 B Ridge View Street, Camarillo, CA 93012.

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

For the fiscal year ended June 30, 2018, the City recognized OPEB expense of \$259,182. As of fiscal year ended June 30, 2018, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
OPEB contributions subsequent to measurement date	\$ 227,281
Total	\$ 227,281

The \$227,281 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2017 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2019.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 13: 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, these 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 joint venture is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective joint venture, 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 joint ventures are not the City's responsibility.

a. Self-Insurance

The City is self-insured for workers' compensation, general liability, dental, and unemployment claims.

Workers' compensation claims are self-insured up to \$350,000 per occurrence. The operating funds are charged premiums by the City Workers' Compensation Self-Insurance Fund, which is accounted for as an internal service fund. The accrued liability for estimated claims represents an estimate of ultimate loss on claims, including an estimate of incurred but not reported losses.

General liability claims are self-insured up to \$10,000. Outstanding claims are evaluated by the City Attorney for exposure and any anticipated liability is recorded in the Litigation Fund, which is accounted for as an internal service fund.

Dental claims are self-insured up to \$1,500 per covered person per year, which is the benefit limit. The operating funds are charged premiums by the Dental Internal Service Fund, which is accounted for as an internal service fund.

Unemployment claims are fully self-insured by the City. The operating funds are charged premiums by the City Unemployment Fund, which is accounted for as an internal service fund.

b. Risk Pools

The City participates in various insurance coverage pool or to obtain insurance coverage in excess of the City's self-insured limits.

Bay Cities Joint Powers Insurance Authority (BCJPIA) covers general liability claims in an amount up to \$1,000,000. The City has a deductible or uninsured liability of up to \$10,000 per claim. Once the City's deductible is met, BCJPIA becomes responsible for payment of all claims up to the \$1,000,000 limit. In addition, the City, through the BCJPIA, has excess coverage with California Affiliated Risk Management Authorities (CARMA) for claims from \$1,000,000 to \$28,000,000.

CITY OF EMERYVILLE

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

Note 13: Risk Management (Continued)

The City also participates in the BCJPIA Workers' Compensation Group. BCJPIA covers workers' compensation claims in excess of \$350,000 up to \$1,000,000 (the City has a deductible or uninsured liability of up to \$350,000 per claim). BCJPIA Workers' Compensation Group participates in the Local Agency Workers' Compensation Excess Insurance Joint Powers Authority (LAWCX). LAWCX covers workers' compensation claims from \$1,000,000 to the statutory limit.

Employment practices liability coverage is also obtained through participation in BCJPIA. The coverage is provided by the Employment Risk Management Authority (ERMA). ERMA provides coverage up to \$1,000,000 per occurrence, for claims in excess of the City's deductible of \$50,000.

The City's contributions with each risk pool is based upon its experience, plus a ratio of the City's payroll and other related factors to the total payrolls and other related factors of all entities participating in the same layer of each program, for each program year. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

Financial statements for BCJPIA and LAWCX may be obtained from Bickmore & Associates, 1750 Creekside Oaks Drive, Suite 200, Sacramento, California 95833.

c. Liability for Uninsured Claims

The City provides for the uninsured portion of claims and judgments in the Workers' Compensation Self-Insurance and Litigation Internal Service Funds. Claims and judgments, including a provision for claims incurred but not reported, are recorded when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable. As discussed above, the City has coverage for such claims, but it has retained the risk for the deductible or uninsured portion of these claims. Settlements have not exceeded coverage for each of the past three fiscal years.

The City's liability for uninsured claims is limited to workers' compensation and general liability claims, as discussed above, and was estimated by management based on prior years' claims experience as of June 30, 2018, and 2017:

	2018			
	Workers' Compensation Claims	General Liability Claims	Total	2017
Beginning balance	\$ 3,292,011	\$ 69,760	\$ 3,361,771	\$ 3,182,384
Liability for current fiscal year claims and claims incurred but not reported (IBNR)	1,144,084	271,277	1,415,361	1,138,860
Claims paid	(705,095)	(211,881)	(916,976)	(959,473)
Ending balance	<u>\$ 3,731,000</u>	<u>\$ 129,156</u>	<u>\$ 3,860,156</u>	<u>\$ 3,361,771</u>

d. Environmental Insurance

The City has a pollution legal liability insurance, which covers third-party claims and additional cleanup costs related to Site B (parcels north of Bay Street) for up to \$10,000,000. The City has a deductible or uninsured liability of \$100,000 per claim. During fiscal year 2008-2009, the City paid a one-time premium of \$181,857 for this policy that covers a ten-year period from November 3, 2008 to November 3, 2018.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

Note 14: Commitments and Contingencies

a. General

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney, there is pending litigations that are reasonably possible to have a material adverse effect on the financial position of the City.

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 1986 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.

Note 15: Successor Agency Trust for Assets of the Former Redevelopment Agency

As of January 31, 2012, the Emeryville Redevelopment Agency has been dissolved and the City of Emeryville as the Successor Agency is responsible for winding down the remaining activities of the dissolved Redevelopment Agency.

The City of Emeryville as Successor Agency to the former Emeryville Redevelopment Agency was created January 17, 2012, as outlined in Assembly Bill 1X 26 (the Bill) which provides the requirements for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Emeryville that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments.

Subject to the control of an oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 15: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)
a. Cash and Investments

Cash and investments reported in the accompanying financial statements consisted of the following:

Successor Agency of the Former RDA	
Cash and investments pooled with the City	\$ 5,880,903
Restricted cash and investments with fiscal agents	9,029,461
	<hr/>
Total	\$ 14,910,364
	<hr/>

b. Loans Receivable

The former Redevelopment Agency had 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 spend these funds in accordance with the former Redevelopment Agency's terms.

Notes and loans receivable are reported in the accompanying financial statements as of June 30, 2018, as follows:

Successor Agency of the Former RDA	
Homeowner's Association Assessment	\$ 14,386
Business Development	17,026
Emeryville Town Center (Bay Street)	13,344,000
Emery Unified School District	2,169,086
Avalon Commercial LLC	1,051,843
	<hr/>
Total Notes and Loans Receivables	\$ 16,596,341
	<hr/>

1. Homeowner's Association Assessment Loan Program

In February 2009, the former Redevelopment Agency provided loans to owners of Below Market Rate (BMR) units and market rate units in the Oliver Lofts development. Loans to owners of market rate units are secured by trust deeds bear interest at 3.7% and are fully amortized over 20 years. Loans to BMR unit owners are partially or fully unsecured and may be deferred payment loans to meet debt-to-income ratio requirements. Deferred loans will be reassessed every five years and converted to amortized loans based on owners' ability to make payments. The BMR loans bear interest at 3.7% and are due in 20 years, with the exception that the deferred loans bear interest at a simple interest rate.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 15: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

2. Business Development

The former Redevelopment Agency made loans to local business developers within the 1976 and Shellmound Project Areas. These loans were made for the purpose of making property improvements to the businesses. The interest rate on these loans is 3.0%, and they are secured by deeds of trusts or equipment and have monthly payments, including interest.

3. Emeryville Town Center (Bay Street)

The former Redevelopment Agency assembled a 20-acre site in the Bay Street area, demolished existing improvements and cleaned toxic contaminants. An agreement with Madison-Marquette (Bay Street Partners, LLC), the developer, provided for the redevelopment of the property as a mixed-use project consisting of 400,000 square feet of retail space, 350 residential units and a 250-room hotel.

As part of this agreement, during fiscal year ended June 30, 2001, the former Redevelopment Agency sold the property for \$25,500,000. The developer paid \$1,800,000 to the former Redevelopment Agency and executed a promissory note to the former Redevelopment Agency in the amount of \$23,700,000 secured by an option agreement under which the former Redevelopment Agency may purchase the retail parking parcel and structure from the developer for \$1. A \$3,300,000 receivable was due the earlier of December 31, 2002, or upon the issuance of a certificate of occupancy for the first tenant. The remaining principal and interest are due annually commencing the tenth year of the Bay Street operations with the final payment due in the 25th year of operation. In fiscal year 2003, \$3,300,000 was received and in fiscal year 2011, \$1,056,000 was forgiven in lieu of the developer paying for remediation costs on the property.

4. Emery Unified School District

On March 25, 2008, the former Redevelopment Agency made a facilities loan of \$2,836,648 to the Emery Unified School District (EUSD). The facilities loan will be used by EUSD to provide supplemental funding of project costs for a two story modular classroom for Anna Yates Elementary School and the replacement of the playing field and the renovation of the Industrial Arts building at Emery Secondary School. The loan has an interest rate of 4.577333% and is amortized over 16 years with repayment made semi-annually effective December 31, 2008, from EUSD's share of AB 1290 pass through payments that would otherwise be available for educational facilities.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 15: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

5. Avalon Commercial LLC

On December 4, 1998, the former Redevelopment Agency loaned the developer of the Avalon Commercial Project \$475,000 to cover development costs associated with the commercial space of the project. An additional loan of \$55,000 was made on May 25, 2005 to cover development cost overruns. The interest rates are 7% and 3% respectively, secured by a deed of trust on the property. Payments of principal and interest are to be made from residual cash flow as defined in the promissory note with the full amount of outstanding principal and interest due the earliest of 55 years from the date of the note, when the property is sold or refinanced, or in the event of default on the loan agreement.

c. Development Agreements

The former Redevelopment Agency had entered into a variety of development agreements with third parties to provide needed improvements and projects. Activities under agreements that are completed or for which there are continuing commitments are disclosed below. The Agency had other agreements that entitled it to collect certain loans or notes receivables, which are disclosed above. These agreements were transferred to the Successor Agency upon dissolution of the former redevelopment agency.

1. Development of Emeryville Amtrak Station

In March of 1993, the former Redevelopment Agency entered into a Participation Agreement with Wareham Development Corporation to develop the Emeryville Amtrak Station. Under the terms of the Participation Agreement, the former Redevelopment Agency developed the station public improvements including tracks, platforms, parking, landscaping and street improvements. Wareham developed the station building, which the Former Redevelopment Agency lease from Wareham and subleases to Amtrak for a period of 25 years, after which time ownership of the station goes to Amtrak.

The former Redevelopment Agency paid monthly lease payments of \$13,745.17 from April 1, 1994 through May 1, 2011. As of June 1, 2011, no rent is due for the remainder of the term of the lease ending March 1, 2019. Under the lease terms, the former Redevelopment Agency is also responsible for property taxes in excess of \$15,000 per year through March 1, 2019. Under the terms of the Former Agency's sublease of the Amtrak Station to the National Railroad Passenger Cooperation (Amtrak), the former Redevelopment Agency will receive payments of \$90,000 for fiscal year 2018-2019.

CITY OF EMERYVILLE

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

Note 15: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

2. Emeryville Bay Street

The developer has acquired parcels from the former Redevelopment Agency for use as a site for the Emeryville (Bay Street) in exchange for a note receivable due to the former Redevelopment Agency, which is disclosed in Note 15.b.3 above.

d. Capital Assets

The Successor Agency of the Former Redevelopment Agency capital asset activity for the year ending June 30, 2018, is as follows:

	Balance at June 30, 2017	Additions	Deletions	Balance at June 30, 2018
Capital assets not being depreciated:				
Land	\$ 11,149,330	\$ -	\$ -	\$ 11,149,330
Construction in progress	9,453,916	210,348	-	9,664,264
Total Capital Assets Not Being Depreciated	20,603,246	210,348	-	20,813,594
Capital assets being depreciated:				
Park and other improvements	463,821	-	-	463,821
Buildings and improvements	5,054,535	-	-	5,054,535
Total Capital Assets Being Depreciated	5,518,356	-	-	5,518,356
Less accumulated depreciation for:				
Park and other improvements	97,883	23,191	-	121,074
Buildings and improvements	1,481,035	89,533	-	1,570,568
Total Accumulated Depreciation	1,578,918	112,724	-	1,691,642
Net Capital Assets Being Depreciated	3,939,438	(112,724)	-	3,826,714
Successor Agency of the former RDA Capital Assets, Net	\$ 24,542,684	\$ 97,624	\$ -	\$ 24,640,308

Depreciation expense of \$112,724 was charged to the Successor Agency of the former RDA for the year ended June 30, 2018.

CITY OF EMERYVILLE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 15: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

e. Long-Term Debt

A description of long-term debt outstanding of the Successor Agency as of June 30, 2018, is as follows:

	Balance at June 30, 2017	Additions	Retirements	Balance at June 30, 2018	Current Portion
Successor Agency of the former RDA					
Loans:					
City Loans	\$ 691,834	\$ -	\$ 578,005	\$ 113,829	\$ -
Total Loans	691,834	-	578,005	113,829	-
Bonds:					
Tax Allocation Refunding Bonds, Series 2014A	84,795,000	-	5,600,000	79,195,000	5,830,000
Tax Allocation Refunding Bonds, Series 2014B	12,500,000	-	910,000	11,590,000	920,000
Total Bonds	97,295,000	-	6,510,000	90,785,000	6,750,000
Obligations:					
Pollution Remediation Obligations	697,708	-	64,470	633,238	65,000
Total Obligations	697,708	-	64,470	633,238	65,000
Unamortized Bond Premium/(Discount)					
Tax Allocation Refunding Bonds, Series 2014A	13,319,625	-	761,120	12,558,505	-
Tax Allocation Refunding Bonds, Series 2014B	(79,551)	-	(5,486)	(74,065)	-
Total Unamortized Bond Premium/(Discount)	13,240,074	-	755,634	12,484,440	-
Total Successor Agency of the Former RDA Long-Term Liabilities	\$ 111,924,616	\$ -	\$ 7,908,109	\$ 104,016,507	\$ 6,815,000

1. City Loans

"Supplemental" Educational Revenue Augmentation Fund (SERAF)

On May 4, 2010, the City Council and former Redevelopment Agency passed a resolution approving an advance from the Combined Low and Moderate Income Housing Fund to the 1976 Project Area Capital Project Fund and Shellmound Project Area Capital Projects Fund for \$8,494,300 and \$2,797,700, respectively totaling \$11,292,000 for the purpose of providing funding to pay the County's "Supplemental" Educational Revenue Augmentation Fund (SERAF) payment for 2010-2011. There is no repayment schedule, but repayments totaling \$2,258,400 were made in prior years to repay one-fifth of this advance. The advance was transferred from the former Redevelopment Agency to the Successor Agency as of February 1, 2012, because of the dissolution of redevelopment, and will be repaid in accordance with approved recognized obligation payments schedule (ROPS). It is expected that the City will be able to begin repaying the loan during the 2016-17 fiscal year, but is wholly dependent on factors outside of the City's control. The receivable resides in the Housing Assets Fund. The ending balance of the advance as of June 30, 2018, is \$113,829.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018
Note 15: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)
2. Tax Allocation Refunding Bonds Series 2014A

On July 24, 2014, the Successor Agency to the Emeryville Redevelopment Agency issued \$95,450,000 of Tax Allocation Refunding Bonds. Proceeds from the issuance were used to refund the following Public Financing Authority Revenue Bonds: Series 1995, Series 1998B, Series 2001A, Series 2002, and Series 2004. Interest on the Bonds is payable on March 1 and September 1 of each year and the interest rate ranges from 2.0% to 5.0%. The Bonds mature starting September 1, 2015 and end on September 1, 2034. The bonds are secured by a pledge of tax increment funds distributed by the Redevelopment Property Tax Trust Fund (RTTPF).

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2018, including interest, are as follows:

Tax Allocation Refunding Bonds Series 2014A		
	Principal	Interest
2019	\$ 5,830,000	\$ 3,796,000
2020	6,120,000	3,497,250
2021	6,425,000	3,183,625
2022	6,745,000	2,854,375
2023	7,075,000	2,508,875
2024-2028	33,055,000	6,994,875
2029-2033	9,195,000	2,372,625
2034-2035	4,750,000	240,500
	<u>\$ 79,195,000</u>	<u>\$ 25,448,125</u>

3. Tax Allocation Refunding Bonds Series 2014B

On July 24, 2014, the Successor Agency to the Emeryville Redevelopment Agency issued \$14,270,000 of Tax Allocation Refunding Bonds. Proceeds from the issuance were used to refund the Public Financing Authority Revenue Bonds, Series 1998C and Series 2001B. Interest on the Bonds is payable on March 1 and September 1 of each year and the interest rate grows from 0.70% to 4.625%. The Bonds mature starting September 1, 2015 and end on September 1, 2031. The bonds are secured by housing set aside funds also issued by the RTTPF.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2018, including interest, are as follows:

Tax Allocation Refunding Bonds Series 2014B		
	Principal	Interest
2019	\$ 920,000	\$ 420,709
2020	940,000	398,134
2021	965,000	370,963
2022	995,000	339,331
2023	1,030,000	303,361
2024-2028	5,630,000	818,692
2029-2032	1,110,000	105,219
	<u>\$ 11,590,000</u>	<u>\$ 2,756,409</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 15: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

4. Pollution Remediation Obligations

The City follows the guidance of GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations, establishing accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups.

The former Emeryville Redevelopment Agency acquired properties which were determined to have soil and groundwater contamination. These sites include the Corporation Yard, Bay Street-Site A, and Bay Street-Site B. The former Emeryville Redevelopment Agency is responsible for the investigation, characterization and remediation of the soil and groundwater from the contamination at these sites. In accordance with the Dissolution Act, these obligations are now the responsibility of the Successor Agency to the Emeryville Redevelopment Agency. Remediation costs are covered by Redevelopment Property Tax Trust Fund ("RPTTF") revenues distributed by Alameda County to the Successor Agency for expenditure on its obligations with approval from the California Department of Finance.

Using the expected outflows technique, the Successor Agency has measured the liabilities based on the pollution remediation outlays expected to be incurred to settle those liabilities.

In fiscal year 2015-16, the Department of Toxic Substances Control ("DTSC") directed the Successor Agency to conduct additional testing at the Corporation Yard site to further define the vertical and lateral extent of contamination in groundwater. The evaluation concluded that a more comprehensive remedial alternative is required to clean up the contamination. The estimated cost to remediate the Corporation Yard is approximately \$45,900,000, which is in addition to the approximately \$5,800,000 necessary to investigate, evaluate and obtain approval of the remedial action plan by the DTSC. Per the California Department of Finance award letter dated May 17, 2017, \$42,050,000 is not currently approved as an obligation. Finance notes the original Settlement Agreement is an enforceable obligation, however the remediation appears to go beyond the original scope. The City expects to resubmit this obligation in future ROPS.

The estimated remaining outstanding cost to complete the clean-up of the Corporation Yard and Bay Street – Site B and conduct on-going groundwater monitoring at Bay Street – Site A, is estimated at \$48,598,305 as of June 30, 2018. Of this amount, \$47,048,616 for the Corporation Yard and \$1,549,690 for Bay Street-Site B have been determined to be capitalized because remediation outlays are necessary to place these assets into their intended location and condition for use. Therefore, these amounts are not reported on the face of the financial statements.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 15: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

f. Pledged Revenue

As previously discussed, the former Redevelopment Agency pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives directly from the RTTPF. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$118,989,534 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$13,385,506 and the debt service obligation on the bonds was \$11,002,314.

g. Housing Revenue Bonds Without Commission Commitment

On August 15, 1996, the former Redevelopment Agency assisted in the issuance of \$16,470,000 in Revenue Bonds for the purpose of providing funds to make a loan to East Bay Bridge Partners to provide permanent financing for a multifamily rental housing project known as the East Bay Bridge Project. Principal and interest on the bonds are payable semi-annually on March 1 and September 1 of each year commencing March 1, 1998. The Commission has no legal or moral commitment for the repayment of these bonds.

On October 9, 2002, the former Redevelopment Agency assisted in the issuance of \$66,715,000 in Multifamily Housing Refunding Revenue Bonds, Series 2002A for the purpose of providing funds to make a loan to Bay Street Housing Partners to provide financing for the acquisition and construction of a multifamily residential project known as Bay Street Apartments. Interest on the bonds is payable on the 15th day of each month commencing October 15, 2002. The bonds are due October 15, 2042. The former Redevelopment Agency has no legal or moral commitment for the repayment of these bonds.

The former Redevelopment Agency assisted in the issuance of \$21,000,000 in Multifamily Housing Refunding Revenue Bonds, Series 2005A for the purpose of providing funds to make a loan to Bay Street Partners to provide additional financing for the construction of a multifamily residential project known as Bay Street Apartments. This was done in December 2005 and these bonds provided additional financing to the previously issued Multifamily Housing Refunding Revenue Bonds, Series 2002A. Due to cost overruns in connection with the project, the Borrower requested that the former Redevelopment Agency sell the additional bonds. The former Redevelopment Agency has no legal or moral commitment for the repayment of these bonds.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

Note 15: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

h. Insurance

The Successor Agency is covered under the City of Emeryville's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 13.

i. Commitments and Contingencies

At June 30, 2018, the Successor Agency was not involved in any material litigation and did not have any material commitments and contingencies requiring disclosure.

