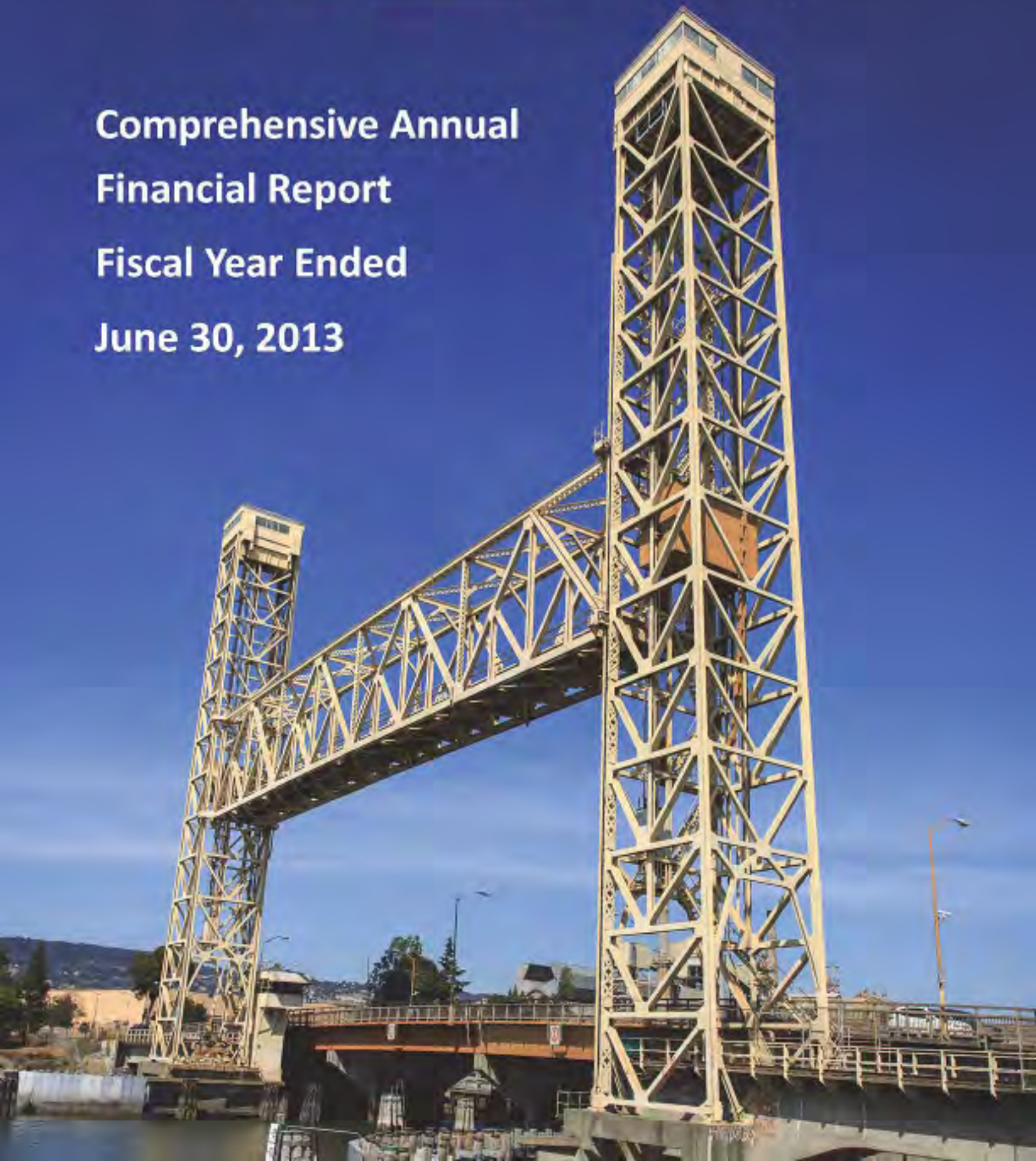
CITY OF Alameda

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2013



CITY OF ALAMEDA, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2013

PREPARED BY THE

FINANCE DEPARTMENT

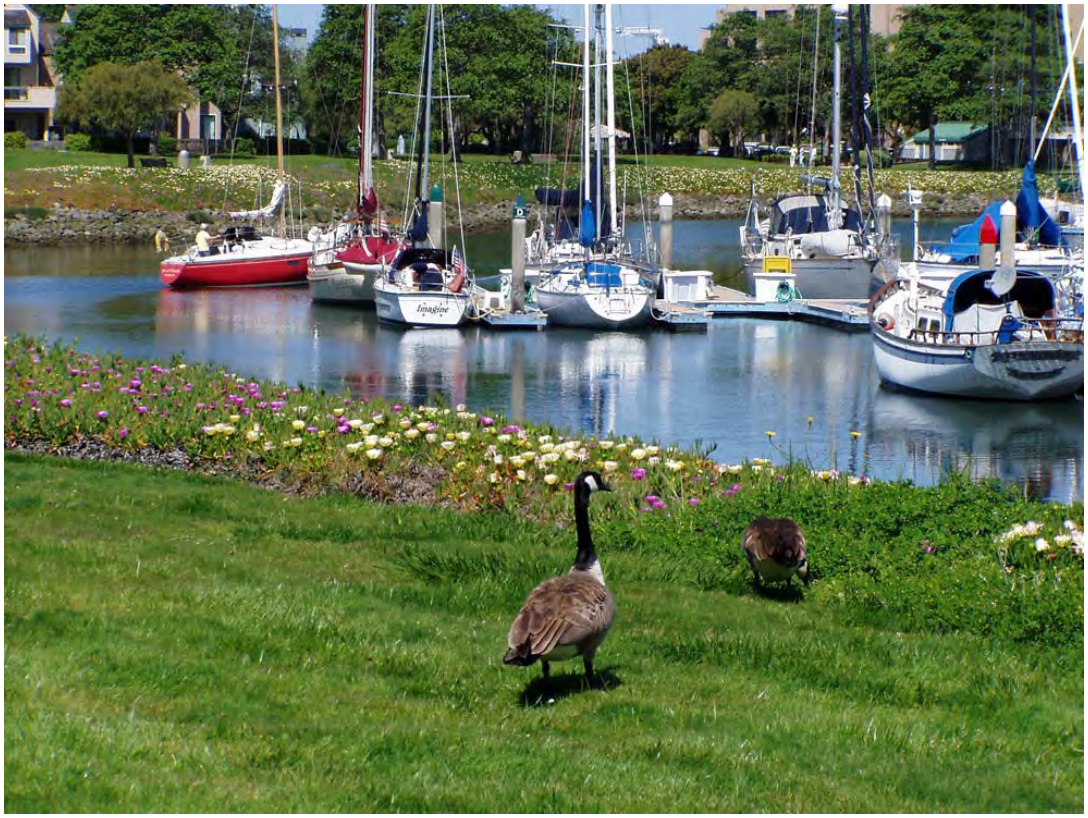
City of Alameda

People and Places in the City

INTRODUCTORY SECTION

City of Alameda

People and Places in the City



City of Alameda, California

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2013
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Finance Department
2263 Santa Clara Avenue, Room 220
Alameda, California 94501
(510) 747-4881

February 3, 2014

Honorable Mayor and
Members of the City Council

We are pleased to present the City of Alameda (City) Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2013. The information in this Comprehensive Annual Financial Report is prepared in accordance with Generally Accepted Accounting Principles (GAAP) and includes an unqualified opinion on the report by the City's independent certified public accountants. Although we rely on the standards and expertise of these external authorities, the responsibility for the accuracy and fairness of this report rests with the City.

For those readers interested in a more detailed review of the City's financial statements, a narrative section called the Management's Discussion and Analysis (MDA) has been included as part of the Financial Section. The MDA reports on the financial highlights of the City and provides additional analysis on the variances and trends reported as part of the financial statements. The MDA also discloses significant items affecting the financial condition of the City and is designed to be read in conjunction with this letter of transmittal.

City Profile

The City was incorporated in 1854 and is located in Alameda County, a growing region in the eastern portion of the San Francisco Bay Area. The City has a permanent staff of 500 City employees (including Alameda Municipal Power) and serves approximately 75,000 residents in a land area of 19.45 square miles.

The City operates utilizing the Council-Manager form of government. The Mayor and four Council members are elected at large for staggered four-year terms to govern the City. The City Treasurer and City Auditor are also elected for four-year terms. The City Council is responsible for establishing policies, adopting the annual budget, appointing commissions and committees, and hiring the City Manager, City Attorney and City Clerk. The City Manager is responsible for implementing the Council's policies, overseeing the day-to-day operations of the City, and appointing the directors of the City's departments.

City departments and areas of responsibility comprise of the following:

General Government includes staff and activities associated with the City Council, City Manager, City Clerk, City Attorney, Information Technology, and Risk Management.

Administrative Services includes Central Services, Finance and Human Resources.

Community Services includes the City's Library Department and the Park and Recreation Department, which operates the Senior Center and manages the contract for the Golf Complex.

Community Development includes Building, Economic Development, Housing and Planning.

Public Safety includes Police with its Communications, Patrol, Investigations and Traffic and Parking Enforcement divisions, as well as Fire with its Emergency Services, Prevention Services and Ambulance Transport divisions.

Public Services include Engineering, Transportation Operations, Street, Storm Drains and Sewer Maintenance.

Economic Condition and Outlook

The City has been able to maintain General Fund reserves at the City Council's established level of 20% of expenditures during the past few fiscal years, and to present a balanced budget for the General Fund for FY 13-14 and 14-15. This has been achieved through a combination of structural budget reductions, use of one-time funds, and the use of a small portion of available General Fund reserves. Unfortunately, the City's difficult fiscal challenges do not end with the passage of the FY 13-14 / 14-15 budget. The projected increase in costs for services has resulted in projected General Fund deficits ranging from $4 to $7 million annually beginning in FY 15-16, as shown in the chart below.

5 Year Projections for FY13-14 through 17-18 (in millions)
With Proposed Changes

	13-14	14-15	15-16	16-17	17-18
Revenues	$73.9	$74.8	$75.9	$ 77.2	$ 78.6
Expenses	74.6	76.6	79.2	81.3	83.5
Budget Carryover from FY12-13	0.7	1.8			
New PERS Rates - Safety			0.4	0.7	1.3
New PERS Rates - Miscellaneous			0.1	0.3	0.4
Deficit For Year	$ -	$ -	$ (3.8)	$ (5.1)	$ (6.6)
Ending Available Fund Balance	$21.3	$19.5	$15.7	$ 10.6	$ 4.0
% of Expenses	29%	25%	20%	13%	5%

The five-year forecast includes the following assumptions:

- Annual revenue growth of 0-3%, versus average growth of 6% between FY 03-04 and 07-08.
- New agreed upon salary increases for all employees (0% through calendar year 2013, followed by a minimum of 1.5% for 2014 and 2.0% for 2015 and 2016 and 0% for 2017, based upon increases realized in specified tax revenues for the General Fund).
- Initial estimates of new Miscellaneous / Safety PERS rates, to be revised as part of the mid cycle update to the City's Fiscal Year 13-14 and 14-15 budget. These revised rates include the projected effect of the recent changes made by CalPERS to their amortization and smoothing policies, which

was to smooth changes to the rate over a five instead of a fifteen year period. CalPERS will be implementing these changes over a five year period, beginning in FY 15-16, and are incorporated in the numbers shown on the table above.

Staff will be working with council to address these projected shortfalls as part of the preparation of the City's two year budget for Fiscal Years 15-16 and 16-17.

Accounting System And Budgetary Control

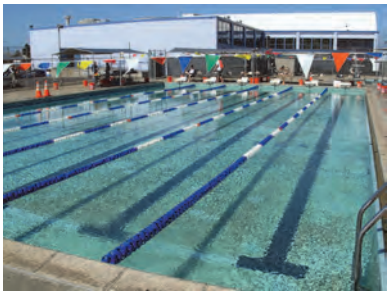
Note 1 in the Basic Financial Statements provides a detailed explanation of the City's significant accounting policies. Internal accounting controls are designed to provide reasonable assurance regarding safeguarding of assets against loss, accuracy and reliability of accounting data, and adherence to prescribed policies. The concept of reasonable assurance recognizes that the cost of a control measure should not exceed benefits likely to be derived and that the evaluation of costs and benefits require estimates and judgments by management.

Each year, departments work with the City Manager and Finance departments to submit operating budget requests for the next fiscal year. The City Manager and Assistant City Manager then make recommendations to the City Council regarding the budget for the next fiscal year. After public discussion and evaluation of their recommendations, the City Council adopts the budget for the next two fiscal years.

Expenditures are controlled at the fund level for all budgeted departments within the City. At this level, expenditures may not legally exceed appropriations. The City Manager or his designee is authorized to transfer funds between departments within the same fund, and to limit expenditures in response to lower than expected revenues whenever necessary. The budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP). Any amendments to the total level of appropriations for a fund or transfers between funds must be approved by the City Council.

Major Initiatives and Projects

As part of the budget preparation process, the City Council adopts goals and objectives for the next year and evaluates the progress made on the goals established as part of the previous budget. The following represent some of the most significant goals established for both Fiscal Year 2013-14 and 2014-15:

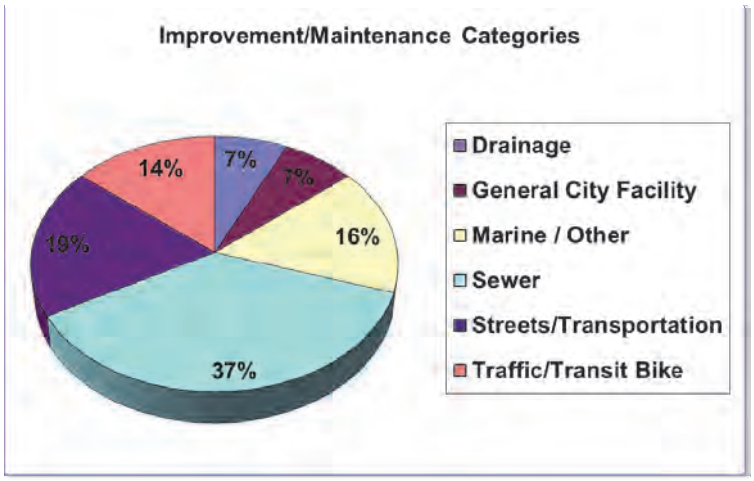


- Enforce fiscal sustainability in all City programs and services
- Implement an enhanced electronic records management system
- Facilitate the transfer, reuse and redevelopment of former federal lands at Alameda Point
- Work with Alameda Unified School District to provide quality aquatic programs for the community and students
- Analyze and develop solutions to enhance emergency medical service delivery throughout the City

Honorable Mayor and
Members of the City Council

February 3, 2014

The City's Capital Improvement and Maintenance Budget totals $23.8 million for FY 2013-2014 and is allocated to the following types of projects:



The largest portion of capital projects is for improvements to the City's sewer system, resulting from recent mandates from the Environment Protection Agency (EPA).

Some of the specific projects funded for Fiscal Year 2013-14 and 2014-15 include the following:

- Cyclic Sewer Repair ($4,875,000)
- Sewer Pump Station Upgrades ($2,100,000)
- Street Pavement Management Program ($3,137,000)
- Sidewalk Repair Program ($867,000)
- Shoreline / Westline Drive Bikeway Construction ($972,000)
- Chuck Corica Golf Course Renovation ($1,000,000)
- Emergency Operations/Fire Station 3 Design ($600,000)
- Southshore Lagoon Dredging ($525,000)
- Marina Village Park Renovation ($581,000)

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2012. This was the 23rd consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City was required to produce a report that met their high standards for reporting, as well as one that adhered to GAAP and other legal requirements. A Certificate of Achievement is valid for one year only. It is anticipated that the current CAFR will continue to meet the Certificate of Achievement Program's requirements.

The City also received the GFOA's Distinguished Budget Presentation Award for its two-year budget document for FY 2013 and 2014. In order to qualify for the Award, the City's budget document had to meet specific criteria as a policy document, a financial plan and a communications device.

Honorable Mayor and
Members of the City Council

February 3, 2014

This CAFR was prepared by the City's Finance Director and the Finance Department staff. This report is representative of the staff's ongoing commitment to provide excellent services and products to Alameda citizens. Thanks are also extended to the independent auditors of Maze and Associates for their review of this report, and to the City Council, City Manager, City Treasurer and City Auditor for their stewardship and commitment to assist in ensuring the long-term fiscal health of the City.

Respectfully submitted,

Fred Marsh

Finance Director

City of Alameda

City Council

Mayor Marie Gilmore

Vice Mayor Marilyn Ezzy Ashcraft

Councilmember Lena Tam

Councilmember Stewart G. Chen

Councilmember Tony Daysog

City of Alameda

Principal Officers

ELECTED OFFICIALS

Kevin Kearney, City Auditor

Kevin Kennedy, City Treasurer

CHARTER OFFICERS

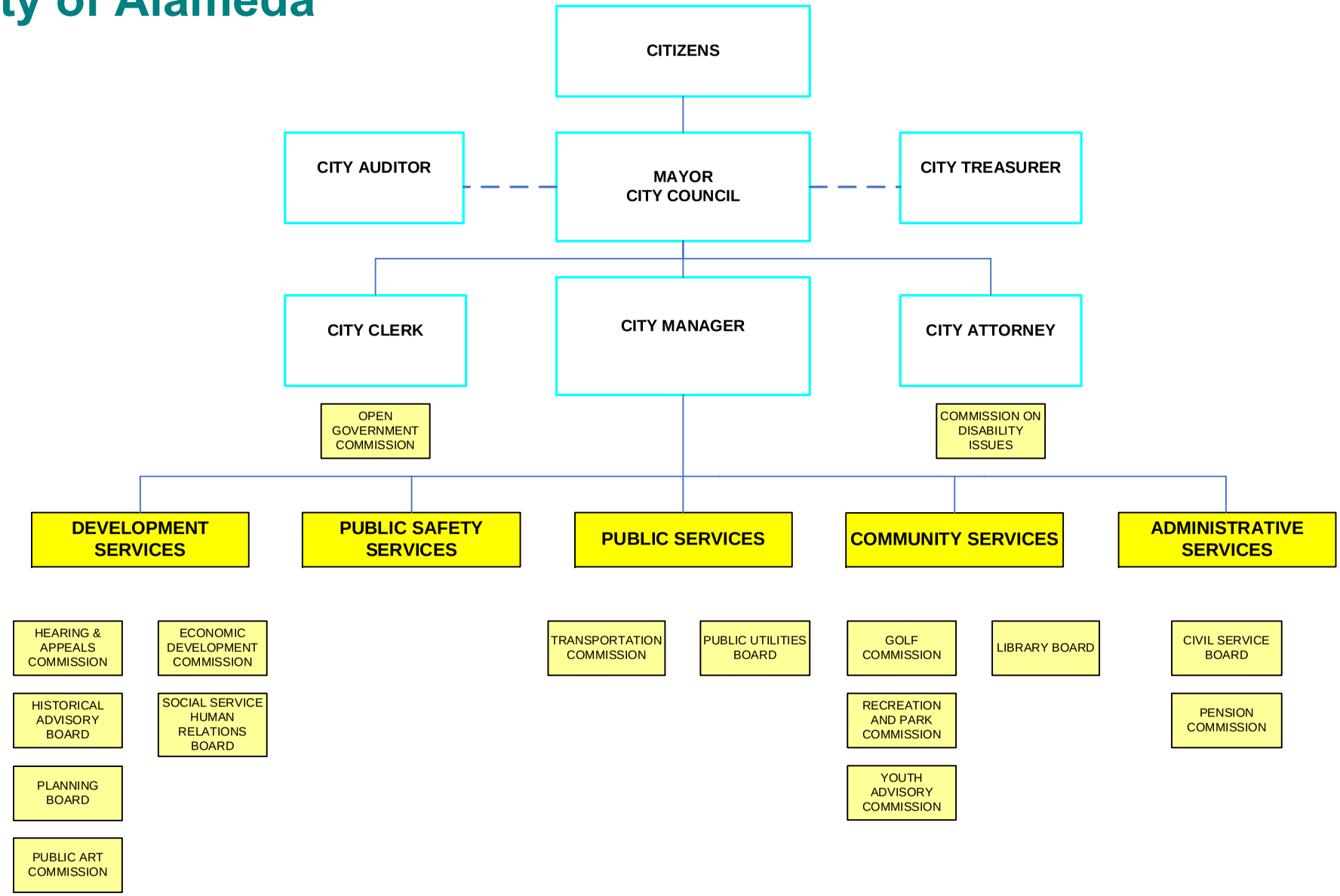
City Manager, John A. Russo
City Attorney, Janet Kern
City Clerk, Lara Weisiger

EXECUTIVE MANAGEMENT TEAM

Assistant City Manager, Elizabeth Warmerdam
Assistant City Manager, Alex Nguyen

Chief of Police, Paul Rolleri
Chief Operating Officer, Alameda Point, Jennifer Ott
Community Development Director, Debbie Potter
Fire Chief, Mike D'Orazi
General Manager, Alameda Municipal Power, Girish Balachandran
Finance Director, Fred Marsh
Library Director, Jane Chisaki
Public Works Director, Bob Haun
Recreation and Park Director, Amy Wooldridge

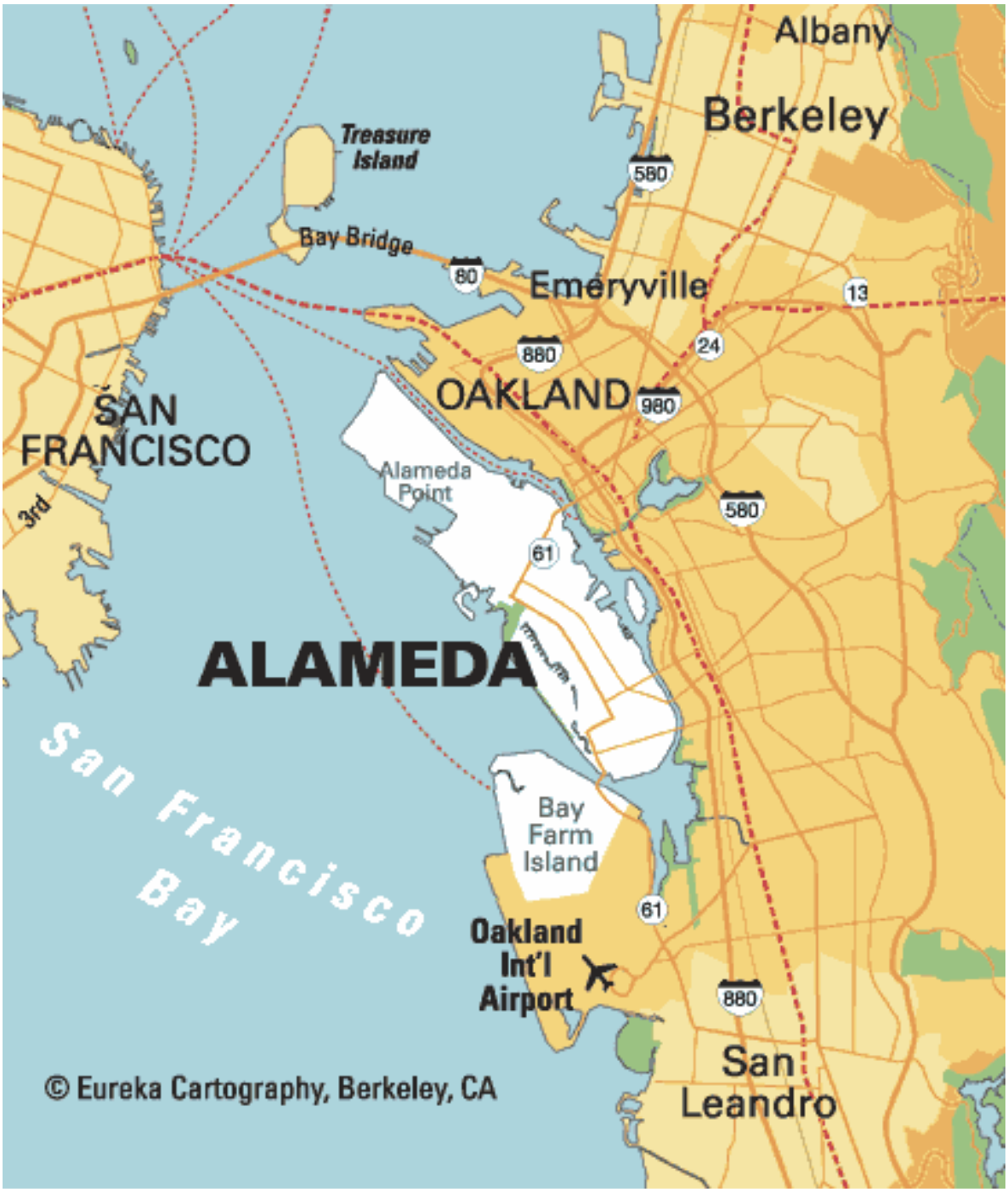
City of Alameda



City of Alameda

City Map

The City of Alameda, incorporated April 19, 1854, is a 10.6 square mile island city located in San Francisco Bay. Alameda has a population of 74,640. The City of Alameda is seven miles east of San Francisco, situated within San Francisco Bay, and less than one mile west of the City of Oakland, directly west of Interstate 880. Alameda is a brief drive north of Oakland International Airport, which borders the City on the southeast.



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Alameda
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

FINANCIAL SECTION

City of Alameda

People and Places in the City

INDEPENDENT AUDITOR'S REPORT

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

Report on Financial Statements

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alameda (City), California, as of and for the year ended June 30, 2013, which collectively comprise the City's basic financial statements as listed in the table of contents. We did not audit the component unit financial statements of the Alameda Municipal Power, which represents 18% and 80% of the assets and revenues and 35% and 31% of liabilities and expenses of the reporting entity, respectively. These component unit financial statements were audited by other auditors, whose report thereon has been furnished to us. Our opinion, insofar as it relates to the amounts included for this entity, is based solely on the report of these auditors.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information and discretely presented component units of the City as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons listed as part of the basic financial statements for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accountancy Corporation
3478 Buskirk Avenue, Suite 215
Pleasant Hill, CA 94523

T 925.930.0902
F 925.930.0135
E maze@mazeassociates.com
W **mazeassociates.com**

Emphasis of Matters

As discussed in Note 8E, certain beginning fund balances and net position were restated due to fund recategorization.

Management adopted the provisions of the following Governmental Accounting Standards Board Statement, which became effective during the year ended June 30, 2013 that affected the format and nomenclature of the financial statements:

> Statement 63 - *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.* See Note 1 to the financial statements for relevant disclosures.

Management early-implemented the provisions of the following Governmental Accounting Standards Board Statement during the year ended June 30, 2013 that also affected the format of nomenclature of the financial statements:

> Statement 65 – *Items Previously Report as Assets and Liabilities*. See Note 1 to the financial statements for relevant disclosures.

The emphasis of these matters does not constitute a modification to our opinions.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis 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 as a whole. The Introductory Section, Supplemental Information, and Statistical Section as listed in the Table of Contents are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The Supplemental Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 Supplemental Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2014, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Maze & Associates

Pleasant Hill, California
February 3, 2014

City of Alameda

People and Places in the City

This management overview and analysis of the City's financial activities and performance is being presented for the fiscal year ended June 30, 2013. The information presented herein should be considered in conjunction with that presented in the Transmittal Letter contained within the Introductory Section of this report, and the Basic Financial Statements for the City.

Overview of the City's Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which are comprised of three components:

- **Government-Wide Financial Statements** – These include the Statement of Net Position and Statement of Activities. These statements provide information about the activities of the City as a whole and about the overall financial condition of the City in a manner similar to a private-sector business. These statements are described in more detail in a subsequent section of this Management Discussion and Analysis (MD&A).

- **Fund Financial Statements** – These statements provide additional information about the City's major funds, including how services were financed in the short term and fund balances available for financing future projects. These statements are described in more detail in a subsequent section of this MD&A.

- **Notes to the Financial Statements** – The notes provide additional detail that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

In addition to the basic financial statements and accompanying notes, this report also presents other required supplementary information, including budgetary comparison information on the City's General Fund.

Financial Highlights

- The City had net position at June 30, 2013 of $389 million. Of this amount, $28 million (7%) is unrestricted and represents assets available for future uses, including projected future equipment replacement needs and insurance claims. The balance (93%) relates to the City's investment in its capital assets or is legally restricted for specific activities and projects.

- As of June 30, 2013, the City's governmental funds reported combined ending fund balances of $81 million. Of the total fund balance, $2.2 million (3%) represents nonspendable balances set aside to indicate items that do not represent available spendable resources and $58 million (72%) is either restricted, committed or assigned, indicating it is not available for new expenditures as it has been legally committed to or otherwise set aside for future uses. The remaining $21 million (25%) constitutes fund balances accounted for in the City's General and other special funds, available for future programs, projects, and services, subject to any spending restrictions imposed by those funds.

At the close of FY12-13, the General Fund fund balance was $23 million. The City Council has established a policy for cash reserves at a minimum of 20% of General Fund expenditures for costs associated with economic and other uncertainties. At June 30, 2013, the unassigned fund balance (i.e. available funds) is $21 million.

Government-wide Financial Statements

The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. They provide information about the activities of the City as a whole, and present a longer-term perspective of the City's finances. The Statement of Net Position presents information on all City assets and liabilities, with the difference between the two reported as net position. Increases or decreases in net position serve as a useful indicator of whether the financial position of the City is improving.

The Statement of Activities presents information showing the manner in which 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 actually 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 cash flows in future fiscal periods (for example, uncollected taxes and unused vacation or other compensated leave).

In the government-wide financial statements, the City's activities are reported in three categories:

Governmental Activities – includes most of the City's services such as public safety, public works, planning and building, community services, housing and general government support. Property taxes, sales and use taxes, state subventions and fees for service finance most of these activities.

Business-type Activities – includes the sewer system, where fees for service principally finance the activity.

Discretely Presented Component Units – Alameda Municipal Power is a legally separate reporting entity, but is important because the City is financially accountable for this entity.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control of resources that have been segregated for specific activities or objectives. The City uses fund accounting to show compliance with finance-related legal requirements. For governmental activities, these statements indicate how these services were financed in the short-term, as well as what remains for future spending. All funds of the City of Alameda can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on the balances of spendable resources available at the end of the fiscal year. This information may be useful in evaluating a government's near-term financial requirements.

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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to assist the reader with this comparison between governmental funds and governmental activities.

Information is presented in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the following funds that are classified as major funds:

- General Fund
- Parking Special Revenue Fund
- FISC Lease Revenue
- Base Reuse
- Housing Special Revenue
- Capital Improvement Projects

Data from the other governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements included elsewhere in this report.

The City adopts an annual appropriated budget of revenues and expenditures for all funds. Budgetary comparison statements have been provided as required supplementary information to demonstrate compliance with the budget.

Proprietary funds. The City's one proprietary fund is its Sewer fund. It is used to account for activities financed and operated in a manner similar to a private enterprise. Proprietary funds provide the same type of information as the government-wide financial statements, but with more detail.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of those funds are not available to support the City's own programs. The accounting used for these funds is similar to that used for governmental funds. These funds are reported in a separate statement of fiduciary net position.

Government Activities Financial Analysis

Net position may serve as a useful indicator of a government's financial position. For the City, assets exceeded liabilities by $389 million at the close of FY12-13, an increase of $1.4 million or < 1% from FY11-12. Information on net position is presented in the summary table on the following page:

Summary of Net Position
June 30, 2013 and 2012
(In Millions)

	Governmental Activities		Business-Type Activities		Totals	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**
Current / Other Assets	122	115	$31	$20	$153	$135
Capital Assets	294	292	49	50	343	342
Total Assets	**$416**	**$407**	**$80**	**$70**	**$496**	**$477**
Long-term Liabilities	69	63	17	6	86	69
Other Liabilities	19	19	2	2	21	21
Total Liabilities	**$88**	**$82**	**$19**	**$8**	**$107**	**$90**
Net Position:						
Net Investment in Capital Assets	234	249	32	44	266	293
Restricted	65	58	30	18	95	76
Unrestricted	28	18			28	18
Total Net Position	**$327**	**$325**	**$62**	**$62**	**$389**	**$387**

The largest portion of the City's net position (68%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment) less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to the community. Net position invested in capital assets, decreased by $27 million during the year due to depreciation incurred on capital assets purchased in prior years. Long-Term Liabilities also increased by $17 million due to the issuance of new sewer revenue bonds and an increase in the City's Net OPEB obligation.

The amount of net position invested in capital assets, is reported as a distinct component of net position because this amount is not available for future spending. In addition, although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources and related deferred inflow of resources, because the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position, that portion of the City's net position (24%) subject to restrictions on how they may be used, increased $19 million this year. Unrestricted net position, the portion of the City's net position available for use (7%), increased $10 million this year. There was no change in other liabilities. A summary of Changes in Net position is presented on the following page:

Summary of Changes in Net Position
June 30, 2013 and 2012
(dollars in thousands)

	Governmental Activities		Business-Type		Totals	
	2013	2012	2013	2012	2013	2012
Revenues						
Program Revenues						
Charges for Services	$31,782	$28,966	$8,968	$11,406	$40,750	$40,372
Operating Grants & Contributions	7,435	9,899			7,435	9,899
Capital Grants and Contributions	3,504	5,112			3,504	5,112
General Revenues						0
Property Taxes	26,938	27,965			26,938	27,965
Incremental Property Taxes	0	5,749			0	5,749
Special Assessments	1,843	1,844			1,843	1,844
Sales Taxes	5,932	6,036			5,932	6,036
Utility Users Tax	9,096	8,787			9,096	8,787
Other Taxes	15,319	13,453			15,319	13,453
Motor Vehicle in Lieu Fees	5,898	5,874			5,898	5,874
Use of Money and Properties	4,039	618	33	193	4,072	811
Other	1,531	5,803	5	57	1,536	5,860
Total Revenues	**$113,317**	**$120,106**	**$9,006**	**$11,656**	**$122,323**	**$131,762**
Expenses						
General Government	$13,570	$15,237			$13,570	$15,237
Police	30,432	25,905			30,432	25,905
Fire	27,375	23,970			27,375	23,970
Public Works	12,665	13,738			12,665	13,738
Community Development	20,805	17,960			20,805	17,960
Community Services	8,296	8,741			8,296	8,741
Housing	1,222	2,211			1,222	2,211
Interest on Long-Term Debt	1,409	4,142			1,409	4,142
Golf Course				3,815	0	3,815
Sewer Services			5,126	3,864	5,126	3,864
Total Expenses	**$115,774**	**$111,904**	**$5,126**	**$7,679**	**$120,900**	**$119,583**
Change in Net Position Before Transfers	($2,457)	$8,202	$3,880	$3,977	$1,423	$12,179
Transfers, Net	269	206	-269	0	0	206
Change, Net	(2,188)	8,408	3,611	3,977	1,423	12,385
Beginning Net Position, as restated	329,156	275,802	58,074	56,650	387,230	332,452
Net Liabilities assumed by Successor Agency		40,815			0	40,815
Ending Net Position	**326,968**	**325,025**	**61,685**	**60,627**	**388,653**	**385,652**

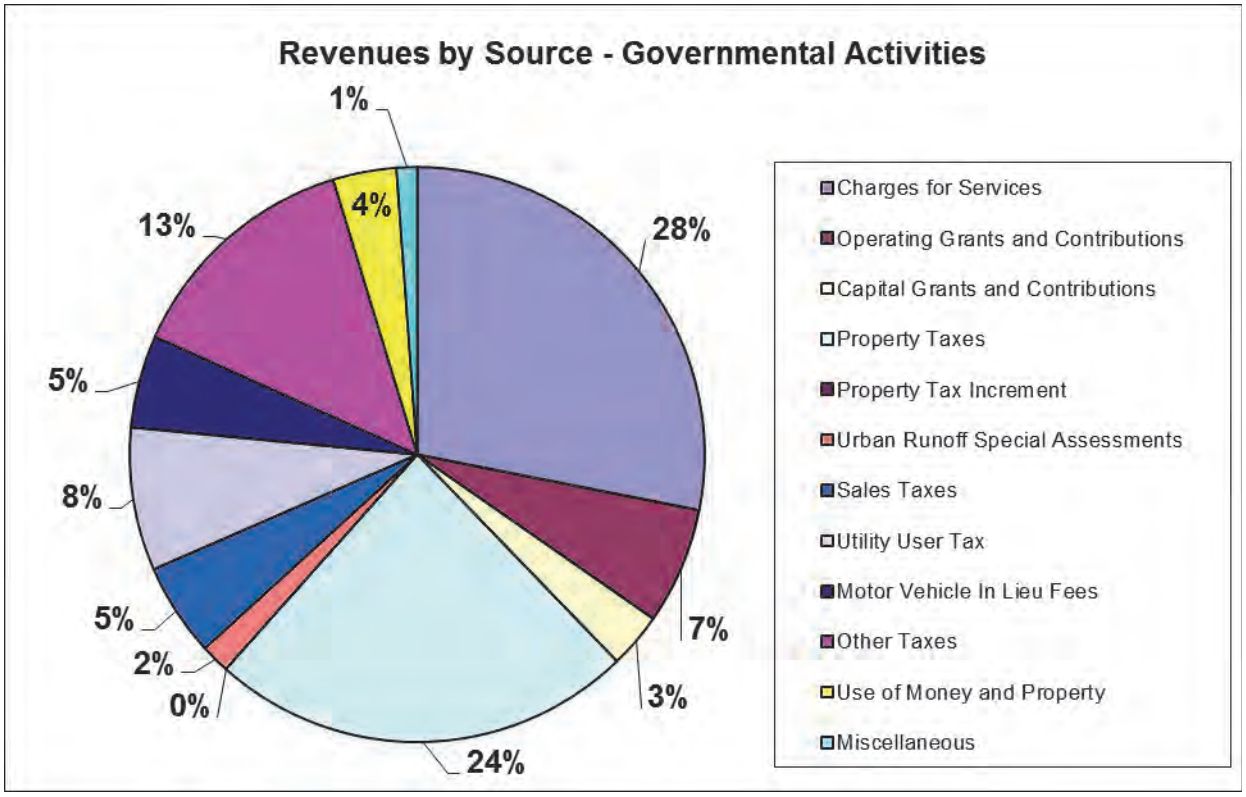
Decreases in investment earnings, grants and other revenues contributed to an overall decrease in revenues. Program expenses decreased due to a decrease in public safety expenditures over the prior Fiscal Year. A summary of Expense and Revenues by Program for Governmental Activities is shown on the following page:

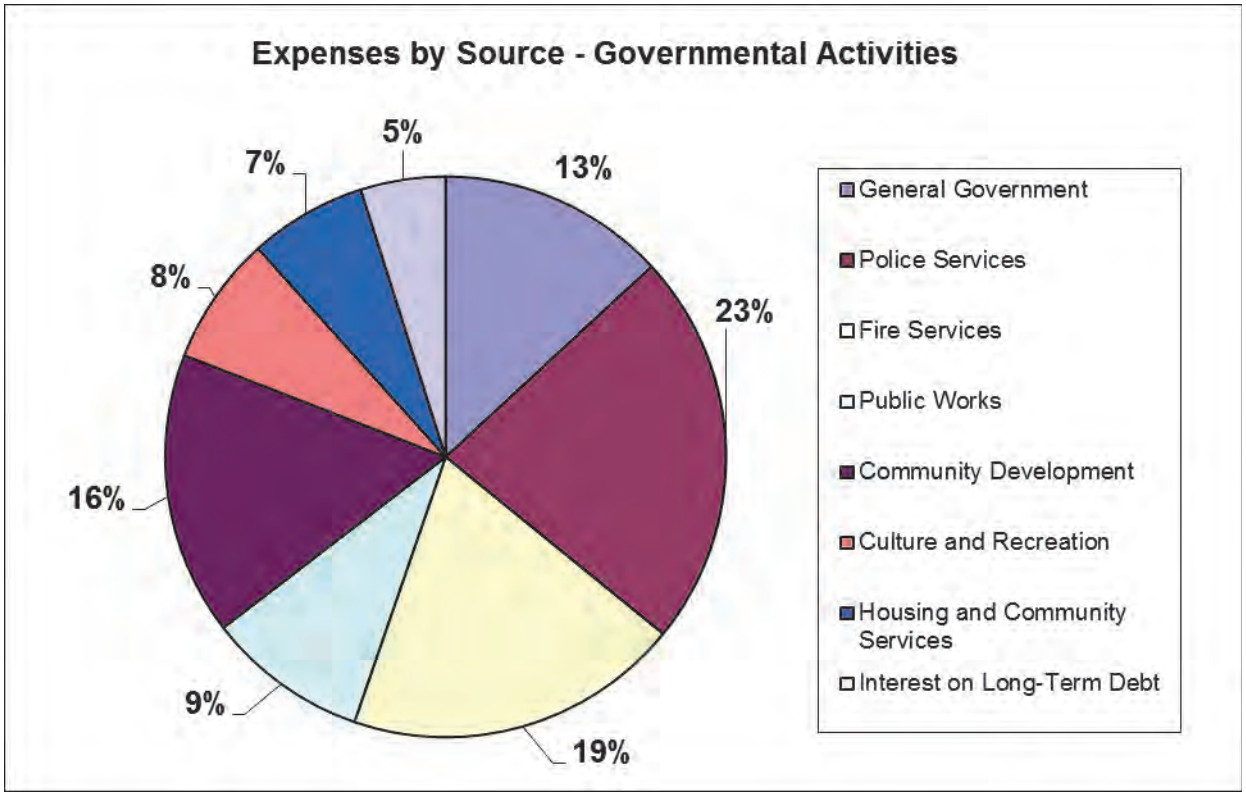
Expense and Program Revenue - Governmental Activities
Fiscal Year 2012-2013
(dollars in thousands)

	Expense	Revenue	Net Difference
General Government	$13,570	$7,507	($6,063)
Police	30,432	1,466	(28,966)
Fire	27,375	4,044	(23,331)
Public Works	12,665	12,957	292
Community Development	20,805	12,343	(8,462)
Community Services	8,296	4,049	(4,247)
Housing	1,222	353	(869)
Interest on Long-Term Debt	1,409		(1,409)
	$115,774	$42,719	($73,055)

Revenues by Source - Governmental Activities
(dollars in thousands)

	2013	2012	Difference
Charges for Services	$31,782	$28,966	$2,816
Operating Grants and Contributions	7,435	9,899	(2,464)
Capital Grants and Contributions	3,504	5,112	(1,608)
Property Taxes	26,938	27,965	(1,027)
Property Tax Increment	0	5,749	(5,749)
Urban Runoff Special Assessments	1,843	1,844	(1)
Sales Taxes	5,932	6,036	(104)
Utility User Tax	9,096	8,787	309
Motor Vehicle In Lieu Fees	5,898	5,874	24
Other Taxes	15,319	13,453	1,866
Use of Money and Property	4,039	618	3,421
Miscellaneous	1,531	5,803	(4,272)
	$113,317	$120,106	($6,789)


Revenues by Source - Governmental Activities
1%
4%
13%
28%
5%
8%
5%
2%
0%
7%
3%
24%
Charges for Services
Operating Grants and Contributions
Capital Grants and Contributions
Property Taxes
Property Tax Increment
Urban Runoff Special Assessments
Sales Taxes
Utility User Tax
Motor Vehicle In Lieu Fees
Other Taxes
Use of Money and Property
Miscellaneous


Expenses by Source - Governmental Activities
5%
7%
13%
8%
23%
16%
9%
19%
General Government
Police Services
Fire Services
Public Works
Community Development
Culture and Recreation
Housing and Community Services
Interest on Long-Term Debt

Business-type Activities Financial Analysis

Sewer Fund Net position of the Sewer Fund at June 30, 2013, was $62 million, consisting including a net position invested in capital assets, of $32 million. The remaining $29 million includes a $3 million advance for a capital improvement project and the remaining balance of $26 million, which is available to fund operations and future sewer related improvement and maintenance projects. The Sewer fund generated income and transfers of $9 million and incurred $5 million of expenditures, for a net increase in assets of $4 million.

In addition, the City combined the Golf Enterprise Fund into the Athletic Recreation Special Revenue Fund for Fiscal Year 2012-13, as the City entered into an agreement with Greenway Golf Associates Inc., for the long-term maintenance and operations of the Chuck Corica Golf Complex.

Expense and Program Revenue
Business-type Activity
Fiscal Year 2012-2013
(dollars in thousands)

	Revenue	Expense	Difference
Sewer	8,967	5,126	3,841

Business-type Activities
(dollars in thousands)

	2013	2012	Difference
Charges for Services	$8,967	$11,406	($2,439)
Operating Grants and Contributions		0	0
Unrestricted Investment Earnings/Rents	33	193	(160)
Miscellaneous Revenues	5	58	(53)
	$9,005	$11,657	($2,652)

Financial Analysis of the Government's Funds

As previously noted, the City of Alameda uses fund accounting methodology to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City of Alameda's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Alameda's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for expenditures at the end of the fiscal year.

As of June 30, 2013, the City of Alameda's governmental funds reported combined ending fund balances of $81 million, a decrease of $1 million (1%) from the prior fiscal year. Approximately $21 million or 25% of the combined ending fund balance constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remaining balance is either *restricted, committed or assigned* to indicate that it is *not* available for new spending because it has been committed to liquidate contracts and purchase orders from the prior fiscal period; pay debt service; or fund future uses.

The General Fund is the chief operating fund of the City. At June 30, 2013, unassigned fund balance (cash reserve) of the General Fund was $21 million; the total fund balance, including restricted, committed and assigned resources, was $23 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 30% of total General Fund expenditures and transfers. The fund balance of the City of Alameda's General Fund increased by approximately $.4.5 million from the prior fiscal year (1%) due to higher sales tax revenue received by the City.

The FISC Lease Revenue Special Revenue Fund had a deficit fund balance of $.7 million at June 30, 2013, due to an assumption of an advance from the Sewer Fund previously made to the former Community Improvement Commission (CIC), which was subsequently disallowed by the State as part of the dissolution of the CIC. Fund balance increased by $.9 million during the year due to an increase in rental income received from its properties.

The Base Reuse Special Revenue Fund had a restricted fund balance of $3 million at June 30, 2013. Fund balance decreased $3 million primarily due to one-time expenditures incurred for the settlement of outstanding claims.

The Parking Fund had a restricted fund balance of $.3 million at June 30, 2013, to be used for future parking projects within the City. The Housing Special Revenue Fund had a committed fund balance of $1 million at June 30, 2013. Fund balance decreased $.1 million primarily due to one-time expenditures incurred for affordable housing projects.

The Capital Improvement Projects Capital Project Fund has a total fund balance of $5 million as of June 30, 2013, all committed for current and future capital projects. The fund incurred $10 million for capital projects during FY12-13, including the following:

- Woodstock Field Improvements
- City Building Renovations
- Lagoon Wall Stabilization
- Street Resurfacing
- Park Street Pedestrian Safety
- Shoreline Repairs
- Resurface Tennis Courts
- Fire Station 3 Feasibility Study
- Sidewalk Maintenance Program
- Storm Drain Upgrades
- Sewer Infrastructure Improvements

Proprietary Funds. The City of Alameda's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Restricted net position at June 30, 2013, was $29 million for the Sewer Fund.

Internal Service Funds. The Worker's Compensation Insurance Fund net asset deficit reflects future claims liabilities maturing in five to ten years. Other Internal Service Funds have net position to offset this deficit.

Unrestricted net position (deficits) at June 30, 2013, are as follows by fund (reported in thousands):

Equipment Replacement	$3,157
Central Services	84
Fleet Maintenance	270
Technology Services	1,232
Facilities Maintenance	1,192
Worker's Compensation Insurance	(2,980)
Risk Management Insurance	273
Unemployment Insurance	222
OPEB / Vacation	1,843
	$5,293

Capital Assets and Long Term Debt

Capital Assets

The City of Alameda's investment in capital assets for its governmental and business-type activities as of June 30, 2013, totals $344 million (net of accumulated depreciation), an increase of approximately $2 million (< 1%) from the prior period. Investment in capital assets includes land, buildings and systems improvements, machinery and equipment, sewer lines, park facilities and streets. Additional information about the City's capital assets can be found in Note 5 of this report.

Capital Assets (net of depreciation)
(dollars in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Land	$5,995	$5,818		$177	$5,995	$5,995
Buildings and systems	151,205	150,453		851	151,205	151,304
Infrastructure	77,900	64,592	$42,263	40,498	120,163	105,090
Construction in progress	48,541	61,826	6,718	7,654	55,259	69,480
Machinery and equipment	10,555	9,084	341	648	10,896	9,732
Total	$294,196	$291,773	$49,322	$49,828	$343,518	$341,601

Long-term Debt

At June 30, 2013, the City had $60 million in outstanding debt, including $11 million in Certificates of Participation and $26 million in Revenue Bonds. During Fiscal Year 2012-13, the City issued $15 million of Sewer Revenue bonds to fund infrastructure improvements to its sewer system.

The schedule below is a summary schedule of outstanding debt as of June 30, 2013.

Outstanding Debt
(dollars in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Certificates of Participation	$10,700	$11,600	$0	$2,160	$10,700	$13,760
Revenue Bonds	11,700	12,000	14,715		26,415	12,000
General Obligation Bonds	8,925	9,155			8,925	9,155
HUD Section 108 Loan	6,355	6,529			6,355	6,529
Other Long Term Obligations	5,086	3,350	2,956	3,499	8,042	6,849
Total	$42,766	$42,634	$17,671	$5,659	$60,437	$48,293

Additional information on the City of Alameda's long-term debt can be found in Note 6 of this report.

Economic Outlook

At the time these financial statements were prepared and audited, the City was aware of the following items that could significantly impact its financial health in the future:

- During Calendar Year 2012, the City entered into new employment agreements with most of its bargaining groups, which included changes for amounts paid for pension and health benefits and other special pays. The projected costs/savings from each of these new agreements have been incorporated into the City's budget for Fiscal Years 2013-14 and 2014-15.

- The City offers post-employment health benefits to its retirees, as described in Note 10. The type and value of this benefit is a bargained benefit. Miscellaneous employees receive the minimum payment required by the Public Employees Medical Coverage Health Agreement (PEMCHA); and public safety receives the employer paid premium of the PEMCHA provided health insurance and dental insurance for retirees and spouses. The City had a third party prepare an updated actuarial study in 2013 of these benefits and their future costs, which projects the City's liability to be about $91 million, based on a 4.0% return and a 30 year period. The assumed role is based upon the fact that the City was not actively funding on OPEB Trust during Fiscal year 2012-13.

- Alameda Point and its final conveyance from the Navy to the City will have a positive impact on future economic development in the City. The timing of the development process, however, cannot be determined at this point.

- New Miscellaneous / Safety PERS rates have been adopted by CalPERS, which include the projected effect of the recent changes made by CalPERS to their amortization and smoothing policies, which was to smooth changes to the rate over a five instead of a fifteen year period. CalPERS will be implementing these changes over a five year period, beginning in FY 2015-16, and staff will be incorporating these new rates as part of its future budgets.

- Note 15 to the financial statements discuss two events that occurred subsequent to the end of Fiscal Year 2012-13 and their financial impact on the City these events include the refinancing of its 2003 General Obligation Bonds and the refinancing of its 2002 Certificates of Participation, which will result in debt service savings for the City and additional bond proceeds for the construction of a new Emergency Operations Center (EOC).

Request for Information

This Comprehensive Annual Financial Report (CAFR) is designed to provide a general overview of the City of Alameda's finances. For the convenience of the public, a copy of this report is posted on the City's website (http://alamedaca.gov/finance). Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Alameda, Attention: Finance Department, 2263 Santa Clara Avenue, Room 220, Alameda, California 94501.

The Statement of Net Position reports the difference between the City's total assets, deferred outflow of resources, the City's total liabilities, and deferred inflow of resources, including all the City's capital assets and all its long-term obligations. The Statement of Net Position summarizes the financial position of all the City's Governmental Activities in a single column, and the financial position of all the City's Business-Type Activities in a single column; these columns are followed by a Total column that presents the financial position of the entire City. This column is followed by an individual column, which displays the City's discretely presented component unit.

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

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

Both these Statements include the financial activities of the City, the blended component unit: The Alameda Public Financing Authority, which is a legally separate but are component unit of the City because it is controlled by the City, which is financially accountable for the activities of the entity. The balances and the activities of the discretely presented component unit of Alameda Municipal Power are included in these statements as separate columns.

1074
606
1072

City of Alameda
Statement of Net Position
June 30, 2013

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Alameda Municipal Power
ASSETS				
Cash and cash equivalents (Note 2)	$91,269,838	$14,750,482	$106,020,320	$37,365,770
Restricted cash and investments (Note 2)	6,930,230	12,908,233	19,838,463	4,529,302
Accounts receivable	10,056,361	426,042	10,482,403	8,643,339
Interest receivable	319,768		319,768	14,166
Internal balances (Note 3D)	(3,000,000)	3,000,000		
Loans receivable (Note 4)	15,953,237		15,953,237	
Materials, parts and supplies				3,043,935
Prepaids, deposits, bond discounts and issue costs				1,345,065
Share of certain NCPA projects and reserve (Note 12)				19,506,298
Capital assets (Note 5):				
Non-depreciable	54,536,425	6,718,058	61,254,483	2,031,492
Depreciable, net of accumulated depreciation	239,659,962	42,604,095	282,264,057	34,285,187
Total Assets	415,725,821	80,406,910	496,132,731	110,764,554
LIABILITIES				
Accounts payable	4,872,708	746,301	5,619,009	4,085,816
Accrued payroll	1,960,119	2,447	1,962,566	
Interest payable	400,806	227,686	628,492	778,904
Unearned revenue	2,440,015		2,440,015	982,205
Refundable deposits	2,170,026		2,170,026	638,476
Due to other agencies	37,930		37,930	
Claims payable (Note 11B):				
Due within one year	3,592,434		3,592,434	230,000
Due in more than one year	5,835,774		5,835,774	874,671
Compensated absences (Note 1H):				
Due within one year	2,497,795	74,698	2,572,493	665,869
Due in more than one year				9,171
Net pension obligation (Note 9D)	558,000		558,000	
Net OPEB obligation, due in more than one year (Note 10)	21,626,000		21,626,000	
Long-term debt (Note 6):				
Due within one year	2,085,883	658,877	2,744,760	3,267,173
Due in more than one year	40,679,880	17,012,400	57,692,280	27,879,533
Purchased power balancing account (Note 1J)				18,770,493
Total Liabilities	88,757,370	18,722,409	107,479,779	58,182,311
NET POSITION (Note 8):				
Net investment in capital assets	234,318,345	32,309,753	266,628,098	28,278,573
Restricted for:				
Capital projects	3,947,003		3,947,003	
Debt service	1,738,535		1,738,535	
Redevelopment and housing	4,779,725		4,779,725	
Public safety	937,203		937,203	
Planning and building	556,360		556,360	
Recycling	4,545,140		4,545,140	
Culture and recreation	4,332,494		4,332,494	
Maintenance Assessment Districts	4,443,457		4,443,457	
Transportation	10,768,352		10,768,352	
Tidelands properties	2,938,578		2,938,578	
Other special purpose projects	26,076,333		26,076,333	
NCPA projects and reserve				4,529,302
Sewer operations and projects		29,374,748	29,374,748	
Total Restricted Net Position	65,063,180	29,374,748	94,437,928	4,529,302
Unrestricted	27,586,926		27,586,926	19,774,368
	$326,968,451	$61,684,501	$388,652,952	$52,582,243

See accompanying notes to financial statements.

City of Alameda
Statement of Activities
For the year ended June 30, 2013

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	$13,569,619	$7,507,538		
Police	30,431,546	1,125,359	$337,801	$3,273
Fire	27,374,670	2,625,040	1,355,337	64,070
Public works	12,664,895	7,329,147	2,409,292	3,218,958
Community development	20,805,104	9,717,218	2,625,469	
Community services	8,296,495	3,477,649	353,727	217,927
Housing	1,222,077	45	353,095	
Interest on long-term debt	1,409,201			
Total Governmental Activities	115,773,607	31,781,996	7,434,721	3,504,228
Business-type Activities:				
Sewer services	5,125,508	8,966,628		
Total Business-type Activities	5,125,508	8,966,628		
Total Primary Government	$120,899,115	$40,748,624	$7,434,721	$3,504,228
Component Unit:				
Alameda Municipal Power	$53,896,090	$56,157,469		
Total Component Units	$53,896,090	$56,157,469		
General revenues:				
Taxes:				
Property taxes				
Urban runoff special assessments				
Sales taxes				
Utility users tax				
Transfer tax				
Franchise tax				
Transient occupancy tax				
Property tax in-lieu				
Other taxes				
Motor vehicle in-lieu, unrestricted				
Use of money and properties				
Miscellaneous				
Increase in value of certain NCPA projects and reserves				
Transfers (Note 3C)				
Total general revenues and transfers				
Change in Net Position				
Beginning Net Position, as restated (Note 8)				
Ending Net Position				

See accompanying notes to financial statements.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Alameda Municipal Power
($6,062,081)		($6,062,081)	
(28,965,113)		(28,965,113)	
(23,330,223)		(23,330,223)	
292,502		292,502	
(8,462,417)		(8,462,417)	
(4,247,192)		(4,247,192)	
(868,937)		(868,937)	
(1,409,201)		(1,409,201)	
(73,052,662)		(73,052,662)	
	3,841,120	3,841,120	
	3,841,120	3,841,120	
(73,052,662)	3,841,120	(69,211,542)	
			$2,261,379
			2,261,379
26,937,823		26,937,823	
1,842,568		1,842,568	
5,932,043		5,932,043	
9,095,600		9,095,600	
5,582,337		5,582,337	
4,439,185		4,439,185	
1,396,432		1,396,432	
1,112,896		1,112,896	
2,788,444		2,788,444	
5,897,923		5,897,923	
4,039,370	33,149	4,072,519	98,920
1,531,218	5,495	1,536,713	176,225
			1,447,092
269,538	(269,538)		
70,865,377	(230,894)	70,634,483	1,722,237
(2,187,285)	3,610,226	1,422,941	3,983,616
329,155,736	58,074,275	387,230,011	48,598,627
$326,968,451	$61,684,501	$388,652,952	$52,582,243

City of Alameda

People and Places in the City

The funds described below were determined to be Major Funds of the City of Alameda in FY12-13. Individual non-major funds may be found in the Supplemental Information section.

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

FISC Lease Revenue Special Revenue Fund
This fund accounts for revenue from the Fleet Industrial Supply Center (FISC) lease and related capital improvement expenditures.

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

Housing Special Revenue Fund
This fund accounts for funds to be used for affordable housing programs in the City.

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

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

City of Alameda
Governmental Funds
Balance Sheet
June 30, 2013

	General	FISC Lease Revenue Special Revenue
ASSETS		
Cash and cash equivalents (Note 2)	$19,891,495	$2,491,003
Restricted cash and investments (Note 2)	6,000	
Accounts receivable	6,342,072	
Interest receivable	319,583	
Due from other funds (Note 3A)	523,208	
Loans receivable (Note 4)	2,200,000	
Total Assets	$29,282,358	$2,491,003
LIABILITIES		
Accounts payable	$1,366,197	$50,940
Accrued payroll	1,925,558	321
Accrued interest		
Due to other funds (Note 3A)		
Due to other agencies	21,775	
Advances from other funds (Note 3B)		3,000,000
Refundable deposits	419,743	96,905
Total Liabilities	3,733,273	3,148,166
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue	2,056,071	
Total Liabilities and Deferred Inflows of Resources	5,789,344	3,148,166
FUND BALANCES (Note 8):		
Nonspendable	2,200,000	
Restricted		
Committed		
Assigned		
Unassigned	21,293,014	(657,163)
Total Fund Balances	23,493,014	(657,163)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$29,282,358	$2,491,003

Base Reuse Special Revenue	Housing Special Revenue	Parking Special Revenue	Capital Improvement Projects	Other Governmental Funds	Total Governmental Funds
$5,110,801	$1,187,645	$284,078	$4,437,699	$43,278,886	$76,681,607
			584,743	5,587,085	6,177,828
81,955	23,972		1,346,727	1,982,056	9,776,782
				185	319,768
					523,208
	10,700,086	3,053,151			15,953,237
$5,192,756	$11,911,703	$3,337,229	$6,369,169	$50,848,212	$109,432,430
$1,076,705	$29,731		$1,257,570	$745,660	$4,526,803
2,184	13		4,878	27,165	1,960,119
	7,543			1,154	8,697
				520,129	520,129
			2,855	13,300	37,930
					3,000,000
1,208,583		$33,113	38,246	352,000	2,148,590
2,287,472	37,287	33,113	1,303,549	1,659,408	12,202,268
	10,700,086	3,053,151	49,227	334,717	16,193,252
2,287,472	10,737,373	3,086,264	1,352,776	1,994,125	28,395,520
					2,200,000
2,905,284		250,965		18,137,004	21,293,253
	1,174,330		5,016,393	30,717,083	36,907,806
					20,635,851
2,905,284	1,174,330	250,965	5,016,393	48,854,087	81,036,910
$5,192,756	$11,911,703	$3,337,229	$6,369,169	$50,848,212	$109,432,430

City of Alameda

People and Places in the City

City of Alameda
Reconciliation of
Governmental Funds -- Fund Balances
with Governmental Net Position
June 30, 2013

Total fund balances reported on the governmental funds balance sheet	$81,036,910
Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:	
CAPITAL ASSETS	
Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.	288,316,023
ALLOCATION OF INTERNAL SERVICE FUND NET ASSETS	
Internal service funds are not governmental funds. However, they are used by management to charge the costs of certain activities, such as insurance, central services and maintenance to individual governmental funds. The net current assets of the Internal Service Funds are therefore included in Governmental Activities in the following line items in the Statement of Net Position.	
Cash and cash equivalents	14,588,231
Restricted cash and investments	752,402
Accounts receivable	279,579
Capital assets	5,880,364
Accounts payable	(345,905)
Accrued payroll	
Accrued interest	(95,789)
Due to other funds	(3,079)
Refundable deposits	(21,436)
Claims payable	(9,428,208)
Compensated absences	
Long-term debt	(5,085,763)
ACCRUAL OF NON-CURRENT REVENUES AND EXPENSES	
Revenues are deferred on the Fund Balance Sheets because they are not available currently are taken into revenue in the Statement of Activities.	13,753,237
LONG-TERM ASSETS AND LIABILITIES	
The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:	
Interest payable	(296,320)
Long-term debt	(37,680,000)
Compensated absences	(2,497,795)
Net Pension obligation	(558,000)
Net OPEB obligation	(21,626,000)
NET ASSETS OF GOVERNMENTAL ACTIVITIES	$326,968,451

See accompanying notes to financial statements.

City of Alameda
Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balance
For the year ended June 30, 2013

	General	FISC Lease Revenue Special Revenue
REVENUES		
Property taxes	$23,072,986	
Other local taxes	29,205,668	
Licenses and permits	1,824,801	
Revenues from other agencies	6,251,176	$173,871
Charges for current services	9,435,269	
Fines and forfeitures	760,537	
Use of money and property	1,258,352	1,509,286
Other	48,799	
Total Revenues	71,857,588	1,683,157
EXPENDITURES		
Current:		
General government	9,917,659	
Police	27,052,038	
Fire	23,262,699	
Public works	1,080,916	
Community development		658,673
Community Services	3,444,188	
Culture and recreation		
Housing		
Capital outlay	345,853	1,426
Debt service:		
Principal	67,360	
Interest	19,028	29,445
Total Expenditures	65,189,741	689,544
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,667,847	993,613
OTHER FINANCING SOURCES (USES)		
Transfers in (Note 3C)	103,318	
Transfers (out) (Note 3C)	(6,296,919)	(50,000)
Total Other Financing Sources (Uses)	(6,193,601)	(50,000)
NET CHANGE IN FUND BALANCE	474,246	943,613
BEGINNING FUND BALANCES, AS RESTATED (NOTE 8)	23,018,768	(1,600,776)
ENDING FUND BALANCES (DEFICITS)	$23,493,014	($657,163)

See accompanying notes to financial statements.