Note 16: Restatements of Net Position and Fund Balance

Net Position of Governmental Activities and Business-Type activities have been restated due to the implementation of GASB Statement No. 75, Accounting and Financial Reporting for Post-Employment Benefits Other than Pensions – An Amendment of GASB Statement No. 45. Net Position of Governmental Activities was restated by \$5,183,881 and Business-Type Activities by \$43,070.

Fund balance in the General Fund was restated in the amount of \$283,451 to properly classify a fund previously shown as a pension trust fund to the General Fund. The fund did not meet the criteria to be shown as a pension trust fund.

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CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1, as restated	\$ 40,990,577	\$ 40,990,577	\$ 40,990,577	\$ -
Resources (Inflows)				
Taxes	34,816,980	36,530,599	37,308,344	777,745
Licenses and permits	2,401,130	2,840,530	3,999,134	1,158,604
Intergovernmental	1,527,410	1,557,846	1,650,194	92,348
Charges for services	669,396	718,000	892,593	174,593
Investment income	50,000	(75,000)	109,621	184,621
Rent	366,620	466,620	521,485	54,865
Contributions	360,900	360,900	362,626	1,726
Miscellaneous	371,400	381,400	421,937	40,537
Transfers in	61,500	61,500	61,500	-
Amounts Available for Appropriations	81,615,913	83,832,972	86,318,011	2,485,039
Charges to Appropriation (Outflow)				
City council	191,164	193,164	191,890	1,274
City manager	1,355,004	1,436,253	1,298,346	137,907
City attorney	593,566	593,566	509,639	83,927
Finance	1,132,101	1,145,821	1,028,306	117,515
Human resources	810,092	810,092	732,127	77,965
Information technology	716,882	716,882	682,869	34,013
Non-departmental operations	2,631,216	2,631,216	1,885,164	746,052
Police	26,675,218	25,891,794	16,110,038	9,781,756
Fire	7,939,030	7,819,657	7,701,535	118,122
Planning and building	2,653,254	2,456,059	2,349,572	106,487
Economic development and housing	1,165,158	1,165,158	832,883	332,275
Community services	873,672	936,256	975,672	(39,416)
Youth services	1,301,653	1,312,720	1,356,466	(43,746)
Adult services	1,060,063	1,087,174	961,012	126,162
Public works	2,963,260	3,354,582	3,232,761	121,821
Capital outlay	50,000	50,000	48,220	1,780
Transfers out	2,476,295	5,081,895	5,081,826	69
Total Charges to Appropriations	54,587,628	56,682,289	44,978,326	11,703,963
Budgetary Fund Balance, June 30	\$ 27,028,285	\$ 27,150,683	\$ 41,339,685	\$ 14,189,002

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
 OTHER GRANTS
 FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Budgetary Fund Balance, July 1	\$ 1,603,647	\$ 1,603,647	\$ 1,603,647	\$ -
Resources (Inflows)				
Intergovernmental	530,000	593,249	2,114,604	1,521,355
Investment income	-	-	37,722	37,722
Miscellaneous	-	-	3,699	3,699
Amounts Available for Appropriations	2,133,647	2,196,896	3,759,672	1,562,776
Charges to Appropriation (Outflow)				
Non-departmental operations	-	15,000	53,223	(38,223)
Public works	-	1,254,904	1,250,358	4,546
Capital outlay	530,000	2,044,514	1,281,595	762,919
Total Charges to Appropriations	530,000	3,314,418	2,585,176	729,242
Budgetary Fund Balance, June 30	\$ 1,603,647	\$ (1,117,522)	\$ 1,174,496	\$ 2,292,018

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
HOUSING ASSETS
FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 23,222,269	\$ 23,222,269	\$ 23,222,269	\$ -
Resources (Inflows)				
Charges for services	-	-	84,064	84,064
Investment income	-	-	132,993	132,993
Rent	14,040	14,040	1,170	(12,870)
Contributions	578,005	578,005	-	(578,005)
Miscellaneous	-	-	549,146	549,146
Amounts Available for Appropriations	23,814,314	23,814,314	23,989,642	175,328
Charges to Appropriation (Outflow)				
Economic development and housing	35,000	2,118,552	2,686,356	(567,804)
Total Charges to Appropriations	35,000	2,118,552	2,686,356	(567,804)
Budgetary Fund Balance, June 30	\$ 23,779,314	\$ 21,695,762	\$ 21,303,286	\$ (392,476)

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
PROPERTY BASED IMPROVEMENT DISTRICT
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 427,992	\$ 427,992	\$ 427,992	\$ -
Resources (Inflows)				
Taxes	3,561,135	3,561,135	3,455,126	(106,009)
Investment income	-	-	12,556	12,556
Transfers in	553,542	553,542	553,542	-
Amounts Available for Appropriations	4,542,669	4,542,669	4,449,216	(93,453)
Charges to Appropriation (Outflow)				
City council	17,000	17,000	17,000	-
Property based improvement district	4,084,290	4,084,290	4,064,405	19,885
Total Charges to Appropriations	4,101,290	4,101,290	4,081,405	19,885
Budgetary Fund Balance, June 30	\$ 441,379	\$ 441,379	\$ 367,811	\$ (73,568)

CITY OF EMERYVILLE

**MISCELLANEOUS PLAN
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	2018	2017	2016	2015
Plan's Proportion of the Net Pension Liability	0.11846%	0.10969%	0.08757%	0.08955%
Plan's Proportionate Share of the Net Pension Liability	\$ 11,747,763	\$ 9,491,366	\$ 6,010,619	\$ 5,572,106
Plan's Covered Payroll	\$ 8,122,643	\$ 7,489,145	\$ 7,484,785	\$ 6,989,367
Plan's Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	144.63%	126.73%	80.30%	79.72%
The Pension Plan's (PERF-C) Fiduciary Net Position as a Percentage of the Total Pension Liability	73.31%	74.06%	78.40%	79.82%

Notes to Schedule:Benefit Changes:

There were no changes to benefit terms. However, the figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2016. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions:

In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amount reported were based on the 7.5 percent discount rate.

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only four years are shown.

CITY OF EMERYVILLE

SAFETY PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2018	2017	2016	2015
Plan's Proportion of the Net Pension Liability	0.51479%	0.44882%	0.35246%	0.30886%
Plan's Proportionate Share of the Net Pension Liability	\$ 32,032,873	\$ 27,927,528	\$ 21,931,706	\$ 19,218,805
Plan's Covered Payroll	\$ 5,077,077	\$ 4,641,902	\$ 4,249,620	\$ 4,200,740
Plan's Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	630.93%	601.64%	516.09%	457.51%
The Pension Plan's (PERF-C) Fiduciary Net Position as a Percentage of the Total Pension Liability	73.31%	74.06%	78.40%	79.82%

Notes to Schedule:Benefit Changes:

There were no changes to benefit terms. However, the figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2016. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions:

In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amount reported were based on the 7.5 percent discount rate.

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only four years are shown.

CITY OF EMERYVILLE

EMERYVILLE POLICE OFFICERS' ASSOCIATION RETIREMENT ENHANCEMENT PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2018	2017	2016
TOTAL PENSION LIABILITY			
Service Cost	\$ 68,184	\$ 67,969	\$ 65,989
Interest on Total Pension Liability	126,160	113,800	102,162
Effect of Economic/Demographics Gains or Losses	(387,260)	-	-
Benefit Payments	(6,962)	(3,919)	(3,842)
Net Change in Total Pension Liability	(199,878)	177,850	164,309
Total Pension Liability - Beginning	1,737,522	1,559,672	1,395,363
Total Pension Liability - Ending (a)	\$ 1,537,644	\$ 1,737,522	\$ 1,559,672
PLAN FIDUCIARY NET POSITION			
Benefit Payments	\$ (6,962)	\$ (3,919)	\$ (3,842)
Employer Contributions	181,897	102,789	111,064
Net Investment Income	101,720	58,983	16,626
Administrative Expenses	(5,350)	(4,246)	(3,662)
Net Change in Fiduciary Net Position	271,305	153,607	120,186
Plan Fiduciary Net Position - Beginning	922,100	768,493	648,307
Plan Fiduciary Net Position - Ending (b)	\$ 1,193,405	\$ 922,100	\$ 768,493
Plan Net Pension Liability/(Assets) - Ending (a) - (b)	\$ 344,239	\$ 815,422	\$ 791,179
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.61%	53.07%	49.27%
Covered-Employee Payroll	\$ 3,675,926	\$ 3,568,860	\$ 3,535,303
Plan Net Pension Liability/(Asset) as a Percentage of Covered-Employee Payroll	9.36%	22.85%	22.38%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2016 was the first year of implementation, additional years will be added as they become available in the future.

(2) Net of administrative expenses.

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2016. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: There were no changes in assumptions.

CITY OF EMERYVILLE

**MISCELLANEOUS PLAN
 SCHEDULE OF PLAN CONTRIBUTIONS
 AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 730,186	\$ 715,234	\$ 621,417	\$ 597,401
Contribution in Relation to the Actuarially Determined Contribution	(730,186)	(715,234)	(687,044)	(597,401)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ (65,627)	\$ -
Actual Contributions as a Percentage of Actuarial Determined Contributions	100.00%	100.00%	110.56%	100.00%
Covered Payroll	\$ 8,333,650	\$ 8,122,643	\$ 7,489,145	\$ 7,484,785
Contributions as a Percentage of Covered Payroll	8.76%	8.81%	9.17%	7.98%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only four years are shown.

Note to Schedule:

Valuation Date: June 30, 2015

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method/period	Level percent payroll/closed
Asset valuation method	Market value
Inflation	2.75%
Salary increases	3.30% to 14.20%
Payroll growth	3.00%
Investment rate of return	7.50% net of pension plan investment and administrative expenses; includes inflation

Retirement age The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007

Mortality The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

CITY OF EMERYVILLE

SAFETY PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 2,307,196	\$ 1,523,991	\$ 821,621	\$ 847,794
Contribution in Relation to the Actuarially Determined Contribution	(6,307,196)	(2,260,671)	(1,823,955)	(1,347,875)
Contribution Deficiency (Excess)	<u>\$ (4,000,000)</u>	<u>\$ (736,680)</u>	<u>\$ (1,002,334)</u>	<u>\$ (500,081)</u>
Actual Contributions as a Percentage of Actuarial Determined Contributions	273.37%	148.34%	221.99%	158.99%
Covered Payroll	\$ 5,396,885	\$ 5,077,077	\$ 4,641,902	\$ 4,249,620
Contributions as a Percentage of Covered Payroll	116.87%	44.53%	39.29%	31.72%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only four years are shown.

Note to Schedule:

Valuation Date:	June 30, 2015
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal
Amortization method/period	Level percent payroll/closed
Asset valuation method	Market value
Inflation	2.75%
Salary increases	3.30% to 14.20%
Payroll growth	3.00%
Investment rate of return	7.50% net of pension plan investment and administrative expenses; includes inflation
Retirement age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007
Mortality	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

CITY OF EMERYVILLE

EMERYVILLE POLICE OFFICERS' ASSOCIATION RETIREMENT ENHANCEMENT PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2018	2017	2016
Actuarially Determined Contribution	\$ 134,840	\$ 152,747	\$ 158,946
Contribution in Relation to the Actuarially Determined Contribution	(151,248)	(204,481)	(176,393)
Contribution Deficiency (Excess)	<u>\$ (16,408)</u>	<u>\$ (51,734)</u>	<u>\$ (17,447)</u>
Actual Contributions as a Percentage of Actuarial Determined Contributions	112.17%	133.87%	110.98%
Covered Payroll	\$ 3,786,204	\$ 3,675,926	\$ 3,568,860
Contributions as a Percentage of Covered Payroll	3.99%	5.56%	4.94%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2016 was the first year of implementation, additional years will be added as they become available in the future.

Note to Schedule:

Valuation Date:	June 30, 2016
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	17 years
Assets valuation method	None
Inflation	2.75%
Salary increases	Varies by entry age and service
Investment rate of return	7.00%
Payroll growth	3.00%
Cost of living adjustments	2.00%
Mortality	Pre-Retirement: CalPERS Public Agency Police Mortality rates (both Industrial and Non-Industrial as applicable). Post-Retirement: CalPERS 1997-2011 Health Retiree Mortality Tables (sex-distinct) with an assumed base year of 2008 and full generational projects using Scale AA.
Withdrawal	CalPERS Public Agency Police Terminated Refund plus Terminated Vested rates.
Disability	CalPERS Public Agency Police Disability rates.
Retirement age	CalPERS Public Agency Police 3% at Age 50 Retirement rates.
Maximum benefits and salary	Salary limits under 401(a)(17) apply. Limit is assumed to increase 2.75% a year.
Beneficiaries	90% of participants are assumed to have an eligible spouse or domestic partner, with males three years older than their female partners.

CITY OF EMERYVILLE

**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	2018
Total OPEB Liability	
Service cost	\$ 126,800
Interest on the total OPEB liability	348,921
Benefit payments	(467,946)
Net change in total OPEB liability	7,775
Total OPEB liability - beginning	6,882,330
Total OPEB liability - ending (a)	6,890,105
 Plan Fiduciary Net Position	
Contribution - employer	368,550
Net investment income	78,423
Benefit payments	(467,946)
Administrative expense	(18,535)
Net change in plan fiduciary net position	(39,508)
Plan fiduciary net position - beginning	2,488,806
Plan fiduciary net position - ending (b)	\$ 2,449,298
 Net OPEB Liability/(Assets) - ending (a) - (b)	 \$ 4,440,807
 Plan fiduciary net position as a percentage of the total OPEB liability	 35.55%
 Covered-employee payroll	 \$ 15,318,041
 Net OPEB liability as a percentage of covered-employee payroll	 28.99%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule: None

Changes in assumptions: None.

CITY OF EMERYVILLE

**SCHEDULE OF OPEB PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	2018
Actuarially Determined Contribution	\$ 368,550
Contribution in Relation to the Actuarially Determined Contributions	(227,281)
Contribution Deficiency (Excess)	<u>\$ 141,269</u>
Covered-employee payroll	\$ 16,056,001
Contributions as a percentage of covered-employee payroll	2.30%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule:

*Actuarial methods and assumptions used to set the actuarially determined contribution for Fiscal Year 2018 were from the June 30, 2016 actuarial valuation.

Methods and assumptions used to determine contributions:

Actuarial Cost Method	Entry Age Normal
Amortization Valuation Method/Period	Level percent of payroll over a closed rolling 15-year period
Asset Valuation Method	Market value
Inflation	2.75%
Payroll Growth	2.75% per annum, in aggregate
Investment Rate of Return	5.20% per annum
Healthcare cost-trend rates	4% per annum
Retirement Age	Based on CalPERS retirement rates
Mortality	Pre-retirement mortality probability based on 2014 CalPERS 1997 to 2011 Experience Study covering CalPERS participants. Post-retirement mortality probability based on CalPERS Experience Study 2007 to 2011 covering participants in CalPERS

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2018**

Note 1: Budgets and Budgetary Accounting**a. Budgeting Procedures**

The City operates under the general laws of the State of California and bi-annually adopts a budget for its governmental fund types to be effective July 1 for the ensuing fiscal years. From the effective date of the budget, which is adopted by City Council and controlled by the City Manager at the fund level, the amounts stated therein as proposed expenditures become appropriations to the various departments. The City Council may amend the budget by resolution during the fiscal year. The City Manager may authorize transfers of appropriations from one object, purpose or department to another within the same fund provided the level of service stays the same. All appropriations lapse at year-end, except those relating to long-term capital projects. Supplemental appropriations were approved by the City Council during the year ended June 30, 2018, and are included in the final budget amounts presented in the basic financial statements.

b. Budgetary Basis

Bi-annual budgets are adopted on a basis consistent with generally accepted accounting principles.

c. Excess of Expenditures Over Appropriations

Excess expenditures over appropriations for the major special revenue Housing Assets fund were as follows:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
Housing Assets			
Economic development	\$ 2,686,356	\$ 2,118,552	\$ 567,804

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CITY OF EMERYVILLE

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The *Housing Community Development Fund* accounts for Federal Community Development Block Grant (CDBG) funds and CDBG Program Income funds utilized for CDBG eligible projects.

The *Cal - Home Loan Program Fund* accounts for funds received and loans made under the State of California's Cal Home Loan program.

The *Police Impound Fund* accounts for asset forfeiture funds allocated to the Police Department under state law.

The *Catellus Contingent Fund* accounts for a deposit payment that was required of the Catellus Development Corporation as a development condition of approval and is to be utilized for installation of a future pedestrian actuated signal, if required.

The *Special Gas Tax Street Improvement Fund* accounts for gas tax revenues apportioned by the state under specific statutory authority. The allocation formula is a combination of population and street mileage. The use of gas tax revenues is restricted to specific street maintenance activities.

The *General Plan Maintenance Fund* accounts for fees collected to cover costs of updating the City's Plan and Zoning Ordinance over the next 20 years.

The *Child Development Fund* accounts for all revenue utilized to support the operations of the Emeryville Child Development Center, including grant funds from the State Department of Education, program fees and a General Fund subsidy.

The *Measure B Fund* accounts for revenues generated by a special one-half cent sales tax that was approved by the voters of Alameda County in 1986 and reauthorized in 2000. These funds are restricted for local transportation and special transportation (paratransit) purposes.

The *Measure BB Fund* accounts for revenues generated by a special one-half cent sales tax that was approved in 2014. These funds are restricted for local transportation and special transportation (paratransit) purposes and are distributed monthly by the Alameda County Transportation Commission.

The *Transportation Impact Fee Fund* accounts for transportation impact fees paid by new development, as required by the City's Transportation Impact Fee Ordinance.

The *Park / Rec Impact Fee Fund* accounts for parks and recreation impact fees paid by new development, as required by the City's Park / Rec Impact Fee Ordinance.

The *Affordable Housing Impact Fee Fund* accounts for rental residential developments and nonresidential developments to mitigate the impact of such developments on the need for affordable housing in the City.

The *Supplemental Law Enforcement Fund* accounts for state entitlements, which must be spent for front line municipal police services including anti-gang and community crime prevention programs.

The *Emergency Medical Services (EMS) Fund* accounts for the Supplemental Assessment paid by Emeryville residents for emergency medical services provided by the Emeryville Fire Department.

CITY OF EMERYVILLE

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

Special Revenue Funds (Continued)

The *Recycling / Source Reduction Fund* accounts for revenue generated through a surcharge on garbage rates, which is utilized for waste reduction, recycling and cleanup programs.

The *Measure D Fund* accounts for the City of Emeryville's allocation of funds generated by the landfill surcharge under the Alameda County Recycling Initiative (Measure D). Measure D funds are restricted to specific recycling and waste reduction activities.

The *Emeryville Public Art Fund* accounts for funds received from new development as required under the City's Percent for Art Ordinance.

The *Information Technology Fund* accounts for funds set aside to support the City's technology upgrade program. This fund was initiated in 1997.

The *PEG Program Fund* accounts for franchise fees collected for Public, Educational, and Governmental access video programming.

The *Urban Forestry Fee Fund* accounts for fees and penalties collected under the City's Urban Forestry Ordinance governing the removal and replacement of street trees.

The *Affordable Housing Fund* accounts for residual property tax revenue committed to affordable housing projects and programs.

The *Small Local Business Support Fund* accounts for funds collected from developers to support small local serving businesses.

The *Road & Rehabilitation Fund* reports the allocation of State taxes enacted by the Road Repair and Accountability Act of 2017.

The *Environmental Program Fund* accounts for funds committed to environmentally friendly projects.

The *Measure B VRF Fund* accounts for a pro-rata share of the annual \$10 per vehicle Vehicle Registration Fee (VRF) approved by voters in Alameda County in 2010. These funds are restricted for local road improvements and repairs.

The *Code Enforcement Reserve Fund* has been established to provide for mitigation of property related code enforcement activities. Future recovery from property owner or property levy will be used for mitigation activities.

Capital Project Funds

The *1999 Revenue Bond Fund* accounts for bond proceeds from the 1999 bonds that were issued from the West Emeryville, Bay Street Shellmound Street expansion and East Bay Bridge Districts.

The *Marina Improvement Fund* accounts for the capital improvements of the Emeryville Public Marina. The Marina Fund was an enterprise fund until December 1998 when the facility was leased to a private company.

The *Emeryville Center of Community Life Fund* is funded by a \$21.2M cash transfer of bond proceeds from the former redevelopment agency and accounts for capital expenditures related to the development of the Emeryville Center of Community Life.