Base Reuse Special Revenue	Housing Special Revenue	Parking Special Revenue	Capital Improvement Projects	Other Governmental Funds	Total Governmental Funds
				$7,226,442	$30,299,428
				235,598	29,441,266
			$22,158	1,373,123	3,220,082
$155,983			1,065,830	7,370,313	15,017,173
27,649			2,056,500	5,472,745	16,992,163
				952,021	1,712,558
11,692,526	$297,111	$14,866	34,135	1,478,045	16,284,321
160,351	12,221	201,976	313,747	629,517	1,366,611
12,036,509	309,332	216,842	3,492,370	24,737,804	114,333,602
				4,078,995	13,996,654
				1,486,070	28,538,108
					23,262,699
				3,239,536	4,320,452
13,981,348				3,188,758	17,828,779
				3,260,528	6,704,716
				1,178,313	1,178,313
	385,716			1,665,553	2,051,269
			10,367,425	2,592,062	13,306,766
				1,642,854	1,710,214
				1,383,169	1,431,642
13,981,348	385,716		10,367,425	23,715,838	114,329,612
(1,944,839)	(76,384)	216,842	(6,875,055)	1,021,966	3,990
			6,881,242	6,252,232	13,236,792
(1,486,799)	(27,664)	(194,000)	(104,618)	(6,012,654)	(14,172,654)
(1,486,799)	(27,664)	(194,000)	6,776,624	239,578	(935,862)
(3,431,638)	(104,048)	22,842	(98,431)	1,261,544	(931,872)
6,336,922	1,278,378	228,123	5,114,824	47,592,543	81,968,782
$2,905,284	$1,174,330	$250,965	$5,016,393	$48,854,087	$81,036,910

City of Alameda
Reconciliation of the
Net Change in Fund Balance - Governmental Funds
with the Change in Governmental Net Position
For the year ended June 30, 2013

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

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	($931,872)
Amounts reported for governmental activities in the Statement of Activities are different because of the following:	
CAPITAL ASSETS TRANSACTIONS	
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay therefore added back to fund balance	13,306,766
Non-capitalized capital outlay expenditures were re-classified to various governmental activities	(7,586,443)
Loss on retirement of capital assets is deducted from fund balance	(403,145)
Depreciation expense is deducted from fund balance (Depreciation expense is net of internal service fund depreciation of $693,170 which has already been allocated to service funds)	(8,227,844)
LONG-TERM DEBT PROCEEDS AND PAYMENTS	
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities.	
Repayment of debt principal is added back to fund balance	1,696,660
Capital lease assumed by other agency	238,997
ACCRUAL OF NON-CURRENT ITEMS	
The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):	
Unavailable revenue	332,600
Interest payable	22,441
Net pension obligation	(6,000)
Net OPEB obligation	(4,990,426)
Compensated absences	751,069
ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY	
Internal Service Funds are used by management to charge the costs of certain activities, such as equipment acquisition, equipment, maintenance, and insurance to individual funds. The portion of the net revenue (expense) of these Internal Service Funds arising from their transactions with governmental funds is reported with governmental activities, because they service those activities.	
Change in Net Position - All Internal Service Funds	3,609,912
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	($2,187,285)

See accompanying notes to financial statements.

City of Alameda
General Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance
Budget and Actual
For the year ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Property taxes	$22,682,000	$22,682,000	$23,072,986	$390,986
Other local taxes	28,076,950	28,076,950	29,205,668	1,128,718
Licenses and permits	1,701,800	1,701,800	1,824,801	123,001
Revenues from other agencies	6,025,200	6,025,200	6,251,176	225,976
Charges for current services	9,834,352	9,834,352	9,435,269	(399,083)
Fines and forfeitures	812,000	812,000	760,537	(51,463)
Use of money and property	1,305,865	1,305,865	1,258,352	(47,513)
Other revenue			48,799	48,799
Total Revenues	70,438,167	70,438,167	71,857,588	1,419,421
EXPENDITURES:				
Current:				
General government	11,597,507	11,599,807	9,917,659	1,682,148
Police	25,198,394	27,161,872	27,052,038	109,834
Fire	23,365,049	23,303,446	23,262,699	40,747
Public works	1,160,032	1,160,032	1,080,916	79,116
Community Services	3,516,844	3,523,195	3,444,188	79,007
Capital outlay	381,000	378,700	345,853	32,847
Debt service:				
Principal	67,360	67,360	67,360	
Interest	19,030	19,030	19,028	2
Total Expenditures	65,305,216	67,213,442	65,189,741	2,023,701
NET CHANGE IF FUND REVENUES	5,132,951	3,224,725	6,667,847	3,443,122
OTHER FINANCING SOURCES (USES)				
Transfers in (Note 3C)	727,820	699,171	103,318	(595,853)
Transfers (out) (Note 3C)	(6,927,755)	(5,231,316)	(6,296,919)	(1,065,603)
Total other financing sources (uses)	(6,199,935)	(4,532,145)	(6,193,601)	(1,661,456)
NET CHANGE IN FUND BALANCE	($1,066,984)	($1,307,420)	474,246	$1,781,666
Beginning fund balance			23,018,768	
Ending fund balance			$23,493,014	

See accompanying notes to financial statements.

City of Alameda
FISC Lease Revenue
Special Revenue Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance
Budget and Actual
For the year ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Revenues from other agencies	$212,010	$212,010	$173,871	($38,139)
Use of money and property	1,113,737	1,113,737	1,509,286	395,549
Total Revenues	1,325,747	1,325,747	1,683,157	357,410
EXPENDITURES:				
Current:				
Community development	688,220	783,220	658,673	124,547
Capital outlay				
Debt service:		3,500	1,426	2,074
Interest			29,445	(29,445)
Total Expenditures	688,220	786,720	689,544	97,176
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	637,527	539,027	993,613	454,586
OTHER FINANCING SOURCES (USES)				
Transfers (out) (Note 3C)	(150,000)	(51,500)	(50,000)	1,500
Total other financing sources (uses)	(150,000)	(51,500)	(50,000)	1,500
NET CHANGE IN FUND BALANCE	$487,527	$487,527	943,613	$456,086
Beginning fund balance			(1,600,776)	
Ending fund balance (deficit)			($657,163)	

See accompanying notes to financial statements.

City of Alameda
Base Reuse
Special Revenue Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance
Budget and Actual
For the year ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Revenue from other agencies			$155,983	$155,983
Charges for current services		$24,000	27,649	3,649
Use of money and property	$12,346,860	12,393,366	11,692,526	(700,840)
Other			160,351	160,351
Total Revenues	12,346,860	12,417,366	12,036,509	(380,857)
EXPENDITURES:				
Current:				
Community development	11,430,510	12,190,510	13,981,348	(1,790,838)
Total Expenditures	11,430,510	12,190,510	13,981,348	(1,790,838)
EXCESS OF REVENUES OVER EXPENDITURES	916,350	226,856	(1,944,839)	(2,171,695)
OTHER FINANCING SOURCES (USES)				
Transfers in (Note 3C)				
Transfers (out) (Note 3C)			(1,486,799)	(1,486,799)
Total other financing sources (uses)			(1,486,799)	(1,486,799)
NET CHANGE IN FUND BALANCE	$916,350	$226,856	(3,431,638)	($3,658,494)
Beginning fund balance			6,336,922	
Ending fund balance			$2,905,284	

See accompanying notes to financial statements.

City of Alameda
Housing
Special Revenue Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance
Budget and Actual
for the year ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Use of money and property	$215,025	$215,025	$297,111	$82,086
Other	298,000	298,000	12,221	(285,779)
Total Revenues	513,025	513,025	309,332	(203,693)
EXPENDITURES:				
Current:				
Housing	456,185	566,185	385,716	180,469
Total Expenditures	456,185	566,185	385,716	180,469
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	56,840	(53,160)	(76,384)	(23,224)
OTHER FINANCING SOURCES (USES)				
Transfers in (Note 3C)				
Transfers (out) (Note 3C)	(200,000)	(200,000)	(27,664)	172,336
Total other financing sources (uses)	(200,000)	(200,000)	(27,664)	172,336
NET CHANGE IN FUND BALANCE	($143,160)	($253,160)	(104,048)	$149,112
Beginning fund balance			1,278,378	
Ending fund balance			$1,174,330	

See accompanying notes to financial statements.

City of Alameda
Parking
Special Revenue Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance
Budget and Actual
For the year ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Use of money and property		$2,195	$14,866	$12,671
Other		204,810	201,976	(2,834)
Total Revenues		207,005	216,842	9,837
OTHER FINANCING SOURCES (USES)				
Transfers in (Note 3C)				
Transfers (out) (Note 3C)		(194,000)	(194,000)	
Total other financing sources (uses)		(194,000)	(194,000)	
NET CHANGE IN FUND BALANCE		$13,005	22,842	$9,837
Beginning fund balance			228,123	
Ending fund balance			$250,965	

See accompanying notes to financial statements.

City of Alameda

People and Places in the City

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

Sewer Services Fund

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

City of Alameda
Proprietary Funds
Statement of Net Position
June 30, 2013

	Business-type Activities Enterprise Funds	Governmental Activities- Internal Service Funds
	Sewer Services	
ASSETS		
Current Assets		
Cash and cash equivalents (Note 2)	$14,750,482	$14,588,231
Accounts receivable	426,042	279,579
Total Current Assets	15,176,524	14,867,810
Noncurrent Assets		
Restricted cash and investments (Note 2)	12,908,233	752,402
Advances to other funds (Note 3B)	3,000,000	
Capital assets (Note 5):		
Non-depreciable	6,718,058	
Depreciable, net	42,604,095	5,880,364
Total Non-current assets	65,230,386	6,632,766
Total Assets	80,406,910	21,500,576
LIABILITIES		
Current Liabilities:		
Accounts payable	746,301	345,905
Claims payable (Note 11)		3,592,434
Accrued payroll	2,447	
Interest payable	227,686	95,789
Due to other funds (Note 3A)		3,079
Refundable deposits		21,436
Compensated absences (Note 1H)	74,698	
Long-term debt - current (Note 6)	658,877	431,883
Total Current Liabilities	1,710,009	4,490,526
Claims payable - noncurrent (Note 11)		5,835,774
Long-term debt - noncurrent (Note 6)	17,012,400	4,653,880
Total Liabilities	18,722,409	14,980,180
NET POSITION (Note 8):		
Net investment in capital assets	32,309,753	1,226,484
Restricted	29,374,748	5,293,912
Total Net Position	$61,684,501	$6,520,396

See accompanying notes to financial statements.

City of Alameda
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended June 30, 2013

	Business-type Activities Enterprise Funds	Governmental Activities- Internal Service Funds
	Sewer Services	
OPERATING REVENUES		
Charges for services	$8,966,628	$9,765,800
Miscellaneous	5,495	1,592,178
Total Operating Revenues	8,972,123	11,357,978
OPERATING EXPENSES		
General administrative	1,097,439	402,841
Wages and benefits	1,094,026	178,059
Insurance		6,631,779
Contractual services	1,363,572	800,858
Depreciation	1,030,020	882,778
Utilities	64,738	
Supplies and maintenance	128,737	77,274
Total Operating Expenses	4,778,532	8,973,589
Operating Income (Loss)	4,193,591	2,384,389
NONOPERATING REVENUES (EXPENSES)		
Interest income	33,149	20,123
Interest (expense)	(346,976)	
Total Nonoperating Revenues (Expenses)	(313,827)	20,123
Income (Loss) Before Transfers	3,879,764	2,404,512
Transfers in (Note 3C)	92,108	1,205,400
Transfers (out) (Note 3C)	(361,646)	
Change in net position	3,610,226	3,609,912
BEGINNING NET POSITION (AS RESTATED NOTE 8)	58,074,275	2,910,484
ENDING NET POSITION	$61,684,501	$6,520,396

See accompanying notes to financial statements.

City of Alameda
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2013

	Business-type Activities Enterprise Funds	Governmental Activities- Internal Service Funds
	Sewer Services	
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$8,682,887	$11,186,716
Payments to suppliers	(1,322,444)	(3,676,141)
Payments to employees	(2,609,631)	(718,056)
Claims paid		(2,978,264)
Cash Flows from Operating Activities	4,750,812	3,814,255
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Interfund payments		3,079
Transfers in	92,108	1,205,400
Transfers (out)	(361,646)	
Cash Flows from Noncapital Financing Activities	(269,538)	1,208,479
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets, net	(3,899,380)	(2,841,220)
Equipment purchase agreement proceeds		2,165,074
Issuance of debt	14,715,000	
Premium on bonds	107,895	
Principal payments on capital debt	(2,571,399)	(336,505)
Interest paid	(181,875)	
Cash Flows from Capital and Related Financing Activities	8,170,241	(1,012,651)
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (increase) in restricted investments	(12,237,984)	(269,415)
Interest income	33,149	20,123
Cash Flows from Investing Activities	(12,204,835)	(249,292)
Net Cash Flows	446,680	3,760,791
Cash and investments at beginning of period	14,303,802	10,827,440
Cash and investments at end of period	$14,750,482	$14,588,231
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:		
Operating income	$4,193,591	$2,384,389
Adjustments to reconcile operating income to cash flows from operating activities:		
Depreciation	1,030,020	882,778
Change in assets and liabilities:		
Accounts receivable and refundable deposits	(289,236)	(171,262)
Prepaids and deposits	234,603	
Accounts payable	(396,746)	(89,822)
Claims payable		945,328
Accrued payroll	(11,365)	(595)
Compensated absences	(10,055)	(136,561)
Cash Flows from Operating Activities	$4,750,812	$3,814,255

See accompanying notes to financial statements.

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

Pension Trust Funds are used to account for the resources accumulated by the City for the payment of pension benefits on behalf of retirees in the City's two closed pension plans, 1079 and 1082.

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

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

City of Alameda
Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2013

	Pension Trust Funds	Successor Agency Private Purpose Trust Funds	Agency Funds
ASSETS			
Cash and cash equivalents (Note 2)		$13,728,514	
Restricted cash and investments (Note 2)	$52,169	8,633,655	$8,980,501
Accounts receivable		5,597	15,908
Interest receivable		55	
Total Assets	52,169	22,367,821	8,996,409
LIABILITIES			
Accounts payable		1,285,345	432,308
Accrued payroll		55	
Interest payable		1,447,875	
Pass-through obligations		105,458	
Payable to the Housing Authority		32,164	
Due to bondholders			8,052,427
Long term debt (Note 14C):			
Due within one year		1,845,000	
Due in more than one year		69,322,895	
Total Liabilities		74,038,792	8,484,735
NET POSITION			
Restricted for:			
Held in Trust for private purpose		(51,670,971)	
Employees' pension benefits	52,169		
Total Net Position	$52,169	($51,670,971)	

See accompanying notes to financial statements.

City of Alameda
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
for the year ended June 30, 2013

	Pension Trust Funds	Successor Agency Private Purpose Trust Funds
ADDITIONS		
Employer contributions	$1,918,875	
Property taxes		$11,742,512
Use of money and property		57,662
Transfer from Successor Agency Special Revenue Fund		5,868,592
Other		486,045
Total Additions	1,918,875	18,154,811
DEDUCTIONS		
Administration		336,419
Retirements and other benefits	1,860,527	
Contractual services	7,096	3,373,607
Transfer to Successor Agency Debt Service Fund		5,868,592
Community development expense		993,951
Debt service:		
Interest and fiscal charges		4,591,810
Total Deductions	1,867,623	15,164,379
CHANGE IN NET POSITION	51,252	2,990,432
NET POSITION, BEGINNING OF YEAR	917	(54,661,403)
NET POSITION, END OF YEAR	$52,169	($51,670,971)

See accompanying notes to financial statements.

City of Alameda

People and Places in the City

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City of Alameda

People and Places in the City

Note 1 – Summary of Significant Accounting Policies

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

A. Reporting Entity

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

Primary Government

The financial statements of the primary government of the City of Alameda include the activities of the City as well as the Alameda Public Financing Authority (APFA), which is controlled by and dependent upon the City. While the APFA is a separate legal entity, its financial activities are integral to those of the City. Its financial activities has aggregated and merged (termed "blending") with those of the primary government of the City in the accompanying financial statements.

Blended Component Units

The Alameda Public Financing Authority (APFA**)** is a separate government entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. 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 the Successor Agency Private Purpose Trust Funds.

Discretely Presented Component Units

The component unit below is legally separate from the City. However, City Council appoints the members of its governing board and approves its budgets.

Alameda Municipal Power was established to provide electricity to the City of Alameda. The Charter was amended in 1998 to allow provision of telecommunications services as well. The telecommunications services were sold off during FY 2009-10. The financial activities of the Alameda Municipal Power are discretely included in the Alameda Municipal Power Component Unit columns of the Statement of Net Position and Statement of Activities.

B. Basis of Presentation

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

Note 1 - Summary of Significant Accounting Policies (Continued)

These Standards require that the financial statements described below be presented.

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

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

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

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

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

C. Major Funds

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

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

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

FISC Lease Special Revenue Fund - This fund accounts for revenue from the Fleet Industrial Supply Center (FISC) lease and related capital improvement expenditures.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Parking Special Revenue Fund – This fund accounts for revenue from the Civic Center garage and City parking lots. Expenditures support parking and transportation related projects.

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

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

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

The City also reports the following fund types:

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

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

Trust Funds - These funds account for assets held by the City as an agent for various functions. The Pension Trust Funds account for the resources accumulated by the City for the payment of pension benefits on behalf of retirees in the City's two closed pension plans 1079 and 1082. The Successor Agency Private-Purpose Trust Fund accounts for the accumulation of resources to be used for payments due for the City's former Community Improvement Commission at appropriate amounts and times in the future. The financial activities of these funds are excluded from the Government-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

Agency Funds - These funds account for assets held by the City as an agent for certain assessment districts in the City, the Waste Management Joint Refuse Rate Review Committee, and the Mastick Senior Center, which provides services and facilities to enhance the quality of lives for senior citizens. The financial activities of these funds are excluded from the Government-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

D. Basis of Accounting

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

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

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

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

The City may fund 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. Certain indirect costs are included in program expenses reported for individual functions and activities.

All proprietary and similar trust funds are accounted for using the accrual basis of accounting. Their revenues are recognized when earned, and their expenses are recognized when incurred, except for revenues from electricity and sewer customers, which are recognized based on cycle billings. Revenues for services provided, but not billed at the end of a fiscal period, are not material and thus not accrued.

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

Note 1 – Summary of Significant Accounting Policies (Continued)

E. Budgets and Budgetary Accounting

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

Annual budgets are adopted on a basis consistent with generally accepted accounting principles except for the major Capital Improvements Projects Fund, which is budgeted at total cost in the budget year it is approved. Unexpended balances of this fund are reappropriated in the subsequent year as necessary to complete the projects.

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of the formal budgetary process. Encumbrances outstanding at year-end lapse and must be reappropriated as part of the following year budget.

The following funds incurred expenditures in excess of its budget for the year ended June 30, 2013:

Fund Name	Amount
Governmental Major Funds:	
Base Reuse Special Revenue Fund	$1,790,838
Governmental Non-Major Funds:	
Asset Seizure/Traffic Safety Fund	29,558
Athletic Recreation	340,360
Commercial Revitalization Fund	29,379
Construction Impact Fee Fund	1,687

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

F. Materials, Parts and Supplies

Materials, parts and supplies are held for consumption and are valued at average cost. Enterprise fund supplies consist of materials and supplies for the golf shop, which are held for resale to the public. General fund supplies are recorded as expenditures at the time individual supply items are purchased.

G. Deferred Compensation Plans

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

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

Note 1 – Summary of Significant Accounting Policies (Continued)

H. Compensated Absences

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

Compensated absences activity for the year ended June 30, 2013, is as follows:

	Primary Government			Component Unit	
	Governmental Activities	Business-Type Activities	Subtotal	Alameda Municipal Power	Total
Beginning Balance	$3,385,425	$84,753	$3,470,178	$711,939	$4,182,117
Additions	2,730,776	67,785	2,798,561	506,099	3,304,660
Payments	(3,618,406)	(77,840)	(3,696,246)	(542,998)	(4,239,244)
Ending Balance	$2,497,795	$74,698	$2,572,493	$675,040	$3,247,533
Current Portion	$2,497,795	$74,698	$2,572,493	$665,869	$3,238,362

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

I. Property Tax

Alameda County assesses properties and bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on January 1 of the preceding fiscal year. Property tax revenues are recognized by the City in the fiscal year they are assessed, provided they become available as defined above.

Secured property tax is due in two installments, on November 1 and March 1, and becomes a lien on those dates. It becomes delinquent after December 10 and April 10, respectively. Unsecured property tax is due on July 1, and becomes delinquent on August 31. The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed.

Property taxes levied are recorded as revenue and receivables in the fiscal year of levy or assessment.

J. Purchased Power Balancing Account

The Purchased Power Balancing Account is used by Alameda Municipal Power to stabilize rates in the short term. Specifically, the balancing account accumulates differences between the actual cost of purchased power and the revenues designated for recovery of such costs. Deferred amounts are refunded to or recovered from customers through authorized rate adjustments. The effect of using the balancing account is that unanticipated changes in sales levels and purchased power costs do not immediately affect Alameda Municipal Power's rate payers, because they are included in operating expenses when matched by revenues.

Note 1 – Summary of Significant Accounting Policies (Continued)

K. Transfer from Alameda Municipal Power

The City Charter provides that Alameda Municipal Power transfer to the City's General Fund certain excess earnings as defined in the Charter. During fiscal year 2010-11, there were no excess earnings to be transferred. However, the Public Utilities Board by resolution has directed that $2,800,000 be contributed to the City's General Fund, in accordance with these provisions, during the fiscal year ended June 30, 2013.

L. Use of Estimates

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

Note 2 - Cash and Investments

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

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

A. Policies

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

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

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

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

Note 2 - Cash and Investments (Continued)

B. Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not use is restricted under the terms of City debt instruments or agency agreements. Cash and investments as of June 30, 2013, as presented on the Statement of Net Position and Statement of Fiduciary Net Position are as follows:

Cash and investments available for operations:	
City	$106,020,320
Alameda Municipal Power	37,365,770
Restricted cash and investments:	
City	19,838,463
Alameda Municipal Power	4,529,302
Total cash and investments of primary government and component units	167,753,855
Restricted cash and investments in Fiduciary Funds (separate statement):	
Cash and cash equivalents	13,728,514
Restricted cash and investments	17,666,325
Total cash and investments	$199,148,694

Cash and investments as of June 30, 2013 are composed of the following categories:

	Amounts
City	$157,253,622
Component Unit:	
Alameda Municipal Power	41,895,072
Total	$199,148,694

Note 2 - Cash and Investments (Continued)

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

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

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

Authorized Investment Type	Maximum Maturity (A)	Minimum Credit Quality	Maximum in Portfolio	Maximum Investment In One Issuer
Repurchase Agreements	270 Days	N/A	20%	No Limit
California Local Agency Investment Fund (LAIF)	Upon Demand	N/A	$50,000,000 per account	$50,000,000 per account
U.S. Treasury Bonds, Notes and Bills	5 Years	N/A	No Limit	No Limit
U.S. Agency and U.S. Government Sponsored Enterprise Securities	5 Years	N/A	75%	25% in each U.S. Agency
Bankers' Acceptances	180 Days	N/A	30%	30%
Commercial Paper	270 Days	A1, P1	25%	No Limit
Negotiable Certificates of Deposit	5 Years	AA	30%	No Limit
Time Certificates of Deposit	5 Years	N/A	30%	No Limit
Medium-Term Corporate Notes	5 Years	A	30%	No Limit
Money Market Mutual Funds	N/A	N/A	20%	No Limit
County Agency Investment Fund	Upon Demand	N/A	15%	No Limit
California Asset Management Program (CAMP)	Upon Demand	N/A	No Limit	No Limit
CDs - non-negotiable / CDAR	3 Years	N/A	30%	5%
Local Agency Debt	5 Years	A	5%	5%

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

Note 2 - Cash and Investments (Continued)

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

Alameda Municipal Power's investment policy and the California Government Code allow Alameda Municipal Power to invest in the following:

Authorized Investment Type	Maximum Maturity (A)	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
Local Agency Municipal Bonds	5 years	N/A	No Limit	No Limit
U.S. Treasury Obligations	5 years	N/A	20%	No Limit
State of California Obligations	5 years	N/A	No Limit	No Limit
Other State Obligations (C)	5 years	N/A	No Limit	No Limit
CA Local Agency Obligations	5 years	N/A	No Limit	No Limit
U.S. Agency Securities (B)	5 years	N/A	No Limit	No Limit
Bankers Acceptances	180 days	N/A	40%	30%
Commercial Paper	270 days	A1	25%	10%
Negotiable Certificates of Deposit	2 years	N/A	25%	No Limit
Time Certificates of Deposit	2 years	N/A	25%	No Limit
Repurchase Agreements	1 Year	N/A	No Limit	No Limit
Reverse Repurchase Agreements (requires Board approval)	92 days	N/A	20 % of market value of portfolio	No Limit
Medium Term Corporate Notes	5 years	A	30%	No Limit
Mutual Funds	2 years	Top rating category	20%	10%
Money Market Mutual Funds	2 years	Top rating category	5%	10%
Collateralized Bank Deposits	2 years	N/A	5%	No Limit
Mortgage Pass-Through Securities	2 years	Top rating category	20%	No Limit
County Pooled Investment Funds	Upon Demand	N/A	15%	No Limit
California Local Agency Investment Fund	Upon Demand	N/A	90%	$40,000,000 per account
California Asset Management Program (CAMP)	Upon Demand	N/A	No Limit	No Limit

(A) The Maximum term of any investment shall not exceed five years unless expressly authorized by the Public Utilities Board
(B) Securities issued by agencies of the federal government such as the Federal Farm Credit Bank (FFCB), the Federal Home Loan Bank (FHLB), the Federal National Mortgage Association (FNMA), and the Federal Home Loan Mortgage Corporation (FHLMC)
(C) State Obligations such as registered treasury notes and bonds

Note 2 - Cash and Investments (Continued)

D. Investments Authorized by Debt Agreements

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

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum in Portfolio	Maximum Investment In One Issuer
Repurchase Agreements	30 days	Top Four Rating Categories	No Limit	No Limit
U.S. Treasury Bonds, Notes and Bills	No Limit	N/A	No Limit	No Limit
U.S. Agency and U.S. Government Sponsored Enterprise Securities	No Limit	No Limit	No Limit	No Limit
State Obligations	No Limit	Not lower than their bond rating	No Limit	No Limit
Commercial Paper	270 days	A-1+	No Limit	No Limit
Negotiable Certificates of Deposit	No Limit	N/A	No Limit	No Limit
Time Certificates of Deposit	No Limit	N/A	No Limit	No Limit
Corporate Notes and Bonds	No Limit	Not lower than their bond rating	No Limit	No Limit
Guaranteed Investment Contracts	No Limit	Not lower than their bond rating	No Limit	No Limit
Shares of Beneficial Interest	No Limit	Top Rating Category	No Limit	No Limit
Money Market Mutual Funds	No Limit	Aam	20%	No Limit
Bankers' Acceptances	365 days	A-1+	30%	30%
Municipal Bonds	No Limit	AAA	No Limit	No Limit
California Local Agency Investment Fund (LAIF)	Upon Demand	N/A	$50,000,000 per account	$50,000,000 per account
Investment Agreements	No Limit	AA-	No Limit	No Limit

Note 2 - Cash and Investments (Continued)

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

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage Allowed	Maximum Investment In One Issuer
U.S. Treasury Obligations	N/A	N/A	No Limit	No Limit
State Obligations	N/A	AA+	No Limit	No Limit
U.S. Agency Securities (A)	N/A	N/A	No Limit	No Limit
Commercial Paper	N/A	P1	No Limit	No Limit
Certificates of Deposit	N/A	P1	No Limit	No Limit
Bankers Acceptances	1 year	P1	No Limit	No Limit
Money Market Mutual Funds	N/A	AAAm	No Limit	No Limit
California Local Agency Investment Fund	N/A	N/A	$40,000,000 per account	$40,000,000 per account
Investment Agreements (B)	N/A	AA	No Limit	No Limit

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

(B) Investment agreements, including guaranteed investment contracts, repurchase agreements, forward purchase agreements and reserve fund put agreements

Note 2 - Cash and Investments (Continued)

E. Interest Rate Risk

Interest rate risk is the risk that changes in economic markets that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to the changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities, so that a portion of the portfolio is maturing or realizing maturity evenly over time as necessary in order to provide the cash flow and liquidity needed for operations. Information on the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity at June 30, 2013:

Investment Type	12 Months or less	One to Five Years	Total
City of Alameda:			
U.S. Government-Sponsored Enterprise Agencies			
Non-callable	$2,899,374	$26,470,702	$29,370,076
Callable		2,239,833	2,239,833
Corporate Securities			
Non-callable	3,651,370	14,020,353	17,671,723
Callable	630,757	694,507	1,325,264
US Treasury Notes and Bills	24,989,811		24,989,811
Money Market Mutual Funds	24,145,883		24,145,883
California Local Agency Investment Fund	35,069,329		35,069,329
California Asset Management Program	381,739		381,739
Negotiable Certificates of Deposit	5,448,120		5,448,120
Time Certificates of Deposit	850,172		850,172
Commercial Paper	1,499,463		1,499,463
Municipal Bonds		1,200,848	1,200,848
Total Investments	$99,566,018	$44,626,243	144,192,261
Cash deposits with banks and on hand			13,061,361
Total Cash and Investments			$157,253,622

Note 2 - Cash and Investments (Continued)

Information about the sensitivity of the fair values of Alameda Municipal Power's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the Alameda Municipal Power's investments by maturity:

	12 Months or less
Investments:	
Bond Mutual Funds	$4,529,302
U.S. Treasury Notes	998,456
Local Agency Investment Fund	23,329,900
Certificate of Deposits	6,965,000
Total Investments	35,822,658
Cash with Banks and Petty Cash	6,072,414
Total Cash and Investments	$41,895,072

The City and Alameda Municipal Power are voluntary participants in the Local Agency Investment Fund (LAIF), which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City and Alameda Municipal Power report their investments in LAIF at the fair value amounts provided by LAIF, which is the same as the value of the pool share. At June 30, 2013 the fair value approximated cost of the investments of the City and Alameda Municipal Power. The balance, available for withdrawal on demand, is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2013, these investments had an average maturity of 278 days.

The City is a voluntary participant in the California Asset Management Program (CAMP). CAMP is an investment pool offered by the California Asset Management Trust (the Trust). The Trust is a joint powers authority and public agency created by the Declaration of Trust and established under the provisions of the California Joint Exercise of Powers Act (California Government Code Sections 6500 et seq., or the "Act") for the purpose of exercising the common power of its Participants to invest certain proceeds of debt issues and surplus funds. The Pool's investments are limited to investments permitted by subdivisions (a) to (n), inclusive, of Section 53601 of the California Government Code. The City reports its investments in CAMP at the fair value amounts provided by CAMP, which is the same as the value of the pool share. At June 30, 2013 the fair value approximated is the City's cost. At June 30, 2013, these investments have an average maturity of 37 days.

Note 2 - Cash and Investments (Continued)

F. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment when an investment matures. This is measured by the assignment of a credit rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, 2013, for each City's investment type as provided by Standard and Poor's:

Investment Type	AAA	AAAm	AA+	AA	AA-	A+	A	A-	A-1+	A-1	Total
City of Alameda:											
U.S. Government-Sponsored											
Enterprise Agencies											
Non-callable			$29,370,076								$29,370,076
Callable			2,239,833								2,239,833
Corporate Securities											
Non-callable			3,559,522	$1,660,183	$1,124,522	$2,660,653	$7,746,681	$920,162			17,671,723
Callable				249,163		1,076,101					1,325,264
Commercial Paper										$1,499,463	1,499,463
Municipal Bonds	$400,000		800,848								1,200,848
Negotiable Certificates of Deposit					1,796,135				$2,451,273	1,200,712	5,448,120
Money Market Mutual Funds		$24,145,883									24,145,883
California Asset Management Program		381,739									381,739
Totals	$400,000	$24,527,622	$35,970,279	$1,909,346	$2,920,657	$3,736,754	$7,746,681	$920,162	$2,451,273	$2,700,175	83,282,949
Not rated:											
City of Alameda:											
California Local Agency Investment Fund											35,069,329
Time Certificates of Deposit											850,172
											35,919,501
Exempt:											
City of Alameda:											
US Treasury Notes and Bills											24,989,811
Total Investments											$144,192,261

Presented below is the actual rating as of June 30, 2013, for each Alameda Municipal Power investment type as provided by Standard and Poor's:

Investments with Fiscal Agent	
AAAm:	
Bond Mutual Funds	$4,529,302
Not rated:	
Certificate of Deposits (Morgan Stanley)	6,965,000
Local Agency Investment Fund	23,329,900
Exempt:	
U.S. Treasury Notes	998,456
Total Investments	$35,822,658

Note 2 - Cash and Investments (Continued)

G. Concentration of Credit Risk

The City's investment policy regarding the amount that can be invested in any one issuer is stipulated by the California Government Code. However, the City is required to disclose investments that represent a concentration of five percent or more of investments in any one issuer, held by individual City Funds in the securities of issuers other than U. S. Treasury securities, mutual funds and external investment pools. At June 30, 2013, those investments consisted of:

Reporting Unit	Issuer	Investment Type	Reported Amount
Entity Wide:	Federal Home Loan Mortgage Corporation	U.S. Government-Sponsored Enterprise Agencies	$10,744,484
	Federal National Mortgage Association	U.S. Government-Sponsored Enterprise Agencies	9,086,058

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

The City's investments include U.S. Government-Sponsored Enterprise Agencies and Corporate Notes that have an embedded call feature. At June 30, 2013, those investments consisted of:

Issuer	Maturity Date	Callable Date	Reported Amount
Federal Home Loan Mortgage Corporation	4/29/2015	10/29/2013	$808,603
Federal National Mortgage Association	8/7/2015	8/7/2013	998,265
Federal Home Loan Bank	2/27/2017	2/27/2015	432,965
US Bank	9/13/2013	8/13/2013	630,757
Bank of New York Mellon	3/4/2016	2/3/2016	445,344
Chevron Corporation	12/5/2017	11/5/2017	249,163

Note 3 - Interfund Transactions

A. Current Balances

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. The purpose of these balances is to eliminate negative cash balances at year end in various funds. At June 30, 2013, the amounts of current interfund balances were as follows:

Due From Other Funds	Due To Other Funds	
General Fund	Non-Major Governmental Funds	$520,129
	Internal Service Funds	3,079

B. Long-Term Advances

The General Fund advanced $1,440,000 the FISC Lease Special Revenue Fund to pay for the public safety of former Navy property. The advance bears interest at 6% and will be repaid from future lease revenue as funds become available. The remaining balance of this advance was $480,000 and was paid off in full as of June 30, 2013.

Note 3 - Interfund Transactions (Continued)

The Sewer Enterprise Fund advanced $3,000,000 to the former Community Improvement Commission as matching funds for construction of the Webster Street/Wilver Stargell Avenue Intersection Project. These advances bear interest at 3% until paid in full. The advance is expected to be repaid by 2014. Due to the dissolution of the Commission effective February 1, 2012, the City and the Successor Agency agreed that the obligation is to be transferred to the FISC Lease Special Revenue Fund and is payable from future developments in the area. As of June 30, 2013, the FISC Lease Special Revenue Fund has recorded this advance with a balance of $3,000,000.

C. Transfers Between City Funds

With Council approval, resources may be transferred from one City fund to another. Transfers between City funds during fiscal year 2012-13 were as follows:

Fund Receiving Transfers	Fund Making Transfer	Amount Transferred	
General Fund	Base Reuse Special Revenue Fund	$27,649	A
	Sewer Services Enterprise Fund	10,000	A
	Non-Major Governmental Funds	65,669	A
Capital Improvement Projects Fund	General Fund	1,534,000	B
	FISC Lease Revenue Special Revenue Fund	50,000	B
	Base Reuse Special Revenue Fund	170,125	B
	Sewer Services Enterprise Fund	351,646	B
	Non-Major Governmental Funds	4,775,471	B
Sewer Services Enterprise Fund	Non-Major Governmental Funds	92,108	B
Non-Major Governmental Funds	General Fund	3,781,799	A,B
	Base Reuse Special Revenue Fund	1,213,025	B
	Housing Special Revenue Fund	27,664	C
	Parking Special Revenue Fund	194,000	B
	Capital Improvement Projects	4,618	B
	Non-Major Governmental Funds	1,031,126	A,B,C
Internal Service Funds	General Fund	981,120	A
	Base Reuse Special Revenue Fund	76,000	A
	Capital Improvement Projects Fund	100,000	A
	Non-Major Governmental Funds	48,280	A
Total		$14,534,300	

The reasons for these transfers are set forth below:
(A) To fund library, debt service, and other indirect costs.
(B) To fund capital or storm drain projects.
(C) To fund housing projects.

D. Internal Balances

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

Note 4 - Loans Receivable

A. Housing Rehabilitation and Affordable Housing Loans

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

As discussed in Note 14B, on July 31, 2012 the housing rehabilitation and affordable housing loans were transferred from the Successor Agency to the Housing Authority.

The City's remaining outstanding balance of the loans receivable from these programs, net of allowance for doubtful accounts, at June 30, 2013 was $10,700,086, which has been offset with deferred revenue. Included in the outstanding balance was a receivable for $1,080,285 from the Housing Authority. The City has determined that $719,706 of the outstanding balance may have to be written off in the future therefore they have established an allowance for doubtful accounts for this amount.

B. Loan to Alameda Municipal Power

On December 16, 2003 at the request of the Public Utilities Board, the Alameda City Council loaned $2,200,000 to Alameda Municipal Power for the purpose of the construction of a hybrid fiber-optic/coaxial telecom network. As of June 30, 2013, the remaining principal balance was $2,200,000.

C. Alameda Municipal Power Loans to the City

The City entered into a loan agreement with Alameda Municipal Power for the replacement of deteriorated street lights. Through June 30, 2013, Alameda Municipal Power had expended $627,300 for street light replacement, and the City had made payments of $627,300. The loan was paid off in fiscal year 2013.

D. Multiplex Cinema

As part of a Disposition and Development Agreement the City entered into a loan agreement with Alameda Entertainment Associates, L.P. in March 2007 for $2,800,000 for the renovation of the Historic Alameda Theatre and development of a new multiplex cinema. Repayment of $1,400,000 of this loan will begin in the seventh operating year for twenty years with equal monthly installments. The remaining $1,400,000 will be repaid by percentage rental amounts from gross operating revenues as established in the Disposition and Development Agreement. An additional loan agreement of $300,000 was entered into by both parties for furniture fixtures and equipment purchases as part of the renovation project. As of June 30, 2013, the City has loans outstanding with Alameda Entertainment Associates totaling $3,053,151.

Note 5 – Capital Assets

Capital assets, other than infrastructure assets, are defined by the City as assets with an initial, individual cost of more than $10,000. All capital assets, which include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed.

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

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

Electric Plant	30 years
Buildings and Improvements	40 - 80 years
Machinery, Furniture and Equipment	4 - 40 years
Infrastructure	15 - 75 years

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

Note 5 – Capital Assets (Continued)

A. Capital Asset Additions and Retirements

City capital asset activities for the year ended June 30, 2013, are as follows:

	Balance at June 30, 2012	Restatement (See Note 8)	Additions	Retirements	Transfers	Balance at June 30, 2013
Governmental activities						
Capital assets not being depreciated:						
Land	$5,818,419	$176,899				$5,995,318
Construction in progress	61,825,879		$5,713,010	($50,222)	($18,947,560)	48,541,107
Total capital assets not being depreciated	67,644,298	176,899	5,713,010	(50,222)	(18,947,560)	54,536,425
Capital assets being depreciated:						
Buildings	252,768,313	1,133,476		(707,602)	478,499	253,672,686
Machinery and equipment	28,535,703	1,938,400	2,841,220	(2,553,738)		30,761,585
Infrastructure:						
Streets	95,586,110	201,996			18,193,136	113,981,242
Landscape	20,479,187					20,479,187
Storm drains	19,795,994	314,356				20,110,350
Portable water systems	1,353,939					1,353,939
Parks	7,704,115				275,925	7,980,040
Marina facilities	24,285,397					24,285,397
Golf Improvements		4,205,963				4,205,963
Total capital assets being depreciated	450,508,758	7,794,191	2,841,220	(3,261,340)	18,947,560	476,830,389
Less accumulated depreciation:						
Buildings	(99,165,165)	(281,930)	(3,383,010)	362,445		(102,467,660)
Machinery and equipment	(19,451,855)	(1,598,300)	(1,512,717)	2,356,364		(20,206,508)
Infrastructure:						
Streets	(59,895,657)	(147,047)	(2,388,511)			(62,431,215)
Landscape	(16,223,080)		(540,379)			(16,763,459)
Storm drains	(8,248,991)	(79,894)	(339,235)			(8,668,120)
Portable water systems	(1,161,481)		(7,851)			(1,169,332)
Parks	(2,920,368)		(281,370)			(3,201,738)
Marina facilities	(19,313,539)		(301,218)			(19,614,757)
Golf Improvements		(2,488,228)	(159,410)			(2,647,638)
Total accumulated depreciation	(226,380,136)	(4,595,399)	(8,913,701)	2,718,809		(237,170,427)
Net capital assets being depreciated	224,128,622	3,198,792	(6,072,481)	(542,531)	18,947,560	239,659,962
Governmental activity capital assets, net	$291,772,920	$3,375,691	($359,471)	($592,753)		$294,196,387

Note 5 - Capital Assets (Continued)

	Balance at June 30, 2012	Restatement (See Note 8)	Additions	Transfers	Balance at June 30, 2013
Business-type activities					
Capital assets, not being depreciated:					
Land and improvement	$176,899	($176,899)			
Construction in progress	7,654,447		$3,787,113	($4,723,502)	$6,718,058
Total capital assets not being depreciated	7,831,346	(176,899)	3,787,113	(4,723,502)	6,718,058
Capital assets, being depreciated:					
Buildings	1,133,476	(1,133,476)			
Sewer lines	64,559,409			4,723,502	69,282,911
Streets	201,996	(201,996)			
Storm drains	314,356	(314,356)			
Golf improvements	4,205,963	(4,205,963)			
Office furniture and equipment	3,128,097	(1,938,400)	112,267		1,301,964
Net capital assets being depreciated	73,543,297	(7,794,191)	112,267	4,723,502	70,584,875
Less accumulated depreciation for:					
Buildings	(281,930)	281,930			
Sewer lines	(26,068,668)		(951,583)		(27,020,251)
Streets	(147,047)	147,047			
Storm drains	(79,894)	79,894			
Golf improvements	(2,488,228)	2,488,228			
Office furniture and equipment	(2,480,392)	1,598,300	(78,437)		(960,529)
Total accumulated depreciation	(31,546,159)	4,595,399	(1,030,020)		(27,980,780)
Net capital assets being depreciated	41,997,138	(3,198,792)	(917,753)	4,723,502	42,604,095
Business-type activity capital assets, net	$49,828,484	($3,375,691)	$2,869,360		$49,322,153

Note 5 - Capital Assets (Continued)

B. Alameda Municipal Power's Capital Assets

Alameda Municipal Power capital asset activities for the year ended June 30, 2013, are as follows:

	Balance June 30, 2012	Additions	Retirements	Transfers	Balance June 30, 2013
Capital assets not being depreciated:					
Land and Rights	$153,643				$153,643
Construction Work in Progress	1,501,292	$2,380,526	($343,449)	($1,660,520)	1,877,849
Total capital assets not being depreciated	1,654,935	2,380,526	(343,449)	(1,660,520)	2,031,492
Capital assets being depreciated:					
Utility Plant	71,900,364		(16,659)	1,438,598	73,322,303
Service Center Building	7,843,636				7,843,636
Machinery and Equipment	8,915,622	158,916			9,074,538
Transportation Equipment	2,738,514				2,738,514
Computer Equipment	3,288,430	39,976	(7,500)		3,320,906
Furniture and Fixtures	606,182	23,031			629,213
Easements	185,500				185,500
Total capital assets being depreciated	95,478,248	221,923	(24,159)	1,438,598	97,114,610
Less accumulated depreciation for:					
Utility Plant	43,154,857	2,311,506	(1,317)		45,465,046
Service Center Building	3,221,911	165,870			3,387,781
Machinery and Equipment	8,275,515	98,476			8,373,991
Transportation Equipment	1,759,412	192,474			1,951,886
Computer Equipment	2,980,778	131,039	(7,500)		3,104,317
Furniture and Fixtures	422,867	18,535			441,402
Easements	101,500	3,500			105,000
Total accumulated depreciation	59,916,840	2,921,400	(8,817)		62,829,423
Total depreciable assets	35,561,408	(2,699,477)	(15,342)	1,438,598	34,285,187
Business activity capital assets, net	$37,216,343	($318,951)	($358,791)	($221,922)	$36,316,679

Note 5 - Capital Assets (Continued)

C. Capital Asset Contributions

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

D. Depreciation Allocation

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

Governmental Activities	
General government	$279,629
Police	217,704
Fire	232,501
Public works	4,069,856
Community development, planning and building	2,403,547
Culture and recreation	1,710,464
Total Governmental Activities	$8,913,701
Business-Type Activities	
Sewer services	$1,030,020
Total Business-Type Activities	$1,030,020
Discretely Presented Component Units:	
Alameda Municipal Power	$2,921,400

Note 6 – Long-Term Debt

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

Note 6 – Long-Term Debt (Continued)

A. *City Long-Term Debt*

The City's long-term debt activities for the year ended June 30, 2013, are as follows:

	Balance June 30, 2012	Restatement (See Note 8)	Additions	Retirements	Balance June 30, 2013	Current Portion
Governmental Activity Debt:						
Certificates of Participation:						
2002 City Hall	$7,860,000			$465,000	$7,395,000	$485,000
2008 Refinancing Project	3,740,000			435,000	3,305,000	460,000
Total Certificates of Participation	11,600,000			900,000	10,700,000	945,000
2003 General Obligation Bonds	9,155,000			230,000	8,925,000	245,000
2003 ARRA Demand Revenue Bonds	12,000,000			300,000	11,700,000	300,000
Leases Payable	3,324,554	$238,997	$2,165,074	642,862	5,085,763	431,883
HUD Section 108 Loan	6,529,000			174,000	6,355,000	164,000
Other Loans Payable	25,300			25,300		
Subtotal	31,033,854	238,997	2,165,074	1,372,162	32,065,763	1,140,883
Total Governmental Activity Debt	42,633,854	238,997	2,165,074	2,272,162	42,765,763	2,085,883
Business Activity Debt:						
1995 Certificates of Participation	2,160,000			2,160,000		
State Construction Loan	37,243			23,085	14,158	23,085
State Water Resources Control Board	840,541			130,608	709,933	130,608
State Revolving Fund Loan, 1998	938,868			124,020	814,848	124,020
State Revolving Fund Loan, 1999	475,538			54,050	421,488	54,050
State Revolving Fund Loan, 2004	967,591			77,114	890,477	77,114
Sewer Revenue Bond, 2012 Series A			14,715,000		14,715,000	250,000
Plus: Unamortized bond premium			107,895	2,522	105,373	
Equipment Purchase Agreement	238,998	(238,998)				
Total Business Activity Debt	5,658,779	(238,998)	14,822,895	2,571,399	17,671,277	658,877
Total City Debt	$48,292,633	($1)	$16,987,969	$4,843,561	$60,437,040	$2,744,760

Note 6 – Long-Term Debt (Continued)

B. Alameda Municipal Power Long-Term Debt

Alameda Municipal Power's long-term debt consists of the Certificates of Participation issues discussed in Note E below. The Alameda Municipal Power long-term debt issues and transactions were as follows:

	Original Issue Amount	Balance June 30, 2012	Retirements	Balance June 30, 2013	Current Portion
2008 Truck (Altel Model AM-55)- Capital Lease	$176,295	$80,248	$27,362	$52,886	$28,192
2009 Truck (Altel Model D3060) - Capital Lease	229,168	109,362	33,843	75,519	35,632
Revenue Bonds, Series 2010A	8,700,000	8,700,000		8,700,000	
Taxable Revenue Bonds, Series	22,985,000	22,090,000	1,040,000	21,050,000	1,065,000
Loan from City of Alameda	2,200,000	2,200,000		2,200,000	2,200,000
Deferred amount on refunding	n/a	(993,350)	(61,651)	(931,699)	(61,651)
Total long-term debt		$32,186,260	$1,039,554	$31,146,706	$3,267,173

C. Debt Service Requirements - City and Alameda Municipal Power

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

	Governmental Activities		Business-Type Activities		Component Unit Alameda Municipal Power	
For the Year Ending June 30	Principal	Interest	Principal	Interest	Principal	Interest
2014	2,085,883	$1,420,006	$660,297	$532,196	$3,328,284	$1,548,668
2015	2,268,376	1,345,504	681,761	512,044	1,163,204	1,511,204
2016	2,409,136	1,265,756	702,669	492,783	1,126,917	1,469,602
2017	2,234,168	1,185,049	718,872	472,934	1,170,000	1,424,034
2018	2,321,483	1,107,165	740,373	449,628	1,220,000	1,372,054
2019-2023	12,347,282	4,202,299	2,641,930	1,933,415	7,110,000	5,835,926
2024-2028	11,044,435	1,832,771	2,265,000	1,567,115	9,710,000	3,275,382
2029-2033	6,585,000	562,445	2,600,000	1,220,023	7,250,000	542,682
2034-2038	1,470,000	18,218	3,020,000	801,380		
2039-2043			3,535,002	293,173		
Total	$42,765,763	$12,939,213	17,565,904	$7,981,518	$32,078,405	$16,979,552
Plus Unamoritzed bond premium			105,373			
Less deferred amount on refunding					(931,699)	
Total			$17,671,277		$31,146,706	

Note 6 – Long-Term Debt (Continued)

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

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

Governmental Activity Debt

Certificates of Participation

Some of the City's debt is in the form of Certificates of Participation, which are a type of long-term borrowing secured by lease payments made by the City under non-cancelable lease agreements. The cost of the assets securing these leases and the balance of the debt evidenced by these Certificates of Participation have been included in the City's financial statements, as these leases are in essence financing arrangements with ownership of the financed assets reverting to the City at the conclusion of the lease term.

2002 City Hall Refinancing Project Certificates of Participation – The City issued Certificates of Participation in the original principal amount of $11,370,000, bearing interest at 2.25-4.75%, on September 10, 2002, in order to repay the City's outstanding $10,565,000 1995 City Hall Seismic Upgrade and Renovation Project Certificates of Participation. The 1995 COP was to finance the seismic upgrade and renovation of City Hall and certain fire station facilities under a non-cancelable lease of these facilities extending to May 1, 2025. Under this lease, the City makes semi-annual payments May 1 and November 1 from General Fund revenues, which are sufficient to pay the principal and interest on the 2002 Certificates of Participation. Ownership of the leased premises reverts to the City at the end of the lease. The balance of debt evidenced by the 2002 Certificates of Participation has been included in the City's financial statements as this lease is in essence a financing arrangement, with ownership of the financed assets reverting to the City at conclusion of the lease term. Principal and interest are payable semi-annually each November 1 and May 1 through 2025.

The refunding proceeds of the 2002 Bonds were used to purchase non-callable US government securities, which were deposited in an irrevocable trust to provide for all future debt service payments of 1995 COPs. Accordingly, the trust account assets and the liability for the refunded portion of the 1995 COPs are not included in the financial statements.

2008 Refinancing Project Certificates of Participation

In July 2008, the City Council authorized the issuance of the Certificates of Participation (2008 Refinancing Project) in the amount of $4,575,000 to refinance the 1996 Police Building Refunding and Equipment Financing Certificates of Participation and the 1996 Library and Golf Course Upgrade and Renovation Certificates of Participation. The 2008 Certificates bear interest rates from 4% to 5% which are payable semi-annually in May and November. The City's principal payments commenced on May 1, 2011.

General Obligation Bonds

2003 General Obligation Bonds – On November 7, 2000, the voters approved the issuance of General Obligation Bonds, which the City issued on March 25, 2003, in the principal amount of $10,600,000, in addition to a reoffering premium of $268,000, to finance the acquisition and construction of a new main library and improvements to two branch libraries within the City. The bonds bear interest at 2.00-5.00%. The repayment of the bonds is secured by all non-restricted revenue of the City. Principal payments are due annually on August 1. Interest payments are due semi-annually on February 1 and August 1 through August 1, 2033.

Note 6 – Long-Term Debt (Continued)

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

The pledge of sublease revenues ends upon repayment of the $14,773,632 in remaining debt service on the Bonds, which is scheduled to occur in 2034. As disclosed in the bond indenture documents, pledged future sublease revenues are expected to provide coverage over debt service of 1.5 during the life of the Bonds. For FY12-13, sublease revenues amounted to $11,629,529 which represented coverage of 3,709% over the $313,458 in debt service.

Leases and Loans Payable

Leases Payable – At June 30, 2013, the City held the following leases payable. Under the lease agreements, ownership of the capital assets reverts to the City at the end of the lease terms. Since the leases are in essence financing arrangements, the costs of the capital assets and the amounts of the lease terms have been included in the City's financial statements.

Fire Truck Lease Payable -- On April 1, 2003, the City entered into a non-cancelable lease agreement in the amount of $674,467 with Bank of Alameda to acquire two fire trucks. The City agreed to pay the lease in quarterly payments of $21,597 for ten years. The lease was paid off in fiscal 2013.

Fire Apparatus Lease Payable – On October 19, 2011, the City entered into a lease agreement in the amount of $1,750,000 with Oshkosh Capital to acquire two fire apparatus vehicles. The City agreed to pay the lease starting on October 19, 2012, in annual payments of $147,127, which includes interest, for fifteen years. Balance of the lease as of June 30, 2013, was $1,656,254.

Radio Lease Payable – On October 1, 2011, the City entered into a lease agreement in the amount of $1,507,194 with Holman Capital Corporation to acquire 206 hand-held radios and 124 vehicle radios. The City agreed to pay the lease starting on October 11, 2012, in annual payments of $231,896, which includes interest rate of 1.89%, for 7 years. Balance of the lease as of June 30, 2013, was $1,303,784.

On August 1, 2011, the City entered into a lease agreement in the amount of $303,722 with Yamaha Motor Corporation, U.S.A., to acquire 120 golf cars. The City agreed to pay the lease in monthly payments of $7,500, which includes interest, for 48 months. In fiscal year 2013, the City recategorized the Golf Fund from an Enterprise Fund to a Special Revenue Fund. As a result, the balance of this lease of $238,998 was reclassified from business-type activities to governmental activities as of July 1, 2012. The outstanding balance of the lease agreement in the amount of $214,866 was transferred to the new golf operator, Greenway, as of June 30, 2013.

2013 Fire Truck Lease Payable -- On September 26, 2012, the City entered into a lease agreement in the amount of $1,750,000 with Oshkosh Capital to acquire two fire apparatus vehicles. The City agreed to pay the lease starting on September 26, 2013, in annual payments of $162,546 which includes interest, for fifteen years. Balance of the lease as of June 30, 2013, was $1,965,726.

Note 6 – Long-Term Debt (Continued)

2013 Ambulance Lease Payable -- On April 23, 2013, the City entered into a lease agreement in the amount of $199,348 with Oshkosh Capital to acquire an ambulance vehicle. The City agreed to pay the lease starting on April 24, 2013, with the first payment of $39,348 and annual payments thereafter of $25,584 which includes interest, for eight years. Balance of the lease as of June 30, 2013, was $160,000

HUD Section 108 Loan – On January 5, 2006, the City entered into an agreement to borrow $7,000,000 from the Housing and Urban Development Department. In September 2006, the City drew down $4,000,000 for the construction of the Alameda Theater Garage Project. In August 2007, the City drew down an additional $3,000,000 for the same project. Principal and interest payments of both loans are due semi-annually on August and February through 2027. The loan carries a variable interest rate of 20 points above the LIBOR rate. Repayments of the loans are funded by a BEDI (Brownfields Economic Development Initiative) grant, parking garage and retail and cinema lease revenues. The outstanding balance as of June 30, 2013 is $6,355,000.

Business Activity Debt

Certificates of Participation

1995 Sewer System Refinancing & Improvement Certificates of Participation - On December 14, 1995, the City issued Certificates of Participation in the original principal amount of $5,850,000, bearing interest at 4.05-5.15%. Of these proceeds, $5,035,792 of the proceeds plus $434,355 from the 1988 refunded debt reserves were used to establish an escrow account for principal and interest payments on the 1988 refunded debt through March 1, 1998, and to redeem the 1988 COPs at 103% on March 1, 1998. The remaining $815,000 of the proceeds was used for Sewer Fund Projects relating to the closure of the Alameda Naval Air Station. On October 17, 2012 the City repaid the outstanding balance with the Sewer Revenue Bonds, 2012 Series A.

Loans Payable

State Construction Loan - On May 2, 1989, the City entered into a loan with the State of California State Water Resources Control Board for $400,431 at 3.39% interest to construct facilities for the control and prevention of water pollution. The loan is payable from Sewer Service Enterprise Fund operating revenues. The City agreed to make annual payments of $24,349 through December 1, 2013. The balance as of June 30, 2013, was $14,158.

State Water Resources Control Board - On February 8, 1996, the City entered into a loan with the State of California State Water Resources Control Board for up to $2,324,502 at 2.8% interest, of which all has been drawn down. The purpose of the loan is to provide funding to install sanitary sewer facilities. The loan is payable from Sewer Service Enterprise Fund operating revenues. The City agreed to make annual payments of $154,144 through August 5, 2017. The balance as of June 30, 2013, was $709,933.

State Revolving Fund Loan 1998 - The City entered into a contract on July 1, 1998, to borrow funds from the State Water Resources Control Board. The funds are being used for a Sewer Replacement Project to replace sewers to correct infiltration and inflow. The maximum loan amount is $2,292,025, of which all has been drawn down. This loan bears interest at 2.6% per year for a term of twenty years. The balance as of June 30, 2013 was $814,848.

Note 6 - Long-Term Debt (Continued)

State Revolving Fund Loan 1999 - The City entered into a contract on September 29, 1999, to borrow funds from the State Water Resources Control Board. The funds are being used for a Sewer Replacement Project to replace sewers to correct infiltration and inflow. The maximum loan amount is $1,193,529 and bears interest at 2.7% per year for a term of twenty years. The balance as of June 30, 2013, was $421,488.

State Revolving Fund Loan 2004 - The City entered into a contract on August 12, 2004, to borrow funds from the State Water Resources Control Board. The funds are being used for a Sewer Replacement Project to replace sewers to correct infiltration and inflow. The maximum loan amount is $1,840,292 and bears interest at 2.6% per year for a term of twenty years. The balance as of June 30, 2013, was $890,477.

Revenue Bonds

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

The refunding resulted in an overall debt service savings of $559,432. The net present value of the debt securities savings is called an economic gain and amounted to $200,570.

The pledge of sublease revenues ends upon repayment of the $22,806,880 in remaining debt service on the Bonds, which is scheduled to occur in 2042. As disclosed in the bond indenture documents, pledged future revenues are expected to provide coverage over debt service of 1.25 during the life of the Bonds. For fiscal year 2013, revenues amounted to $8,972,123 which represented coverage of 6,751% over the $132,909 in debt service.

E. Alameda Municipal Power Certificates of Participation and Bonds Payable

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

Principal on the Series 2010B Bonds will be payable beginning July 1, 2011 and each succeeding July 1 until defeased in 2027. Principal on the Series 2010A Bonds will be payable beginning July 1, 2027 and each succeeding July 1 until defeased in 2030. The 2010 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity. The 2010 Bonds are special obligations payable solely from electric revenues, other amounts held in the bond funds and accounts established pursuant to the indenture, and amounts on deposit in the Common Reserve Account. The initial book-entry principal obligation for the Series 2010A is $8,700,000 and $22,985,000 for the Series 2010B. The combined principal obligation amount is $31,685,000.

Note 6 - Long-Term Debt (Continued)

This advance refunding was undertaken to reduce debt service payments over the next 20 years by $17,662,628, and resulted in an economic gain (difference between the present value of the debt service requirements on the old and new bonds discounted at the effective interest rate on the new debt and adjusted for any additional cash) of $2,308,432. The advance refunding resulted in a deferred amount on refunding of $1,116,652.

Capital Lease Obligation – On June 1, 2008, Alameda Municipal Power entered into a long-term contract for the lease of a vehicle for maintenance operations use. Total cost of the vehicle was $176,295 and is due in monthly principal and interest installments of $2,533 through June, 2015. Accumulated depreciation for the vehicle is $97,318 as of June 30, 2013.

Capital Lease Obligation – On July 18, 2008, Alameda Municipal Power entered into a long-term contract for the lease of a vehicle for maintenance operations use. Total cost of the vehicle was $229,168 and is due in monthly principal and interest installments of $3,347 through July, 2015. Accumulated depreciation for the vehicle is $121,707 as of June 30, 2013.

Loan from City of Alameda – On December 15, 2003, at the request of the Public Utilities Board, the Alameda City Council authorized a loan of $2,200,000 to AMP for the purpose of construction of the hybrid fiber-optic/coaxial telecom system. The loan is interest free and was due on June 1, 2009. The City and Alameda Municipal Power are currently negotiating the payment terms for this loan.

Note 7 - Special Assessment Debt Without City's Commitment

Paragon Gateway Community Facilities District #2, Harbor Bay Community Facilities District #1 (Harbor Bay Business Park), and the Alameda Public Financing Authority (Marina Village Assessment District Bond Refinancing), have also issued debt, but the City has no legal written liability with respect to the payment of this debt, which is secured by assessments on the properties in these Districts.

At June 30, 2013, the combined outstanding debt amount for all of these assessment districts was $13,030,000.

Note 8 – Net Position and Fund Balances

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

A. Net Position

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

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

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

Note 8 – Net Position and Fund Balances (Continued)

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

B. Fund Balances

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities. Portions of a fund's balance may be reserved or designated for future expenditure.

The City's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions,* which requires the City to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

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

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

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

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

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

Note 8 – Net Position and Fund Balances (Continued)

Detailed classifications of the City's Fund Balances, as of June 30, 2013, are below:

Classifications	General Fund	FISC Lease Revenue Special Revenue	Base Reuse Special Revenue	Housing Special Revenue	Parking Special Revenue	Capital Improvement Projects	Other Governmental Funds	Total
Nonspendable:								
Items not in spendable form								
Loans	$2,200,000							$2,200,000
Total Nonspendable	2,200,000							2,200,000
Restricted for:								
Redevelopment activities			$2,905,284		$250,965			3,156,249
Streets and roads							$8,274,235	8,274,235
Public safety							527,563	527,563
Assessment Districts							7,382,035	7,382,035
Debt service							1,953,171	1,953,171
Total Restricted			2,905,284		250,965		18,137,004	21,293,253
Committed to:								
Capital projects						$5,016,393	17,131,935	22,148,328
Community Development							556,360	556,360
Culture and recreation							3,294,539	3,294,539
Library Operations							1,037,955	1,037,955
Affordable Housing				$1,174,330				1,174,330
Redevelopment Activities							1,012,887	1,012,887
Parking Meter/Garage Operations/Projects							3,138,267	3,138,267
Waste Management							4,545,140	4,545,140
Total Committed				1,174,330		5,016,393	30,717,083	36,907,806
Unassigned:								
Reserve policy	14,297,332							14,297,332
Residual fund balance in excess policy of Fund balance deficits	6,995,682	(657,163)						6,338,519
Total Unassigned	21,293,014	(657,163)						20,635,851
Total Fund Balances	$23,493,014	($657,163)	$2,905,284	$1,174,330	$250,965	$5,016,393	$48,854,087	$81,036,910

Note 8 – Net Position and Fund Balances (Continued)

C. Fund Balance Deficits

The funds below had fund balance deficits or net asset deficits in the amounts shown at June 30, 2013. Future revenues are expected to offset these deficits.

Special Revenue Fund:	
FISC Lease Revenue	$657,163
Internal Service Fund:	
Workers' Compensation Insurance	2,980,054
Private Purpose Trust Fund	
Successor Agency Debt Service	64,455,559

D. Fund Recategorization

In fiscal year 2013, the City combined the Golf Enterprise Fund with the Athletic Recreation Special Revenue Fund. As discussed in Note 13C, the City and Greenway Golf Associates, Inc. entered into lease agreement for the long-term maintenance and operations of the Chuck Corica Golf Complex.