The *Implementation Plan 2010-14 Fund* accounts for capital project commitments located within the Shellmond Park Redevelopment Project Area and is funded by \$3.8M in bond proceeds transferred to the City by the Successor Agency in fiscal year 2015.

CITY OF EMERYVILLE

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

Capital Project Funds (Continued)

The *Pedestrian Path Improvement Fund* accounts for funds committed for street bicycle and pedestrian improvements.

The *Major Maintenance Fund* accounts for funds set aside to complete major maintenance projects at City owned facilities. The fund was initiated during the 1993-1994 fiscal year with one-time revenues, and currently receives annual payments from each City department that operates a City facility.

The *Vehicle Replacement Fund* accounts for resources set aside for vehicle replacement.

The *RDA Bond Fund* accounts for capital funds of the former redevelopment agency that have been approved for transfer to the City.

The *Developer Contributions Fund* accounts for projects to be funded by third parties as conditions of development agreements. Some projects will be delivered as improvements in lieu of cash.

Debt Service Funds

The *1998 Lease Revenue Series A Bond Fund* receives transfer from the General Fund and accounts for payments of principal and interest on the 1998 Lease Revenue Series A Bonds.

CITY OF EMERYVILLE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds			
	Housing Community Development	Cal - Home Loan Program	Police Impound	Catellus Contingent
Assets				
Cash and investments	\$ 181,790	\$ 604,846	\$ 77,162	\$ 137,319
Receivables:				
Accounts	57	-	16,776	-
Taxes	-	-	-	-
Due from other governments	-	-	-	-
Accrued interest	343	1,141	126	259
Notes and loans	-	-	-	-
Prepaid costs	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	\$ 182,190	\$ 605,987	\$ 94,064	\$ 137,578
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 2,100
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Total Liabilities	-	-	-	2,100
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Restricted for:				
Community development projects	182,190	605,987	-	-
Public safety	-	-	94,064	-
Public works	-	-	-	-
Capital projects	-	-	-	135,478
Debt service	-	-	-	-
Small Business Incentive	-	-	-	-
Community services	-	-	-	-
Environmental programs	-	-	-	-
Committed to:				
Community development projects	-	-	-	-
Facility maintenance	-	-	-	-
Vehicle replacement	-	-	-	-
Information technology	-	-	-	-
Assigned to:				
Capital projects	-	-	-	-
Community services	-	-	-	-
Total Fund Balances	182,190	605,987	94,064	135,478
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 182,190	\$ 605,987	\$ 94,064	\$ 137,578

CITY OF EMERYVILLE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

(CONTINUED)

	Special Revenue Funds			
	Special Gas Tax Street Improvement	General Plan Maintenance	Child Development	Measure B
Assets				
Cash and investments	\$ 217,998	\$ 3,028,162	\$ 161,276	\$ 1,230,774
Receivables:				
Accounts	-	7,500	51,169	-
Taxes	-	-	-	60,290
Due from other governments	-	-	-	20
Accrued interest	345	5,757	295	2,284
Notes and loans	-	-	-	-
Prepaid costs	-	-	968	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	\$ 218,343	\$ 3,041,419	\$ 213,708	\$ 1,293,368
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	\$ 80,574	\$ 16,763	\$ 24,479	\$ 35,162
Accrued liabilities	-	-	7,450	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Total Liabilities	80,574	16,763	31,929	35,162
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Restricted for:				
Community development projects	-	3,024,656	-	131,408
Public safety	-	-	-	54,181
Public works	137,769	-	-	1,072,617
Capital projects	-	-	-	-
Debt service	-	-	-	-
Small Business Incentive	-	-	-	-
Community services	-	-	-	-
Environmental programs	-	-	-	-
Committed to:				
Community development projects	-	-	-	-
Facility maintenance	-	-	-	-
Vehicle replacement	-	-	-	-
Information technology	-	-	-	-
Assigned to:				
Capital projects	-	-	-	-
Community services	-	-	181,779	-
Total Fund Balances	137,769	3,024,656	181,779	1,258,206
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 218,343	\$ 3,041,419	\$ 213,708	\$ 1,293,368

CITY OF EMERYVILLE

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Special Revenue Funds			
	Measure BB	Transportation Impact Fee	Park / Rec Impact Fee	Affordable Housing Impact Fee
Assets				
Cash and investments	\$ 561,146	\$ 1,875,608	\$ 1,122,819	\$ 505,555
Receivables:				
Accounts	-	-	-	-
Taxes	56,447	-	-	-
Due from other governments	17,500	-	-	-
Accrued interest	1,035	3,543	2,125	906
Notes and loans	-	-	-	-
Prepaid costs	-	-	-	-
Restricted assets:				
Cash and investments	-	24,356	5,978	-
Total Assets	\$ 636,128	\$ 1,903,507	\$ 1,130,922	\$ 506,461
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	\$ 27,057	\$ 27,783	\$ 106,193	\$ 184,000
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Total Liabilities	27,057	27,783	106,193	184,000
Deferred Inflows of Resources				
Unavailable revenues	17,500	-	-	-
Total Deferred Inflows of Resources	17,500	-	-	-
Fund Balances				
Restricted for:				
Community development projects	-	-	1,024,729	322,461
Public safety	-	-	-	-
Public works	-	1,875,724	-	-
Capital projects	591,571	-	-	-
Debt service	-	-	-	-
Small Business Incentive	-	-	-	-
Community services	-	-	-	-
Environmental programs	-	-	-	-
Committed to:				
Community development projects	-	-	-	-
Facility maintenance	-	-	-	-
Vehicle replacement	-	-	-	-
Information technology	-	-	-	-
Assigned to:				
Capital projects	-	-	-	-
Community services	-	-	-	-
Total Fund Balances	591,571	1,875,724	1,024,729	322,461
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 636,128	\$ 1,903,507	\$ 1,130,922	\$ 506,461

CITY OF EMERYVILLE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

(CONTINUED)

	Special Revenue Funds			
	Supplemental Law Enforcement	Emergency Medical Services	Recycling / Source Reduction	Measure D
Assets				
Cash and investments	\$ 55,825	\$ -	\$ 27,476	\$ 31,962
Receivables:				
Accounts	-	-	5,000	9,528
Taxes	-	9,441	-	-
Due from other governments	-	-	-	-
Accrued interest	105	-	51	62
Notes and loans	-	-	-	-
Prepaid costs	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	\$ 55,930	\$ 9,441	\$ 32,527	\$ 41,552
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	5,211	-	-	-
Unearned revenues	-	-	22,552	-
Deposits payable	-	-	-	-
Total Liabilities	5,211	-	22,552	-
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Restricted for:				
Community development projects	-	-	-	-
Public safety	50,719	9,441	-	-
Public works	-	-	9,975	41,552
Capital projects	-	-	-	-
Debt service	-	-	-	-
Small Business Incentive	-	-	-	-
Community services	-	-	-	-
Environmental programs	-	-	-	-
Committed to:				
Community development projects	-	-	-	-
Facility maintenance	-	-	-	-
Vehicle replacement	-	-	-	-
Information technology	-	-	-	-
Assigned to:				
Capital projects	-	-	-	-
Community services	-	-	-	-
Total Fund Balances	50,719	9,441	9,975	41,552
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 55,930	\$ 9,441	\$ 32,527	\$ 41,552

CITY OF EMERYVILLE

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

Special Revenue Funds				
	Emeryville Public Art	Information Technology	PEG Program	Urban Forestry Fee
Assets				
Cash and investments	\$ 1,024,519	\$ 2,932,756	\$ 5,450	\$ 178,329
Receivables:				
Accounts	-	-	401	-
Taxes	-	-	-	-
Due from other governments	-	-	-	-
Accrued interest	2,907	-	10	480
Notes and loans	-	-	-	-
Prepaid costs	-	2,876	-	-
Restricted assets:				
Cash and investments	428,911	-	-	76,386
Total Assets	\$ 1,456,337	\$ 2,935,632	\$ 5,861	\$ 255,195
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	\$ 17,426	\$ 24,329	\$ -	\$ 12,988
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	428,911	-	-	76,386
Total Liabilities	446,337	24,329	-	89,374
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Restricted for:				
Community development projects	1,010,000	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	165,821
Capital projects	-	-	-	-
Debt service	-	-	-	-
Small Business Incentive	-	-	-	-
Community services	-	-	5,861	-
Environmental programs	-	-	-	-
Committed to:				
Community development projects	-	-	-	-
Facility maintenance	-	-	-	-
Vehicle replacement	-	-	-	-
Information technology	-	2,911,303	-	-
Assigned to:				
Capital projects	-	-	-	-
Community services	-	-	-	-
Total Fund Balances	1,010,000	2,911,303	5,861	165,821
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,456,337	\$ 2,935,632	\$ 5,861	\$ 255,195

CITY OF EMERYVILLE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

(CONTINUED)

	Special Revenue Funds			
	Affordable Housing	Environmental Program	Small Local Bus Support	Road Maintenance & Rehabilitation
Assets				
Cash and investments	\$ 5,680,257	\$ 35,216	\$ 3,072	\$ 44,429
Receivables:				
Accounts	-	66,598	-	-
Taxes	-	-	-	25,124
Due from other governments	-	-	-	-
Accrued interest	7,094	71	6	64
Notes and loans	22,076	-	-	-
Prepaid costs	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	\$ 5,709,427	\$ 101,885	\$ 3,078	\$ 69,617
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	\$ 40,303	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Total Liabilities	40,303	-	-	-
Deferred Inflows of Resources				
Unavailable revenues	-	35,931	-	-
Total Deferred Inflows of Resources	-	35,931	-	-
Fund Balances				
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	69,617
Capital projects	-	-	-	-
Debt service	-	-	-	-
Small Business Incentive	-	-	3,078	-
Community services	-	-	-	-
Environmental programs	-	65,954	-	-
Committed to:				
Community development projects	5,669,124	-	-	-
Facility maintenance	-	-	-	-
Vehicle replacement	-	-	-	-
Information technology	-	-	-	-
Assigned to:				
Capital projects	-	-	-	-
Community services	-	-	-	-
Total Fund Balances	5,669,124	65,954	3,078	69,617
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,709,427	\$ 101,885	\$ 3,078	\$ 69,617

CITY OF EMERYVILLE

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Special Revenue Funds		Capital Projects Funds	
	Measure B- VRF	Code Enforcement Reserve	1999 Revenue Bond	Marina Improvement
Assets				
Cash and investments	\$ 219,623	\$ 302,482	\$ 1,903,177	\$ 4,214,358
Receivables:				
Accounts	-	-	-	37,940
Taxes	8,603	-	-	-
Due from other governments	-	-	-	-
Accrued interest	389	507	3,593	7,895
Notes and loans	-	-	-	-
Prepaid costs	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	5,461
Total Assets	\$ 228,615	\$ 302,989	\$ 1,906,770	\$ 4,265,654
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	\$ 1,000	\$ -	\$ 450	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	5,461
Total Liabilities	1,000	-	450	5,461
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	227,615	302,989	-	-
Capital projects	-	-	1,906,320	-
Debt service	-	-	-	-
Small Business Incentive	-	-	-	-
Community services	-	-	-	-
Environmental programs	-	-	-	-
Committed to:				
Community development projects	-	-	-	-
Facility maintenance	-	-	-	-
Vehicle replacement	-	-	-	-
Information technology	-	-	-	-
Assigned to:				
Capital projects	-	-	-	4,260,193
Community services	-	-	-	-
Total Fund Balances	227,615	302,989	1,906,320	4,260,193
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 228,615	\$ 302,989	\$ 1,906,770	\$ 4,265,654

CITY OF EMERYVILLE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

(CONTINUED)

	Capital Projects Funds			
	Emeryville Center of Community Life	Implementation Plan 2010-14	Pedestrian Path Improvement	Major Maintenance
Assets				
Cash and investments	\$ -	\$ 3,962,195	\$ 534,584	\$ 4,873,408
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Due from other governments	-	-	-	-
Accrued interest	912	7,473	1,008	-
Notes and loans	-	-	-	-
Prepaid costs	-	-	-	7,551
Restricted assets:				
Cash and investments	483,321	-	-	-
Total Assets	\$ 484,233	\$ 3,969,668	\$ 535,592	\$ 4,880,959
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	\$ 994	\$ -	\$ -	\$ 172,030
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Total Liabilities	994	-	-	172,030
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital projects	483,239	3,969,668	535,592	-
Debt service	-	-	-	-
Small Business Incentive	-	-	-	-
Community services	-	-	-	-
Environmental programs	-	-	-	-
Committed to:				
Community development projects	-	-	-	-
Facility maintenance	-	-	-	4,708,929
Vehicle replacement	-	-	-	-
Information technology	-	-	-	-
Assigned to:				
Capital projects	-	-	-	-
Community services	-	-	-	-
Total Fund Balances	483,239	3,969,668	535,592	4,708,929
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 484,233	\$ 3,969,668	\$ 535,592	\$ 4,880,959

CITY OF EMERYVILLE

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Capital Projects Funds			Debt Service Funds
	Vehicle Replacement	RDA Bond	Developer Contributions	1998 Lease Revenue Series A Bond
Assets				
Cash and investments	\$ 3,639,214	\$ 10,853,807	\$ 1,471,269	\$ 3,051
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Due from other governments	-	-	-	-
Accrued interest	-	20,570	2,775	-
Notes and loans	-	-	-	-
Prepaid costs	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	\$ 3,639,214	\$ 10,874,377	\$ 1,474,044	\$ 3,051
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	\$ 57,560	\$ 203,399	\$ -	\$ -
Accrued liabilities	-	124,694	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Total Liabilities	57,560	328,093	-	-
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital projects	-	10,546,284	1,474,044	-
Debt service	-	-	-	3,051
Small Business Incentive	-	-	-	-
Community services	-	-	-	-
Environmental programs	-	-	-	-
Committed to:				
Community development projects	-	-	-	-
Facility maintenance	-	-	-	-
Vehicle replacement	3,581,654	-	-	-
Information technology	-	-	-	-
Assigned to:				
Capital projects	-	-	-	-
Community services	-	-	-	-
Total Fund Balances	3,581,654	10,546,284	1,474,044	3,051
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,639,214	\$ 10,874,377	\$ 1,474,044	\$ 3,051

CITY OF EMERYVILLE

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Total Nonmajor Governmental Funds
Assets	
Cash and investments	\$ 51,700,914
Receivables:	
Accounts	194,969
Taxes	159,905
Due from other governments	17,520
Accrued interest	74,131
Notes and loans	22,076
Prepaid costs	11,395
Restricted assets:	
Cash and investments	1,024,413
Total Assets	\$ 53,205,323
Liabilities, Deferred Inflows of Resources, and Fund Balances	
Liabilities	
Accounts payable	\$ 1,034,590
Accrued liabilities	137,355
Unearned revenues	22,552
Deposits payable	510,758
Total Liabilities	1,705,255
Deferred Inflows of Resources	
Unavailable revenues	53,431
Total Deferred Inflows of Resources	53,431
Fund Balances	
Restricted for:	
Community development projects	6,301,431
Public safety	208,405
Public works	3,903,679
Capital projects	19,642,196
Debt service	3,051
Small Business Incentive	3,078
Community services	5,861
Environmental programs	65,954
Committed to:	
Community development projects	5,669,124
Facility maintenance	4,708,929
Vehicle replacement	3,581,654
Information technology	2,911,303
Assigned to:	
Capital projects	4,260,193
Community services	181,779
Total Fund Balances	51,446,637
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 53,205,323

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Funds			
	Housing Community Development	Cal - Home Loan Program	Police Impound	Catellus Contingent
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	19,937	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	2,249	28,156	822	1,760
Rent	-	-	-	-
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	667	57,125	32,520	-
Total Revenues	22,853	85,281	33,342	1,760
Expenditures				
Current:				
Information technology	-	-	-	-
Non-departmental operations	-	-	-	-
Police	-	-	11,500	-
Fire	-	-	-	-
Planning and building	-	-	-	-
Economic development and housing	7,149	-	-	-
Community services	-	-	-	-
Child development	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	9,000	10,127
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	7,149	-	20,500	10,127
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,704	85,281	12,842	(8,367)
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	15,704	85,281	12,842	(8,367)
Fund Balances, Beginning of Year	166,486	520,706	81,222	143,845
Fund Balances, End of Year	\$ 182,190	\$ 605,987	\$ 94,064	\$ 135,478

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

(CONTINUED)

	Special Revenue Funds			
	Special Gas Tax Street Improvement	General Plan Maintenance	Child Development	Measure B
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ 310,599
Licenses and permits	-	559,654	-	-
Intergovernmental	255,071	7,500	245,355	86,098
Charges for services	-	-	1,131,696	1,962
Fines and forfeitures	-	-	-	-
Investment income	2,300	37,595	1,508	14,065
Rent	-	-	-	-
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	257,371	604,749	1,378,559	412,724
Expenditures				
Current:				
Information technology	-	-	-	-
Non-departmental operations	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Planning and building	-	674,259	-	-
Economic development and housing	-	-	-	333
Community services	-	-	-	-
Child development	-	-	2,121,898	-
Public works	261,000	-	-	90,628
Capital outlay	-	-	-	14,724
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	261,000	674,259	2,121,898	105,685
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,629)	(69,510)	(743,339)	307,039
Other Financing Sources (Uses)				
Transfers in	-	-	906,753	-
Transfers out	-	(10,000)	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	(10,000)	906,753	-
Net Change in Fund Balances	(3,629)	(79,510)	163,414	307,039
Fund Balances, Beginning of Year	141,398	3,104,166	18,365	951,167
Fund Balances, End of Year	\$ 137,769	\$ 3,024,656	\$ 181,779	\$ 1,258,206

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Funds			
	Measure BB	Transportation Impact Fee	Park / Rec Impact Fee	Affordable Housing Impact Fee
Revenues				
Taxes	\$ 290,436	\$ -	\$ -	\$ -
Licenses and permits	-	54,201	66,183	80,599
Intergovernmental	82,372	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	5,732	26,915	14,794	5,763
Rent	-	-	-	-
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	378,540	81,116	80,977	86,362
Expenditures				
Current:				
Information technology	-	-	-	-
Non-departmental operations	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Planning and building	-	-	-	-
Economic development and housing	40,816	-	-	1,840,001
Community services	-	-	35,640	-
Child development	-	-	-	-
Public works	41,491	45	-	-
Capital outlay	66,881	490,679	324,287	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	149,188	490,724	359,927	1,840,001
Excess (Deficiency) of Revenues Over (Under) Expenditures	229,352	(409,608)	(278,950)	(1,753,639)
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	229,352	(409,608)	(278,950)	(1,753,639)
Fund Balances, Beginning of Year	362,219	2,285,332	1,303,679	2,076,100
Fund Balances, End of Year	\$ 591,571	\$ 1,875,724	\$ 1,024,729	\$ 322,461

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

(CONTINUED)

	Special Revenue Funds			
	Supplemental Law Enforcement	Emergency Medical Services	Recycling / Source Reduction	Measure D
Revenues				
Taxes	\$ -	\$ 185,178	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	139,416	-	7,637	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	517	-	344	326
Rent	-	-	-	-
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	1,380	-	37,346
Total Revenues	139,933	186,558	7,981	37,672
Expenditures				
Current:				
Information technology	-	-	-	-
Non-departmental operations	-	-	-	-
Police	143,889	-	-	-
Fire	-	187,357	-	-
Planning and building	-	-	-	-
Economic development and housing	-	-	-	-
Community services	-	-	-	-
Child development	-	-	-	-
Public works	-	-	7,637	25,000
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	143,889	187,357	7,637	25,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,956)	(799)	344	12,672
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(3,956)	(799)	344	12,672
Fund Balances, Beginning of Year	54,675	10,240	9,631	28,880
Fund Balances, End of Year	\$ 50,719	\$ 9,441	\$ 9,975	\$ 41,552

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Funds			
	Emeryville Public Art	Information Technology	PEG Program	Urban Forestry Fee
Revenues				
Taxes	\$ -	\$ -	\$ 1,680	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	22,476	-	60	7,672
Rent	-	-	-	-
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	14,318	311,934	-	-
Total Revenues	36,794	311,934	1,740	7,672
Expenditures				
Current:				
Information technology	-	304,206	-	-
Non-departmental operations	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Planning and building	-	-	-	-
Economic development and housing	223,201	-	-	-
Community services	-	-	-	-
Child development	-	-	-	-
Public works	-	-	-	12,988
Capital outlay	-	148,702	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	223,201	452,908	-	12,988
Excess (Deficiency) of Revenues Over (Under) Expenditures	(186,407)	(140,974)	1,740	(5,316)
Other Financing Sources (Uses)				
Transfers in	-	725,000	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	725,000	-	-
Net Change in Fund Balances	(186,407)	584,026	1,740	(5,316)
Fund Balances, Beginning of Year	1,196,407	2,327,277	4,121	171,137
Fund Balances, End of Year	\$ 1,010,000	\$ 2,911,303	\$ 5,861	\$ 165,821