As a result, July 1, 2012 balances were restated as follows:

	Fund Level		Entity-wide		
Classifications	Golf Course Enterprise Fund	Governmental Funds	Business-type Activities	Governmental Activities	Total Activities
Net Position/Fund Balance:					
Balances as previously reported	$4,180,685	$80,924,791	$62,254,960	$324,975,051	$387,230,011
Increase (Decrease) in Net Position/Fund Balance					
Capital Assets	(3,375,691)		(3,375,691)	3,375,691	
Long term debt	238,997		238,997	(238,997)	
Unrestricted Net Assets	(1,043,991)	1,043,991	(1,043,991)	1,043,991	
Total Recategorizations	(4,180,685)	1,043,991	(4,180,685)	4,180,685	
Net Position/Fund Balance: As restated		$81,968,782	$58,074,275	$329,155,736	$387,230,011

Note 9 - Pension Plans

A. CALPERS Safety and Miscellaneous Employees Plans

All Full time City employees are eligible to participate in pension plans offered by the California Public Employees Retirement System (CALPERS), an agent multiple employer defined benefit pension plan, which acts as a common investment and administrative agent for its participating member employers. CALPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. The City's employees participate in the separate Safety (police and fire) and Miscellaneous (all other) Employee Plans. Benefit provisions under both Plans are established by State statute and City resolution. Benefits are based on years of credited service, equal to one year of full time employment. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CALPERS; the City must contribute these amounts. The Plans' provisions and benefits in effect for fiscal year 2012-13, are summarized as follows:

	Safety	Miscellaneous
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	55
Monthly benefits, as a % of annual salary	3.000%	2.000%
Required employee contribution rates	9.000%	7.000%
Required employer contribution rates	38.683% (A)	14.561% (B)

(A) Employees contribute 2% of the total % reported above in addition to their 9% share.
(B) Miscellaneous employees contribute 1.868% of the total reported above in addition to their 7% share.

CALPERS determines contribution requirements using a modification of the Entry Age Normal Method. Under this method, the City's total normal benefit cost for each employee from date of hire to date of retirement is expressed as a level percentage of the related total payroll cost. Normal benefit cost under this Method is the level amount the employer must pay annually to fund an employee's projected retirement benefit. This level percentage of payroll method is used to amortize any unfunded actuarial liabilities. The actuarial assumptions used to compute contribution requirements are also used to compute the actuarial accrued liability.

Assembly Bill 340 (AB340) created the Public Employees' Pension Reform Act (PEPRA) that implemented new benefit formulas and final compensation periods, as well as new contribution requirements for new employees hired on or after January 1, 2013, who meet the definition of a new member under PEPRA.

Note 9 - Pension Plans (Continued)

CALPERS uses the market related value method of valuing the Plan's assets. An investment rate of return of 7.50% is assumed, including inflation at 2.75%. Annual salary increases are assumed to vary by duration of service. Changes in liability due to plan amendments, changes in actuarial assumptions, or changes in actuarial methods are amortized as a level percentage of payroll on a closed basis within twenty years. Investment gains and losses are accumulated as realized; ten percent of the net balance is amortized annually.

The Plans' actuarial value (which differs from market value) and funding progress within the most recently available past three years is set forth below at their actuarial valuation date of June 30:

Safety Plan Actuarial

Valuation Date	Entry Age Accrued Liability	Actuarial Value of Assets	Unfunded (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
2010	$290,369,467	218,842,250	$71,527,217	75.4%	$21,251,762	336.6%
2011	308,606,464	227,619,418	80,987,046	73.8%	21,523,174	376.3%
2012	320,157,194	234,428,640	85,728,554	73.2%	20,094,417	426.6%

Miscellaneous Plan Actuarial

Valuation Date	Entry Age Accrued Liability	Actuarial Value of Assets	Unfunded (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
2010	$210,927,819	187,904,871	$23,022,948	89.1%	$28,225,541	81.6%
2011	222,550,387	197,051,737	25,498,650	88.5%	27,996,755	91.1%
2012	219,802,218	194,595,559	25,206,659	88.5%	23,840,561	105.7%

Audited annual financial statements are available from CALPERS at PO Box 942709, Sacramento, CA 94229-2709. CALPERS reports this information approximately eighteen months after the end of its June 30 fiscal year.

Actuarially required contributions for fiscal years 2013, 2012, and 2011, were $13,572,530, $13,449,867, and $12,082,061. The City made these contributions as required, in addition to amounts required as the result of the payment of additional employee compensation.

B. Police and Fire Pension Plans

The City sponsors and administers two single employer defined benefit retirement plans for its police and fire department retirees. Police and fire employees who entered service before 1953 participate in Plan 1079, a closed plan consisting of 26 participants, all of whom are retired employees or beneficiaries. Employees with twenty-five or more years of service receive monthly pension benefits equal to one-half the monthly salary paid to current City employees of the rank held by the retiree one year prior to the date of retirement. Employees retired after ten, but before twenty-five years of service receive monthly pension benefits in the proportion that the number of service years bears to twenty-five. Qualified surviving spouses receive the retirees' monthly pension benefits for life. Upon remarriage, the qualified surviving spouse receives one-half of the retiree's monthly pension benefits. Employees who became disabled from service-related causes receive monthly pension benefits equal to one-half the monthly salary paid to current City employees of the rank held by the disabled employee on the date of their disability, reduced by any workers' compensation benefits received.

Note 9 - Pension Plans (Continued)

Plan 1082 is a closed plan consisting of two retired employees who receive monthly pension benefits of $1,435 and $2,289 respectively, adjusted annually by a maximum of 2% per year cost-of-living adjustment. Upon the death of a retiree, the qualified spouse receives one-half of the retiree's monthly pension benefit for life or until remarriage.

C. Funding Policy and Actuarial Methods

Plans 1079 and 1082 do not have allocated assets as of June 30, 2013. The City's policy is to fund the plans on a pay-as-you-go basis. The annual required contribution equals the greater of:

- 15 year amortization of the unfunded actuarial accrued liability based on the dollar level (see Note 10E below), or,
- actual benefits paid during the year.

The actuarial method used to determine the liabilities were calculated using the Unit Credit Funding Method. The Actuarial Accrued Liability and the Actuarial Present Value of Benefits being paid were determined by multiplying the accrued pension benefits by present value cost of factors based on the applicable actuarial assumptions. Future cost-of-living increases are included in the calculation of the Actuarial Accrued Liability, but not the Actuarial Value of Benefits being paid.

D. Annual Pension Cost

Governmental Accounting Standards Board Statement No. 27 requires the City to determine the plan's annual pension cost based on the most recent actuarial valuation. The annual pension cost equals the plan's annual required contribution, adjusted for historical differences between the annual required contribution and amounts contributed. The actuary has determined the City's annual required contribution as the greater of (a) a 15-year amortization of the unfunded actuarial liability, or (b) actual benefit payments made for the year.

The annual required contribution was determined using an actuarial valuation dated January 1, 2013, using the projected unit credit actuarial cost method. The actuarial assumptions were as follows:

Assumption	
Funding Policy	-- Pay-as-you-go
Interest Rate	-- 4.0% -- Net of expenses -- Assets in City investments
CPI Increase (Plan 1082)	-- 2%
Salary Increase (Plan 1079)	-- 2%
Mortality	-- CalPERS 1997-2007 Experience Study -- Scale AA

Note 9 - Pension Plans (Continued)

For fiscal year ending June 30, 2012, annual pension costs were $1,801,000 for Plan 1079 and $65,000 for Plan 1082. Actual contributions made by the City during the year were $1,815,000 for Plan and 1079 and $45,000 for Plan 1082.

	Plan 1079 (000's omitted)	Plan 1082 (000's omitted)	Total (000's omitted)
Annual Required Contribution (ARC)	$1,815	$78	$1,893
Interest on Net Pension Obligation	11	11	22
Amortization of Net Pension Obligation	(25)	(24)	(49)
Annual Pension Cost	1,801	65	1,866
Contributions (Benefit Payments)	1,815	45	1,860
(Decrease) Increase in Net OPEB obligations	(14)	20	6
Net Pension Obligation at June 30, 2012	280	272	552
Net Pension Obligation at June 30, 2013	$266	$292	$558

E. Trend Information - Plans 1079 and 1082

The following table provides three years of historical information of the Annual Pension Cost:

Plan 1079:

Fiscal Year Ending	Annual Pension Cost (APC) (000's omitted)	Percentage of APC Contributed	Net Pension Obligation (000's omitted)
6/30/2011	$2,007	101%	$294
6/30/2012	1,900	101%	280
6/30/2013	1,801	101%	266

Plan 1082:

Fiscal Year Ending	Annual Pension Cost (APC) (000's omitted)	Percentage of APC Contributed	Net Pension Obligation (000's omitted)
6/30/2011	$63	68%	$254
6/30/2012	62	71%	272
6/30/2013	65	69%	292

Note 9 - Pension Plans (Continued)

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
Plan 1079						
6/30/2010	$0	$19,424,000	$19,424,000	0%	N/A	N/A
1/1/2011	0	14,141,000	14,141,000	0%	N/A	N/A
1/1/2013	0	12,755,000	12,755,000	0%	N/A	N/A
Plan 1082						
6/30/2010	$0	$817,000	$817,000	0%	N/A	N/A
1/1/2011	0	812,000	812,000	0%	N/A	N/A
1/1/2013	0	887,000	887,000	0%	N/A	N/A

Audited financial statements are available from the City of Alameda at 2263 Santa Clara Avenue, Room 220, Alameda, California 94501.

F. Other Retirement Systems

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

Under PARS, employees contribute 6% and the City contributes 1.5% of the employee's salary each pay period. For the fiscal year ending June 30, 2012, total contributions of $211,209 were made based on a total amount of covered compensation of $2,816,422.

One of the City's part-time employees elected to be covered under Social Security, which requires these employees and the City to each contribute 6.2% of the employees' pay. Total contributions to Social Security during the year ended June 30, 2012, amounted to $1,710, of which the City paid 50%.

Effective May 3, 2001 the City adopted the PARS Retirement Enhancement Plan for Council-appointed employees as of that date, and the PARS Excess Benefit Plan for two Council-appointed employees as of that date as part of the City Retirement Program. Under the Enhancement Plan, specific appointed employees will be entitled to receive retirement benefits of 3% at age 55, as well as medical and disability benefits upon retirement.

Note 10 – Post Employment Health Care Benefits

The City provides medical and dental benefits to retirees as specified below under the City of Alameda Other Post Employment Benefit Plan, offered by California Public Employee Retirements Systems (CALPERS), an agent multiple-employer defined benefit healthcare plan. The City is responsible for establishing and amending the funding policy of the Plan. As of January 1, 2011, the latest actuarial study available, there were 463 employees active, 331 employees retired, and 184 employees who are retired but choose not receive benefits for a total of 978 participants in the Plan.

Separately issued financial statements are available from CALPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

Eligibility Requirements

In order to be eligible for these benefits, an employee must retire directly from City under CalPERS. They also must be at least 50 years old when they retire and have five years of CalPERS service or disability credits.

Eligible Miscellaneous Employees (including non sworn public safety employees)

The City will pay the Public Employees' Medical and Hospital Care Act (PEHMCA) minimum employer contribution on their behalf, which is $115 per month for 2013. These employees receive no other post-employment benefits from the City.

Sworn Public Safety Employees

A. Hired before July 1, 1995 and Retired Before January 1, 2011

If the employee had 15 years or more experience with the City as part of the Alameda Police Officers Association (APOA), the City pays the health care and dental premiums based upon the City's health employer rate for the employee and their spouse, in addition to the PEHMCA monthly premium discussed above.

If the employee had less than 15 years of experience with APOA, the City only pays the PEHMCA premium.

B. Hired after July 1, 1995 and Retired Before January 1, 2011

If the employee had 20 years or more experience with the City as part of APOA and the Alameda Police Managers Association (APMA), the City pays the health care and dental premiums based upon the City's health employer rate for the employee and their spouse, in addition to the PEHMCA monthly premium discussed above.

If the employee had less than 20 years of experience with APOA and APMA, the City only pays the PEHMCA premium.

Note 10 – Post Employment Health Care Benefits (Continued)

C. Hired before June 7, 2011 and Retired after January 1, 2011

If the employee had 5 years or more experience with the City the City pays the health care based upon the higher of City's health employer rate for Kaiser or Blue Shield Bay Area, as well as dental premiums for the employee and their spouse, in addition to the PEHMCA monthly premium discussed above.

If the employee had less than 5 years of experience with the City, the City only pays the PEHMCA premium.

D. Hired after June 7, 2011 and Retired after January 1, 2011

If the employee had 10 years or more experience with the City the City pays the health care based upon the higher of City's health employer rate for Kaiser or Blue Shield Bay Area for the employee only, as well as dental premiums for the employee and their spouse, in addition to the PEHMCA monthly premium discussed above.

If the employee had less than 10 years of experience with the City, the City only pays the PEHMCA premium.

Funding Policy and Actuarial Assumptions

The annual required contribution (ARC) was determined as part of a January 1, 2013 actuarial valuation using the entry age normal actuarial cost method. This is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued. The actuarial assumptions included (a) 4.0% investment rate of return; (b) a healthcare trend of declining annual increases ranging from 8.3% in 2014 to 5% for years starting 2021. The actuarial methods and assumptions used include techniques that "smooth" the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Actuarial calculations reflect a long-term perspective and actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to revision at least biannually, as results are compared to past expectations and new estimates are made about the future. The City's OPEB unfunded actuarial accrued liability as of June 30, 2013, is being amortized using a 26-year closed amortization period. Assumption changes, plan changes and gains or losses are being amortized using a 15-year closed period.

Note 10 – Post Employment Health Care Benefits (Continued)

The City accounts for the OPEB Obligation on an accrual basis. During the fiscal year ended June 30, 2013, the City recorded a Net OPEB Obligation under the Governmental Activities on the Statement of Net Position, representing the difference between the ARC and actual contributions, as presented below:

Annual Required Contribution (ARC)	$8,128,000
Interest on Net OPEB Obligation	689,000
Adjustment to ARC	(1,166,885)
Annual Pension Cost	7,650,115
Contributions made	(2,659,689)
(Decrease) increase in net OPEB obligations	4,990,426
Net OPEB obligation at June 30, 2012	16,635,574
Net OPEB obligation at June 30, 2013	$21,626,000
Percentage of ARC Contributed	32%

The Plan's annual OPEB cost and actual contributions for fiscal years ended June 30, 2011, 2012, 2013 are set forth below:

Fiscal Year	Annual OPEB Cost	Actual Payments	Percentage Of Annual OPEB Cost Paid	Net OPEB Obligation (Asset)
6/30/2011	$6,193,000	$2,255,039	36%	$11,720,533
6/30/2012	7,340,000	2,424,959	33%	16,635,574
6/30/2013	7,650,115	2,659,689	35%	21,626,000

As of June 30, 2013 approximately 515 participants were eligible to receive benefits.

The schedule of funding progress presents trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits. Trend data from the most recent available actuarial studies is presented below:

Actuarial Valuation Date	Actuarial Value of Assets (A)	Entry Age Actuarial Accrued Liability (B)	Overfunded (Underfunded) Actuarial Accrued Liability (A – B)	Funded Ratio (A/B)	Covered Payroll (C)	Overfunded (Underfunded) Actuarial Liability as Percentage of Covered Payroll [(A – B)/C]
1/1/2009	$0	$75,850,000	($75,850,000)	0.00%	$59,678,000	(127.1%)
1/1/2011	0	86,416,000	(86,416,000)	0.00%	47,314,000	(182.6%)
1/1/2013	0	91,172,000	(91,172,000)	0.00%	42,055,000	(216.8%)

Note 11 - Risk Management

The City and Alameda Municipal Power manage risk by participating in the public entity risk pools described below and by retaining certain risks.

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

A. Risk Coverage

The City and Alameda Municipal Power are members of the California Joint Powers Risk Management Authority (CJPRMA), which covers general liability claims. The City and Alameda Municipal Power have self-insured retention of $500,000 per claim. Once the self-insured retention is met, CJPRMA becomes responsible for payment of all claims up to the limit. During the fiscal year ended June 30, 2013, the City contributed $357,953 for coverage during the current year.

The City and Alameda Municipal Power are members of the Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX) which covers workers' compensation claims up to statutory limits. The City and Alameda Municipal Power have self-insured retention of up to $350,000 per claim. During the fiscal year ended June 30, 2013, the City and Alameda Municipal Power contributed $403,678 and $70,623 respectively, for current year coverage.

Note 11 - Risk Management (Continued)

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

	Coverage Limits	
Type of Coverage	City	Alameda Municipal Power
Liability	$40,000,000	$40,000,000
Auto - Physical damage	$5,000,000	Actual cash value
Workers' Compensation	Statutory	Statutory w/ $5,000,000 in Employer's Liability
All Risk Fire & Property except earthquake and flood	Replacement Cost	Replacement Cost
Boiler & Machinery	$21,250,000	Replacement Cost
Computer Software	N/A	Self-Insured
Terrorism	$10,000,000	$10,000,000
Vessel	$1,000,000	N/A

B. Insurance Internal Service Funds

The Governmental Accounting Standards Board (GASB) requires municipalities to record their liability for uninsured claims and to reflect the current portion of this liability as an expenditure in their financial statements. 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.

The City's liability for uninsured general liability claims, including claims incurred but not reported, is reported in the City's Risk Management Insurance Internal Service Fund. The liability is based on an independent actuarial study prepared annually and was computed as follows for the years ended June 30:

	2013	2012
Beginning balance	$1,515,654	$1,288,448
Liability for current fiscal year claims	476,226	195,504
Increase (decrease) in estimated liability for prior year claims	(8,640)	66,289
Claims paid in current year	(21,436)	(34,587)
Ending balance	$1,961,804	$1,515,654
Current portion	$21,436	$34,587

Note 11 - Risk Management (Continued)

The change in the Workers' Compensation Insurance Internal Service Fund's claims liability, including claims incurred but not reported, as estimated by the City's Risk Manager, is based on historical trend information provided by its third party administrators and was computed as follows at June 30:

	2013	2012
Beginning balance	$6,967,226	$6,142,687
Liability for current fiscal year claims	1,076,773	1,350,519
Increase (decrease) in estimated liability for prior year claims	2,991,993	1,982,137
Claims paid in current year	(3,569,588)	(2,508,117)
Ending balance	$7,466,404	$6,967,226
Current portion	$3,569,588	$2,508,117

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

Note 12 – Alameda Municipal Power Joint Ventures

A. General

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

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

AMP is a member of NCPA, a joint powers agency which operates under a joint powers agreement among 18 public agencies. The purpose of NCPA is to use the combined strength of its members to purchase, generate, sell and interchange electric energy and capacity through the acquisition and use of electrical generation and transmission facilities, and to optimize the use of those facilities and the member's position in the industry. Each agency member has agreed to fund a pro rata share of certain assessments by NCPA and certain members have entered into take-or-pay power supply contracts with NCPA. While NCPA is governed by its members, none of its obligations are those of its members unless expressly assumed by them.

Amounts paid by AMP to NCPA during the years ended June 30, 2013 and 2012 for purchased power were $28,544,844 and $25,878,402, respectively. Amounts paid include payments for NCPA invoiced amounts received directly by NCPA from the Certificates of Participation 2000AT trustee. Additionally, purchased power was reduced by a refund of $1,276,447 and $1,260,883 for power exchange distribution and budget settlement monies returned to the NCPA General Operating Reserve (GOR), for the fiscal year ended June 30, 2013 and 2012, respectively.

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

Note 12 – Alameda Municipal Power Joint Ventures (Continued)

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

	Fiscal Year Ended June 30	
	2013	2012
Beginning balance	$16,782,759	$15,998,430
Increase in equity in NCPA projects	2,723,539	784,329
Ending balance	19,506,298	$16,782,759

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

	June 30	
	2013	2012
General Operating Reserve	$15,551,397	$14,233,970
Purchased Power & Transmission	23,131	128,128
Share of Scheduling Coordination Balancing Account	1,504,318	
Share of Congestion Revenue Rights (CRR)	150,859	
Associated Member Services	93,713	
Alameda Municipal Power's share of NCPA Power Projects:		
Geothermal Projects/Power Line	1,573,700	2,137,422
Calaveras Hydroelectric Project	734,628	654,484
Combustion Turbine Project No. 1	(209,732)	(359,486)
Combustion Turbine Project No. 2	84,284	(11,759)
	$19,506,298	$16,782,759

The General Operating Reserve represents AMP's portion of funds which resulted from the settlement in prior years of issues with financial consequences and reconciliations of several prior years' budgets for programs. These funds are available on demand and earn interest, but AMP has left them with NCPA as a reserve against contingencies identified by NCPA.

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

Note 12 – Alameda Municipal Power Joint Ventures (Continued)

B. Projects in which Alameda Municipal Power is a Participant

Geothermal Projects

A power purchase agreement with NCPA obligates AMP for 17.05407% of the debt service for two NCPA 110-megawatt geothermal steam powered generating plants, Plant Number 1 and Plant Number 2, located in the Geysers area in Northern California. AMP is obligated to pay 16.8825% of the operating costs of both plants. NCPA continues to pursue alternatives for improving and extending steam field reservoir performance, including supplemental water reinjection, plant equipment modifications, and changes in operating methodology. NCPA has increased steam production in the vicinity of reinjection wells and has evaluated a number of alternatives to increase water reinjection at strategic locations. Effective April 1, 2010, Turlock Irrigation District withdrew as an NCPA participant.

In 1993, NCPA issued the 1993 Refunding Series A and B for $254,530,000. In 2009, NCPA issued the Refunding Series A for $35,610,000 to improve the Unit 4 steam path, provide for the Middletown booster pump solar project, provide for the Southeast Treatment plant solar project, make a contribution to the Debt Service Reserve Account, and to pay the cost of issuance of the 2009 Series A bonds.

AMP is obligated to pay its contractual share of the debt until it is fully satisfied, regardless of resulting cost or availability of energy. At June 30, 2013, the book value of this Project's plant, equipment and other assets was $103,560,994 while its long-term debt totaled $44,638,207 and other liabilities totaled $52,056,300. AMP's share of the Project's long-term debt and other liabilities amounted to $15,909,985 at that date.

Calaveras Hydroelectric Project

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

During fiscal year 2009, NCPA reduced its obligations on the 1992 Refunding Series A Serial by ~ $7,105,000 and reduced its 1993 Refunding Series A Serial obligations by $260,000. In March 2008, NCPA issued the 2008 Refunding Series A for $85,160,000 and the 2008 Taxable Refunding Series B for $3,165,000 in variable rate demand bonds for the purpose of providing funds, together with other available moneys, to refund a portion of outstanding Hydroelectric Project Number One Revenue Bonds, 1998 Refunding Series A and to pay costs of issuance of the 2008 Bonds and other costs relating to the refunding of the refunded 1998 Bonds. The refunding was done in order to realize debt service savings under the 2004 Swap Agreement.

Additionally, in response to credit market upheavals and to ensure debt service certainty, in July 2008 the Agency refunded (or purchased from the liquidity providers) the 2002 Hydroelectric Refunding Revenue Bonds Series A & B and the 2003 Hydroelectric Refunding Revenue Bonds Series A & B with outstanding principal of $140,200,000. The associated interest rate swaps were terminated on July 9, 2008. The refunding was completed through the issuance of $128,005,000 fixed rate tax exempt debt (2008 Series C) and $9,505,000 fixed rate taxable debt (2008 Series D). The payment of principal and interest on these issues are covered by financial guaranty insurance policies issued by Assured Guaranty. In 2010, the NCPA issued the 2010 Refunding Series A for $101,260,000 and 2010 Refunding Series B obligations for $8,025,000 for the purpose of providing funds to refund the Refunded 1998 Bonds, to deposit the respective 2010 Series debt service reserve account and to pay the cost of issuance of the 2010 bonds.

Note 12 – Alameda Municipal Power Ventures (Continued)

Under its power purchase agreement with NCPA, AMP is obligated to pay 10.9774% of this Project's debt service and operating costs. The project entitlement share on the Hydroelectric Projects funded with the 2009 Refunding Series C and 2008 Taxable Refunding Series D obligations is 10%. At June 30, 2013, the book value of this Project's plant, equipment and other assets was $412,763,311, while its long-term debt totaled $364,437,666 and other liabilities totaled $40,979,363. AMP's share of the Project's long-term debt and other liabilities amounted to $40,541,703 at that date.

Combustion Turbine Project No. 1

In October 1984, NCPA financed a five-unit, 125-megawatt combustion turbine project. The project, built in three member cities including Alameda, began full commercial operation in June 1986 and provides reserve and peaking power. In December 1998, NCPA issued $43,165,000 in fixed rate revenue bonds, the proceeds of which were used to refund outstanding revenue bonds and to pay costs of issuance of the debt. Under the NCPA power purchase agreement, AMP is obligated to pay 13.092% of this Project's debt service and operating costs. During August 2010, phase 2 of the First Amendment to the Agreement finalized the transfer of ownership of two NCPA electricity generating units to the City of Roseville due to a misalignment of ISO control areas. The transfer reduced the generation output of the project to 74 MW, and increased the entitlement share to 21.82% Although AMP's project percentage share increases, its resulting generating capacity entitlement remains constant at 16.05 MW. At June 30, 2013, the book value of this Project's plant, equipment and other assets was $3,078,679 while its long-term debt totaled $0, and other liabilities totaled $4,039,870. AMP's share of the Project's long-term debt and other liabilities amounted to $881,500 at that date.

Combustion Turbine Project No. 2 (Steam Injected Gas Turbine Project)

AMP is a participant in NCPA's 49.8 megawatt Steam Injected Gas Turbine (STIG) project which was built under turnkey contract near the City of Lodi and declared substantially complete on April 23, 1996. In October 1992, NCPA issued $152,320,000 of Multiple Capital Facilities Revenue Bonds to finance this project, a similar project for the Turlock Irrigation District in Ceres, and Lodi distribution system facilities. In January 1999, NCPA issued $67,875,000 in fixed rate revenue bonds to refund a portion of outstanding Capital Facilities Bonds and to pay debt service (consisting of interest only) on the 1999 Bonds through August 1, 2002 and a portion of the interest due on the 1999 Bonds on February 1, 2003, and to pay costs of the issuance of the debt. In 2010, the NCPA issued 2010 Refunding Series A Bonds for $55,120,000 for the purpose of providing funds to refund all of the Refunded 1999 Bonds, to fund a deposit to the 2010 Series debt service reserve account and to pay cost of issuance of the 2010 Series A Bonds. Under the NCPA power purchase agreement, AMP is obligated to pay 19.00% of the debt service and operating costs for the STIG project.

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

At June 30, 2013, the book value of this Project's plant, equipment and other assets was $53,496,340 while its long-term debt totaled $50,198,898 and other liabilities totaled $2,853,842. AMP's share of the Project's long-term debt and other liabilities amounted to $10,080,021 at that date.

Note 12 – Alameda Municipal Power Ventures (Continued)

Graeagle Hydroelectric Project

AMP's participation in this small hydroelectric project was approved in 1993. Although this project does not involve any financing, it does involve a long-term contractual commitment to purchase the power produced by the project through January 2010. AMP receives 50% of the power output from this hydroelectric project. After January 1, 2010, AMP will receive 100% of the output from this small hydroelectric project.

Western Area Power Administration

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

Other Power Purchase Agreements

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

- ***Morgan Stanley Power Purchase Contract***

  In April 2002, AMP entered into a contract with Morgan Stanley Capital Group (MSCG) for the delivery of power. From January 1 through March 31 and from October 1 through December 31 during each of the calendar years 2005-2014, MSCG has agreed to deliver 15 megawatts of firm power 24-hours per day.

- ***Highwinds Project Power Purchase***

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

- ***Landfill Gas Projects Power Purchase***

  Since 2004, AMP has entered into four long-term power purchase agreements for power supplied by multiple generating facilities. These facilities utilize combustible gaseous emissions from landfills, located in or near the San Francisco Bay area to create power. AMP began receiving nearly 4 megawatts of base-load power from the first 2 facilities in early 2006. An additional 5.2 megawatts of base-load output was added to AMP's portfolio in April 2009 when the Ox Mountain facility commenced operation. An additional 1.9 megawatts of power was added to AMP's portfolio as the Keller Canyon facility commenced base-load operation in August 2009.

Note 12 – Alameda Municipal Power Ventures (Continued)

California Electric Industry Restructuring

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

In April 2008, the California Independent System Operator (CAISO) launched a new wholesale market structure in the state. The new structure is referred to as the Market Redesign and Technology Upgrade (MRTU) initiative and features day-ahead energy market with a nodel locational marginal priority regime. The MRTU initiative has introduced new risks and uncertainties for AMP. To establish the extent of the risk and identify its impact to rates, AMP is closely monitoring the new structure's performance and costs.

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

NCPA Financial Information

NCPA's financial statements can be obtained from NCPA, 651 Commerce Drive, Roseville, CA 95678.

Transmission Agency of Northern California (TANC)

AMP is a member of a joint powers agreement with fourteen other entities in TANC. TANC's purpose is to provide electrical transmission or other facilities for the use of its members. While governed by its members, none of TANC's obligations are those of its members unless expressly assumed by them. According to the 1985 Project Agreement with TANC for the development of the COTP and subsequent related project agreements, AMP is obligated to pay its share of the project's costs, including debt service and is entitled to the use of a percentage of the project's transmission or transfer capacity.

AMP was obligated to pay 1.333% of TANC's debt-service related to the California-Oregon Transmission Project (COTP). AMP entitlement share on COTP is 1.227% and is obligated to pay 1.227% of the project's operating costs. AMP's share on the 2009 Series A bonds is 1.4496%. AMP is not obligated for any portion of the 2009 Series B bonds.

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

Note 12 – Alameda Municipal Power Ventures (Continued)

In May 2009, TANC issued $67.0 million of tax-exempt 2009 Series A bonds and $6.18 million of taxable 2009 Series B bonds. The proceeds of the Series A bonds were used to retire a bank loan that refinanced $30.3 million of TANC's tax-exempt commercial paper and also to refund $34.7 million of TANC's 2003 Series C Auction Rate Securities. The proceeds of the Series B bonds were used to retire a bank loan that refinanced $56.3 million of TANC's taxable commercial paper. The 2009 refunding increased future aggregate debt service payments by $19.3 million, but resulted in a total economic gain of $6.5 million, the difference between present value of the old and new debt service payments. TANC has issued Revenue Bonds for $435,790,000 and eliminated its obligations for the Tax Exempt Commercial Paper notes. As of June 30 and 2013 and 2012 AMP's share of this debt is $4,229,490 and $4,456,433, respectively.

TANC Financial Information

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

Note 13 - Commitments and Contingencies

A. City and Successor Agency

The Successor Agency, through the former CIC, has an agreement extending through 2014 under which it refunds a portion of Alameda Marina Village Assessment District Property Tax Increments to the Alameda Marina Village property owners as a partial offset of their assessment liability. These refunds are accounted for in the Successor Agency Private Purpose Trust Fund.

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

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

B. Alameda Municipal Power

Commitments

i) Take or Pay Agreements

Under the terms of its NCPA and TANC joint venture agreements, AMP is liable for a portion of the bonded indebtedness issued by these agencies under take-or-pay or similar agreements, as discussed in Notes 8 and 9. AMP's estimated share of such debt outstanding at June 30, 2013 was $92,438,132. Under certain circumstances, AMP may also be responsible for a portion of the costs of operating these entities. Under certain circumstances, such as default or bankruptcy of other participants, AMP may also be liable to pay a portion of the debt of these joint ventures on behalf of the other participants. These "step up" provisions are generally capped at a 25 percent increase.

Note 13 - Commitments and Contingencies (Continued)

ii) Lease Agreement with Alameda Reuse and Redevelopment Authority

In June 2009, AMP entered into two lease agreements with the Alameda Reuse and Redevelopment Authority. The lease terms for each agreement are for two years beginning June 1, 2009 and expiring on May 30, 2011. In May 2011, AMP approved one year extensions to both lease agreements, with new expiration dates of May 30, 2012. AMP will continue to occupy the premises for minimum monthly payments of $1,083 and $11,103 respectively.

Contingent Liabilities

i) Lawsuits and Litigation

AMP is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, the outcome of these actions cannot be predicted with certainty. In the opinion of the City Attorney, the outcome of these actions will not have a material adverse effect on the financial position of AMP.

ii) Vectren Communications Services

In June, 2008, AMP, along with the City of Alameda, was named as a defendant in a suit filed by Vectren Communication Services, Inc., in the United States District Court for the Northern District of California. Vectren's suit alleged, among other things, that the AMP breached its obligation under the 2004Installment Sale Agreement to manage the Telecom System properly and to charge appropriate rates, resulting in the non-payment of installments from net telecom revenues totaling $6.3 million, plus accrued interest at a 9% default rate, for total damages of over $10 million. Vectren amended its complaint in early 2009 to allege an additional breach of contract claim, based upon AMP's sale of the TelecomSystem to Comcast in November 2008 without Vectren's consent.

At the conclusion of a trial in 2010, the jury rejected four out of five of Vectren's claims against the AMP, awarding damages of approximately $1.9 million on Vectren's remaining claim. Both sides appealed. In August 2013, the United States Court of Appeals for the Ninth Circuit reversed the jury's verdict and entered judgment in favor of AMP. On Vectren's sale claim, however, the Ninth Circuit remanded the matter to the district court for a determination of damages. Trial is scheduled for March 2014.

iii) Nuveen Municipal High Income Opportunity Fund

In October 2008, the City of Alameda filed an action for declaratory relief in the United States District Court for the Northern District of California against the Nuveen Municipal High Income Opportunity Fund and related Nuveen entities (Nuveen). The action arose out of the AMP's issuance in 2004 of $33 million in Revenue Bond Anticipation Notes to refinance existing obligations and provide funds for completion of the Telecom System. In October 2008, Nuveen filed a counter claim against AMP alleging violations of state and federal securities law, arising from the City's issuance of the Notes, seeking damages which Nuveen alleged to exceed $11 million. In January 2011, AMP filed a summary judgment motion against Nuveen, which, in May 2011, the district court granted on all claims. Nuveen appealed. On September 19, 2013, the United States Court of Appeals for the Ninth Circuit affirmed the judgment in favor of AMP in full.

Nuveen may petition the United States Supreme Court to hear the case. Pending any further appeals, no assurances can be given and no determination can be made at this time as to the outcome of Nuveen's claims; however, AMP and the City Attorney believe there are meritorious defenses to all of the above claims and that any liability which may finally be determined should not have a material adverse effect on AMP's financial position, results of operations, or cash flows.

Note 13 - Commitments and Contingencies (Continued)

iv) Bernard Osher Trust

On April 1, 2009, a lawsuit was filed against the City/AMP, also arising from issuance of the 2004 Revenue Bond Anticipation Notes, by Bernard Osher Trust (Osher). Similar to the Nuveen action, Osher alleges violations of state and federal securities laws arising from issuance of the Notes. Osher claims damages of approximately $4.7 million. A preliminary settlement conference was conducted on October 28, 2009, a second settlement conference in March 2010, and further settlement conference on July 20, 2010. Fact discovery was completed on October 15, 2010. On September 28, 2010 and in January 2011, the City filed a motion for summary judgment on all of Osher's claims against it. This motion was granted on all claims on May 16, 2011; consequently, the City has filed a motion for recovery of defense costs, totaling $1.5 million which the court denied. The City filed a bill of costs seeking an award of $132,000 in costs, for which judgment was entered awarding $91,516 to City against Nuveen and Osher jointly and severally.

Osher's claims against the City of Alameda have been resolved in the City's favor, due to Osher's failure to appeal the district court's summary judgment on all claims. The district court awarded the City approximately $92,000 in costs, which Osher paid to the City in October 2012. No further legal proceedings in the matter are anticipated.

C. Operating Lease

In August 2012 the City Council approved a twenty year lease with an option of a five year extension between the City and Greenway Golf Associates, Inc. for the long-term maintenance and operations of the Chuck Corica Golf Complex. The agreement stipulates minimum rent payments to the City that escalate over time to $350,000 or 10% of gross revenue up to $4,000,000 and 12% of gross revenues in excess of $12,000,000 in years 9-20.

D. Settlement Agreement

In December 2012, the City, the former Community Improvement Commission, the former Alameda Reuse and Redevelopment Authority and a third party vendor reached a settlement agreement in regards to the redevelopment of the U.S. Naval Air Station at Alameda Point. The City will in total pay $4.325 million to the third party vendor by July 2014. Once the first payment is made by the City each party shall execute and file a Stipulation of Dismissal of the Federal Action and Federal Counter-Claim.

Note 14 – Redevelopment Agency Dissolution and Successor Agency Activities

A. Redevelopment Dissolution

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

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

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

In addition, ABx1 26 and AB1484 direct the State Controller to review the activities of all redevelopment agencies and successor agencies to determine whether an asset transfer between the agency and any public agency occurred on or after January 1, 2011. If an asset transfer did occur and the public agency that received the asset is not contractually committed to a third party for the expenditure or encumbrance of the asset, the legislation purports to require the State Controller to order the asset returned to the redevelopment agency. The State Controller's Office has completed its asset transfer review of the Community Improvement Commission of the City of Alameda for the period from January 1, 2011 through January 31, 2012 in November 2013. The review resulted in a demand that the City return assets totaling $23,290,317, which comprised of cash and investments, loans receivable and capital assets to the Alameda CIC Successor Agency. Cash and loans receivable totaled $234,469 and $3,074,237, respectively. Capital assets consisted of land and improvements for the Alameda Theatre and Parking structure totaling $811,120 and $19,170,491, respectively. However, on July 30, 2013, the Oversight Board retroactively approved the transfer of the assets to the City of Alameda through Oversight Board Resolution 13-10. Therefore, the State Controller report concluded that the State Controller needs no further action from the Successor Agency. On November 6, 2013, the State Department of Finance requested that the Oversight Board reconsider its Resolution 13-10.

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

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

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

Cash and investments of the Successor Agency as of June 30, 2013 are discussed in Note 2. Information presented in the following footnotes represents other assets and liabilities of the Successor Agency as of June 30, 2013.

In addition to the above amounts, as discussed in Note 3B the CIC had two interfund advances from the City which have been written off as a result of the implementation of ABx1 26.

B. Loans Receivable

Loans that were considered housing assets under the California Health and Safety Code. On July 31, 2012, the housing rehabilitation and affordable loans, were transferred to the Housing Authority of the City of Alameda, the Housing Successor of the CIC.

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

C. Long-Term Debt

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

Current Year Transaction and Balances

	Balance June 30, 2012	Retirements	Balance June 30, 2013	Due within one year	Due more than one year
2003 Tax Allocation Refunding Bonds, Series	$15,995,000	$525,000	$15,470,000	$525,000	$14,945,000
2003 Tax Allocation Bonds, Series A1, A2 & B	45,885,000	1,065,000	44,820,000	1,065,000	43,755,000
2011 Tax Allocation Bonds, Series A & B	10,740,000		10,740,000		10,740,000
Discount	(121,283)	(4,178)	(117,105)		(117,105)
Total Bonds	72,498,717	1,585,822	70,912,895	1,590,000	69,322,895
2006 CRA/ERAF Loan Program	330,000	75,000	255,000	255,000	
Total	$72,828,717	$1,660,822	$71,167,895	$1,845,000	$69,322,895

2003 Community Improvement Commission Tax Allocation Refunding Bonds

On October 1, 2003, the Community Improvement Commission issued Tax Allocation Refunding Bonds related to the Business and Waterfront Improvement Area in the principal amount of $18,535,000, with Series 2003 C issued in the amount of $17,510,000 and Series 2003 D in the amount of $1,025.000. The proceeds were used to retire the 2002 Financing Authority Variable Rate Revenue Bonds. The Bonds are payable from tax increment revenues receivable by the Project Area. Principal is payable annually on February 1, with interest payable semi-annually on February 1 and August 1 through February 2032. The interest rates on the bonds vary from 2% to 4.75%. The outstanding balance as of June 30, 2013 was $15,470,000.

2003 Community Improvement Commission Tax Allocation Bonds

On December 1, 2003, the Community Improvement Commission issued Series 2003 Al and A2 Tax Allocation Bonds in the principal amount of $37,390,000 and Series 2003 B Subordinated Tax Allocation Bonds in the principal amount of $9,205,000, for a total original principal amount of $46,595,000, for the Commission's merged improvement areas. The proceeds were used to finance certain redevelopment projects, to repay a loan of $2,200,000 for the project area, and to finance $12,200,000 of demolition costs incurred in the project area. The Series 2003 Al and A2 are secured by a pledge of certain tax increment revenues for the Merged Project Area. The Series 2003 B are secured by a subordinate pledge of tax revenues. Interest is payable semiannually on March 1 and September 1 through 2033; principal is payable annually on March 1 through 2033. The interest rates on the bonds vary between 2 to 6.25%. The outstanding balance as of June 30, 2013 was $44,820,000.

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

2011 Community Improvement Commission Tax Allocation Bonds

On May 1, 2011, the Community Improvement Commission issued Series 2011 A Subordinated Tax Allocation Housing Bonds in the principal amount of $9,870,000 and Series 2011 B Subordinated Tax Allocation Housing Bonds in the principal amount of $1,165,000, for a total original principal amount of $11,035,000, for the Commission's merged improvement areas. Proceeds from the sale of the Bonds will be used to (a) finance certain housing activities of the Agency, (b) refinance the obligations of the Agency under a 1992 Loan Agreement, (c) make a deposit to the Reserve Account for the Bonds in an amount equal to the initial Reserve Requirement, and (d) pay the costs of issuing the Bonds. The Series 2011 A and B are secured by a subordinate pledge of tax revenues. Principal and interest are payable annually on September 1 through 2041. The interest rates on the bonds vary between 2 to 8.5%. The bond was issued with $125,326 discount. The outstanding balance as of June 30, 2013 was $10,622,895, net of discount.

ERAF Loan Program

In April 2007, the Community Improvement Commission borrowed $695,000 from the California Statewide Communities Development Authority to pay for Educational Revenue Augmentation Fund (ERAF) payments due to Alameda County. Both principal and interest payments are made semiannually on November and March through March 2016. The loan carries a 6% interest rate. The outstanding balance as of June 30, 2013 was $255,000.

With the dissolution of the CIC discussed above, tax increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues. In addition, under the provisions of the laws dissolving the CIC, the Successor Agency only receives the funds necessary to fulfill its approved obligations. Total property taxes received by the Successor Agency in current fiscal year were $11,742,512 which represented coverage of 2.5 times the $4,617,466 of debt service.

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

Debt Service Requirements

Annual debt service requirements are shown below:

For the Year Ending June 30	Principal	Interest
2014	$1,755,000	$4,227,970
2015	1,850,000	4,141,920
2016	1,955,000	4,049,896
2017	1,965,000	3,948,043
2018	2,095,000	3,846,486
2019-2023	12,760,000	17,420,529
2024-2028	17,560,000	13,360,862
2029-2033	24,415,000	7,379,983
2034-2038	4,870,000	1,836,001
2038	2,060,000	377,826
Subtotal	71,285,000	$60,589,516
Less Discount	(117,105)	
Total	$71,167,895	

D. State Approval of Enforceable Obligations

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

Note 15 – Subsequent Events

A. Long-Term Debt Subsequent to Year End

2013 General Obligation Refunding Bonds

On September 17, 2013, the City approved the issuance of 2013 General Obligation Refunding Bonds to refund the City of Alameda General Obligation Bonds, Series 2003. The 2003 Bonds were issued to finance the construction and renovation of various public libraries. The principal amount of the 2013 Bonds is $9,010,000 and final maturity date of the Bonds is August 1, 2027.

2013 Certificates of Participation

On September 17, 2013, the City approved the issuance of 2013 Certificates of Participation to refund the City of Alameda 2002 Certificates of Participation and to finance the costs of construction of a new City Emergency Operations Center and associated expenses. The principal amount of the 2013 Certificates is $9,610,000 and final maturity date of the Certificates is May 1, 2030.

Special Revenue Funds:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Debt Service Funds:

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

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

Capital Projects Fund:

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

Streets/Transportation
This fund accounts for expenditures for street and transportation projects.

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

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

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

City of Alameda

People and Places in the City

City of Alameda
Non-Major Governmental Funds
Balance Sheet
June 30, 2013

	SPECIAL REVENUE FUNDS			
	Community Development	Library	Gas Tax	Asset Seizure/ Traffic Safety
ASSETS				
Cash and cash equivalents	$715,428	$982,258		$42,088
Restricted cash and investments			$4,008,805	
Accounts receivable	149,521	84,399		
Interest receivable				
Total Assets	$864,949	$1,066,657	$4,008,805	$42,088
LIABILITIES				
Accounts payable	$31,299	$23,615	$11,523	
Accrued payroll	4,444	5,087	628	
Interest payable				
Due to other funds	7,665		13,971	
Due to other agencies	1,743			
Refundable deposits	263,438			
Total Liabilities	308,589	28,702	26,122	
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
Total Liabilities and Deferred Inflows of Resources	308,589	28,702	26,122	
FUND EQUITY				
Fund balances				
Restricted			3,982,683	$42,088
Committed	556,360	1,037,955		
Total Fund Balances	556,360	1,037,955	3,982,683	42,088
Total Liabilities, Deferred Inflows and Fund Balances	$864,949	$1,066,657	$4,008,805	$42,088

SPECIAL REVENUE FUNDS

County Measure B	Tidelands	Parking Meter	Commercial Revitalization	Community Development Block Grant	Garbage/ Recycling Surcharge	Athletic Recreation	Grants Fund
$3,146,310	$2,975,856	$3,156,045	$1,028,083		$1,286,434	$3,362,162	$703,318
501,092		12,290	2,080 185	$224,483	14,583	140,702	462,227
$3,647,402	$2,975,856	$3,168,335	$1,030,348	$224,483	$1,301,017	$3,502,864	$1,165,545
	$36,738 540	$29,769 299	$5,436 82	$157,020 777 66,686	$37,035 102	$68,712 8,604 1,154	$27,502 2,558 411,241
			11,943			33,907	
	37,278	30,068	17,461	224,483	37,137	112,377	441,301
						95,948	238,769
	37,278	30,068	17,461	224,483	37,137	208,325	680,070
$3,647,402	2,938,578						485,475
		3,138,267	1,012,887		1,263,880	3,294,539	
3,647,402	2,938,578	3,138,267	1,012,887		1,263,880	3,294,539	485,475
$3,647,402	$2,975,856	$3,168,335	$1,030,348	$224,483	$1,301,017	$3,502,864	$1,165,545

(Continued)

City of Alameda
Non-Major Governmental Funds
Balance Sheet
June 30, 2013

	SPECIAL REVENUE FUNDS			DEBT SERVICE FUNDS
	Waste Reduction Surcharge	Maintenance Assessment Districts	Vehicle Registration Fee	City Hall/ Library Bonds
ASSETS				
Cash and cash equivalents	$3,220,399	$4,132,470	$588,084	$869,052
Restricted cash and investments		348,424		829,504
Accounts receivable	103,500	67,612	56,066	39,979
Interest receivable				
Total Assets	$3,323,899	$4,548,506	$644,150	$1,738,535
LIABILITIES				
Accounts payable	$30,113	$104,484		
Accrued payroll	969	565		
Interest payable				
Due to other funds				
Due to other agencies	11,557			
Refundable deposits				
Total Liabilities	42,639	105,049		
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
Total Liabilities and Deferred Inflows of Resources	42,639	105,049		
FUND EQUITY				
Fund balances				
Restricted		4,443,457	$644,150	$1,738,535
Committed	3,281,260			
Total Fund Balances	3,281,260	4,443,457	644,150	1,738,535
Total Liabilities, Deferred Inflows and Fund Balances	$3,323,899	$4,548,506	$644,150	$1,738,535

DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS					
Base Reuse	Construction Impact Fee	Streets/ Transportation	Citywide Development Fee	Urban Runoff Strom Drain Fee	Maintenance Assessment Districts	Total Nonmajor Governmental Funds
$213,323	$850,288	$2,233,928	$3,276,323	$7,893,013	$2,604,024	$43,278,886
1,313				17,300	381,739	5,587,085
	26,521			97,001		1,982,056
						185
$214,636	$876,809	$2,233,928	$3,276,323	$8,007,314	$2,985,763	$50,848,212
	$2,610	$10,960		$164,383	$4,461	$745,660
	16	41		2,453		27,165
						1,154
	13,308				7,258	520,129
						13,300
				42,712		352,000
	15,934	11,001		209,548	11,719	1,659,408
						334,717
	15,934	11,001		209,548	11,719	1,994,125
$214,636						18,137,004
	860,875	2,222,927	$3,276,323	7,797,766	2,974,044	30,717,083
214,636	860,875	2,222,927	3,276,323	7,797,766	2,974,044	48,854,087
$214,636	$876,809	$2,233,928	$3,276,323	$8,007,314	$2,985,763	$50,848,212

City of Alameda
Non-Major Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balance
for the year ended June 30, 2013

	SPECIAL REVENUE FUNDS			
	Community Development	Library	Gas Tax	Asset Seizure/ Traffic Safety
REVENUES				
Property taxes		$1,767,730		
Other taxes	$2,646			
Licenses and permits	1,367,850			
Revenue from other agencies		48,478	$1,786,006	
Charges for current services	1,018,510	70,643	1,019	
Fines and forfeitures	757,210			
Use of money and property		4,867	13,323	$560
Other revenues	2,286	4,436	8,293	
Total Revenues	3,148,502	1,896,154	1,808,641	560
EXPENDITURES				
Current:				
General government				10,225
Public safety				
Public works	2,286		538,276	
Community Development	3,188,758			
Community Services		3,091,627		
Culture and recreation				
Housing				
Capital outlay		32,411	837	19,333
Debt service:				
Principal			25,300	
Interest		4,585		
Total Expenditures	3,191,044	3,128,623	564,413	29,558
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(42,542)	(1,232,469)	1,244,228	(28,998)
OTHER FINANCING SOURCES (USES)				
Transfers in		2,069,932		
Transfers (out)		(228,166)	(763,865)	(20,000)
Total Other Financing Sources (Uses)		1,841,766	(763,865)	(20,000)
NET CHANGE IN FUND BALANCE	(42,542)	609,297	480,363	(48,998)
BEGINNING FUND BALANCES, AS RESTATED	598,902	428,658	3,502,320	91,086
ENDING FUND BALANCES	$556,360	$1,037,955	$3,982,683	$42,088

SPECIAL REVENUE FUNDS

County Measure B	Tidelands	Parking Meter	Commercial Revitalization	Community Development Block Grant	Garbage/ Recycling Surcharge	Athletic Recreation	Grants Fund
					$160,417		
							$2,000
$1,963,870				$1,142,502		$89,591	1,727,258
		$859,858				2,969,294	105,517
		194,811					
13,801	$799,056	10,430	$160,065		4,797	372,855	2,995
		10,010	445,094			99,677	56,935
1,977,671	799,056	1,075,109	605,159	1,142,502	165,214	3,531,417	1,894,705
	715,273	421,206			176,087	2,405,128	
							1,486,070
	53,956						
						1,178,313	
			250,399	1,170,166			197,800
	1,235						500,128
							13,554
		75				7,022	1,808
	770,464	421,281	250,399	1,170,166	176,087	3,590,463	2,199,360
1,977,671	28,592	653,828	354,760	(27,664)	(10,873)	(59,046)	(304,655)
				27,664		341,043	223,436
(2,942,153)	(50,314)	(250,000)			(16,507)	(141,460)	
(2,942,153)	(50,314)	(250,000)		27,664	(16,507)	199,583	223,436
(964,482)	(21,722)	403,828	354,760		(27,380)	140,537	(81,219)
4,611,884	2,960,300	2,734,439	658,127		1,291,260	3,154,002	566,694
$3,647,402	$2,938,578	$3,138,267	$1,012,887		$1,263,880	$3,294,539	$485,475

(Continued)

City of Alameda
Non-Major Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balance
for the year ended June 30, 2013

	SPECIAL REVENUE FUNDS			DEBT SERVICE FUNDS
	Waste Reduction Surcharge	Maintenance Assessment Districts	Vehicle Registration Fee	City Hall/ Library Bonds
REVENUES				
Property taxes		$1,908,333		$752,706
Other taxes				
Licenses and permits				
Revenue from other agencies	$255,561	443	$310,807	
Charges for current services	352,754			
Fines and forfeitures				
Use of money and property	12,135	15,855	3,311	3,195
Other	386			
Total Revenues	620,836	1,924,631	314,118	755,901
EXPENDITURES				
Current:				
General government		346,952		
Public safety				
Public works	991,945	1,152,923		
Development services				
Recreation and parks				
Culture and recreation				
Housing and community services				
Capital outlay	26	5,668		
Debt service:				
Principal				1,304,000
Interest				1,338,054
Total Expenditures	991,971	1,505,543		2,642,054
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(371,135)	419,088	314,118	(1,886,153)
OTHER FINANCING SOURCES (USES)				
Transfers in		44,236		1,878,569
Transfers (out)		(20,000)	(1,270)	
Total Other Financing Sources (Uses)		24,236	(1,270)	1,878,569
NET CHANGE IN FUND BALANCE	(371,135)	443,324	312,848	(7,584)
BEGINNING FUND BALANCES, AS RESTATED	3,652,395	4,000,133	331,302	1,746,119
ENDING FUND BALANCES	$3,281,260	$4,443,457	$644,150	$1,738,535

DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS					
Base Reuse	Construction Impact Fee	Streets/ Transportation	Citywide Development Fee	Urban Runoff Strom Drain Fee	Maintenance Assessment District Capital Projects	Total Nonmajor Governmental Funds
	$233,370	$438,261		$2,126,042		$7,226,442
		33,410	$39,125			235,598
	3,273					1,373,123
	45,797					7,370,313
		35,621		59,529		5,472,745
						952,021
$359	4,482	6,389	10,520	27,468	$11,582	1,478,045
				2,400		629,517
359	286,922	513,681	49,645	2,215,439	11,582	24,737,804
	3,884	240				4,078,995
						1,486,070
		500,150				3,239,536
						3,188,758
		168,901				3,260,528
						1,178,313
	47,188					1,665,553
		11,064		1,941,099	80,261	2,592,062
300,000						1,642,854
31,625						1,383,169
331,625	51,072	680,355		1,941,099	80,261	23,715,838
(331,266)	235,850	(166,674)	49,645	274,340	(68,679)	1,021,966
250,000	228,096	155,301	322,643	711,312		6,252,232
	(533,414)	(90,318)	(62)	(955,125)		(6,012,654)
250,000	(305,318)	64,983	322,581	(243,813)		239,578
(81,266)	(69,468)	(101,691)	372,226	30,527	(68,679)	1,261,544
295,902	930,343	2,324,618	2,904,097	7,767,239	3,042,723	47,592,543
$214,636	$860,875	$2,222,927	$3,276,323	$7,797,766	$2,974,044	$48,854,087

City of Alameda
Budgeted Non-Major Funds
Schedule of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
for the year ended June 30, 2013

	COMMUNITY DEVELOPMENT			LIBRARY		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Property taxes				$1,616,000	$1,767,730	$151,730
Other taxes		$2,646	$2,646			
Licenses and permits	$1,505,000	1,367,850	(137,150)			
Revenue from other agencies		2,286	2,286	35,906	48,478	12,572
Charges for current services	977,000	1,018,510	41,510	50,000	70,643	20,643
Fines and forfeitures	600,350	757,210	156,860			
Use of money and property	4,030		(4,030)	7,965	4,867	(3,098)
Other					4,436	4,436
Total Revenues	3,086,380	3,148,502	62,122	1,709,871	1,896,154	186,283
EXPENDITURES						
Current:						
General government						
Public safety						
Public works		2,286	(2,286)			
Community Development	3,395,580	3,188,758	206,822			
Community Services				3,597,946	3,091,627	506,319
Culture and recreation						
Housing						
Capital outlay				39,230	32,411	6,819
Debt service:						
Principal						
Interest					4,585	(4,585)
Total Expenditures	3,395,580	3,191,044	204,536	3,637,176	3,128,623	508,553
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(309,200)	(42,542)	266,658	(1,927,305)	(1,232,469)	694,836
OTHER FINANCING SOURCES (USES)						
Transfers in				2,064,435	2,069,932	5,497
Transfers (out)				(228,165)	(228,166)	(1)
Total Other Financing Sources (Uses)				1,836,270	1,841,766	5,496
NET CHANGE IN FUND BALANCE	($309,200)	(42,542)	$266,658	($91,035)	609,297	$700,332
BEGINNING FUND BALANCES (DEFICITS)		598,902			428,658	
ENDING FUND BALANCES (DEFICITS)		$556,360			$1,037,955	

GAS TAX			ASSET SEIZURE/TRAFFIC SAFETY			COUNTY MEASURE B		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
$1,860,480	$1,786,006	($74,474)				$1,751,130	$1,963,870	$212,740
5,000	1,019	(3,981)						
19,826	13,323	(6,503)	$830	$560	($270)	34,314	13,801	(20,513)
1,300	8,293	6,993						
1,886,606	1,808,641	(77,965)	830	560	(270)	1,785,444	1,977,671	192,227
				10,225	(10,225)			
625,420	538,276	87,144						
7,700	837	6,863		19,333	(19,333)			
25,300	25,300							
658,420	564,413	94,007		29,558	(29,558)			
1,228,186	1,244,228	16,042	830	(28,998)	(29,828)	1,785,444	1,977,671	192,227
(2,738,522)	(763,865)	1,974,657	(20,000)	(20,000)		(5,871,673)	(2,942,153)	2,929,520
(2,738,522)	(763,865)	1,974,657	(20,000)	(20,000)		(5,871,673)	(2,942,153)	2,929,520
($1,510,336)	480,363	$1,990,699	($19,170)	(48,998)	($29,828)	($4,086,229)	(964,482)	$3,121,747
	3,502,320			91,086			4,611,884	
	$3,982,683			$42,088			$3,647,402	

(Continued)

City of Alameda
Budgeted Non-Major Funds
Schedule of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
for the year ended June 30, 2013

	TIDELANDS			PARKING METER		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Property taxes						
Other taxes						
Licenses and permits						
Revenue from other agencies						
Charges for current services				$744,800	$859,858	$115,058
Fines and forfeitures				60,000	194,811	134,811
Use of money and property	$959,357	$799,056	($160,301)	26,669	10,430	(16,239)
Other				10,000	10,010	10
Total Revenues	959,357	799,056	(160,301)	841,469	1,075,109	233,640
EXPENDITURES						
Current:						
General government	760,540	715,273	45,267	637,366	421,206	216,160
Public safety						
Public works	486,723	53,956	432,767			
Community Development						
Community Services						
Culture and recreation						
Housing						
Capital outlay	5,000	1,235	3,765			
Debt service:						
Principal						
Interest					75	(75)
Total Expenditures	1,252,263	770,464	481,799	637,366	421,281	216,085
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(292,906)	28,592	321,498	204,103	653,828	449,725
OTHER FINANCING SOURCES (USES)						
Transfers in				510,895		(510,895)
Transfers (out)	(234,833)	(50,314)	184,519	(760,895)	(250,000)	510,895
Total Other Financing Sources (Uses)	(234,833)	(50,314)	184,519	(250,000)	(250,000)	
NET CHANGE IN FUND BALANCE	($527,739)	(21,722)	$506,017	($45,897)	403,828	$449,725
BEGINNING FUND BALANCES (DEFICITS)		2,960,300			2,734,439	
ENDING FUND BALANCES (DEFICITS)		$2,938,578			$3,138,267	

COMMERCIAL REVITALIZATION			COMMUNITY DEVELOPMENT BLOCK GRANT			GARBAGE/RECYCLING SURCHARGE		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
						$175,000	$160,417	($14,583)
			$1,447,785	$1,142,502	($305,283)			
$166,858	$160,065	($6,793)				11,743	4,797	(6,946)
175,000	445,094	270,094						
341,858	605,159	263,301	1,447,785	1,142,502	(305,283)	186,743	165,214	(21,529)
						410,400	176,087	234,313
221,020	250,399	(29,379)	2,556,580	1,170,166	1,386,414			
221,020	250,399	(29,379)	2,556,580	1,170,166	1,386,414	410,400	176,087	234,313
120,838	354,760	233,922	(1,108,795)	(27,664)	1,081,131	(223,657)	(10,873)	212,784
			406,948	27,664	(379,284)			
							(16,507)	(16,507)
			406,948	27,664	(379,284)		(16,507)	(16,507)
$120,838	354,760	$233,922	($701,847)		$701,847	($223,657)	(27,380)	$196,277
	658,127						1,291,260	
	$1,012,887						$1,263,880	

(Continued)

City of Alameda
Budgeted Non-Major Funds
Schedule of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
for the year ended June 30, 2013

	ATHLETIC RECREATION			GRANTS FUND		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Property taxes						
Other taxes						
Licenses and permits				$1,875	$2,000	$125
Revenue from other agencies	$110,203	$89,591	($20,612)	2,980,243	1,727,258	(1,252,985)
Charges for current services	2,351,658	2,969,294	617,636	342,910	105,517	(237,393)
Fines and forfeitures						
Use of money and property	300,578	372,855	72,277	6,305	2,995	(3,310)
Other	71,000	99,677	28,677	17,140	56,935	39,795
Total Revenues	2,833,439	3,531,417	697,978	3,348,473	1,894,705	(1,453,768)
EXPENDITURES						
Current:						
General government	2,595,288	2,405,128	190,160			
Public safety				1,198,192	1,486,070	(287,878)
Public works						
Community Development						
Community Services						
Culture and recreation	564,815	1,178,313	(613,498)			
Housing				2,016,920	197,800	1,819,120
Capital outlay				540,041	500,128	39,913
Debt service:						
Principal	77,305		77,305		13,554	(13,554)
Interest	12,695	7,022	5,673		1,808	(1,808)
Total Expenditures	3,250,103	3,590,463	(340,360)	3,755,153	2,199,360	1,555,793
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(416,664)	(59,046)	357,618	(406,680)	(304,655)	102,025
OTHER FINANCING SOURCES (USES)						
Transfers in	96,441	341,043	244,602	223,425	223,436	11
Transfers (out)	(161,460)	(141,460)	20,000			
Total Other Financing Sources (Uses)	(65,019)	199,583	264,602	223,425	223,436	11
NET CHANGE IN FUND BALANCE	($481,683)	140,537	$622,220	($183,255)	(81,219)	$102,036
BEGINNING FUND BALANCES (DEFICITS)		3,154,002			566,694	
ENDING FUND BALANCES (DEFICITS)		$3,294,539			$485,475	

WASTE REDUCTION SURCHARGE			MAINTENANCE ASSESSMENT DISTRICTS SPECIAL REVENUE			VEHICLE REGISTRATION FEE		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
			$1,852,645	$1,908,333	$55,688			
$333,500	$255,561	($77,939)				$269,560	$310,807	$41,247
352,000	352,754	754		443	443			
26,768	12,135	(14,633)	31,560	15,855	(15,705)		3,311	3,311
2,500	386	(2,114)						
714,768	620,836	(93,932)	1,884,205	1,924,631	40,426	269,560	314,118	44,558
			619,160	346,952	272,208			
1,251,205	991,945	259,260	1,569,612	1,152,923	416,689			
4,000	26	3,974	15,000	5,668	9,332			
			20		20			
1,255,205	991,971	263,234	2,203,792	1,505,543	698,249			
(540,437)	(371,135)	169,302	(319,587)	419,088	738,675	269,560	314,118	44,558
			222,990	44,236	(178,754)			
			(198,750)	(20,000)	178,750	(635,000)	(1,270)	633,730
			24,240	24,236	(4)	(635,000)	(1,270)	633,730
($540,437)	(371,135)	$169,302	($295,347)	443,324	$738,671	($365,440)	312,848	$678,288
	3,652,395			4,000,133			331,302	
	$3,281,260			$4,443,457			$644,150	

(Continued)

City of Alameda
Budgeted Non-Major Funds
Schedule of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
for the year ended June 30, 2013

	CITY HALL/LIBRARY BONDS			BASE REUSE DEBT SERVICE		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Property taxes	$682,150	$752,706	$70,556			
Other taxes						
Licenses and permits						
Revenue from other agencies						
Charges for current services						
Fines and forfeitures						
Use of money and property	7,265	3,195	(4,070)		$359	$359
Other						
Total Revenues	689,415	755,901	66,486		359	359
EXPENDITURES						
Current:						
General government						
Public safety						
Public works						
Community Development						
Community Services						
Culture and recreation						
Housing						
Capital outlay						
Debt service:						
Principal	1,304,000	1,304,000		$300,000	300,000	
Interest	1,341,226	1,338,054	3,172	42,300	31,625	10,675
Total Expenditures	2,645,226	2,642,054	3,172	342,300	331,625	10,675
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,955,811)	(1,886,153)	69,658	(342,300)	(331,266)	11,034
OTHER FINANCING SOURCES (USES)						
Transfers in	1,878,570	1,878,569	(1)	250,010	250,000	(10)
Transfers (out)						
Total Other Financing Sources (Uses)	1,878,570	1,878,569	(1)	250,010	250,000	(10)
NET CHANGE IN FUND BALANCE	($77,241)	(7,584)	$69,657	(92,290)	(81,266)	$11,024
BEGINNING FUND BALANCES (DEFICITS)		1,746,119			295,902	
ENDING FUND BALANCES (DEFICITS)		$1,738,535			$214,636	

CONSTRUCTION IMPACT FEE			STREETS/TRANSPORTATION			CITYWIDE DEVELOPMENT FEE		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
			$460,000	$438,261	($21,739)			
$162,000	$233,370	$71,370	34,000	33,410	(590)			
12,600	3,273	(9,327)				$31,480	$39,125	$7,645
37,865	45,797	7,932						
			26,500	35,621	9,121			
7,070	4,482	(2,588)	22,954	6,389	(16,565)	28,635	10,520	(18,115)
219,535	286,922	67,387	543,454	513,681	(29,773)	60,115	49,645	(10,470)
10,520	3,884	6,636	240	240				
			500,000	500,150	(150)			
			281,095	168,901	112,194			
38,865	47,188	(8,323)						
			11,065	11,064	1			
49,385	51,072	(1,687)	792,400	680,355	112,045			
170,150	235,850	65,700	(248,946)	(166,674)	82,272	60,115	49,645	(10,470)
228,100	228,096	(4)	304,210	155,301	(148,909)	318,025	322,643	4,618
(1,105,999)	(533,414)	572,585	(161,600)	(90,318)	71,282	(220,972)	(62)	220,910
(877,899)	(305,318)	572,581	142,610	64,983	(77,627)	97,053	322,581	225,528
($707,749)	(69,468)	$638,281	($106,336)	(101,691)	$4,645	$157,168	372,226	$215,058
	930,343			2,324,618			2,904,097	
	$860,875			$2,222,927			$3,276,323	

(Continued)

City of Alameda
Budgeted Non-Major Funds
Schedule of Revenues, Expenditures
and Changes in Fund Balances
Budget and Actual
for the year ended June 30, 2013

	URBAN RUNOFF STORM DRAIN FEE			MAINTENANCE ASSESSMENT DISTRICT CAPITAL PROJECTS		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Property taxes	$2,124,875	$2,126,042	$1,167			
Other taxes						
Licenses and permits						
Revenue from other agencies						
Charges for current services	75,000	59,529	(15,471)			
Fines and forfeitures						
Use of money and property	61,091	27,468	(33,623)	$29,270	$11,582	($17,688)
Other	1,500	2,400	900			
Total Revenues	2,262,466	2,215,439	(47,027)	29,270	11,582	(17,688)
EXPENDITURES						
Current:						
General government						
Public safety						
Public works						
Community Development						
Community Services						
Culture and recreation						
Housing						
Capital outlay	2,972,632	1,941,099	1,031,533	200,000	80,261	119,739
Debt service:						
Principal						
Interest						
Total Expenditures	2,972,632	1,941,099	1,031,533	200,000	80,261	119,739
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(710,166)	274,340	984,506	(170,730)	(68,679)	102,051
OTHER FINANCING SOURCES (USES)						
Transfers in	856,310	711,312	(144,998)			
Transfers (out)	(6,101,237)	(955,125)	5,146,112	(700,000)		700,000
Total Other Financing Sources (Uses)	(5,244,927)	(243,813)	5,001,114	(700,000)		700,000
NET CHANGE IN FUND BALANCE	($5,955,093)	30,527	$5,985,620	($870,730)	(68,679)	$802,051
BEGINNING FUND BALANCES (DEFICITS)		7,767,239			3,042,723	
ENDING FUND BALANCES (DEFICITS)		$7,797,766			$2,974,044	

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

The concept of major funds introduced by GASB Statement 34 does not extend to internal service funds because they do not do business with outside parties. GASB Statement 34 requires that for the Statement of Activities, the net revenues or expenses of each internal service fund be eliminated by netting them against the operations of the other City departments which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Position.