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

(CONTINUED)

	Special Revenue Funds			
	Affordable Housing	Environmental Program	Small Local Bus Support	Road Maintenance & Rehabilitation
Revenues				
Taxes	\$ 1,139,889	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	31,817	-	69,459
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	55,386	451	18	158
Rent	-	-	-	-
Contributions	-	-	-	-
Developer participation	-	-	3,060	-
Miscellaneous	-	-	-	-
Total Revenues	1,195,275	32,268	3,078	69,617
Expenditures				
Current:				
Information technology	-	-	-	-
Non-departmental operations	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Planning and building	-	-	-	-
Economic development and housing	316,476	-	-	-
Community services	-	-	-	-
Child development	-	-	-	-
Public works	-	637	-	-
Capital outlay	1,000	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	317,476	637	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	877,799	31,631	3,078	69,617
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	877,799	31,631	3,078	69,617
Fund Balances, Beginning of Year	4,791,325	34,323	-	-
Fund Balances, End of Year	\$ 5,669,124	\$ 65,954	\$ 3,078	\$ 69,617

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Funds		Capital Projects Funds	
	Measure B- VRF	Code Enforcement Reserve	1999 Revenue Bond	Marina Improvement
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ 639
Licenses and permits	-	-	-	-
Intergovernmental	49,690	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	50,146	-	-
Investment income	2,121	2,843	23,441	50,535
Rent	-	-	-	585,959
Contributions	-	-	100	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	51,811	52,989	23,541	637,133
Expenditures				
Current:				
Information technology	-	-	-	-
Non-departmental operations	-	-	-	110,040
Police	-	-	-	-
Fire	-	-	-	-
Planning and building	-	-	-	11,366
Economic development and housing	-	-	-	-
Community services	-	-	-	-
Child development	-	-	-	-
Public works	3,600	-	-	1,627
Capital outlay	-	-	450	108,965
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	3,600	-	450	231,998
Excess (Deficiency) of Revenues Over (Under) Expenditures	48,211	52,989	23,091	405,135
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	48,211	52,989	23,091	405,135
Fund Balances, Beginning of Year	179,404	250,000	1,883,229	3,855,058
Fund Balances, End of Year	\$ 227,615	\$ 302,989	\$ 1,906,320	\$ 4,260,193

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

(CONTINUED)

	Capital Projects Funds			
	Emeryville Center of Community Life	Implementation Plan 2010-14	Pedestrian Path Improvement	Major Maintenance
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	5,348	48,792	6,583	-
Rent	-	-	-	-
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	1,002,238
Total Revenues	5,348	48,792	6,583	1,002,238
Expenditures				
Current:				
Information technology	-	-	-	-
Non-departmental operations	-	-	-	636,618
Police	-	-	-	-
Fire	-	-	-	-
Planning and building	-	-	-	-
Economic development and housing	-	-	-	-
Community services	15,012	-	-	-
Child development	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	457,284
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	15,012	-	-	1,093,902
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,664)	48,792	6,583	(91,664)
Other Financing Sources (Uses)				
Transfers in	-	-	-	430,000
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	430,000
Net Change in Fund Balances	(9,664)	48,792	6,583	338,336
Fund Balances, Beginning of Year	492,903	3,920,876	529,009	4,370,593
Fund Balances, End of Year	\$ 483,239	\$ 3,969,668	\$ 535,592	\$ 4,708,929

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Capital Projects Funds			Debt Service Funds
	Vehicle Replacement	RDA Bond	Developer Contributions	1998 Lease Revenue Series A Bond
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	-	123,401	16,143	-
Rent	-	-	-	-
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	401,097	-	-	-
Total Revenues	401,097	123,401	16,143	-
Expenditures				
Current:				
Information technology	-	-	-	-
Non-departmental operations	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Planning and building	-	-	-	-
Economic development and housing	-	-	-	-
Community services	-	-	-	-
Child development	-	-	-	-
Public works	-	1,261,310	46	-
Capital outlay	306,422	395,342	-	-
Debt service:				
Principal retirement	-	-	-	263,200
Interest and fiscal charges	-	-	-	102,731
Total Expenditures	306,422	1,656,652	46	365,931
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	94,675	(1,533,251)	16,097	(365,931)
Other Financing Sources (Uses)				
Transfers in	120,600	-	-	365,931
Transfers out	-	-	-	-
Proceeds from sale of capital asset	24,735	-	-	-
Total Other Financing Sources (Uses)	145,335	-	-	365,931
Net Change in Fund Balances	240,010	(1,533,251)	16,097	-
Fund Balances, Beginning of Year	3,341,644	12,079,535	1,457,947	3,051
Fund Balances, End of Year	\$ 3,581,654	\$ 10,546,284	\$ 1,474,044	\$ 3,051

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Total Nonmajor Governmental Funds
Revenues	
Taxes	\$ 1,928,421
Licenses and permits	760,637
Intergovernmental	994,352
Charges for services	1,133,658
Fines and forfeitures	50,146
Investment income	508,274
Rent	585,959
Contributions	100
Developer participation	3,060
Miscellaneous	1,858,625
Total Revenues	7,823,232
Expenditures	
Current:	
Information technology	304,206
Non-departmental operations	746,658
Police	155,389
Fire	187,357
Planning and building	685,625
Economic development and housing	2,427,976
Community services	50,652
Child development	2,121,898
Public works	1,706,009
Capital outlay	2,333,863
Debt service:	
Principal retirement	263,200
Interest and fiscal charges	102,731
Total Expenditures	11,085,564
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,262,332)
Other Financing Sources (Uses)	
Transfers in	2,548,284
Transfers out	(10,000)
Proceeds from sale of capital asset	24,735
Total Other Financing Sources (Uses)	2,563,019
Net Change in Fund Balances	(699,313)
Fund Balances, Beginning of Year	52,145,950
Fund Balances, End of Year	\$ 51,446,637

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
HOUSING COMMUNITY DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 166,486	\$ 166,486	\$ 166,486	\$ -
Resources (Inflows)				
Intergovernmental	6,600	6,600	19,937	13,337
Investment income	-	-	2,249	2,249
Miscellaneous	600	600	667	67
Amounts Available for Appropriations	173,686	173,686	189,339	15,653
Charges to Appropriation (Outflow)				
Economic development and housing	6,600	6,600	7,149	(549)
Total Charges to Appropriations	6,600	6,600	7,149	(549)
Budgetary Fund Balance, June 30	\$ 167,086	\$ 167,086	\$ 182,190	\$ 15,104

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
CAL - HOME LOAN PROGRAM
FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 520,706	\$ 520,706	\$ 520,706	\$ -
Resources (Inflows)				
Investment income	-	-	28,156	28,156
Miscellaneous	50,000	50,000	57,125	7,125
Amounts Available for Appropriations	570,706	570,706	605,987	35,281
Budgetary Fund Balance, June 30	\$ 570,706	\$ 570,706	\$ 605,987	\$ 35,281

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
POLICE IMPOUND
FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 81,222	\$ 81,222	\$ 81,222	\$ -
Resources (Inflows)				
Investment income	-	-	822	822
Miscellaneous	-	-	32,520	32,520
Amounts Available for Appropriations	81,222	81,222	114,564	33,342
Charges to Appropriation (Outflow)				
Police	-	-	11,500	(11,500)
Capital outlay	40,000	40,000	9,000	31,000
Total Charges to Appropriations	40,000	40,000	20,500	19,500
Budgetary Fund Balance, June 30	\$ 41,222	\$ 41,222	\$ 94,064	\$ 52,842

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
 CATELLUS CONTINGENT
 FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 143,845	\$ 143,845	\$ 143,845	\$ -
Resources (Inflows)				
Investment income	-	-	1,760	1,760
Amounts Available for Appropriations	143,845	143,845	145,605	1,760
Charges to Appropriation (Outflow)				
Capital outlay	-	125,908	10,127	115,781
Total Charges to Appropriations	-	125,908	10,127	115,781
Budgetary Fund Balance, June 30	\$ 143,845	\$ 17,937	\$ 135,478	\$ 117,541

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
 SPECIAL GAS TAX STREET IMPROVEMENT
 FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 141,398	\$ 141,398	\$ 141,398	\$ -
Resources (Inflows)				
Intergovernmental	260,561	260,561	255,071	(5,490)
Investment income	-	-	2,300	2,300
Amounts Available for Appropriations	401,959	401,959	398,769	(3,190)
Charges to Appropriation (Outflow)				
Public works	261,000	261,000	261,000	-
Total Charges to Appropriations	261,000	261,000	261,000	-
Budgetary Fund Balance, June 30	\$ 140,959	\$ 140,959	\$ 137,769	\$ (3,190)

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
GENERAL PLAN MAINTENANCE
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 3,104,166	\$ 3,104,166	\$ 3,104,166	\$ -
Resources (Inflows)				
Licenses and permits	429,025	429,025	559,654	130,629
Intergovernmental	-	-	7,500	7,500
Investment income	-	-	37,595	37,595
Amounts Available for Appropriations	3,533,191	3,533,191	3,708,915	175,724
Charges to Appropriation (Outflow)				
Planning and building	880,272	935,466	674,259	261,207
Capital outlay	-	300,000	-	300,000
Transfers out	10,000	10,000	10,000	-
Total Charges to Appropriations	890,272	1,245,466	684,259	561,207
Budgetary Fund Balance, June 30	\$ 2,642,919	\$ 2,287,725	\$ 3,024,656	\$ 736,931

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
CHILD DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 18,365	\$ 18,365	\$ 18,365	\$ -
Resources (Inflows)				
Intergovernmental	151,000	240,230	245,355	5,125
Charges for services	1,151,124	1,151,124	1,131,696	(19,428)
Investment income	-	-	1,508	1,508
Miscellaneous	500	500	-	(500)
Transfers in	906,753	906,753	906,753	-
Amounts Available for Appropriations	2,227,742	2,316,972	2,303,677	(13,295)
Charges to Appropriation (Outflow)				
Child development	2,209,377	2,209,377	2,121,898	87,479
Total Charges to Appropriations	2,209,377	2,209,377	2,121,898	87,479
Budgetary Fund Balance, June 30	\$ 18,365	\$ 107,595	\$ 181,779	\$ 74,184

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
MEASURE B
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 951,167	\$ 951,167	\$ 951,167	\$ -
Resources (Inflows)				
Taxes	283,479	283,479	310,599	27,120
Intergovernmental	2,065,209	2,065,209	86,098	(1,979,111)
Charges for services	1,500	1,500	1,962	462
Investment income	-	-	14,065	14,065
Amounts Available for Appropriations	3,301,355	3,301,355	1,363,891	(1,937,464)
Charges to Appropriation (Outflow)				
Economic development and housing	-	-	333	(333)
Adult services	72,000	72,000	-	72,000
Public works	65,739	76,838	90,628	(13,790)
Capital outlay	2,314,300	2,343,541	14,724	2,328,817
Total Charges to Appropriations	2,452,039	2,492,379	105,685	2,386,694
Budgetary Fund Balance, June 30	\$ 849,316	\$ 808,976	\$ 1,258,206	\$ 449,230

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
MEASURE BB
FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 362,219	\$ 362,219	\$ 362,219	\$ -
Resources (Inflows)				
Taxes	266,796	266,796	290,436	23,640
Intergovernmental	59,592	59,592	82,372	22,780
Investment income	-	-	5,732	5,732
Amounts Available for Appropriations	688,607	688,607	740,759	52,152
Charges to Appropriation (Outflow)				
Economic development and housing	-	16,963	40,816	(23,853)
Public works	34,128	34,128	41,491	(7,363)
Capital outlay	265,000	329,680	66,881	262,799
Total Charges to Appropriations	299,128	380,771	149,188	231,583
Budgetary Fund Balance, June 30	\$ 389,479	\$ 307,836	\$ 591,571	\$ 283,735

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION IMPACT FEE
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 2,285,332	\$ 2,285,332	\$ 2,285,332	\$ -
Resources (Inflows)				
Licenses and permits	535,297	535,297	54,201	(481,096)
Investment income	-	-	26,915	26,915
Amounts Available for Appropriations	2,820,629	2,820,629	2,366,448	(454,181)
Charges to Appropriation (Outflow)				
Public works	-	289,500	45	289,455
Capital outlay	460,000	2,201,594	490,679	1,710,915
Total Charges to Appropriations	460,000	2,491,094	490,724	2,000,370
Budgetary Fund Balance, June 30	\$ 2,360,629	\$ 329,535	\$ 1,875,724	\$ 1,546,189

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
PARK / REC IMPACT FEE
FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 1,303,679	\$ 1,303,679	\$ 1,303,679	\$ -
Resources (Inflows)				
Licenses and permits	134,851	134,851	66,183	(68,668)
Investment income	-	-	14,794	14,794
Amounts Available for Appropriations	1,438,530	1,438,530	1,384,656	(53,874)
Charges to Appropriation (Outflow)				
Community services	-	-	35,640	(35,640)
Capital outlay	1,275,000	2,576,750	324,287	2,252,463
Total Charges to Appropriations	1,275,000	2,576,750	359,927	2,216,823
Budgetary Fund Balance, June 30	\$ 163,530	\$ (1,138,220)	\$ 1,024,729	\$ 2,162,949

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
 AFFORDABLE HOUSING IMPACT FEE
 FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 2,076,100	\$ 2,076,100	\$ 2,076,100	\$ -
Resources (Inflows)				
Licenses and permits	50,000	50,000	80,599	30,599
Investment income	-	-	5,763	5,763
Amounts Available for Appropriations	2,126,100	2,126,100	2,162,462	36,362
Charges to Appropriation (Outflow)				
Economic development and housing	-	-	1,840,001	(1,840,001)
Total Charges to Appropriations	-	-	1,840,001	(1,840,001)
Budgetary Fund Balance, June 30	\$ 2,126,100	\$ 2,126,100	\$ 322,461	\$ (1,803,639)

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
 SUPPLEMENTAL LAW ENFORCEMENT
 FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 54,675	\$ 54,675	\$ 54,675	\$ -
Resources (Inflows)				
Intergovernmental	100,000	100,000	139,416	39,416
Investment income	-	-	517	517
Amounts Available for Appropriations	154,675	154,675	194,608	39,933
Charges to Appropriation (Outflow)				
Police	100,000	100,000	143,889	(43,889)
Total Charges to Appropriations	100,000	100,000	143,889	(43,889)
Budgetary Fund Balance, June 30	\$ 54,675	\$ 54,675	\$ 50,719	\$ (3,956)

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
 EMERGENCY MEDICAL SERVICES
 FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 10,240	\$ 10,240	\$ 10,240	\$ -
Resources (Inflows)				
Taxes	192,960	192,960	185,178	(7,782)
Miscellaneous	-	-	1,380	1,380
Amounts Available for Appropriations	203,200	203,200	196,798	(6,402)
Charges to Appropriation (Outflow)				
Fire	192,960	192,960	187,357	5,603
Total Charges to Appropriations	192,960	192,960	187,357	5,603
Budgetary Fund Balance, June 30	\$ 10,240	\$ 10,240	\$ 9,441	\$ (799)

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
 RECYCLING / SOURCE REDUCTION
 FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 9,631	\$ 9,631	\$ 9,631	\$ -
Resources (Inflows)				
Intergovernmental	5,000	10,000	7,637	(2,363)
Investment income	-	-	344	344
Amounts Available for Appropriations	14,631	19,631	17,612	(2,019)
Charges to Appropriation (Outflow)				
Public works	5,000	10,000	7,637	2,363
Total Charges to Appropriations	5,000	10,000	7,637	2,363
Budgetary Fund Balance, June 30	\$ 9,631	\$ 9,631	\$ 9,975	\$ 344

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
MEASURE D
FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 28,880	\$ 28,880	\$ 28,880	\$ -
Resources (Inflows)				
Investment income	-	-	326	326
Miscellaneous	34,000	34,000	37,346	3,346
Amounts Available for Appropriations	62,880	62,880	66,552	3,672
Charges to Appropriation (Outflow)				
Public works	25,000	25,000	25,000	-
Capital outlay	-	635	-	635
Total Charges to Appropriations	25,000	25,635	25,000	635
Budgetary Fund Balance, June 30	\$ 37,880	\$ 37,245	\$ 41,552	\$ 4,307

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
EMERYVILLE PUBLIC ART
FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 1,196,407	\$ 1,196,407	\$ 1,196,407	\$ -
Resources (Inflows)				
Investment income	-	-	22,476	22,476
Miscellaneous	50,000	50,000	14,318	(35,682)
Amounts Available for Appropriations	1,246,407	1,246,407	1,233,201	(13,206)
Charges to Appropriation (Outflow)				
Economic development and housing	83,500	261,687	223,201	38,486
Capital outlay	125,000	125,000	-	125,000
Total Charges to Appropriations	208,500	386,687	223,201	163,486
Budgetary Fund Balance, June 30	\$ 1,037,907	\$ 859,720	\$ 1,010,000	\$ 150,280

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
 INFORMATION TECHNOLOGY
 FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 2,327,277	\$ 2,327,277	\$ 2,327,277	\$ -
Resources (Inflows)				
Miscellaneous	285,805	285,805	311,934	26,129
Transfers in	180,000	725,000	725,000	-
Amounts Available for Appropriations	2,793,082	3,338,082	3,364,211	26,129
Charges to Appropriation (Outflow)				
Information technology	245,000	258,000	304,206	(46,206)
Capital outlay	957,889	1,210,942	148,702	1,062,240
Total Charges to Appropriations	1,202,889	1,468,942	452,908	1,016,034
Budgetary Fund Balance, June 30	\$ 1,590,193	\$ 1,869,140	\$ 2,911,303	\$ 1,042,163

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
 PEG PROGRAM
 FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 4,121	\$ 4,121	\$ 4,121	\$ -
Resources (Inflows)				
Taxes	1,700	1,700	1,680	(20)
Investment income	-	-	60	60
Amounts Available for Appropriations	5,821	5,821	5,861	40
Charges to Appropriation (Outflow)				
Information technology	3,000	3,000	-	3,000
Total Charges to Appropriations	3,000	3,000	-	3,000
Budgetary Fund Balance, June 30	\$ 2,821	\$ 2,821	\$ 5,861	\$ 3,040

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
 URBAN FORESTRY FEE
 FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 171,137	\$ 171,137	\$ 171,137	\$ -
Resources (Inflows)				
Investment income	-	-	7,672	7,672
Amounts Available for Appropriations	171,137	171,137	178,809	7,672
Charges to Appropriation (Outflow)				
Public works	75,000	103,025	12,988	90,037
Total Charges to Appropriations	75,000	103,025	12,988	90,037
Budgetary Fund Balance, June 30	\$ 96,137	\$ 68,112	\$ 165,821	\$ 97,709

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
AFFORDABLE HOUSING
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 4,791,325	\$ 4,791,325	\$ 4,791,325	\$ -
Resources (Inflows)				
Taxes	1,136,820	1,146,424	1,139,889	(6,535)
Investment income	-	-	55,386	55,386
Miscellaneous	250,000	250,000	-	(250,000)
Amounts Available for Appropriations	6,178,145	6,187,749	5,986,600	(201,149)
Charges to Appropriation (Outflow)				
Economic development and housing	534,409	681,964	316,476	365,488
Capital outlay	2,525,000	3,125,000	1,000	3,124,000
Total Charges to Appropriations	3,059,409	3,806,964	317,476	3,489,488
Budgetary Fund Balance, June 30	\$ 3,118,736	\$ 2,380,785	\$ 5,669,124	\$ 3,288,339

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
 ENVIRONMENTAL PROGRAM
 FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 34,323	\$ 34,323	\$ 34,323	\$ -
Resources (Inflows)				
Intergovernmental	-	-	31,817	31,817
Investment income	-	-	451	451
Amounts Available for Appropriations	34,323	34,323	66,591	32,268
Charges to Appropriation (Outflow)				
Public works	26,000	37,987	637	37,350
Total Charges to Appropriations	26,000	37,987	637	37,350
Budgetary Fund Balance, June 30	\$ 8,323	\$ (3,664)	\$ 65,954	\$ 69,618

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
ROAD MAINTENANCE & REHABILITATION
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows)				
Intergovernmental	66,000	66,000	69,459	3,459
Investment income	-	-	158	158
Amounts Available for Appropriations	66,000	66,000	69,617	3,617
Charges to Appropriation (Outflow)				
Capital outlay	66,000	66,000	-	66,000
Total Charges to Appropriations	66,000	66,000	-	66,000
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ 69,617	\$ 69,617

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
MEASURE B- VRF
FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 179,404	\$ 179,404	\$ 179,404	\$ -
Resources (Inflows)				
Intergovernmental	42,167	42,167	49,690	7,523
Investment income	-	-	2,121	2,121
Amounts Available for Appropriations	221,571	221,571	231,215	9,644
Charges to Appropriation (Outflow)				
Public works	-	-	3,600	(3,600)
Total Charges to Appropriations	-	-	3,600	(3,600)
Budgetary Fund Balance, June 30	\$ 221,571	\$ 221,571	\$ 227,615	\$ 6,044

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
CODE ENFORCEMENT RESERVE
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Budgetary Fund Balance, July 1	\$ 250,000	\$ 250,000	\$ 250,000	\$ -
Resources (Inflows)				
Investment income	-	-	2,843	2,843
Fines and forfeitures	-	-	50,146	50,146
Amounts Available for Appropriations	250,000	250,000	302,989	52,989
Charges to Appropriation (Outflow)				
Planning and building	50,000	50,000	-	50,000
Total Charges to Appropriations	50,000	50,000	-	50,000
Budgetary Fund Balance, June 30	\$ 200,000	\$ 200,000	\$ 302,989	\$ 102,989

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
 GENERAL CAPITAL IMPROVEMENTS
 FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 32,049,703	\$ 32,049,703	\$ 32,049,703	\$ -
Resources (Inflows)				
Taxes	3,842,050	3,866,060	6,424,081	2,558,021
Investment income	-	-	422,086	422,086
Miscellaneous	-	-	36,500	36,500
Transfers in	-	110,000	110,000	-
Amounts Available for Appropriations	35,891,753	36,025,763	39,042,370	3,016,607
Charges to Appropriation (Outflow)				
Non-departmental operations	600,451	1,131,003	524,491	606,512
Planning and building	-	-	6,285	(6,285)
Public works	-	121,000	-	121,000
Capital outlay	8,176,465	18,665,823	1,220,445	17,445,378
Total Charges to Appropriations	8,776,916	19,917,826	1,751,221	18,166,605
Budgetary Fund Balance, June 30	\$ 27,114,837	\$ 16,107,937	\$ 37,291,149	\$ 21,183,212

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
1999 REVENUE BOND
FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 1,883,229	\$ 1,883,229	\$ 1,883,229	\$ -
Resources (Inflows)				
Investment income	-	-	23,441	23,441
Contributions	-	-	100	100
Amounts Available for Appropriations	1,883,229	1,883,229	1,906,770	23,541
Charges to Appropriation (Outflow)				
Capital outlay	490,000	642,000	450	641,550
Total Charges to Appropriations	490,000	642,000	450	641,550
Budgetary Fund Balance, June 30	\$ 1,393,229	\$ 1,241,229	\$ 1,906,320	\$ 665,091

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
MARINA IMPROVEMENT
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Budgetary Fund Balance, July 1	\$ 3,855,058	\$ 3,855,058	\$ 3,855,058	\$ -
Resources (Inflows)				
Taxes	-	-	639	639
Investment income	-	-	50,535	50,535
Rent	550,000	550,000	585,959	35,959
Amounts Available for Appropriations	4,405,058	4,405,058	4,492,191	87,133
Charges to Appropriation (Outflow)				
Non-departmental operations	123,673	123,673	110,040	13,633
Planning and building	-	-	11,366	(11,366)
Public works	8,000	8,000	1,627	6,373
Capital outlay	-	1,226,517	108,965	1,117,552
Total Charges to Appropriations	131,673	1,358,190	231,998	1,126,192
Budgetary Fund Balance, June 30	\$ 4,273,385	\$ 3,046,868	\$ 4,260,193	\$ 1,213,325

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
EMERYVILLE CENTER OF COMMUNITY LIFE
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 492,903	\$ 492,903	\$ 492,903	\$ -
Resources (Inflows)				
Investment income	-	-	5,348	5,348
Amounts Available for Appropriations	492,903	492,903	498,251	5,348
Charges to Appropriation (Outflow)				
Community services	21,000	21,000	15,012	5,988
Total Charges to Appropriations	21,000	21,000	15,012	5,988
Budgetary Fund Balance, June 30	\$ 471,903	\$ 471,903	\$ 483,239	\$ 11,336

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
MAJOR MAINTENANCE
FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 4,370,593	\$ 4,370,593	\$ 4,370,593	\$ -
Resources (Inflows)				
Miscellaneous	1,005,774	1,005,774	1,002,238	(3,536)
Transfers in	-	430,000	430,000	-
Amounts Available for Appropriations	5,376,367	5,806,367	5,802,831	(3,536)
Charges to Appropriation (Outflow)				
Non-departmental operations	565,189	644,604	636,618	7,986
Capital outlay	1,450,000	4,609,438	457,284	4,152,154
Total Charges to Appropriations	2,015,189	5,254,042	1,093,902	4,160,140
Budgetary Fund Balance, June 30	\$ 3,361,178	\$ 552,325	\$ 4,708,929	\$ 4,156,604

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
VEHICLE REPLACEMENT
FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 3,341,644	\$ 3,341,644	\$ 3,341,644	\$ -
Resources (Inflows)				
Miscellaneous	532,597	532,597	401,097	(131,500)
Transfers in	-	120,600	120,600	-
Proceeds from sale of capital asset	-	-	24,735	24,735
Amounts Available for Appropriations	3,874,241	3,994,841	3,888,076	(106,765)
Charges to Appropriation (Outflow)				
Capital outlay	467,991	651,220	306,422	344,798
Total Charges to Appropriations	467,991	651,220	306,422	344,798
Budgetary Fund Balance, June 30	\$ 3,406,250	\$ 3,343,621	\$ 3,581,654	\$ 238,033

CITY OF EMERYVILLE

BUDGETARY COMPARISON SCHEDULE
RDA BOND
FOR THE YEAR ENDED JUNE 30, 2018

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 12,079,535	\$ 12,079,535	\$ 12,079,535	\$ -
Resources (Inflows)				
Investment income	-	-	123,401	123,401
Amounts Available for Appropriations	12,079,535	12,079,535	12,202,936	123,401
Charges to Appropriation (Outflow)				
Public works	-	1,262,932	1,261,310	1,622
Capital outlay	-	10,810,721	395,342	10,415,379
Total Charges to Appropriations	-	12,073,653	1,656,652	10,417,001
Budgetary Fund Balance, June 30	\$ 12,079,535	\$ 5,882	\$ 10,546,284	\$ 10,540,402

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
DEVELOPER CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,457,947	\$ 1,457,947	\$ 1,457,947	\$ -
Resources (Inflows)				
Investment income	-	-	16,143	16,143
Amounts Available for Appropriations	1,457,947	1,457,947	1,474,090	16,143
Charges to Appropriation (Outflow)				
Public works	-	7,147	46	7,101
Capital outlay	500,000	2,220,473	-	2,220,473
Total Charges to Appropriations	500,000	2,227,620	46	2,227,574
Budgetary Fund Balance, June 30	\$ 957,947	\$ (769,673)	\$ 1,474,044	\$ 2,243,717

CITY OF EMERYVILLE

**BUDGETARY COMPARISON SCHEDULE
 1998 LEASE REVENUE SERIES A BOND
 FOR THE YEAR ENDED JUNE 30, 2018**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,051	\$ 3,051	\$ 3,051	\$ -
Resources (Inflows)				
Transfers in	366,000	366,000	365,931	(69)
Amounts Available for Appropriations	369,051	369,051	368,982	(69)
Charges to Appropriation (Outflow)				
Debt service:				
Principal retirement	263,200	263,200	263,200	-
Interest and fiscal charges	102,731	102,731	102,731	-
Total Charges to Appropriations	365,931	365,931	365,931	-
Budgetary Fund Balance, June 30	\$ 3,120	\$ 3,120	\$ 3,051	\$ (69)

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CITY OF EMERYVILLE

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies on a cost-sharing basis.

The *Litigation Fund* accounts for all litigation expenses of the City and the Community Development Commission of Emeryville except for activity specifically associated with a Capital Improvement Project. The fund is supported by interfund transfers from the General Fund, the Sewer Fund and, when appropriate, the Commission.

The *MESA Fund* accounts for activities of the Management of Emeryville Services Authority.

The *Workers' Compensation Self-Insurance Fund* pays for the City's Workers' Compensation Program, under which the City is self-insured for the first \$350,000 of each claim. The fund is supported through premium rates charged to departmental budgets on each covered employee.

The *Dental Self-Insurance Fund* pays for dental coverage provided to City employees. The fund is supported through premium rates charged to departmental budgets based on employees covered. The Self-Insurance Fund pays monthly claims for active and retired employees plus an administrative surcharge.

The *Unemployment Self-Insurance Fund* pays for required unemployment premiums. The fund is supported through premium rates charged to departmental budgets on each covered employee.

The *Accrued Benefit Fund* was established to support the City's unfunded liability for accrued leave buyouts paid to City employees upon separation of service. These leaves include accrued sick leave, vacation leave and compensatory time. The fund is supported by interdepartmental payroll changes.

The *Post-Employment Fund* accounts for the City's retiree medical, dental and vision benefits.

CITY OF EMERYVILLE

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2018**

	Litigation	MESA	Workers' Compensation Self-Insurance	Dental Self- Insurance
Assets				
Current:				
Cash and investments	\$ 2,311,281	\$ -	\$ 4,759,643	\$ 48,747
Receivables:				
Accounts	-	-	-	-
Accrued interest	4,297	-	7,965	-
Prepaid costs	-	-	-	-
Total Current Assets	2,315,578	-	4,767,608	48,747
Total Assets	2,315,578	-	4,767,608	48,747
Liabilities and Net Position				
Liabilities				
Current:				
Accounts payable	41,482	-	66,868	15,465
Deposits payable	-	-	-	-
Compensated absences	-	-	-	-
Claims and judgments	33,854	-	854,283	-
Total Current Liabilities	75,336	-	921,151	15,465
Noncurrent:				
Compensated absences	-	-	-	-
Claims and judgments	95,302	-	2,876,717	-
Total Noncurrent Liabilities	95,302	-	2,876,717	-
Total Liabilities	170,638	-	3,797,868	15,465
Net Position				
Unrestricted	2,144,940	-	969,740	33,282
Total Net Position	2,144,940	-	969,740	33,282
Total Liabilities and Net Position	\$ 2,315,578	\$ -	\$ 4,767,608	\$ 48,747

CITY OF EMERYVILLE

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2018**

	Unemployment Self-Insurance	Accrued Benefits	Post Employment	Total Internal Service Funds
Assets				
Current:				
Cash and investments	\$ 82,583	\$ 2,875,002	\$ 6,977,541	\$ 17,054,797
Receivables:				
Accounts	-	-	16,561	16,561
Accrued interest	144	5,382	13,176	30,964
Prepaid costs	-	-	41	41
Total Current Assets	82,727	2,880,384	7,007,319	17,102,363
Total Assets	82,727	2,880,384	7,007,319	17,102,363
Liabilities and Net Position				
Liabilities				
Current:				
Accounts payable	1,535	95	-	125,445
Deposits payable	-	-	825	825
Compensated absences	-	637,491	-	637,491
Claims and judgments	-	-	-	888,137
Total Current Liabilities	1,535	637,586	825	1,651,898
Noncurrent:				
Compensated absences	-	2,205,764	-	2,205,764
Claims and judgments	-	-	-	2,972,019
Total Noncurrent Liabilities	-	2,205,764	-	5,177,783
Total Liabilities	1,535	2,843,350	825	6,829,681
Net Position				
Unrestricted	81,192	37,034	7,006,494	10,272,682
Total Net Position	81,192	37,034	7,006,494	10,272,682
Total Liabilities and Net Position	\$ 82,727	\$ 2,880,384	\$ 7,007,319	\$ 17,102,363

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Litigation</u>	<u>MESA</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Dental Self- Insurance</u>
Operating Revenues				
Charges for services	\$ -	\$ 13,123,422	\$ 1,064,670	\$ 230,829
Total Operating Revenues	<u>-</u>	<u>13,123,422</u>	<u>1,064,670</u>	<u>230,829</u>
Operating Expenses				
Administration and general	-	13,123,422	302,241	27,541
Claims expense	271,421	-	1,144,095	205,375
Total Operating Expenses	<u>271,421</u>	<u>13,123,422</u>	<u>1,446,336</u>	<u>232,916</u>
Operating Income (Loss)	<u>(271,421)</u>	<u>-</u>	<u>(381,666)</u>	<u>(2,087)</u>
Nonoperating Revenues				
Investment income	26,007	-	44,715	(117)
Total Nonoperating Revenues	<u>26,007</u>	<u>-</u>	<u>44,715</u>	<u>(117)</u>
Income (Loss) Before Transfers	(245,414)	-	(336,951)	(2,204)
Transfers in	470,000	-	1,150,000	50,000
Changes in Net Position	224,586	-	813,049	47,796
Net Position, Beginning of Year	1,920,354	-	156,691	(14,514)
Net Position, End of Year	<u>\$ 2,144,940</u>	<u>\$ -</u>	<u>\$ 969,740</u>	<u>\$ 33,282</u>

CITY OF EMERYVILLE

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Unemployment Self-Insurance	Accrued Benefits	Post Employment	Total Internal Service Funds
Operating Revenues				
Charges for services	\$ 41,079	\$ 258,533	\$ 217,595	\$ 14,936,128
Total Operating Revenues	41,079	258,533	217,595	14,936,128
Operating Expenses				
Administration and general	-	290,773	227,282	13,971,259
Claims expense	16,858	-	-	1,637,749
Total Operating Expenses	16,858	290,773	227,282	15,609,008
Operating Income (Loss)	24,221	(32,240)	(9,687)	(672,880)
Nonoperating Revenues				
Investment income	857	34,574	85,951	191,987
Total Nonoperating Revenues	857	34,574	85,951	191,987
Income (Loss) Before Transfers	25,078	2,334	76,264	(480,893)
Transfers in	-	200,000	-	1,870,000
Changes in Net Position	25,078	202,334	76,264	1,389,107
Net Position, Beginning of Year	56,114	(165,300)	6,930,230	8,883,575
Net Position, End of Year	\$ 81,192	\$ 37,034	\$ 7,006,494	\$ 10,272,682

CITY OF EMERYVILLE

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Litigation	MESA	Workers' Compensation Self-Insurance	Dental Self-Insurance
Cash Flows from Operating Activities				
Receipts from customers and users	\$ -	\$ 13,123,422	\$ 1,064,670	\$ 230,829
Payments to suppliers and providers	-	-	(394,632)	-
Payments to employees for salaries and benefits	-	(13,123,422)	(107,517)	(29,677)
Payments for claims	(177,168)	-	(705,106)	(205,375)
Net Cash (Used for) Operating Activities	(177,168)	-	(142,585)	(4,223)
Cash Flows from Non-Capital Financing Activities				
Cash transfers in	470,000	-	1,150,000	50,000
Net Cash Provided by Non-Capital Financing Activities	470,000	-	1,150,000	50,000
Cash Flows from Investing Activities				
Interest on cash and investments	23,130	-	40,178	(117)
Net Cash Provided by (Used for) Investing Activities	23,130	-	40,178	(117)
Net Increase (Decrease) in Cash and Cash Equivalents	315,962	-	1,047,593	45,660
Cash and Cash Equivalents, Beginning of Year	1,995,319	-	3,712,050	3,087
Cash and Cash Equivalents, End of Year	\$ 2,311,281	\$ -	\$ 4,759,643	\$ 48,747
Reconciliation of Operating (Loss) to Net Cash (Used for) Operating Activities				
Operating (loss)	\$ (271,421)	\$ -	\$ (381,666)	\$ (2,087)
Adjustments to Reconcile Operating (Loss) to Net Cash (Used for) Operating Activities				
(Increase) in accounts receivable	-	-	-	-
Decrease in prepaid costs	-	-	-	-
Increase (decrease) in accounts payable	34,857	-	(199,908)	(2,136)
Increase (decrease) in deposits payable	-	-	-	-
(Decrease) in compensated absences	-	-	-	-
Increase (decrease) in claims and judgments	59,396	-	438,989	-
Total Adjustments	94,253	-	239,081	(2,136)
Net Cash (Used for) Operating Activities	\$ (177,168)	\$ -	\$ (142,585)	\$ (4,223)

CITY OF EMERYVILLE

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Unemployment Self-Insurance	Accrued Benefits	Post Employment	Total Internal Service Funds
Cash Flows from Operating Activities				
Receipts from customers and users	\$ 41,079	\$ 258,533	\$ 213,876	\$ 14,932,409
Payments to suppliers and providers	-	-	-	(394,632)
Payments to employees for salaries and benefits	-	(367,301)	(207,885)	(13,835,802)
Payments for claims	(22,945)	-	-	(1,110,594)
Net Cash (Used for) Operating Activities	18,134	(108,768)	5,991	(408,619)
Cash Flows from Non-Capital Financing Activities				
Cash transfers in	-	200,000	-	1,870,000
Net Cash Provided by Non-Capital Financing Activities	-	200,000	-	1,870,000
Cash Flows from Investing Activities				
Interest on cash and investments	772	31,862	79,379	175,204
Net Cash Provided by (Used for) Investing Activities	772	31,862	79,379	175,204
Net Increase (Decrease) in Cash and Cash Equivalents	18,906	123,094	85,370	1,636,585
Cash and Cash Equivalents, Beginning of Year	63,677	2,751,908	6,892,171	15,418,212
Cash and Cash Equivalents, End of Year	\$ 82,583	\$ 2,875,002	\$ 6,977,541	\$ 17,054,797
Reconciliation of Operating (Loss) to Net Cash (Used for) Operating Activities				
Operating (loss)	\$ 24,221	\$ (32,240)	\$ (9,687)	\$ (672,880)
Adjustments to Reconcile Operating (Loss) to Net Cash (Used for) Operating Activities				
(Increase) in accounts receivable	-	-	(4,544)	(4,544)
Decrease in prepaid costs	-	-	19,397	19,397
Increase (decrease) in accounts payable	(6,087)	4	-	(173,270)
Increase (decrease) in deposits payable	-	-	825	825
(Decrease) in compensated absences	-	(76,532)	-	(76,532)
Increase (decrease) in claims and judgments	-	-	-	498,385
Total Adjustments	(6,087)	(76,528)	15,678	264,261
Net Cash (Used for) Operating Activities	\$ 18,134	\$ (108,768)	\$ 5,991	\$ (408,619)

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CITY OF EMERYVILLE

AGENCY FUNDS

The *1999 Revenue Bonds Fund and Assessment District Funds (East Baybridge, Bay Shellmound, and West Emeryville)* account for the receipt of special assessments and the payment of principal, interest, and bond administration costs on Assessment District Bonds. These funds are treated as Agency Funds because there is no City liability for their repayment.