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

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

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

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

Technology Services
This fund accounts for computer and telephone charges and information system upgrades. Reimbursements occur through administrative charges assessed to other departments based upon their proportional share of program costs.

Facilities Maintenance
This fund accumulates funds for the costs associated with the maintenance of the City's facilities.

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

Risk Management Insurance
This fund accounts for the administration of the City's risk management program, payment of general liability claim payments, and insurance premiums for general liability and property coverage.

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

Other Post Employment Benefits (OPEB)/Vacation
This fund accounts for expenditures for other post-employment benefits (OPEB) and accumulates fund for future payoffs of accrued leave balances.

City of Alameda
Internal Service Funds
Combining Statement of Net Position
June 30, 2013

	Equipment Replacement	Central Services	Fleet Maintenance	Technology Services	Facilities Maintenance
ASSETS					
Current Assets:					
Cash and cash equivalents	$3,209,847	$84,121	$251,976	$1,235,518	$1,192,155
Accounts receivable	48,812		17,983		
Total Current Assets	3,258,659	84,121	269,959	1,235,518	1,192,155
Noncurrent Assets:					
Restricted cash and investments (Note 2)	427,402				
Capital assets, depreciable, net	5,697,277			183,087	
Total Non-current Assets	6,124,679			183,087	
Total Assets	9,383,338	84,121	269,959	1,418,605	1,192,155
LIABILITIES					
Current Liabilities:					
Accounts payable	1,467			3,491	
Interest payable	95,789				
Refundable deposits					
Due to other funds					
Claims payable:					
Due within one year					
Equipment lease payable:					
Due within one year	431,883				
Total Current Liabilities	529,139			3,491	
Long-Term Liabilities:					
Claims payable:					
Due in more than one year					
Equipment purchase agreement	4,653,880				
Total Long-Term Liabilities	4,653,880				
Total Liabilities	5,183,019			3,491	
NET POSITION					
Net investment in capital asset	1,043,397			183,087	
Unrestricted	3,156,922	84,121	269,959	1,232,027	1,192,155
Total Net Position (Deficits)	$4,200,319	$84,121	$269,959	$1,415,114	$1,192,155

Workers' Compensation Insurance	Risk Management Insurance	Unemployment Insurance	OPEB/Vacation	Total
$4,287,939	$2,270,418	$218,818	$1,837,439	$14,588,231
109,232	89,619	3,670	10,263	279,579
4,397,171	2,360,037	222,488	1,847,702	14,867,810
325,000				752,402
				5,880,364
325,000				6,632,766
4,722,171	2,360,037	222,488	1,847,702	21,500,576
235,821	103,563		$1,563	345,905
				95,789
	21,436			21,436
			3,079	3,079
3,569,588	22,846			3,592,434
				431,883
3,805,409	147,845		4,642	4,490,526
3,896,816	1,938,958			5,835,774
				4,653,880
3,896,816	1,938,958			10,489,654
7,702,225	2,086,803		4,642	14,980,180
				1,226,484
(2,980,054)	273,234	222,488	1,843,060	5,293,912
($2,980,054)	$273,234	$222,488	$1,843,060	$6,520,396

City of Alameda
Internal Service Funds
Combining Statement of Revenues, Expenses and
Changes in Fund Net Position
For The Year Ended June 30, 2013

	Equipment Replacement	Central Services	Fleet Maintenance	Technology Services	Facilities Maintenance
OPERATING REVENUES					
Charges for services			$17,983	$291,102	
Miscellaneous	$814,314				$749,990
Total Operating Revenues	814,314		17,983	291,102	749,990
OPERATING EXPENSES					
General administrative	205,519			47,322	
Wages and benefits	22,414				
Insurance					
Contractual services					
Supplies and maintenance	80,774			(3,500)	
Depreciation	681,072			201,706	
Total Operating Expenses	989,779			245,528	
Operating Income (Loss)	(175,465)		17,983	45,574	749,990
NONOPERATING REVENUES (EXPENSES)					
Interest income	11,157		2,228	3,086	3,652
Total Nonoperating Revenues (Expenses)	11,157		2,228	3,086	3,652
Income (Loss) Before Transfers	(164,308)		20,211	48,660	753,642
Transfers in	274,284				
Net Transfers	274,284				
Change in Net Position	109,976		20,211	48,660	753,642
BEGINNING NET POSITION (DEFICITS)	4,090,343	$84,121	249,748	1,366,454	438,513
ENDING NET POSITION (DEFICITS)	$4,200,319	$84,121	$269,959	$1,415,114	$1,192,155

Workers' Compensation Insurance	Risk Management Insurance	Unemployment Insurance	OPEB/Vacation	Total
$3,776,453	$2,115,104	$70,992	$3,494,166	$9,765,800
13,271	14,603			1,592,178
3,789,724	2,129,707	70,992	3,494,166	11,357,978
	150,000			402,841
		155,645		178,059
2,900,341	1,023,251		2,708,187	6,631,779
99,421	698,278	1,596	1,563	800,858
				77,274
				882,778
2,999,762	1,871,529	157,241	2,709,750	8,973,589
789,962	258,178	(86,249)	784,416	2,384,389
				20,123
				20,123
789,962	258,178	(86,249)	784,416	2,404,512
		100,116	831,000	1,205,400
		100,116	831,000	1,205,400
789,962	258,178	13,867	1,615,416	3,609,912
(3,770,016)	15,056	208,621	227,644	2,910,484
($2,980,054)	$273,234	$222,488	$1,843,060	$6,520,396

City of Alameda
Internal Service Funds
Combining Statement of Cash Flows
For the year ended June 30, 2013

	Equipment Replacement	Central Services	Fleet Maintenance	Technology Services	Facilities Maintenance
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	$814,870	$3,700	$5,987	$291,102	$749,990
Payments to suppliers	16,399	(14)	(72,170)	(274,344)	(45,731)
Payments to employees	(227,933)		(38,127)	(108,919)	(9,559)
Claims paid					
Cash Flows from Operating Activities	603,336	3,686	(104,310)	(92,161)	694,700
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Interfund receipts (payments)					
Transfers In	274,284				
Cash Flows from Noncapital Financing Activities	274,284				
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets, net	(2,658,133)			(183,087)	
Equipment purchase agreement proceeds	2,165,074				
Principal payments on capital debt	(336,505)				
Cash Flows from Capital and Related Financing Activities	(829,564)			(183,087)	
CASH FLOWS FROM INVESTING ACTIVITIES					
Decrease (increase) in restricted investments	(351,451)				
Interest income	11,157		2,228	3,086	3,652
Cash Flows from Capital and Related Investing Activities	(340,294)		2,228	3,086	3,652
Net Cash Flows	(292,238)	3,686	(102,082)	(272,162)	698,352
Cash and investments at beginning of period	3,502,085	80,435	354,058	1,507,680	493,803
Cash and investments at end of period	$3,209,847	$84,121	$251,976	$1,235,518	$1,192,155
Reconciliation of operating income (loss) to net cash flows from operating activities:					
Operating income (loss)	($175,465)		$17,983	$45,574	$749,990
Adjustments to reconcile operating income to cash flows from operating activities:					
Depreciation	681,072			201,706	
Change in assets and liabilities:					
Accounts receivable and refundable deposits	556	$3,700	(11,996)		
Accounts payable	97,173	(14)	(72,170)	(277,844)	(45,731)
Compensated absences			(37,532)	(61,597)	(9,559)
Claims payable					
Accrued payroll			(595)		
Cash Flows from Operating Activities	$603,336	$3,686	($104,310)	($92,161)	$694,700

Workers' Compensation Insurance	Risk Management Insurance	Unemployment Insurance	OPEB/Vacation	Total
$3,707,598	$2,061,650	$67,322	$3,484,497	$11,186,716
124,960	(715,458)	($1,596)	(2,708,187)	(3,676,141)
(13,269)	(164,604)	(155,645)		(718,056)
(2,401,163)	(577,101)			(2,978,264)
1,418,126	604,487	(89,919)	776,310	3,814,255
			3,079	3,079
		100,116	831,000	1,205,400
		100,116	834,079	1,208,479
				(2,841,220)
				2,165,074
				(336,505)
				(1,012,651)
82,036				(269,415)
				20,123
82,036				(249,292)
1,500,162	604,487	10,197	1,610,389	3,760,791
2,787,777	1,665,931	208,621	227,050	10,827,440
$4,287,939	$2,270,418	$218,818	$1,837,439	$14,588,231
$789,962	$258,178	($86,249)	$784,416	$2,384,389
				882,778
(82,126)	(68,057)	(3,670)	(9,669)	(171,262)
224,381	(17,180)		1,563	(89,822)
(13,269)	(14,604)			(136,561)
499,178	446,150			945,328
				(595)
$1,418,126	$604,487	($89,919)	$776,310	$3,814,255

City of Alameda

People and Places in the City

GASB Statement 34 requires that Private Purpose, Pension Funds and Agency Funds be presented separately from the Government-wide and Fund financial statements.

Private Purpose Trust Funds

Successor Agency Special Revenue Fund
This fund accounts for the operations of the agency.

Successor Agency Capital Projects Fund
This fund accounts for capital projects of the agency.

Successor Agency Debt Service Fund
This fund accounts for the debt service related payments of the agency.

Pension Trust Funds

Pension Trust Funds are used to report and account for resources that are required to be held in trust for the members and beneficiaries of the City's defined benefit pension plan.

Police and Fire Pension #1079
This fund accounts for the resources accumulated for the payment of pension benefits enacted under Plan 1079.

Police and Fire Pension #1082
This fund accounts for the resources accumulated for the payment of pension benefits enacted under Plan 1082.

Agency Funds

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

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

Mastick Senior Center Trust Fund
This fund accounts for assets held for the Mastic Senior Center Advisory Board to provide services and facilities which enhance the quality of life for senior citizens.

City of Alameda
Pension Trust Funds
Combining Balance Sheet
June 30, 2013

	PENSION TRUST FUNDS		
	Police and Fire Pension #1079	Police and Fire Pension #1082	Total
ASSETS			
Restricted cash and investments	$51,998	$171	$52,169
Total Assets	$51,998	$171	$52,169
FUND BALANCE			
Reserved for:			
Employees' pension benefits	$51,998	$171	$52,169
Total Equity	$51,998	$171	$52,169

City of Alameda
Pension Trust Funds
Combining Statement of Changes in Net Position
for the year ended June 30, 2013

	PENSION TRUST FUNDS		
	Plan #1079	Plan #1082	TOTALS
ADDITIONS			
Employer contributions	$1,873,980	$44,895	$1,918,875
Total Additions	1,873,980	44,895	1,918,875
DEDUCTIONS			
Retirement and other benefits	1,815,375	45,152	1,860,527
Contractual services	7,000	96	7,096
Total Deductions	1,822,375	45,248	1,867,623
CHANGE IN NET POSITION	51,605	(353)	51,252
NET POSITION			
Beginning of year	393	524	917
End of year	$51,998	$171	$52,169

City of Alameda
Successor Agency Private Purpose Trust Funds
Combining Balance Sheet
June 30, 2013

	PRIVATE PURPOSE TRUST FUNDS			
	Successor Agency Special Revenue	Successor Agency Debt Service	Successor Agency Capital Project	Total
ASSETS				
Cash and cash equivalents	$12,296,051	$1,422,574	$9,889	$13,728,514
Restricted cash and investments	2,154,833	6,478,822		8,633,655
Accounts receivable	5,597			5,597
Interest receivable	28	27		55
Deferred loans				
Total Assets	$14,456,509	$7,901,423	$9,889	$22,367,821
LIABILITIES				
Accounts payable	$1,285,345			$1,285,345
Accrued payroll	55			55
Interest payable	3,788	$1,444,087		1,447,875
Pass-through obligations	105,458			105,458
Payable to the Housing Authority	32,164			32,164
Advances from the City of Alameda				
Loans payable				
Long term debt:				
Due within one year	255,000	1,590,000		1,845,000
Due in more than one year		69,322,895		69,322,895
Total Liabilities	1,681,810	72,356,982		74,038,792
NET POSITION				
Held in trust for private purpose	$12,774,699	($64,455,559)	$9,889	($51,670,971)
Total Equity	$14,456,509	$7,901,423	$9,889	$22,367,821

City of Alameda
Successor Agency Private Purpose Trust Funds
Combining Statement of Changes in Net Position
For the year ended June 30, 2013

	PRIVATE PURPOSE TRUST FUNDS			
	Successor Agency Special Revenue	Successor Agency Debt Service	Successor Agency Capital Project	TOTALS
ADDITIONS				
Property taxes	$11,742,512			$11,742,512
Use of money and property	16,383	$41,205	$74	57,662
Transfer from Successor Agency Special Revenue Fund		5,868,592		5,868,592
Other	458,881	27,164		486,045
Total Additions	12,217,776	5,936,961	74	18,154,811
DEDUCTIONS				
Administration	336,419			336,419
Contractual services	3,373,607			3,373,607
Transfer to Successor Agency Debt Service Fund	5,868,592			5,868,592
Community development expense	993,951			993,951
Debt service:				
Interest and fiscal charges	48,780	4,543,030		4,591,810
Total Deductions	10,621,349	4,543,030		15,164,379
CHANGE IN NET POSITION	1,596,427	1,393,931	74	2,990,432
NET POSITION				
Beginning of year	11,178,272	(65,849,490)	9,815	(54,661,403)
End of year	$12,774,699	($64,455,559)	$9,889	($51,670,971)

City of Alameda
Agency Funds
Statement of Changes in Assets and Liabilities
For the year ended June 30, 2013

	Balance June 30, 2012	Additions	Deductions	Balance June 30, 2013
Assessment Districts				
Assets				
Restricted cash and investments	$8,685,482	$511,674	$648,963	$8,548,193
Accounts receivable	1,214	15,908	1,214	15,908
Total Assets	$8,686,696	$527,582	$650,177	$8,564,101
Liabilities				
Accounts payable		$511,674		$511,674
Due to bondholders	$8,686,696	15,908	$650,177	8,052,427
Total Liabilities	$8,686,696	$527,582	$650,177	$8,564,101
Mastick Senior Center				
Assets				
Restricted cash and investments	$367,736	$64,572		$432,308
Total Assets	$367,736	$64,572		$432,308
Liabilities				
Due to members	$367,736	$64,572		$432,308
Total Liabilities	$367,736	$64,572		$432,308
Totals All Agency Funds				
Assets				
Restricted cash and investments	$9,053,218	$576,246	$648,963	$8,980,501
Accounts receivable	1,214	15,908	1,214	15,908
Total Assets	$9,054,432	$592,154	$650,177	$8,996,409
Liabilities				
Accounts payable		$511,674		$511,674
Due to members	$367,736	64,572		432,308
Due to bondholders	8,686,696	15,908	$650,177	8,052,427
Total Liabilities	$9,054,432	$592,154	$650,177	$8,996,409

STATISTICAL SECTION

City of Alameda

People and Places in the City

This section of the City'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 presents with respect to the City's overall financial health. In contrast to the Financial Section, the Statistical Section information is not subject to independent audit.

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

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances of Governmental Funds
4. Changes in Fund Balances of Governmental Funds

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

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

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

1. Ratio of Outstanding Debt by Type
2. Ratio of General Bonded Debt Outstanding
3. Computation of Direct and Overlapping Debt
4. Computation of Legal Bonded Debt Margin
5. Sewer Fund Debt Service
6. Bonded Debt Pledged Revenue Coverage, CIC Revenue Bonds and Tax Allocation Bonds

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

1. Demographic and Economic Statistics
2. Principal Employers

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

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

Sources
Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

City of Alameda

People and Places in the City

ity of Alameda
let Position by Component
ast Ten Fiscal Years
Accrual Basis of Accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities										
Net investment in capital assets	$132,621,927	$124,741,406	$149,626,890	$158,716,508	$169,776,636	$169,927,104	$179,200,175	$173,302,089	$249,436,223	$234,318,345
Restricted	144,673,265	116,647,178	102,723,054	79,816,104	86,336,351	86,483,930	81,018,431	81,525,686	57,906,023	65,063,180
Unrestricted	(81,824,156)	(40,784,740)	(18,104,392)	13,312,902	8,764,362	16,106,522	17,744,797	21,985,164	17,632,805	27,586,926
Total governmental activities net position	$195,471,036	$200,603,844	$234,245,552	$251,845,514	$264,877,349	$272,517,556	$277,963,403	$276,812,939	$324,975,051	$326,968,451
Business-type activities										
Net investment in capital assets	$38,512,292	$41,430,248	$41,606,226	$41,973,568	$42,515,505	$44,928,147	$45,131,483	$39,458,176	$44,169,706	$32,309,753
Restricted	1,083,977	1,106,890	1,145,471							29,374,748
Unrestricted	17,488,537	19,470,915	19,401,658	19,774,563	20,318,503	17,184,286	18,336,223	19,025,625	18,085,254	
Total business-type activities net position	$57,084,806	$62,008,053	$62,153,355	$61,748,131	$62,834,008	$62,112,433	$63,467,706	$58,483,801	$62,254,960	$61,684,501
Primary government										
Net investment in capital assets	$171,134,219	$166,171,654	$191,233,116	$200,690,076	$212,292,141	$214,855,251	$224,331,658	$213,414,695	$293,605,929	$266,628,098
Restricted	145,757,242	117,754,068	103,868,525	79,816,104	86,336,351	86,483,930	81,018,431	81,525,686	57,906,023	94,437,928
Unrestricted	(64,335,619)	(21,313,825)	1,297,266	33,087,465	29,082,865	33,290,808	36,081,020	39,344,911	35,718,059	27,586,926
Total primary government net position	$252,555,842	$262,611,897	$296,398,907	$313,593,645	$327,711,357	$334,629,989	$341,431,109	$334,285,292	$387,230,011	$388,652,952

Source: City Finance Department

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

	For the Fiscal Year Ended June 30,			
	2004	**2005**	**2006**	**2007**
Expenses				
Governmental Activities:				
General Government	$11,892,299	$15,395,113	$17,477,965	$20,160,089
Police	22,502,026	22,074,065	25,255,793	25,632,978
Fire	18,648,073	19,667,256	20,520,453	23,911,788
Public Works	12,263,391	13,990,352	5,374,200	4,465,955
Community Development	18,215,641	17,920,317	14,093,939	22,986,738
Community Services	8,625,168	6,758,918	7,114,677	7,730,394
Housing	5,059,414	4,687,684	3,395,317	5,802,261
Interest on Long-Term Debt	9,767,781	6,429,215	5,918,480	6,307,727
Total Governmental Activities Expenses	106,973,793	106,922,920	99,150,824	116,997,930
Business-Type Activities:				
Ferry Services	3,439,322	3,539,277	3,478,994	3,274,613
Golf Course	4,338,367	4,400,252	4,508,404	4,645,595
Sewer Service	3,921,506	3,632,512	3,756,084	4,244,145
Total Business-Type Activities Expenses	11,699,195	11,572,041	11,743,482	12,164,353
Total Primary Government Expenses	$118,672,988	$118,494,961	$110,894,306	$129,162,283
Component Units:				
Housing Authority	$26,122,570	$25,742,559	$23,458,406	$25,890,669
Power & Telecom	54,710,878	57,956,365	60,987,054	63,267,230
Total Component Units	$80,833,448	$83,698,924	$84,445,460	$89,157,899
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	$12,761,494	$13,294,972	$13,804,737	$13,697,081
Police	197,252	190,052	217,551	179,212
Fire	95,384	90,640	79,718	
Public Works	731,746	782,578	848,390	1,488,380
Community Development	13,103,655	11,891,979	12,395,013	13,265,740
Community Services	1,399,564	2,581,142	2,926,120	1,940,528
Housing				
Operating Grants and Contributions	10,397,197	8,170,805	16,571,222	14,350,320
Capital Grants and Contributions	8,722,254	10,946,725	15,576,210	11,063,279
Total Government Activities Program Revenues	47,408,546	47,948,893	62,418,961	55,984,540
Business-Type Activities:				
Charges for Services:				
Ferry Services				17,726
Golf Course	4,730,019	4,259,968	3,859,518	4,226,422
Sewer Service	5,179,831	5,356,564	5,252,893	5,667,296
Operating Grants and Contributions	1,878,270	6,683,481	2,279,492	1,990,515
Total Business-Type Activities Program Revenue	11,788,120	16,300,013	11,391,903	11,884,233
Total Primary Government Program Revenues	$59,196,666	$64,248,906	$73,810,864	$67,868,773
Component Units:				
Charges for Services:				
Housing Authority	$3,056,974	$3,366,326	$3,162,738	$3,368,311
Power & Telecom	50,952,137	58,103,776	61,937,553	60,552,680
Operating Grants and Contributions	23,420,341	22,357,796	24,594,124	27,623,882
Total Component Units Program Revenues	$77,429,452	$83,827,898	$89,694,415	$91,544,873
Net (Expense)/Revenue				
Governmental Activities	($59,565,247)	($58,974,027)	($36,731,863)	($61,013,390)
Business-Type Activities	88,925	4,727,972	(351,579)	(262,394)
Component Units Activities	(3,403,996)	128,974	5,248,955	2,386,974
Total Primary Government Net Expense	($59,476,322)	($54,246,055)	($31,834,487)	($58,888,810)

Source: City Finance Department

2008	2009	2010	2011	2012	2013
$13,942,578	$11,725,432	$15,456,715	$18,188,575	$15,237,357	$13,569,619
26,769,167	26,137,009	26,798,928	26,889,284	25,904,606	30,431,546
24,645,039	22,123,701	22,861,254	24,532,288	23,970,035	27,374,670
12,628,974	18,746,655	10,939,983	18,950,456	13,738,143	12,664,895
19,189,329	22,163,130	19,248,260	16,550,661	5,718,100	20,805,104
8,275,998	8,125,339	8,749,436	9,296,269	8,741,325	8,296,495
6,668,775	7,415,214	7,975,615	7,261,310	14,452,825	1,222,077
6,351,470	6,100,624	5,764,642	5,677,260	4,142,152	1,409,201
118,471,330	122,537,104	117,794,833	127,346,103	111,904,543	115,773,607
4,469,475	3,756,857	4,200,933	3,357,896		
5,009,337	4,380,267	3,914,763	3,917,153	3,814,979	
4,320,760	4,726,773	4,359,415	4,598,661	3,864,222	5,125,508
13,799,572	12,863,897	12,475,111	11,873,710	7,679,201	5,125,508
$132,270,902	$135,401,001	$130,269,944	$139,219,813	$119,583,744	$120,899,115
$25,717,763	$26,750,656	$30,114,145	31,077,746		
61,075,579	61,522,873	56,686,475	50,902,652	54,520,590	53,896,090
$86,793,342	$88,273,529	$86,800,620	$81,980,398		
$5,244,071	$6,202,753	$7,065,225	$8,378,706	$6,899,450	$7,507,538
918,369	1,211,316	1,196,533	1,248,344	1,181,455	1,125,359
1,917,703	2,528,403	2,459,169	1,875,008	2,156,989	2,625,040
7,149,848	7,135,253	5,234,368	6,743,825	6,694,970	7,329,147
12,520,166	12,050,332	9,628,742	9,628,742	9,261,637	9,717,218
2,396,147	2,328,111	2,600,886	2,643,386	2,771,489	3,477,649
438,278					45
12,969,596	6,816,299	7,401,177	7,753,440	9,898,631	7,434,721
5,535,687	4,307,127	6,703,662	8,305,292	5,111,573	3,504,228
49,089,865	42,579,594	42,289,762	46,576,743	43,976,194	42,720,945
			222		
4,187,705	4,161,463	3,768,555	3,546,251	3,958,933	
5,826,652	5,901,599	6,068,908	6,936,223	7,447,477	8,966,628
3,000,763	2,356,878	2,245,111	2,245,111		
13,015,120	12,419,940	12,082,574	12,727,807	11,406,410	8,966,628
$62,104,985	$54,999,534	$54,372,336	$59,304,550	$55,382,604	$51,687,573
$3,294,371	$3,369,634	$2,957,381	2,959,697		
61,857,720	54,987,323	49,284,110	51,237,727	51,526,195	56,157,469
21,419,640	21,595,495	28,796,857	29,390,234		
$86,571,731	$79,952,452	$81,038,348	$83,587,658	$51,526,195	$56,157,469
($69,381,465)	($79,957,511)	($75,505,071)	(75,504,996)	(67,928,349)	(73,052,662)
(784,452)	(443,957)	(392,537)	1,027,225	3,727,584	3,841,120
(221,611)	(8,321,077)	(5,762,272)	1,607,260		
($70,387,528)	($88,722,545)	($81,659,880)	($72,870,511)	($64,200,765)	($69,211,542)

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

	For the Fiscal Year Ended June 30,			
	2004	**2005**	**2006**	**2007**
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property Taxes	$17,773,235	$19,007,465	$21,332,157	$26,137,534
Incremental property tax	7,993,279	8,956,569	11,178,320	12,266,563
Urban runoff special assessments	2,514,813	894,930	851,005	2,668,301
Sales Taxes	5,551,361	4,756,425	4,580,600	4,967,130
Utility Users Tax			8,328,131	8,702,101
Transfer Tax			6,601,412	4,177,736
Franchise Tax				
Transient Occupancy Tax				
Property Tax In-Lieu				
Other Taxes	15,654,287	18,780,327	7,200,067	7,184,959
Motor Vehicle In-Lieu, Unrestricted	3,438,362	5,083,751	5,982,971	5,479,921
Use of Money and properties	876,633	2,898,323	2,695,888	5,897,661
Gain/Loss from disposal of capital assets	1,312,894			
Miscellaneous	34,145	3,435,857	1,215,942	345,906
Transfers	12,304,655	293,188	407,078	1,293,540
Extraordinary item				
Total Government Activities	67,453,664	64,106,835	70,373,571	79,121,352
Business-Type Activities:				
Use of Money and properties	282,361	486,455	646,149	1,004,169
Miscellaneous	68,743	2,008	257,810	146,541
Transfers	(12,304,655)	(293,188)	(407,078)	(1,293,540)
Total Business-Type Activities	(11,953,551)	195,275	496,881	(142,830)
Total Primary Government	$55,500,113	$64,302,110	$70,870,452	$78,978,522
Component Units Activities:				
Use of Money and properties	$341,058	$2,369,805	$2,315,772	$2,804,872
Miscellaneous				
Transfers				
Increase in value of certain NCPA projects and reserves				
Net Extraordinary Items				
Total Component Units Activities	$341,058	$2,369,805	$2,315,772	$2,804,872
Change in Net Position				
Governmental Activities	$7,888,417	$5,132,808	$33,641,708	$18,107,962
Business-Type Activities	(11,864,626)	4,923,247	145,302	(405,224)
Total Primary Government	($3,976,209)	$10,056,055	$33,787,010	$17,702,738
Changes in Net Position				
Component units Activities	($3,062,938)	$2,498,779	$7,564,727	$5,191,846

Note:
(a) Information prior to fiscal year 2003 is not available

Source: City Finance Department

2008	2009	2010	2011	2012	2013
$27,413,398	$28,056,019	$30,779,575	$30,205,060	$27,965,276	26,937,823
14,043,703	15,634,394	11,631,272	11,868,722	5,748,695	
1,738,422	1,857,611	1,897,652	1,886,557	1,844,180	1,842,568
5,140,774	5,412,461	4,880,379	5,077,031	6,035,950	5,932,043
9,301,200	9,049,473	8,822,075	9,182,248	8,787,016	9,095,600
3,389,197	3,124,066	4,647,057	5,896,294	4,921,032	5,582,337
1,605,512	1,626,089	4,403,092	4,451,081	4,477,426	4,439,185
1,088,342	1,178,705	1,084,850	1,118,732	1,294,691	1,396,432
1,654,175	1,672,842	1,278,940	1,255,240	1,271,253	1,112,896
2,392,876	1,956,106	891,109	1,197,746	1,489,036	2,788,444
5,748,775	5,994,956	6,041,729	6,120,156	5,874,386	5,897,923
8,066,247	6,843,179	3,836,073	5,059,361	617,852	4,039,370
1,427,356	4,090,462	742,404	4,080,095	5,803,134	1,531,218
(596,677)	1,101,353	(1,114,750)	(1,628,137)	207,258	269,538
				40,764,726	
82,413,300	87,597,716	79,821,457	85,770,186	117,101,911	70,865,377
1,126,277	730,441	348,032		192,687	33,149
147,375	93,294	285,028	(230,894)	58,146	5,495
596,677	(1,101,353)	1,114,750	1,628,137	(207,258)	(269,538)
1,870,329	(277,618)	1,747,810	1,397,243	43,575	(230,894)
$83,009,977	$86,496,363	$80,936,207	$87,167,429	$117,145,486	$70,634,483
$2,974,858	$1,744,742	$356,673	$1,965,040	$119,699	$98,920
		506,590	249,207	54,142	176,225
(32,097,496)	25,251,400				1,447,092
($29,122,638)	$26,996,142	$863,263	$2,214,247	$173,841	$1,722,237
$13,031,835	$7,640,205	$4,316,386	$2,828,006	$49,173,562	(2,187,285)
1,085,877	(721,575)	1,355,273	3,473,803	3,771,159	3,610,226
$14,117,712	$6,918,630	$5,671,659	$6,301,809	$52,944,721	$1,422,941
($29,344,249)	$18,675,065	($4,899,009)	$3,821,507	($2,820,554)	$3,983,616