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CITY OF EMERYVILLE

COMBINING STATEMENT OF NET POSITION
 AGENCY FUNDS
 JUNE 30, 2018

	1999 Revenue Bonds	East Baybridge Assessment District	Bay Shellmound Assessment District	Totals
Assets				
Pooled cash and investments	\$ -	\$ 614,102	\$ 1,367,871	\$ 1,981,973
Receivables:				
Accounts	-	-	7,259	7,259
Accrued interest	-	13,962	14,801	28,763
Restricted assets:				
Cash and investments with fiscal agents	21,931	636,350	605,696	1,263,977
Total Assets	\$ 21,931	\$ 1,264,414	\$ 1,995,627	\$ 3,281,972
Liabilities				
Accounts payable	\$ -	\$ -	\$ 398	\$ 398
Due to bondholders	21,931	1,264,414	1,995,229	3,281,574
Total Liabilities	\$ 21,931	\$ 1,264,414	\$ 1,995,627	\$ 3,281,972

CITY OF EMERYVILLE

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
<u>1999 Revenue Bonds</u>				
Assets				
Pooled cash and investments	\$ -	\$ 100	\$ 100	\$ -
Restricted assets:				
Cash and investments with fiscal agents	20,266	1,038,426	1,036,761	21,931
Total Assets	\$ 20,266	\$ 1,038,526	\$ 1,036,861	\$ 21,931
Liabilities				
Due to bondholders	\$ 20,266	\$ 1,038,526	\$ 1,036,861	\$ 21,931
Total Liabilities	\$ 20,266	\$ 1,038,526	\$ 1,036,861	\$ 21,931
<u>East Baybridge Assessment District</u>				
Assets				
Cash and investments	\$ 490,200	\$ 672,385	\$ 548,483	\$ 614,102
Receivables:				
Accounts	86,807	127,962	214,769	-
Accrued interest	12,523	13,961	12,522	13,962
Restricted assets:				
Cash and investments with fiscal agents	601,340	577,580	542,570	636,350
Total Assets	\$ 1,190,870	\$ 1,391,888	\$ 1,318,344	\$ 1,264,414
Liabilities				
Accounts payable	\$ -	\$ 3,465	\$ 3,465	\$ -
Due to bondholders	1,190,870	1,395,355	1,321,811	1,264,414
Total Liabilities	\$ 1,190,870	\$ 1,398,820	\$ 1,325,276	\$ 1,264,414
<u>Bay Shellmound Assessment District</u>				
Assets				
Cash and investments	\$ 1,252,365	\$ 621,804	\$ 506,298	\$ 1,367,871
Receivables:				
Accounts	1,665	131,996	126,402	7,259
Accrued interest	13,761	14,801	13,761	14,801
Other investments	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	572,841	512,019	479,164	605,696
Total Assets	\$ 1,840,632	\$ 1,280,620	\$ 1,125,625	\$ 1,995,627
Liabilities				
Accounts payable	\$ -	\$ 11,167	\$ 10,769	\$ 398
Due to bondholders	1,840,632	1,291,389	1,136,792	1,995,229
Total Liabilities	\$ 1,840,632	\$ 1,302,556	\$ 1,147,561	\$ 1,995,627

CITY OF EMERYVILLE

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
<u>West Emeryville Assessment District</u>				
Assets				
Cash and investments	\$ -	\$ 2,681	\$ 2,681	\$ -
Receivables:				
Accrued interest	94	-	94	-
Total Assets	\$ 94	\$ 2,681	\$ 2,775	\$ -
Liabilities				
Due to bondholders	\$ 94	\$ 2,681	\$ 2,775	\$ -
Total Liabilities	\$ 94	\$ 2,681	\$ 2,775	\$ -
<u>Totals - All Agency Funds</u>				
Assets				
Cash and investments	\$ 1,742,565	\$ 1,296,870	\$ 1,057,462	\$ 1,981,973
Receivables:				
Accounts	88,472	259,958	341,171	7,259
Accrued interest	26,378	28,762	26,377	28,763
Restricted assets:				
Cash and investments with fiscal agents	1,194,447	2,128,025	2,058,495	1,263,977
Total Assets	\$ 3,051,862	\$ 3,713,615	\$ 3,483,505	\$ 3,281,972
Liabilities				
Accounts payable	\$ -	\$ 14,632	\$ 14,234	\$ 398
Due to bondholders	3,051,862	3,727,951	3,498,239	3,281,574
Total Liabilities	\$ 3,051,862	\$ 3,742,583	\$ 3,512,473	\$ 3,281,972

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CITY OF EMERYVILLE

PRIVATE-PURPOSE TRUST FUNDS

The Private-Purpose Trust Funds are used to account for the assets and liabilities of the Successor Agency of the former Redevelopment Agency per the Redevelopment dissolution laws AB 1X 26 and AB 1484. The funds receive revenue to pay estimated installment payments of the enforceable obligations until obligations of the former Redevelopment Agency are paid in full and assets have been liquidated.

The *RDA Retirement Fund* accounts for the redevelopment property tax trust fund (RPTTF) revenues allocated to the Successor Agency to pay for approved recognized obligations of the former redevelopment agency. During fiscal year 2015, most of the other redevelopment project funds have been consolidated into this fund to complete the process of winding down the Agency.

The *2014A Debt Service Fund* accounts for bond proceeds from the Series 2014A bonds that were issued in fiscal year 2015.

The *2014B Debt Service Fund* accounts for bond proceeds from the Series 2014B bonds that were issued in fiscal year 2015.

CITY OF EMERYVILLE

**COMBINING STATEMENT OF NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
JUNE 30, 2018**

	RDA Retirement	2014A Debt Service	2014B Debt Service	Total Private- Purpose Trust Funds
Assets				
Cash and investments	\$ 5,880,903	\$ -	\$ -	\$ 5,880,903
Receivables:				
Accounts	241	-	-	241
Accrued interest	22,609	-	-	22,609
Notes and loans	16,596,341	-	-	16,596,341
Prepaid costs	-	400,941	53,009	453,950
Land held for resale	24,818,694	-	-	24,818,694
Restricted assets:				
Cash and investments with fiscal agents	-	7,894,045	1,135,416	9,029,461
Capital assets:				
Capital assets, not being depreciated	20,813,594	-	-	20,813,594
Capital assets, net of accumulated depreciation	3,826,714	-	-	3,826,714
Total Assets	71,959,096	8,294,986	1,188,425	81,442,507
Liabilities				
Accounts payable	197,365	-	-	197,365
Accrued interest	-	1,313,917	143,610	1,457,527
Long-term liabilities:				
Due in one year	65,000	5,830,000	920,000	6,815,000
Due in more than one year	682,067	85,923,505	10,595,935	97,201,507
Total Liabilities	944,432	93,067,422	11,659,545	105,671,399
Net Position				
Held in trust for other purposes	71,014,664	(84,772,436)	(10,471,120)	(24,228,892)
Total Net Position	\$ 71,014,664	\$ (84,772,436)	\$ (10,471,120)	\$ (24,228,892)

CITY OF EMERYVILLE

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	<u>RDA Retirement</u>	<u>2014A Debt Service</u>	<u>2014B Debt Service</u>	<u>Total Private-Purpose Trust Funds</u>
Additions				
Taxes	\$ 13,385,506	\$ -	\$ -	\$ 13,385,506
Investment income	531,323	72,678	-	604,001
Transfers In	-	9,771,750	1,350,829	11,122,579
Total Additions	13,916,829	9,844,428	1,350,829	25,112,086
Deductions				
Administrative expenses	515,476	-	-	515,476
Contractual services	869,507	-	-	869,507
Interest expense	-	3,243,021	442,207	3,685,228
Depreciation Expense	112,724	-	-	112,724
Contributions to other governments	342,254	-	-	342,254
Transfers out	11,122,579	-	-	11,122,579
Total Deductions	12,962,540	3,243,021	442,207	16,647,768
Changes in Net Position	954,289	6,601,407	908,622	8,464,318
Net Position, Beginning of Year	70,060,375	(91,373,843)	(11,379,742)	(32,693,210)
Net Position, End of Year	\$ 71,014,664	\$ (84,772,436)	\$ (10,471,120)	\$ (24,228,892)

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Statistical Section

This part of the City of Emeryville's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

GASB issued Statement no. 44, *Economic Condition Reporting; The Statistical Section - an amendment of NCGA Statement 1*. This statement amends the portions of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles, that guide the preparation of the statistical section. The statistical section presents details information, typically in ten-year statements, and required supplementary information to assess the economic condition of a government. During fiscal year 2005-2006, the City implemented this statement and added new information that financial statement users have identified as important and eliminated certain schedules previously required.

GASB issued Statement no. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This changed the reporting requirements for fund balances in the financial statements. The City implemented this statement effective fiscal year 2010-2011.

Contents

Schedule

Financial Trends

I - IV

These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.

Revenue Capacity

V - IX

These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.

Debt Capacity

X - XIV

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.

Demographic and Economic Information

XV - XVII

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

Operating Information

XVIII - XIX

These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Emeryville

Statistical Section - Table I
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Governmental activities				
Net investment in capital assets	\$ 47,455,979	\$ 51,086,554	\$ 52,917,776	\$ 71,117,064
Restricted	27,566,548	28,694,740	161,404,308	28,022,282
Unrestricted	94,167,245	95,305,761	(35,693,521)	81,076,521
Total governmental activities net position	<u>\$ 169,189,772</u>	<u>\$ 175,087,055</u>	<u>\$ 178,628,563</u>	<u>\$ 180,215,867</u>
Business-type activities				
Net investment in capital assets	\$ 2,726,354	\$ 2,685,102	\$ 5,190,570	\$ 5,660,931
Restricted	-	-	-	-
Unrestricted	6,516,549	6,578,055	3,992,116	4,122,213
Total business-type activities net position	<u>\$ 9,242,903</u>	<u>\$ 9,263,157</u>	<u>\$ 9,182,686</u>	<u>\$ 9,783,144</u>
Primary government				
Net investment in capital assets	\$ 50,182,333	\$ 53,771,656	\$ 58,108,346	\$ 76,777,995
Restricted	27,566,548	28,694,740	161,404,308	28,022,282
Unrestricted	100,683,794	101,883,816	(31,701,405)	85,198,734
Total primary government net position	<u>\$ 178,432,675</u>	<u>\$ 184,350,212</u>	<u>\$ 187,811,249</u>	<u>\$ 189,999,011</u>

Notes:

1. Restated 2016 due to the reclassification of capital improvement project to the Successor Agency for property remediation payments.
2. Restated 2016 due to the reclassification of prior year unavailable revenues for notes and loans, operating contribution and grants.

2013	2014	2015	2016	2017	2018
\$ 70,942,145	\$ 69,332,175	\$ 70,686,033	\$ 68,973,451 ¹	\$ 67,638,982	\$ 69,236,908
24,847,447	59,193,273	68,180,423	51,000,633	60,752,375	92,732,476
91,803,642	85,724,838	70,585,332	65,389,801 ²	65,636,489	36,359,598
<u>\$ 187,593,234</u>	<u>\$ 214,250,286</u>	<u>\$ 209,451,788</u>	<u>\$ 185,363,885</u>	<u>\$ 194,027,846</u>	<u>\$ 198,328,982</u>
\$ 5,621,688	\$ 6,698,183	\$ 8,199,483	\$ 8,112,330	\$ 8,385,897	\$ 8,199,975
4,061,654	4,120,256	1,393,732	2,063,866	2,024,388	2,641,903
526,498	(332,233)	1,436,219	1,488,977	1,775,733	1,733,373
<u>\$ 10,209,840</u>	<u>\$ 10,486,206</u>	<u>\$ 11,029,434</u>	<u>\$ 11,665,173</u>	<u>\$ 12,186,018</u>	<u>\$ 12,575,251</u>
\$ 76,563,833	\$ 76,030,358	\$ 78,885,516	\$ 77,085,781	\$ 76,024,879	\$ 77,436,883
28,909,101	63,313,529	69,574,155	53,064,499	62,776,763	95,374,379
92,330,140	85,392,605	72,021,551	66,878,778	67,412,222	38,092,971
<u>\$ 197,803,074</u>	<u>\$ 224,736,492</u>	<u>\$ 220,481,222</u>	<u>\$ 197,029,058</u>	<u>\$ 206,213,864</u>	<u>\$ 210,904,233</u>

City of Emeryville

Statistical Section - Table II

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	2009	2010	2011	2012
Expenses				
Governmental activities:				
City council	\$ 139,372	\$ 141,431	\$ 198,545	\$ 156,464
City manager	760,588	777,540	785,948	828,254
City attorney	696,673	687,990	575,138	551,094
Finance	2,050,675	1,362,144	980,690	994,340
Human resources	531,416	545,760	519,904	501,198
Information technology (1)	-	682,399	851,621	458,198
Non-departmental operations	3,078,565	3,189,056	2,403,558	4,278,814
Police	10,303,278	9,907,348	11,378,218	10,798,775
Fire	5,912,612	5,763,592	6,609,451	5,999,409
Planning and building	2,932,602	2,855,451	2,431,549	2,342,453
Economic development and housing	1,482,903	2,092,230	1,332,486	1,158,471
Redevelopment	26,016,656	37,230,877	24,835,711	6,234,608
Property based improvement district	2,063,870	2,384,609	2,333,268	2,595,503
Community services	357,290	358,905	462,352	503,917
Child development	1,693,305	1,603,991	1,532,716	1,612,081
Youth services	1,029,780	937,924	789,805	758,726
Adult services	536,909	567,625	493,312	568,824
Public works	4,154,511	8,938,989	6,315,903	5,849,696
Interest on long-term debt	9,104,600	8,937,852	8,601,997	1,684,396
Total governmental activities expenses	72,845,605	88,965,713	73,432,172	47,875,221
Business-type activities:				
Sewer	439,523	975,257	917,778	287,866
Total business-type activities expenses	439,523	975,257	917,778	287,866
Total primary government expenses	\$ 73,285,128	\$ 89,940,970	\$ 74,349,950	\$ 48,163,087
Program Revenues				
Governmental activities:				
Charges for services:				
General Government	\$ 5,503,928	\$ 5,462,010	\$ 3,476,829	\$ 4,359,415
Public Safety	1,077,967	1,373,872	1,060,203	1,046,790
Redevelopment	-	-	100,444	91,756
Property Based Improvement District	2,189,409	2,172,072	2,317,000	2,658,783
Child Development	869,110	797,967	1,016,489	1,158,535
Operating grants and contributions	5,179,992	21,942,183	3,928,985	3,289,333
Capital grants and contributions	2,558,389	1,335,791	457,353	275,311
Total governmental activities program revenues	17,378,795	33,083,895	12,357,303	12,879,923
Business-type activities:				
Charges for services:				
Sewer	1,016,606	967,023	836,303	923,876
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	1,016,606	967,023	836,303	923,876
Total primary government program revenues	\$ 18,395,401	\$ 34,050,918	\$ 13,193,606	\$ 13,803,799

(1 Information technology division previously reported in the Finance department.

2013	2014	2015	2016	2017	2018
\$ 135,680	\$ 147,451	\$ 176,050	\$ 187,581	\$ 202,159	\$ 222,581
735,876	727,135	925,387	1,181,250	1,408,437	1,392,176
611,437	563,063	561,181	416,252	585,501	534,354
927,811	877,587	934,110	897,179	1,144,663	1,093,976
484,534	531,949	668,129	804,087	888,463	790,400
414,117	508,324	929,009	951,426	1,135,305	1,205,716
6,112,564	2,706,578	2,691,552	4,016,297	3,792,532	3,299,087
9,562,030	9,752,016	11,150,202	11,851,855	13,087,370	13,518,734
5,756,509	5,822,379	5,785,323	6,730,833	7,763,651	8,134,164
2,029,904	2,813,429	2,956,040	4,163,311	3,149,159	3,047,003
851,573	985,197	3,347,980	20,356,084	1,256,037	5,975,087
13,217	14,760	-	41,299	146,400	135,711
2,595,430	2,781,500	2,959,562	3,761,548	3,863,878	4,064,405
528,468	565,762	550,757	560,878	920,268	1,062,542
1,636,046	1,761,693	2,175,222	2,425,147	2,410,524	2,308,874
690,136	749,982	1,013,719	1,239,033	1,344,674	1,422,486
513,434	613,182	691,662	651,986	1,052,711	1,041,631
7,740,917	6,694,496	6,515,111	6,250,213	13,547,948	9,013,050
254,261	288,239	127,828	127,351	125,557	101,435
41,593,944	38,904,722	44,158,824	66,613,610	57,825,237	58,363,412
683,694	561,301	518,487	550,046	772,290	564,159
683,694	561,301	518,487	550,046	772,290	564,159
\$ 42,277,638	\$ 39,466,023	\$ 44,677,311	\$ 67,163,656	\$ 58,597,527	\$ 58,927,571
\$ 3,201,642	\$ 3,527,580	\$ 4,848,345	\$ 9,780,050	\$ 9,432,477	\$ 6,472,435
960,653	723,200	1,020,216	798,029	1,017,546	994,626
-	-	-	40,000	40,000	84,064
2,599,561	2,635,700	2,959,562	3,220,017	3,368,624	3,735,926
1,082,712	1,153,904	2,175,222	1,087,616	1,137,338	1,311,260
7,444,528	1,600,076	4,016,627	3,472,039	5,472,374	4,980,866
462,268	22,662,691	20,926,547	2,763,083	2,498,959	784,752
15,751,364	32,303,151	35,946,519	21,160,834	22,967,318	18,363,929
1,164,788	823,223	1,189,759	845,356	1,265,566	996,519
-	-	-	400,000	-	-
1,164,788	823,223	1,189,759	1,245,356	1,265,566	996,519
\$ 16,916,152	\$ 33,126,374	\$ 37,136,278	\$ 22,406,190	\$ 24,232,884	\$ 19,360,448

City of Emeryville

Statistical Section - Table II (continued)

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	2009	2010	2011	2012
Net (Expense)/Revenue				
Governmental activities	\$ (55,466,810)	\$ (55,881,818)	\$ (61,074,869)	\$ (34,995,298)
Business-type activities	577,083	(8,234)	(81,475)	636,010
Total primary government net expense	<u>\$ (54,889,727)</u>	<u>\$ (55,890,052)</u>	<u>\$ (61,156,344)</u>	<u>\$ (34,359,288)</u>
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Taxes				
Property taxes	\$ 1,798,545	\$ 1,824,396	\$ 1,385,512	\$ 2,505,928
Tax increment	38,363,304	36,644,379	37,569,786	16,341,753
Transient occupancy taxes	3,877,678	3,298,492	3,598,234	4,233,189
Sales taxes	6,411,968	5,741,125	6,849,909	7,021,597
Franchise taxes	1,141,576	1,062,273	1,176,642	1,483,662
Business license taxes	5,904,689	5,929,317	5,723,477	6,919,263
Other taxes	3,202,474	2,976,049	3,587,949	2,919,399
Motor Vehicle in lieu	667,790	665,517	662,256	617,024
Use of money and property	7,627,702	4,437,068	3,032,246	2,298,784
Miscellaneous	712,318	1,722,367	58,330	101,901
Extraordinary gain/(loss)	-	-	-	(3,903,786)
Special item	-	-	-	-
Transfers	81,500	81,500	81,500	81,500
Total governmental activities	<u>69,789,544</u>	<u>64,382,483</u>	<u>63,725,841</u>	<u>40,620,214</u>
Business-type activities:				
Use of money and property	212,665	107,628	82,504	45,948
Miscellaneous	-	2,360	-	-
Transfers	(81,500)	(81,500)	(81,500)	(81,500)
Total business-type activities	<u>131,165</u>	<u>28,488</u>	<u>1,004</u>	<u>(35,552)</u>
Total primary government	<u>\$ 69,920,709</u>	<u>\$ 64,410,971</u>	<u>\$ 63,726,845</u>	<u>\$ 40,584,662</u>
Change in Net Position				
Governmental activities	\$ 14,322,734	\$ 8,500,665	\$ 2,650,972	\$ 5,624,916
Business-type activities	708,248	20,254	(80,471)	600,458
Total primary government	<u>\$ 15,030,982</u>	<u>\$ 8,520,919</u>	<u>\$ 2,570,501</u>	<u>\$ 6,225,374</u>

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ (25,842,580)	\$ (6,601,571)	\$ (8,212,305)	\$ (45,452,776)	\$ (34,857,919)	\$ (39,999,483)
481,094	261,922	671,272	695,310	493,276	432,360
<u>\$ (25,361,486)</u>	<u>\$ (6,339,649)</u>	<u>\$ (7,541,033)</u>	<u>\$ (44,757,466)</u>	<u>\$ (34,364,643)</u>	<u>\$ (39,567,123)</u>
\$ 8,582,917	\$ 4,510,321	\$ 6,277,517	\$ 9,299,477	\$ 7,393,808	\$ 8,453,487
-	-	-	-	-	-
4,851,768	5,276,554	5,911,821	6,894,846	7,426,301	8,321,942
7,513,925	8,038,150	8,233,456	8,507,880	8,632,015	8,729,795
1,325,775	1,597,846	1,602,164	1,643,944	1,694,244	1,789,616
7,321,687	7,531,077	7,668,497	8,172,325	8,711,004	8,984,641
3,080,911	3,520,812	4,390,169	5,959,825	6,639,571	9,398,190
630,599	651,661	679,813	759,623	807,327	853,910
399,545	2,004,475	1,739,427	2,220,381	1,978,664	2,523,853
459,536	115,883	150,307	731,945	238,946	94,115
1,465,064	-	-	-	-	-
-	-	674,053	-	-	-
81,500	63,264	30,000	81,500	-	51,500
<u>35,713,227</u>	<u>33,310,043</u>	<u>37,357,224</u>	<u>44,271,746</u>	<u>43,521,880</u>	<u>49,201,049</u>
27,102	26,208	20,697	21,929	27,569	51,443
-	-	-	-	-	-
(81,500)	(63,264)	(30,000)	(81,500)	-	(51,500)
<u>(54,398)</u>	<u>(37,056)</u>	<u>(9,303)</u>	<u>(59,571)</u>	<u>27,569</u>	<u>(57)</u>
<u>\$ 35,658,829</u>	<u>\$ 33,272,987</u>	<u>\$ 37,347,921</u>	<u>\$ 44,212,175</u>	<u>\$ 43,549,449</u>	<u>\$ 49,200,992</u>
\$ 9,870,647	\$ 26,708,472	\$ 29,144,919	\$ (1,181,030)	\$ 8,663,961	\$ 9,201,566
426,696	224,866	661,969	635,739	520,845	432,303
<u>\$ 10,297,343</u>	<u>\$ 26,933,338</u>	<u>\$ 29,806,888</u>	<u>\$ (545,291)</u>	<u>\$ 9,184,806</u>	<u>\$ 9,633,869</u>

City of Emeryville

Statistical Section - Table III
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Fund				
Reserved	\$ 2,062,314	\$ 1,211,802		
Unreserved	9,493,564	11,749,778		
Total General Fund	<u>\$ 11,555,878</u>	<u>\$ 12,961,580</u>		
All Other Governmental Funds				
Reserved	\$ 32,703,444	\$ 40,529,689		
Unreserved, reported in:				
Special revenue funds	28,360,608	26,771,369		
Capital projects funds	119,307,997	103,496,938		
Debt service funds	14,745,692	14,737,565		
Total all other governmental funds	<u>\$ 195,117,741</u>	<u>\$ 185,535,561</u>		
General Fund				
Nonspendable			\$ 189,434	\$ 10,528,997
Restricted			100,000	100,000
Committed			7,312,673	8,023,603
Assigned			5,119,468	5,133,044
Unassigned			8,742,089	12,361,223
Total General Fund			<u>\$ 21,463,664</u>	<u>\$ 36,146,867</u>
All other government funds:				
Nonspendable:			36,927,983	10,011,641
Restricted for:			124,024,913	17,084,717
Committed to:			13,595,761	13,525,478
Assigned to:			-	-
Unassigned			(1,641)	(1,429)
Total all other governmental funds			<u>\$ 174,547,016</u>	<u>\$ 40,620,407</u>

Notes:

In Fiscal Year 2010-2011, the City implemented GASB 54 which changed the reporting requirements for fund balances in the financial statements. The table has been updated to reflect the impact of GASB 54 for Fiscal Year 2010-11 onward.

1. Restated 2016 due to the recognized of grant fund revenue in prior year.

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 12,105,075	\$ 13,620,689	\$ 7,179,797	\$ 565,502	\$ 319,095	\$ 38,877
100,000	100,000	100,000	100,000	100,000	2,864,890
10,962,630	11,161,002	6,578,314	35,920,416	35,529,250	31,209,682
1,320,228	1,328,589	1,335,717	1,344,194	2,354,457	3,382,403
10,298,184	11,977,384	18,719,632	1,271,572 1	2,404,324	3,843,833
<u>\$ 34,786,117</u>	<u>\$ 38,187,664</u>	<u>\$ 33,913,460</u>	<u>\$ 39,201,684</u>	<u>\$ 40,707,126</u>	<u>\$ 41,339,685</u>
11,816,426	-	-	-	605	-
24,747,447	59,093,273	67,478,317	50,900,633	60,652,375	89,867,586
13,195,339	13,298,713	26,063,322	44,398,585	44,888,763	17,238,821
-	-	9,573,983	3,440,097	3,907,818	4,476,972
(2,891,620)	-	2,397,964	-	-	-
<u>\$ 46,867,592</u>	<u>\$ 72,391,986</u>	<u>\$ 105,513,586</u>	<u>\$ 98,739,315</u>	<u>\$ 109,449,561</u>	<u>\$ 111,583,379</u>

City of Emeryville

Statistical Section - Table IV

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2009	2010	2011	2012
Revenues				
Taxes	\$ 62,260,327	\$ 59,594,232	\$ 62,022,736	\$ 44,714,476
Licenses, fees, and permits	3,665,600	4,039,437	2,558,273	3,052,139
Intergovernmental	2,448,418	2,965,319	3,410,662	3,256,511
Contribution from property owners	-	-	-	-
Charges for services	2,422,894	2,442,332	2,274,895	2,412,242
Investment income	6,375,524	3,331,813	2,010,040	1,337,619
Rent	715,484	845,542	781,807	788,017
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	6,314,830	20,332,670	2,613,627	2,562,328
Total revenues	84,203,077	93,551,345	75,672,040	58,123,332
Expenditures				
City council	131,274	132,389	147,941	144,437
City manager	738,751	763,775	760,533	794,438
City attorney	675,627	678,656	541,624	527,034
Finance	2,017,656	1,351,689	917,673	951,575
Human resources	514,585	539,778	491,723	481,470
Information technology (1)	-	440,670	444,276	440,049
Non-departmental operations	2,402,666	2,168,993	4,005,895	3,901,109
Police	12,155,789	9,706,465	10,386,454	10,284,431
Fire	5,504,167	5,695,318	5,937,520	5,566,539
Planning and building	2,838,860	2,793,409	2,304,144	2,290,201
Economic development and housing	1,428,830	2,041,803	1,242,756	1,125,218
Redevelopment	24,887,274	34,623,788	18,781,142	5,935,117
Property based improvement district	2,063,870	2,384,609	2,333,268	2,595,503
Community services	352,167	358,087	462,352	493,124
Child development	1,573,597	1,545,577	1,364,844	1,504,029
Youth services	969,904	899,251	708,542	696,024
Adult services	520,093	558,459	472,716	555,907
Public works	3,216,528	5,170,171	2,636,403	3,746,043
Capital outlay	6,623,829	12,342,884	9,180,434	3,839,928
Debt service:				
Principal retirement	5,517,241	5,753,867	5,984,749	6,265,686
Interest and fiscal charges	9,113,633	8,995,617	8,675,548	4,380,048
Total expenditures	83,246,341	98,945,255	77,780,537	56,517,910
Excess of revenues over				
(under) expenditures	956,736	(5,393,910)	(2,108,497)	1,605,422
Other Financing Sources (Uses)				
Transfers in	36,587,324	38,586,573	29,245,881	25,761,833
Transfers out	(36,935,824)	(38,935,073)	(31,744,381)	(26,489,500)
Other debt issued	78,726	-	-	-
Proceeds from the sale capital assets	287,380	169,314	15,000	10,024
Refunding of bonds issued	-	-	-	-
Total other financing				
sources (uses)	17,606	(179,186)	(2,483,500)	(717,643)
Extraordinary gain/(loss) on dissolution				
of redevelopment agency (Note 18)	-	-	-	(123,195,381)
Net change in Fund Balance	\$ 974,342	\$ (5,573,096)	\$ (4,591,997)	\$ (122,307,602)
Debt service as a percentage of noncapital expenditures	19.1%	17.0%	21.4%	20.2%

Notes:

1. Information technology division previously reported in the Finance department.

2013	2014	2015	2016	2017	2018
\$ 35,376,452	\$ 32,977,187	\$ 36,930,822	\$ 44,338,425	\$ 43,865,567	\$ 49,115,972
2,614,809	2,838,908	5,200,746	8,627,186	8,345,892	4,809,917
3,104,155	2,229,424	3,025,831	3,572,596	4,697,180	4,759,150
50,000	-	-	-	-	-
2,033,755	2,160,395	2,002,438	1,914,563	1,944,900	2,110,315
(364,083)	1,211,943	890,364	1,318,846	884,800	1,223,252
665,282	726,983	767,502	809,172	982,184	1,108,614
64,859	22,423,847	21,245,659	1,762,756	1,742,497	362,726
-	110,000	44,250	73,771	-	3,060
2,892,047	1,883,198	3,290,982	4,274,525	3,632,418	2,869,907
46,437,276	66,561,885	73,398,594	66,691,840	66,095,438	66,362,913
135,680	137,582	159,002	173,094	188,481	208,890
735,876	722,230	899,964	1,159,302	1,264,541	1,298,346
611,437	563,063	547,371	410,125	539,571	509,639
927,811	876,395	963,708	875,409	1,028,922	1,028,306
484,534	531,949	643,173	788,536	783,842	732,127
414,117	435,804	828,759	859,896	852,415	987,075
5,187,691	2,371,880	2,375,549	3,635,154	3,493,521	3,209,536
9,562,030	9,569,271	10,302,605	10,538,221	11,658,176	16,265,427
5,756,509	5,633,392	6,258,898	6,405,297	7,079,486	7,888,892
2,029,904	2,813,429	2,897,036	3,767,846	3,058,630	3,041,482
851,573	819,501	3,311,696	20,343,610	1,199,277	5,947,215
13,217	14,760	-	-	-	-
2,595,430	2,781,500	2,959,562	3,761,548	3,863,878	4,064,405
528,468	565,762	525,778	551,581	865,999	1,026,324
1,636,046	1,720,257	1,925,895	1,997,610	2,149,360	2,121,898
690,136	721,432	967,695	1,189,876	1,263,087	1,356,466
513,434	611,513	677,616	643,700	963,650	961,012
4,203,173	3,403,038	3,382,517	3,248,768	9,814,017	6,189,128
1,569,071	1,833,881	4,397,318	7,190,599	2,783,709	4,884,123
227,182	4,980,900	241,900	252,700	258,100	263,200
256,940	306,466	135,156	128,199	121,088	102,731
38,930,259	41,414,005	44,401,198	67,921,071	53,229,750	62,086,222
7,507,017	25,147,880	28,997,396	(1,229,231)	12,865,688	4,276,691
4,117,235	2,645,924	12,784,535	9,275,128	18,249,921	3,273,326
(4,265,735)	(3,314,160)	(12,934,535)	(9,773,628)	(18,899,921)	(5,091,826)
-	-	-	-	-	-
21,198	55,997	-	-	-	24,735
-	4,390,300	-	-	-	-
(127,302)	3,778,061	(150,000)	(498,500)	(650,000)	(1,793,765)
-	-	-	-	-	-
\$ 7,379,715	\$ 28,925,941	\$ 28,847,396	\$ (1,727,731)	\$ 12,215,688	\$ 2,482,926
1.3%	13.4%	0.9%	0.6%	0.7%	0.6%

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City of Emeryville

Statistical Section - Table V

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

Fiscal Year	Real Property	Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate (%) (1)
2008-09	\$ 3,756,458,531	\$ 368,822,559	\$ (36,923,017)	\$ 4,088,358,073	0.2182
2009-10	3,888,802,725	326,191,329	(96,201,604)	4,118,792,450	0.2182
2010-11	3,846,729,282	344,584,129	(89,955,403)	4,101,358,008	0.2182
2011-12	3,518,270,810	395,482,639	(93,546,737)	3,820,206,712	0.2182
2012-13	3,587,063,228	479,029,792	(96,907,938)	3,969,185,082	0.2182
2013-14	3,763,651,363	471,653,509	(83,737,232)	4,151,567,640	0.2182
2014-15	3,993,898,360	457,744,022	(108,720,173)	4,342,922,209	0.2182
2015-16	4,468,931,248	331,063,497	(94,880,198)	4,705,114,547	0.2182
2016-17	4,763,568,831	374,017,423	(136,247,060)	5,001,339,194	0.2182
2017-18	5,012,942,428	407,061,644	(129,349,135)	5,290,654,937	0.2182

Notes:

(1) Total Direct Tax Rate is represented by TRA 014-000, rates are not adjusted for ERAF

In 1978, the voters of California passed Proposition 13, which limited property taxes to a maximum of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With some few exceptions, property is only reassessed at the time that it is sold to a new owner. At that time, the new assessed value is determined based on the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

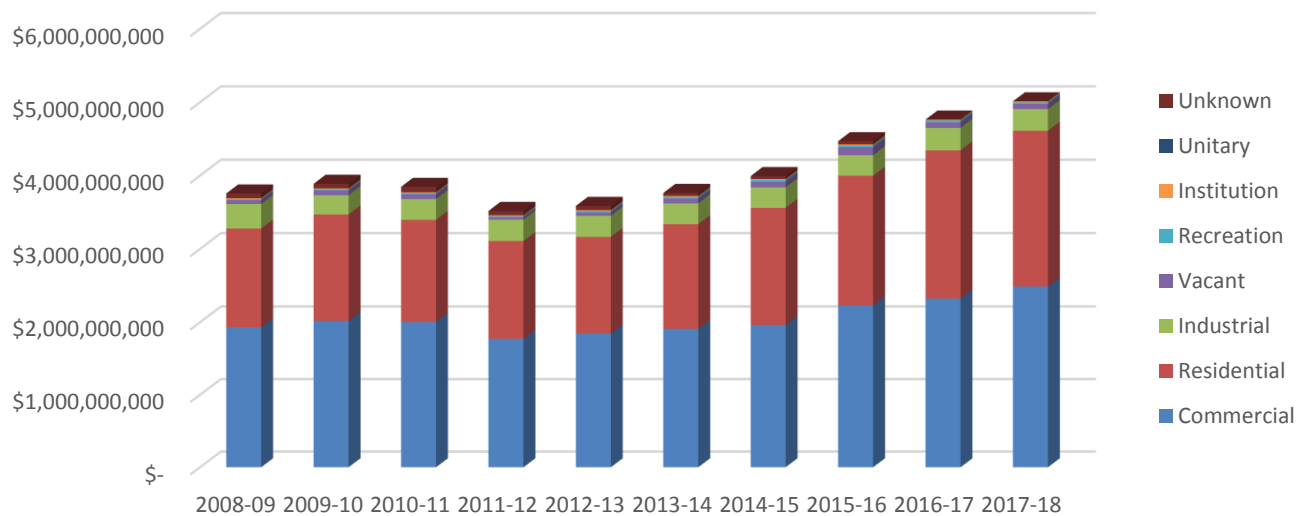
Source: Alameda County Data, Avenu Insights & Analytics

City of Emeryville

Statistical Section - Table VI

Assessed Value of Property by Use Code, Citywide Last Ten Fiscal Years

Category	2008-09	2009-10	2010-11	2011-12	2012-13
Commercial	\$ 1,933,291,346	\$ 2,018,657,544	\$ 2,003,212,739	\$ 1,771,882,406	\$ 1,842,355,117
Residential	1,344,748,179	1,451,953,903	1,393,834,705	1,335,560,769	1,321,832,460
Industrial	334,047,783	261,972,926	283,103,569	292,230,769	288,566,703
Vacant	53,128,195	65,824,740	65,466,760	33,197,861	43,899,479
Recreation	15,391,536	15,730,811	14,949,028	14,904,269	20,461,208
Institution	11,381,024	11,608,563	11,580,999	11,730,509	11,965,086
Unitary	369,034	369,034	523,096	523,096	523,096
Unknown	64,101,434	62,685,204	74,058,386	58,241,131	57,460,079
Gross Secured Value	3,756,458,531	3,888,802,725	3,846,729,282	3,518,270,810	3,587,063,228
Unsecured Value	368,822,559	326,191,329	344,584,129	395,482,639	479,029,792
Exemptions	36,923,017	96,201,604	89,955,403	93,546,737	96,907,938
Total Taxable Value	\$ 4,088,358,073	\$ 4,118,792,450	\$ 4,101,358,008	\$ 3,820,206,712	\$ 3,969,185,082



Notes:

Use code categories are based on Alameda County Assessor's data

Source: Alameda County Assessor data, Avenu Insights & Analytics

2013-14	2014-15	2015-16	2016-17	2017-18
\$ 1,910,845,651	\$ 1,963,116,063	\$ 2,230,128,700	\$ 2,323,635,087	\$ 2,488,581,968
1,427,012,709	1,597,120,334	1,768,921,200	2,020,530,350	2,123,374,518
283,204,476	278,517,236	279,149,179	306,056,222	294,520,921
64,722,372	77,674,621	108,079,740	73,760,581	71,795,067
23,828,087	24,294,117	26,144,934	26,884,461	18,541,311
12,204,303	12,259,632	12,504,542	12,695,142	16,050,662
523,096	74,276	74,276	74,276	71,063
41,310,669	40,916,357	44,002,953	6,988	6,918
3,763,651,363	3,993,972,636	4,469,005,524	4,763,643,107	5,012,942,428
471,653,509	457,744,022	331,063,497	374,017,423	407,061,644
83,737,232	108,720,173	94,880,198	136,247,060	129,349,135
<u>\$ 4,151,567,640</u>	<u>\$ 4,342,996,485</u>	<u>\$ 4,705,188,823</u>	<u>\$ 5,001,413,470</u>	<u>\$ 5,290,654,937</u>

City of Emeryville

Statistical Section - Table VII

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(rate per \$100 of assessed value)

	<u>2009</u>	<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>Basic City and County Levy</u>										
City of Emeryville	0.2182	0.2182	0.2182	0.2182	0.2182	0.2182	0.2182	0.2182	0.2182	0.2182
Alameda County	<u>0.7818</u>	<u>0.7818</u>	<u>0.7818</u>	<u>0.7818</u>	<u>0.7818</u>	<u>0.7818</u>	<u>0.7818</u>	<u>0.7818</u>	<u>0.7818</u>	<u>0.7818</u>
	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Emery Unified School District	0.0133	0.0132	0.0136	0.0666	0.0663	0.0874	0.0759	0.0682	0.0680	0.0656
Peralta Community College	0.0362	0.0430	0.0430	0.0436	0.0434	0.0419	0.0412	0.0337	0.0256	0.0310
Bay Area Rapid Transit	0.0090	0.0057	0.0031	0.0041	0.0043	0.0075	0.0045	0.0026	0.0080	0.0084
East Bay Regional Park I	0.0100	0.0108	0.0084	0.0071	0.0051	0.0078	0.0085	0.0067	0.0032	0.0021
EBMUD Special District I	0.0064	0.0065	0.0067	0.0067	0.0068	0.0066	0.0047	0.0034	0.0028	0.0011
Other Taxing Districts	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>
	<u>0.0749</u>	<u>0.0792</u>	<u>0.0748</u>	<u>0.1281</u>	<u>0.1259</u>	<u>0.1512</u>	<u>0.1348</u>	<u>0.1146</u>	<u>0.1076</u>	<u>0.1082</u>
Total Direct Tax Rate	<u>1.0749</u>	<u>1.0792</u>	<u>1.0748</u>	<u>1.1281</u>	<u>1.1259</u>	<u>1.1512</u>	<u>1.1348</u>	<u>1.1146</u>	<u>1.1076</u>	<u>1.1082</u>

Notes:

1. The above tax rates are applied per \$100 of assessed valuation for TRA 14-00.
2. In 1978, California voters passed Proposition 13 which sets property tax rate at a 1% fixed amount. This 1% is shared by all taxing agencies for which the subject property resides within. In addition to the 1% fixed amount, property owners are charged taxes for the payment of various other agency levies.

Source: Alameda County Auditor/Controller data, Avenu Insights & Analytics

City of Emeryville

Statistical Section - Table VIII
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2017-18			2008-09		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
5616 Bay Street Investors LLC	\$ 313,389,231	1	5.92%			
Emery Station Joint Venture L	285,065,567	2	5.39%	\$ 195,071,010	3	4.77%
Pixar	257,489,452	3	4.87%	157,757,592	5	3.86%
Kbsiii Towers Emeryville LLC	252,093,412	4	4.76%			
Bre Properties Inc.	234,640,133	5	4.43%	59,799,418	13	1.46%
Novartis Vaccines Diagnostics	170,526,740	6	3.22%			
Windsor Metropolitan Lp	121,769,585	7	2.30%	107,645,199	8	2.63%
G C Diagnostics Corp	119,034,017	8	2.25%			
Bay Center Investor LLC	117,830,361	9	2.23%	124,950,000	7	3.06%
Strs Ohio Ca Real Estate Inves	110,461,637	10	2.09%	97,950,484	9	2.40%
East Bay Bridge Retail LLC	91,346,110	11	1.73%			
Clpf Lp	89,505,000	12	1.69%			
Archstone Emeryville Residenti	79,607,950	13	1.50%			
Ag Ccrp Public Market L P	72,634,664	14	1.37%			
Rockwood Christie LLC	72,371,507	15	1.37%			
Health Care Reit Inc.	61,790,692	16	1.17%			
Grifols Diagnostic Solutions I	57,895,191	17	1.09%			
Hptmi Properties Trust	51,963,656	18	0.98%	45,915,478	15	1.12%
Asn Emeryville LLC	51,633,384	19	0.98%	60,818,446	12	1.49%
Regency Centers Lp	47,731,490	20	0.90%	42,175,488	18	1.03%
Bay Street Hotel Properties LI	45,313,760	21	0.86%			
Hollis Street Investors li LLC	40,542,512	22	0.77%	35,799,835	21	0.88%
Ikea Property Inc.	40,446,618	23	0.76%	35,738,253	22	0.87%
Rlj Hgn Emeryville Lp	37,061,867	24	0.70%			
Emeryville Homes LLC	36,781,745	25	0.70%	34,860,997	23	0.85%
Chiron Corp				257,493,063	1	6.30%
Nop Watergate LLC				248,435,892	2	6.08%
Madison Manhattan Village LLC				195,010,682	4	4.77%
Hines Reit Watergate Lp				147,834,108	6	3.62%
Emery Bay North LLC				76,514,845	10	1.87%
Catellus Finance 1 LLC				61,228,623	11	1.50%
Apf Emeryville Ownco LLC				57,240,293	14	1.40%
Cep Emery Tech Investors LLC				45,849,000	16	1.12%
Marketplace Mortgage LLC				44,034,471	17	1.08%
Hardage Hotels X LLC				40,728,194	19	1.00%
Griffin Capital Atrium Investo				35,923,347	20	0.88%
Emeryville Retail Properties L				30,171,599	24	0.74%
Emery Bay li Assoc				24,007,395	25	0.59%
Total Top 25 Taxpayers	<u>\$ 2,858,926,281</u>		54.04%	<u>\$ 2,262,953,712</u>		55.36%

Source: Alameda County Assessor data, Avenu Insights & Analytics

City of Emeryville

Statistical Section - Table IX
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections of Prior Years (1)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy (2)
2008	\$ 1,345,542	\$ 992,292	73.75%	\$ 117,578	\$ 1,109,870	82.49%
2009	1,393,185	1,003,781	72.05%	362,427	1,366,208	98.06%
2010	1,330,493	1,053,210	79.16%	415,377	1,468,587	110.38%
2011	1,351,706	1,123,221	83.10%	304,745	1,427,966	105.64%
2012	1,349,721	1,151,344	85.30%	300,792	1,452,136	107.59%
2013	1,333,243	1,187,107	89.04%	232,398	1,419,505	106.47%
2014	1,327,293	1,210,101	91.17%	203,219	1,413,320	106.48%
2015	1,418,429	1,308,695	92.26%	154,927	1,463,622	103.19%
2016	1,496,399	1,358,989	90.82%	123,183	1,482,172	99.05%
2017	1,523,904	1,388,364	91.11%	74,650	1,463,014	96.00%
2018	1,643,180	1,521,809	92.61%	139,199	1,661,007	101.08%

Notes:

1) Collection in subsequent years is reported based on revenue received from the County for the fiscal year end shown. The City does not receive information from the County that specifies how much of the subsequent collection received belongs to each fiscal year. Subsequent collections for both tax types include penalties and interest assessed on the previously unpaid amounts. As a result, total collections for each levy year are not presented.

2) Percentage of Levy includes total collections of prior year's property tax delinquencies as well as taxes levied for the current fiscal year; resulting in percentages greater than 100% in some years.

Source: Alameda County Auditor-Controller Agency

City of Emeryville

Statistical Section - Table X
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-type Activities		Total Primary Government	Percentage of Property Value	Debt Per Capita
	Lease Revenue Bonds	Redevelopment Bonds	Capital Leases	Sewer Loans				
2009	\$ 5,530,000	\$ 174,610,000	\$ 61,484	\$ 91,165	\$	180,292,649	4.41%	\$ 18,564
2010	5,345,000	169,055,000	47,617	69,371		174,516,988	4.24%	17,286
2011	5,155,000	163,275,000	32,868	46,934		168,509,802	4.11%	16,643
2012	4,955,000	-	17,182	23,803		4,995,985	0.13%	490
2013	4,745,000	-	-	-		4,745,000	0.12%	462
2014	4,154,400	-	-	-		4,154,400	0.10%	396
2015	3,912,500	-	-	-		3,912,500	0.09%	370
2016	3,659,800	-	-	-		3,659,800	0.08%	312
2017	3,401,700	-	-	-		3,401,700	0.07%	287
2018	3,138,500	-	-	-		3,138,500	0.06%	262

Notes:

Details regarding the city's outstanding debt can be found in the notes to the financial statements. (Note 8 Long Term Debt)

Source: County of Alameda Auditor-Controller; City of Emeryville

City of Emeryville

Statistical Section - Table XI
 Ratios of General Bonded Debt Outstanding
 Last Ten Fiscal Years

Fiscal Year	Outstanding General Debt			Percent of Assessed Value	Debt Per Capita ⁽¹⁾
	Lease Revenue Bonds	Redevelopment Bonds	Total		
2009	\$ 5,530,000	\$ 174,610,000	\$ 180,140,000	4.41%	\$ 18,548
2010	5,345,000	169,055,000	174,400,000	4.23%	17,274
2011	5,155,000	163,275,000	168,430,000	4.11%	16,635
2012	4,955,000	-	4,955,000	0.13%	486
2013	4,745,000	-	4,745,000	0.12%	462
2014	4,154,400	-	4,154,400	0.10%	396
2015	3,912,500	-	3,912,500	0.09%	370
2016	3,659,800	-	3,659,800	0.08%	312
2017	3,401,700	-	3,401,700	0.07%	287
2018	3,138,500	-	3,138,500	0.06%	262

Source: County of Alameda Auditor-Controller; City of Emeryville

City of Emeryville

Statistical Section - Table XII
Statement of Direct and Overlapping Bonded Debt
As of June 30, 2018

2017-18 Assessed Valuation: \$5,302,544,135

	Total Debt 6/30/2018	% Applicable (1)	City's Share of Debt 6/30/18
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):			
2014 Tax Allocation Refunding Bonds, Series A	\$ 79,195,000	100.000%	\$ 79,195,000
2014 Tax Allocation Refunding Bonds, Series B	11,590,000	100.000%	11,590,000
TOTAL OVERLAPPING TAX INCREMENT DEBT			90,785,000
DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:			
Alameda County	\$ 240,000,000	1.956%	\$ 4,694,400
Bay Area Rapid Transit District	837,820,000	0.762%	6,384,188
Peralta Community College District	380,170,000	5.470%	20,795,299
Emery Unified School District	70,124,201	100.000%	70,124,201
Oakland Unified School District	900,690,000	0.001%	9,007
City of Emeryville	-	100.000%	-
City of Emeryville 1915 Act Bonds	2,810,000	100.000%	2,810,000
East Bay Regional Park District	187,800,000	1.192%	2,238,576
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 107,055,671
DIRECT AND OVERLAPPING TAX AND ASSESSMENT AND TAX INCREMENT DEBT			\$ 197,840,671
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Alameda County General Fund Obligations	\$ 905,132,500	1.956%	\$ 17,704,392
Alameda County Pension Obligation Bonds	8,937,324	1.956%	174,814
Alameda-Contra Costa Transit District Certificates of Participation	13,795,000	2.316%	319,492
Peralta Community College District Pension Obligation Bonds	153,944,246	5.470%	8,420,750
Oakland Unified School District Certificates of Participation	28,130,000	0.001%	281
City of Emeryville General Fund Obligations - 2013A Lease Revenue Bonds	3,138,500	100.000%	3,138,500
TOTAL OVERLAPPING GENERAL FUND DEBT			\$ 29,758,229
TOTAL DIRECT DEBT			\$ 3,138,500
TOTAL OVERLAPPING DEBT			\$ 224,460,400
COMBINED TOTAL DEBT			\$ 227,598,900 (2)
Ratios to Incremental Valuation (\$4,651,471,721):			
Overlapping Tax Increment Debt		1.95%	
Ratios to 2017-18 Assessed Valuation:			
Direct and Overlapping Tax and Assessment Debt		2.02%	
Direct and Overlapping Tax, Assessment, and Tax Increment Debt		3.73%	
Direct Debt (\$3,138,500)		0.06%	
Combined Total Debt		4.29%	

Notes:

1) The 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.

2) Direct and overlapping tax and assessment debt combined with general fund debt and overlapping tax increment debt. Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue bonds and non-bonded capital lease obligations.

Overlapping governments are those that coincide, at least in part, within the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt, of each overlapping government.

Source: Avenu Insights & Analytics

City of Emeryville

**Statistical Section - Table XIII
Legal Debt Margin Information
Last Ten Fiscal Years**

	2009	2010	2011	2012	2013
Total assessed value for fiscal year	\$4,125,281,090	\$4,218,226,203	\$4,191,313,411	\$3,913,753,449	\$4,066,093,020
Debt limit (15% of assessed value)	\$ 618,792,164	\$ 632,733,930	\$ 628,697,012	\$ 587,063,017	\$ 609,913,953
Total general obligation bonds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Legal debt margin	<u><u>\$ 618,792,164</u></u>	<u><u>\$ 632,733,930</u></u>	<u><u>\$ 628,697,012</u></u>	<u><u>\$ 587,063,017</u></u>	<u><u>\$ 609,913,953</u></u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

Notes:

Under state finance law, the city's outstanding general obligation debt should not exceed 15 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Source: Department of Finance; County of Alameda Auditor/Controller; MuniServices, LLP; City of Emeryville

2014	2015	2016	2017	2018
\$4,235,304,872	\$4,451,642,382	\$4,799,994,745	\$5,137,586,254	\$5,420,004,072
\$ 635,295,731	\$ 667,746,357	\$ 719,999,212	\$ 770,637,938	\$ 813,000,611
\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ 635,295,731</u>	<u>\$ 667,746,357</u>	<u>\$ 719,999,212</u>	<u>\$ 770,637,938</u>	<u>\$ 813,000,611</u>
0.00%	0.00%	0.00%	0.00%	0.00%

City of Emeryville

**Statistical Section - Table XIV
Pledged-Revenue Coverage
Last Ten Fiscal Years**

Public Financing Authority Revenue Bonds					
Fiscal Year	Tax Increment		Debt Service		Coverage
			Principal	Interest	
2009	\$	38,363,304	\$ 5,325,000	\$ 8,832,241	2.71
2010		36,644,379	5,555,000	8,605,665	2.59
2011		37,569,786	5,780,000	8,358,279	2.66
2012		16,341,753	6,050,000	8,084,187	1.16
2013		-	6,330,000	7,793,163	-
2014		-	6,630,000	7,477,612	-
2015		-	6,960,000	7,133,806	-
2016		-	6,090,000	4,841,201	-
2017		-	6,335,000	4,699,019	-
2018		-	6,510,000	4,492,314	-

Notes:

Details regarding the city's outstanding debt can be found in the notes to the financial statements.

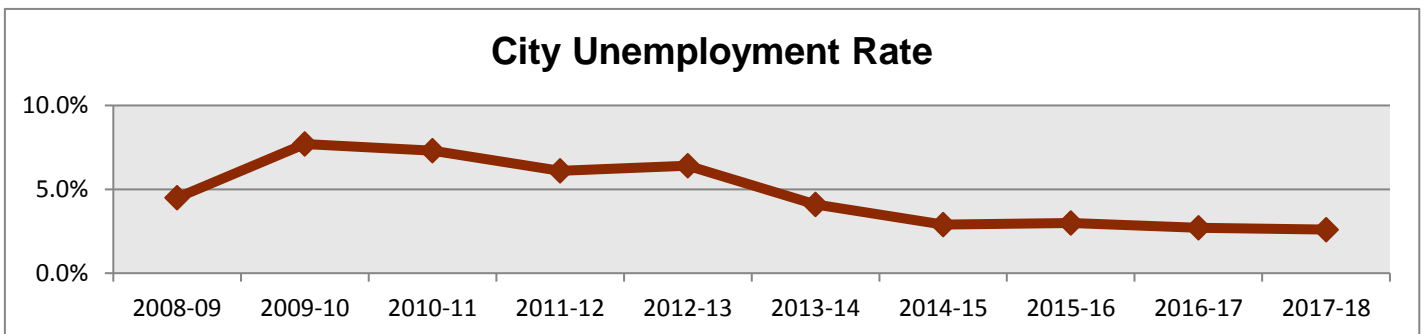
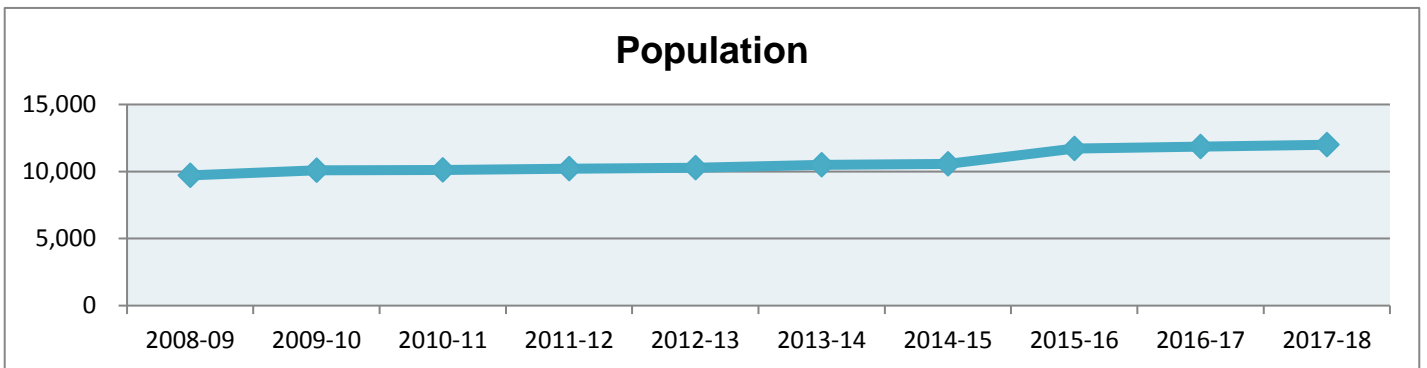
Source: City of Emeryville

Assessment District Improvement Bonds					
Tax Assessments		Debt Service		Coverage	
		Principal	Interest		
\$	-	\$	-	\$	-
	-		-		-
	-		-		-
	-		-		-
	-		-		-
	-		-		-
	-		-		-
	-		-		-
	-		-		-

City of Emeryville

Statistical Section - Table XV
Demographic and Economic Statistics,
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age	Public School Enrollment (3)	City Unemployment Rate (%) (4)
2008-09	9,712	\$ 417,450,896	\$ 42,983	35.2	783	4.5%
2009-10	10,096	432,411,680	42,830	35.2	765	7.7%
2010-11	10,125	499,932,000	49,376	33.9	778	7.3%
2011-12	10,200	534,469,800	52,399	34.4	721	6.1%
2012-13	10,269	547,248,976	53,291	35.0	751	6.4%
2013-14	10,491	550,001,166	52,426	34.9	726	4.1%
2014-15	10,570	526,550,469	49,816	36.0	695	2.9%
2015-16	11,721	634,351,538	54,121	35.1	698	3.0%
2016-17	11,854	672,427,278	56,726	35.8	687	2.7%
2017-18	11,994	723,657,990	60,335	35.5	690	2.6%



Notes:

The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark.

1.) Population Projections are provided by the California Department of Finance Projections.

2.) Income Data is provided by the United States Census Data and is adjusted for inflation.

3.) Student Enrollment reflects the total number of students enrolled in the Emery Unified School District. Other school districts within the City are not accounted for in this statistic.

4.) Unemployment and Total Employment Data are provided by the EDD's Bureau of Labor Statistics Department.

Source: Avenu Insights & Analytics, U.S. Census Bureau, 2010 American Community Survey.

City of Emeryville

Statistical Section - Table XVI
Principal Employers
Current Year and Nine Years Ago

Employer	2017-18			2008-09		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Pixar	1,225	1	17.50%	1,121	2	5.57%
Grifols Diagnostic Solutions*	600	2	8.57%			0.00%
AC Transit	569	3	8.13%	475	4	
Clif Bar & CO	396	4	5.66%			0.00%
Oaks Card Club	391	5	5.59%	440	5	
IKEA	380	6	5.43%	348	7	1.73%
Adobe Systems Inc**	326	7	4.66%			
Peet's Coffee & Tea Inc.	313	8	4.47%			
Amyris Inc	379	9	5.41%			
Novartis Corp***	182	10	2.60%	1,200	1	5.96%
Bayer Pharmaceuticals				600	3	2.98%
Leapfrog				388	6	1.93%
Ex'pression Center for New Media				230	8	1.14%
Mobtiv Inc.				223	9	1.11%
City of Emeryville				195	10	0.97%
Total	4,761		68.01%	5,220		21.38%
Total Jobs (1)	7,000			20,140		

Notes:

Results based on direct correspondence with city's local businesses.

*Novartis sold a major division of the company to Grifols in 2014

**Formerly TubeMogal Inc

***Includes only Full-time

(1) Total City Labor Force provided by EDD Labor Force Data

Source: Avenu Insights & Analytics

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City of Emeryville

Statistical Section - Table XVII

Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
City Manager/City Clerk	4.7	4.2	4.2	4.2	4.2	4.2	5.0	5.0	6.0	6.0
Information Systems	3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0
City Attorney	4.0	4.0	3.0	3.0	2.0	2.0	2.0	2.0	3.0	2.0
Finance	10.1	9.6	8.0	8.0	7.0	7.0	7.5	7.5	7.8	6.8
Human Resources	4.4	4.6	3.7	3.7	3.7	3.7	4.5	4.5	5.2	5.2
Community Development										
Planning and Building	11.0	10.0	10.0	10.0	10.3	10.0	10.0	10.0	10.0	10.0
Economic Development										
and Housing	7.2	6.2	7.5	7.5	4.0	4.0	4.0	4.0	5.0	5.0
Public Works	17.2	15.2	15.2	15.2	14.9	14.9	17.0	17.0	20.0	18.5
Police Department										
Sworn	40.0	39.5	38.0	38.0	38.0	38.0	38.0	38.0	42.0	41.0
Unsworn	18.0	17.0	17.0	17.0	17.0	17.0	16.0	16.0	17.0	17.0
Fire										
Sworn	30.0	27.0	26.0	26.0	-	-	-	-	-	-
Unsworn	1.0	1.0	1.0	1.0	-	-	-	-	-	-
Community Services										
Administration	3.4	3.0	5.1	5.1	6.2	6.2	5.4	5.7	2.0	2.0
Youth & Adult Services	21.2	17.9	16.9	16.9	15.8	15.8	16.0	16.0	9.0	8.0
Child Development Center	23.4	22.5	23.8	23.8	25.9	25.9	24.8	24.8	25.0	24.0
Total	198.6	184.7	182.4	182.4	152.0	151.7	154.2	154.5	156.0	149.5

Notes:

A full-time employee is scheduled to work 1,820 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 1,820.

Source: City of Emeryville Two Year Operating Budget; Fiscal Years 2017-2018

City of Emeryville

Statistical Section - Table XVIII
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012
General government				
Commercial Construction permits issued	754	707	708	707
Value	\$ 74,720,320	\$ 38,206,980	\$ 65,826,514	\$ 36,453,322
dwelling units	127	5	6	82
Value	\$ 6,855,399	\$ 6,303,079	\$ 18,986,497	\$ 24,406,053
Police				
Physical arrests	759	703	931	966
Traffic collisions	248	261	279	300
Citations	7,627	6,515	4,595	4,248
Investigations	7,198	7,060	7,066	7,704
Total responses	41,853	40,235	38,447	34,494
Fire				
Fire Responses	44	55	25	59
Medical Responses	1,137	1,244	1,283	1,300
Total Emergency Responses	1,607	1,739	1,729	1,825
Community Services				
Child Development Program (enrollment in 12 month period)	1,043	966	1,108	1,175

Source: Various city departments.

2013	2014	2015	2016	2017	2018
735	673	820	889	835	136
\$ 34,830,959	\$ 30,374,969	\$ 109,305,225	\$ 121,865,050	\$ 115,200,224	\$ 104,465,013
359	-	206	2	313	73
\$ 90,515,346	\$ 8,854,994	\$ 56,657,643	\$ 8,262,777	\$ 113,670,075	\$ 29,233,329
834	1,069	1,240	1,104	718	820
274	334	308	272	210	263
3,519	5,525	5,625	4,450	1,360	3,812
7,883	8,700	6,721	7,065	5,782	6,523
36,452	42,535	37,710	33,738	29,130	33,526
45	54	55	58	73	17
1,329	1,248	1,554	1,701	1,584	1,734
1,863	1,841	2,221	2,458	2,389	2,356
1,034	994	1,034	921	897	951

City of Emeryville

Statistical Section - Table XIX

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<u>Function/Program</u>										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police vehicles, including motorcycles	27	27	29	29	29	29	29	32	34	34
Fire stations	2	2	2	2	2	2	2	2	2	2
Public Works										
and Housing	19	19	19	19	19	19	19	19	19	19
Streetlights	1,563	1,563	1,563	1,563						
Traffic controllers	25	25	25	25						
Miles of Sewer Lines	15	15	15	15	15	15	15	15	15	15
Parks and Community Facilities										
Parks	8	9	9	12	12	12	12	12	12	12
Acreage	14.7	16.0	16.0	21.4	21.4	21.4	21.4	21.4	21.4	21.4
Senior Center	1	1	1	1	1	1	1	1	1	1
Child Development Center	1	1	1	1	1	1	1	1	1	1
Recreation Center	1	1	1	1	1	1	1	1	1	1

Source: Various city departments.