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Pre-GASB 54 Classifications:										
Reserved	$6,061,084	$6,065,209	$6,626,345	$6,649,640	$9,441,392	$6,152,052	$5,426,061			
Unreserved	12,655,623	16,048,586	17,947,381	16,171,215	10,252,721	15,362,069	16,223,164			
GASB 54 Classifications:										
Nonspendable									$2,685,205	$2,200,000
Restricted								$400,000		
Committed								603,629	400,000	
Assigned								16,693,535	315,045	
Unassigned									19,618,518	21,293,014
Total General Fund	$18,716,707	$22,113,795	$24,573,726	$22,820,855	$19,694,113	$21,514,121	$21,649,225	$17,697,164	$23,018,768	$23,493,014
All Other Governmental Funds										
Pre-GASB 54 Classifications:										
Reserved	$30,173,689	$26,759,167	$29,578,391	$32,799,457	$34,104,927	$31,746,036	$33,900,970			
Unreserved, reported in:										
Special revenue funds	46,548,364	40,171,866	38,923,405	31,494,061	20,831,848	36,849,864	32,037,363			
Capital project funds	17,971,148	18,531,330	14,420,484	13,068,955	28,887,337	17,242,412	14,178,257			
GASB 54 Classifications:										
Nonspendable								$45,639,192	$8,894	
Restricted								36,594,620	24,442,662	21,293,253
Committed								10,965	35,055,243	36,907,806
Assigned								(9,200)		
Unassigned									(1,600,776)	(657,163)
Total all other governmental funds	$94,693,201	$85,462,363	$82,922,280	$77,362,473	$83,824,112	$85,838,312	$80,116,590	$82,235,577	$57,906,023	$57,543,896

Source: City of Alameda Finance Department

City of Alameda

People and Places in the City

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

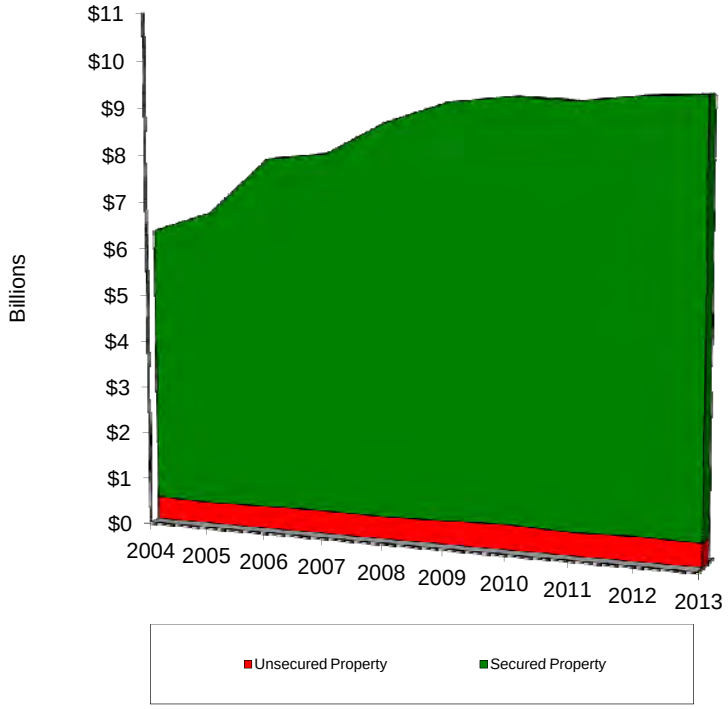
	2004	2005	2006	2007	2008
Revenues					
Property taxes	$29,947,878	$32,976,420	$37,320,071	$39,938,739	$43,189,504
Other local taxes	22,236,960	24,120,443	27,682,138	26,125,551	25,463,825
Licenses and permits	2,928,479	3,664,147	4,316,809	4,281,863	3,792,899
Revenue from other agencies	16,905,698	22,233,324	35,629,270	29,797,193	24,321,452
Charges for current services	10,079,831	9,291,266	10,705,681	9,952,910	11,987,586
Fines and forfeitures	897,087	907,001	941,793	992,593	1,239,607
Use of money and property	14,517,984	15,444,762	15,791,585	18,624,311	20,264,478
Other	953,026	3,550,257	1,168,243	1,437,521	1,795,035
Total Revenues	98,466,943	112,187,620	133,555,590	131,150,681	132,054,386
Expenditures					
Current:					
General government	11,020,370	15,208,034	15,161,220	13,761,022	11,315,409
Police	21,372,121	21,986,900	24,563,122	25,244,920	26,544,338
Fire	18,061,798	18,898,538	22,795,320	23,634,196	24,338,086
Public Works	7,844,588	7,382,093	7,120,517	7,892,558	9,255,632
Community Development	19,887,277	15,319,311	12,677,375	28,512,408	24,230,719
Community Services	6,034,698	6,177,938	6,331,629	6,621,934	7,258,611
Culture and recreation					
Housing	6,900,786	6,400,799	4,369,609	6,249,589	7,075,267
Capital outlay (b)	19,409,657	18,907,960	39,505,003	23,667,913	11,845,020
Debt service:					
Principal repayment	10,363,174	1,560,568	1,564,295	1,918,623	2,533,420
Interest and fiscal charges	9,288,334	6,283,053	6,033,431	6,255,397	6,375,793
Total Expenditures	130,182,803	118,125,194	140,121,521	143,758,560	130,772,295
Excess (deficiency) of revenues over (under) expenditures	(31,715,860)	(5,937,574)	(6,565,931)	(12,607,879)	1,282,091
Other Financing Sources (Uses)					
Contribution from (to) other entities	3,731,721				
Transfers in	35,648,704	24,240,787	41,355,020	42,858,538	29,641,624
Transfers (out)	(35,749,307)	(24,244,606)	(41,077,819)	(41,588,363)	(30,614,587)
Sale of capital assets	7,556,344	23,443	5,176,704	25,026	25,769
Payment to escrow agent	(15,570,000)				
Bond issuance premium (discount) on debt					
Issuance of long-term debt	78,570,000	84,200	1,031,874	4,000,000	3,000,000
Total other financing sources (uses)	74,187,462	103,824	6,485,779	5,295,201	2,052,806
Extraordinary item					
Net Change in fund balances	$42,471,602	($5,833,750)	($80,152)	($7,312,678)	$3,334,897
Debt service as a percentage of noncapital expenditures	17.7%	7.9%	7.6%	6.8%	8.0%

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

Source: City Finance Department

2009	2010	2011	2012	2013
$45,548,024	$44,308,500	$44,304,076	$36,215,189	$30,299,428
24,588,234	27,032,505	29,209,243	28,731,775	29,441,266
3,361,091	3,172,848	3,389,609	2,962,194	3,220,082
19,408,936	19,354,972	18,584,868	15,017,173	15,017,173
10,264,260	12,252,283	12,102,124	16,992,163	16,992,163
1,463,269	1,434,684	1,350,974	1,498,967	1,712,558
20,329,314	17,208,171	17,595,184	16,284,321	16,284,321
4,516,237	791,233	5,454,018	3,716,012	1,366,611
129,479,365	125,555,196	131,990,096	121,417,794	114,333,602
13,114,355	9,756,226	4,130,188	8,505,007	13,996,654
25,770,329	26,749,247	27,612,111	27,697,939	28,538,108
22,932,133	22,589,195	24,297,287	23,735,534	23,262,699
10,198,469	4,682,917	6,324,136	5,045,594	4,320,452
19,673,992	19,288,336	22,899,662	17,959,889	17,828,779
7,006,083	7,738,644	8,292,609	8,358,813	6,704,716
				1,178,313
8,117,536	10,060,973	8,460,735	14,513,011	2,051,269
11,212,641	15,527,159	17,392,517	12,969,550	13,306,766
7,479,565	2,569,040	3,169,360	2,844,360	1,710,214
6,099,165	5,675,982	5,732,593	3,700,852	1,431,642
131,604,268	124,637,719	128,311,198	125,330,549	114,329,612
(2,124,903)	917,477	3,678,898	(3,912,755)	3,990
		(1,347,013)		
39,525,272	16,789,896	20,625,790	22,598,326	13,236,792
(38,281,393)	(23,293,991)	(24,690,492)	(25,611,556)	(14,172,654)
21,507		735,000	8,213	
		(985,000)		
118,725		(125,326)		
4,575,000		11,035,000		
5,959,111	(6,504,095)	5,247,959	(3,005,017)	(935,862)
			(20,454,496)	
$3,834,208	($5,586,618)	$8,926,857	($27,372,268)	($931,872)
(a) 10.9%	(a) 7.4%	(a) 7.6%	(a) 5.5%	(a) 2.9%

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



Fiscal Year	Secured Property	Percent Change	Unsecured Property	Percent Change	Total Assessed
2004	$5,865,562,253	8.10%	$485,153,311	-14.13%	$6,350,715,564
2005	6,316,942,645	7.70%	460,263,932	-5.13%	6,777,206,577
2006	7,469,413,342	18.24%	482,582,523	4.85%	7,432,630,955
2007	7,600,603,000	1.76%	493,333,000	2.23%	7,951,995,865
2008	8,299,483,280	9.20%	477,194,312	-3.27%	8,776,677,592
2009	8,699,660,252	4.82%	501,285,753	5.05%	9,226,664,742
2010	8,796,462,645	1.11%	536,786,045	7.08%	9,436,632,497
2011	8,767,561,741	-0.33%	486,282,942	-9.41%	9,284,599,251
2012	8,851,986,300	1.82%	524,614,003	2.00%	9,387,095,373
2013	8,927,046,504	0.85%	496,000,269	-5.45%	9,423,046,773

(a) California cities do not set their own direct tax rate. The State Constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area.
(b) Estimated full market information is not available
(c) See page 157 for information regarding the total direct rate applied to the property tax assessed base.
(d) See the following page for the total direct rate applied to the assessed valuation base for each year.

Source: Alameda County Auditor Controller Office Certificate of Assessed Valuations

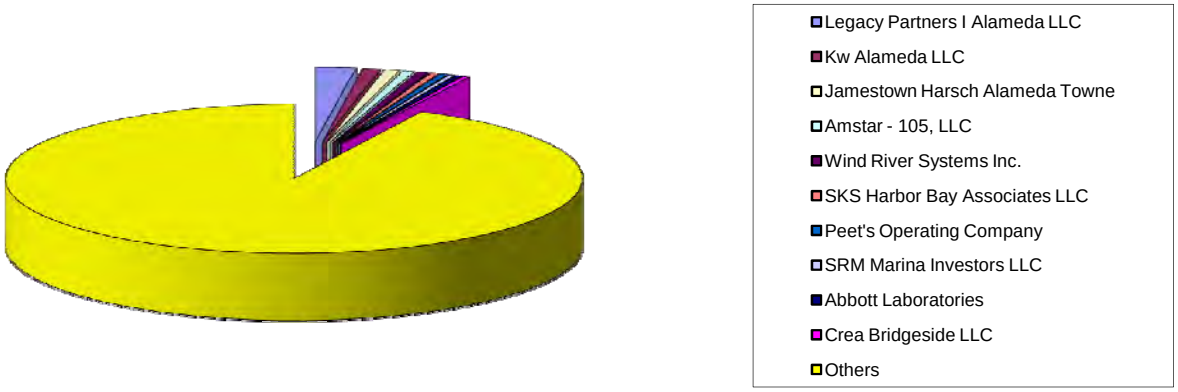
City of Alameda
Property Tax Rates
All Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Basic County Wide Levy (1)	City	Alameda Unified School Bonds	Alameda Unified School District	BART	Peralta College	Total
2004	1.0000	0.0318	N/A	0.1960	N/A	0.0280	1.2558
2005	1.0000	0.3330	0.0549	0.1960	0.0058	0.0280	1.2847
2006	1.0000	0.0255	0.0496	N/A	0.0050	0.0272	1.1073
2007	1.0000	0.0255	0.0496	N/A	0.0050	0.0272	1.1073
2008	1.0000	0.0247	0.0469	N/A	0.0076	0.0223	1.1015
2009	1.0000	0.0245	0.0479	N/A	0.0090	0.0362	1.1176
2010	1.0000	0.0245	0.0498	N/A	0.0057	0.0430	1.1230
2011	1.0000	0.0244	0.0520	N/A	0.0031	0.0430	1.1225
2012	1.0000	0.0249	0.0527	N/A	0.0041	0.0436	1.1253
2013	1.0000	0.0260	0.0553	0.0119	0.0043	0.0434	1.1409

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

City of Alameda
Principal Property Taxpayers
Current Year and Ten Years Ago

Current Year Taxpayers

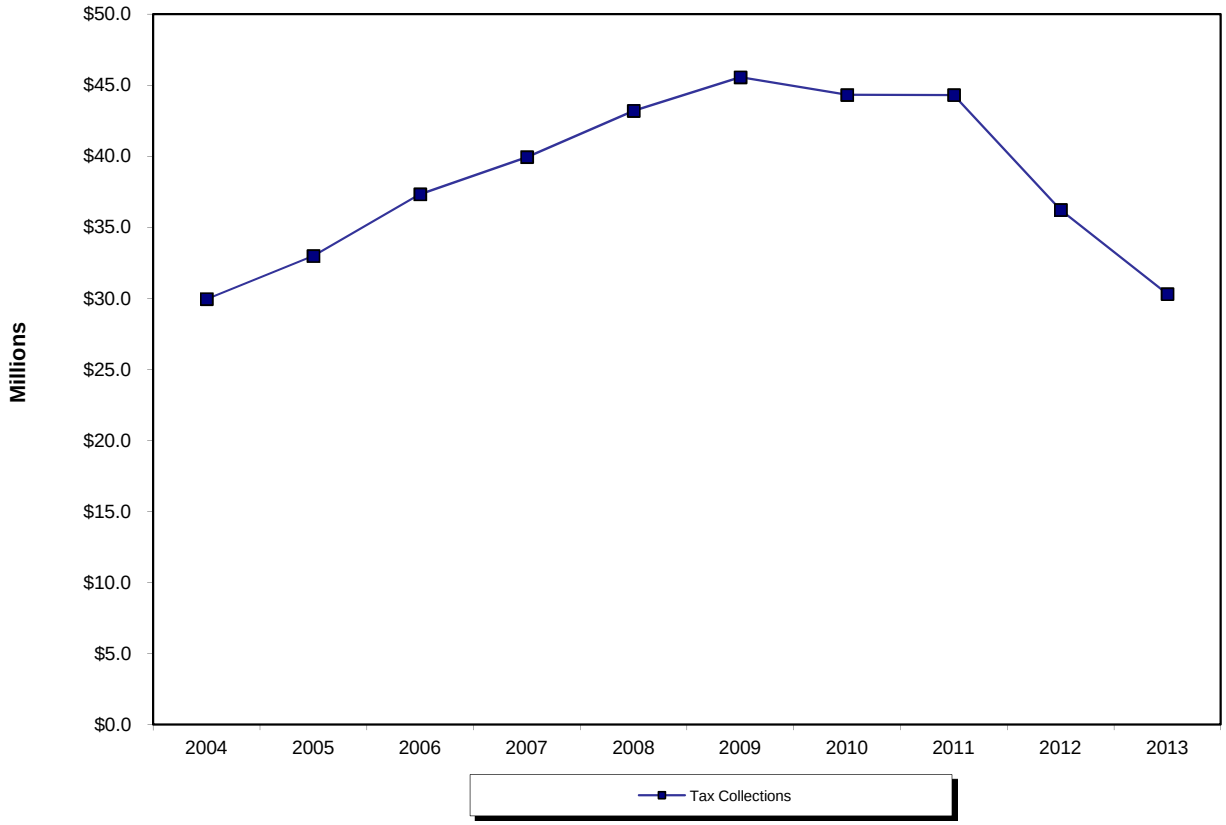


	2012-13			2003-04		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**
Legacy Partners I Alameda LLC	$210,468,676	1	2.23%			
Kw Alameda LLC	93,704,525	2	0.99%			
Jamestown Harsch Alameda Towne	79,150,291	3	0.84%			
Amstar - 105, LLC	63,350,395	4	0.67%	$61,979,692	3	1.03%
Wind River Systems Inc.	62,357,304	5	0.66%			
SKS Harbor Bay Associates LLC	42,091,031	6	0.45%			
Peet's Operating Company	39,788,459	7	0.42%			
SRM Marina Investors LLC	33,287,601	8	0.35%			
Abbott Laboratories	32,570,000	9	0.34%			
Crea Bridgeside LLC	31,749,208	10	0.34%			
Alameda Real Estate Investment				209,861,859	1	3.50%
Ascend Communications				105,395,319	2	1.76%
Harsh Investment				38,641,416	4	0.64%
Limar Realty Corp 13 & Realty Corp 1				35,925,440	5	0.60%
City of Alameda Health Care District				30,163,910	6	0.50%
TCI Cablevision of California				28,648,151	7	0.48%
Sumitomo Bank Leasing & Finance Inc.				27,413,401	8	0.46%
Ballena Village LLC				26,308,878	9	0.44%
South Shore Beach and Tennis Club				25,005,788	10	0.42%
Subtotal	$688,517,490		7.31%	$589,343,854		9.28%

Total Net Assessed Valuation:
Fiscal Year 2012-13 $9,423,046,773
Fiscal Year 2003-04 $6,350,715,564

Source: Alameda County Assessor Fiscal Year Combined Tax Rolls.

City of Alameda
Property Tax Levies and Collections
Last Ten Fiscal Years



Fiscal Year	Total Tax Levy (a)	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections (a)	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
2004	$29,947,878	$29,947,878	100%	0	$29,947,878	100%
2005	32,976,420	32,976,420	100%	0	32,976,420	100%
2006	37,320,071	37,320,071	100%	0	37,320,071	100%
2007	39,938,739	39,938,739	100%	0	39,938,739	100%
2008	43,189,504	43,189,504	100%	0	43,189,504	100%
2009	45,548,024	45,548,024	100%	0	45,548,024	100%
2010	44,308,500	44,308,500	100%	0	44,308,500	100%
2011	44,304,076	44,304,076	100%	0	44,304,076	100%
2012	36,215,189	36,215,189	100%	0	36,215,189	100%
2013	30,299,428	30,299,428	100%	0	30,299,428	100%

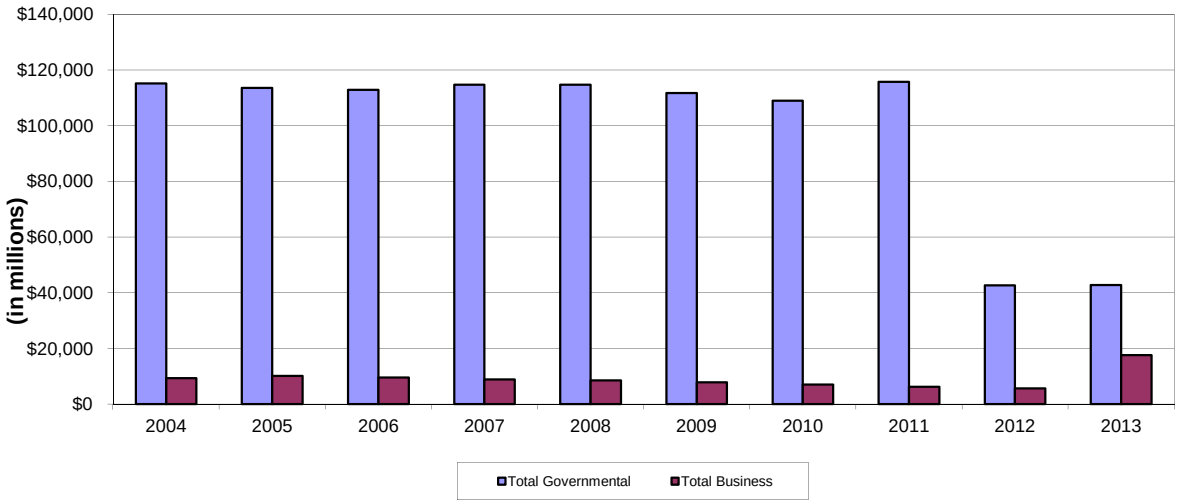
Source: City of Alameda Records

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

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

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

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



	Governmental Activities					
Fiscal Year	Tax Allocation Bonds	Certificates of Participation	General Obligation Bond	Revenue Bonds	Loans & Lease Purchases	Total
2004	$69,770,000	$17,230,000	$10,600,000	$15,330,000	$2,181,320	$115,111,320
2005	69,225,000	16,605,000	10,455,000	15,225,000	2,071,962	113,581,962
2006	68,700,000	15,960,000	10,300,000	15,110,000	2,724,932	112,794,932
2007	68,010,000	15,290,000	10,135,000	14,995,000	6,241,387	114,671,387
2008	67,005,000	14,595,000	9,960,000	14,630,000	8,666,301	114,644,787
2009	65,900,000	13,715,000	9,775,000	14,195,000	8,139,871	111,724,871
2010	64,685,000	13,305,000	9,580,000	13,745,000	7,620,380	108,935,380
2011	74,254,674	12,470,000	9,375,000	12,300,000	7,291,020	115,690,694
2012	0 (b)	11,600,000	9,155,000	12,000,000	9,878,854	42,633,854
2013	0 (b)	10,700,000	8,925,000	11,700,000	11,440,764	42,765,764

	Business-Type Activities					
Fiscal Year	Certificates of Participation	Loans & Lease Purchases	Total	Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
2004	$4,225,000	$5,087,209	$9,312,209	$124,423,529	5.18%	$1,697.97
2005	4,010,000	6,182,578	10,192,578	123,774,540	4.85%	1,700.62
2006	3,785,000	5,750,127	9,535,127	122,330,059	4.51%	1,681.26
2007	3,545,000	5,323,440	8,868,440	123,539,827	4.19%	1,696.79
2008	3,295,000	5,305,043	8,600,043	123,513,227	3.94%	1,683.68
2009	3,030,000	4,813,515	7,843,515	119,568,386	3.82%	1,629.91
2010	2,755,000	4,304,311	7,059,311	115,994,691	3.73%	1,552.06
2011	2,465,000	3,776,678	6,241,678	121,932,372	4.48%	1,616.95
2012	2,160,000	3,498,778	5,658,778	48,292,632	1.78%	640.41
2013	14,715,000	2,956,277	17,671,277	60,437,041	2.14%	804.48

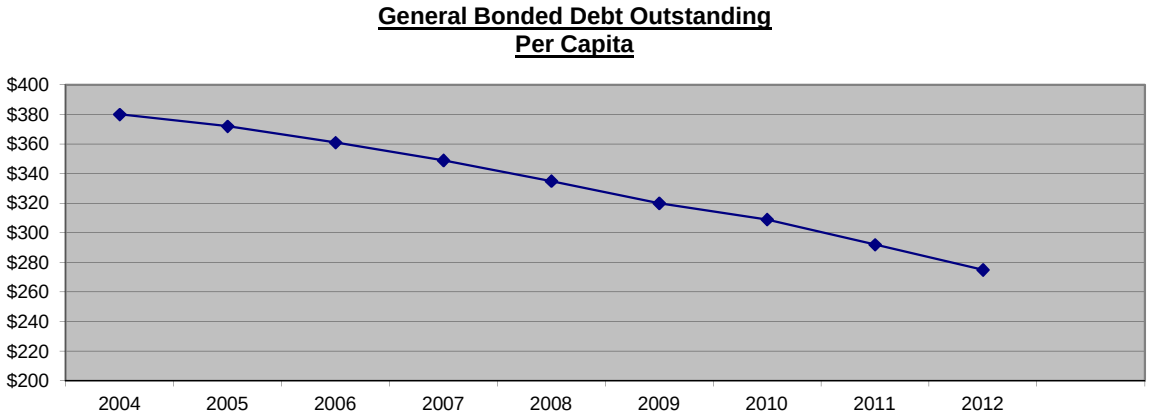
Note : Debt amounts exclude any premiums, discounts, or other amortization amounts.

Sources: City of Alameda
State of California, Department of Finance (population)
U.S. Department of commerce, Bureau of the Census (income)

(a) See page 160 (Demographic Statistics) for personal income and population data.

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

City of Alameda
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years



	General Bonded Debt Outstanding				
Fiscal Year	Certificates of Participation Governmental Activities	General Obligation Bond	Total	Percentage of Actual Taxable Value of Property	Per Capita
2004	$17,230,000	$10,600,000	$27,830,000	0.44%	$379.79
2005	16,605,000	10,455,000	27,060,000	0.40%	371.80
2006	15,960,000	10,300,000	26,260,000	0.35%	360.91
2007	15,290,000	10,135,000	25,425,000	0.32%	349.21
2008	14,595,000	9,960,000	24,555,000	0.28%	334.72
2009	13,715,000	9,775,000	23,490,000	0.25%	320.21
2010	13,305,000	9,580,000	22,885,000	0.24%	309.12
2011	12,470,000	9,375,000	21,845,000	0.24%	292.30
2012	11,600,000	9,155,000	20,755,000	0.22%	275.23
2013	10,700,000	8,925,000	19,625,000	0.21%	261.23

Source: City of Alameda Finance Department

City of Alameda
Computation of Direct and Overlapping Debt
June 30, 2013

2012-13 Assessed Valuation: $9,423,046,773

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	Total Debt 6/30/13	% Applicable (1)	City's Share of Debt 6/30/13
Bay Area Rapid Transit District	$407,189,149	1.880%	$7,655,156
Peralta Community College District	$403,680,003	13.232%	53,414,938
Alameda Unified School District	$63,105,326	100.000%	63,105,326
East Bay Regional Park District	$209,350,017	2.897%	6,064,870
East Bay Municipal Utility District, Special District No. 1	$18,555,002	12.374%	2,295,996
City of Alameda	**$8,925,000**	**100.000%**	**8,925,000**
City of Alameda Facilities District No. 1	$8,815,000	100.000%	8,815,000
City of Alameda 1915 Act Bonds	$4,215,000	100.000%	4,215,000
TOTAL NET DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			$154,491,286

Ratios to 2012-13 Assessed Valuation:

Direct Debt ($8,925,000)	**0.095%**
Total Direct and Overlapping Tax Assessment Debt	1.64%

DIRECT AND OVERLAPPING GENERAL FUND DEBT:				
Alameda County and Coliseum Authority General Fund Obligations	$638,558,134	4.770%	$30,459,223	
Alameda County Pension Obligations	$1,092,776	4.767	5,209,263	
Alameda-Contra Costa Transit District Certificates of Participation	$281,550	5.567	1,567,389	
Peralta Community College District Pension Obligations	$1,585,541	13.232	20,979,877	
Alameda Unified School District Certificates of Participation	$1,015,000	100%	1,015,000	
City of Alameda General Fund Obligations	**$10,700,000**	**100%**	**10,700,000**	
TOTAL OVERLAPPING GENERAL FUND OBLIGATION DEBT			$69,930,752	
COMBINED TOTAL DEBT			$224,422,038	(2)

(1) Percentage of overlapping agency's assessed valuation located within boundaries of the authority.
(2) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratios to Adjusted Assessed Valuation:

Total Direct Debt ($20,755,000)	**0.26%**
Combined Total Debt	2.38%

Note: The overlap is calculated based upon information by the City and County

City of Alameda
Computation of Legal Bonded Debt Margin
June 30, 2013

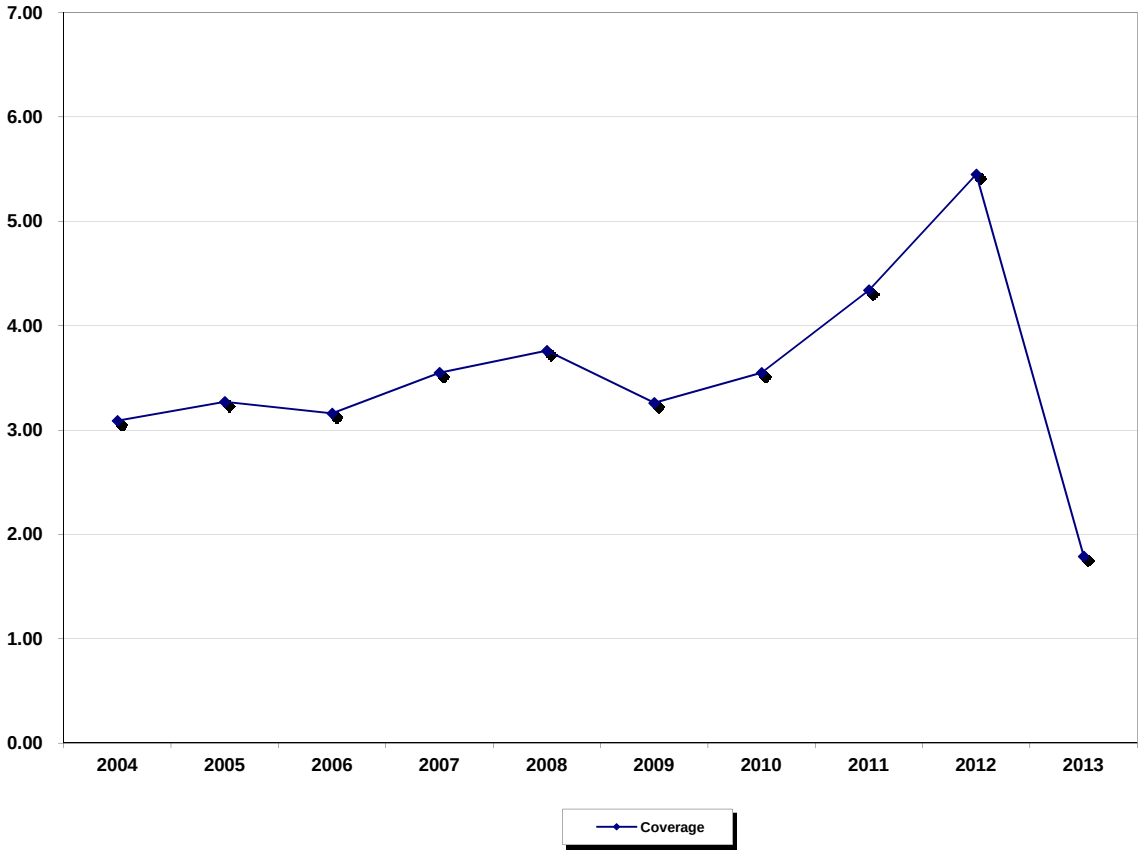
ASSESSED VALUATION:		
Secured property assessed value, net of exempt real property	$9,423,046,773	
BONDED DEBT LIMIT (15% OF ASSESSED VALUE)		$1,413,457,016
AMOUNT OF DEBT SUBJECT TO LIMIT:		
Total Bonded Debt (a)	$46,040,000	
Less:		
Revenue Bonds	26,415,000	
Certificates of Participations	10,700,000	
Amount of debt subject to limit		8,925,000
LEGAL BONDED DEBT MARGIN		$1,404,532,016

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2004	952,607,335	87,638,529	864,968,806	10.13%
2005	1,016,580,986	93,934,540	922,646,446	10.18%
2006	1,140,090,450	42,126,174	1,097,964,276	3.84%
2007	1,140,090,450	42,466,779	1,097,623,671	3.87%
2008	1,244,922,492	9,960,000	1,234,962,492	0.81%
2009	1,304,949,038	9,775,000	1,295,174,038	0.75%
2010	1,319,469,397	9,580,000	1,309,889,397	0.73%
2011	1,315,134,261	38,556,717	1,276,577,544	3.02%
2012	1,327,797,945	9,155,000	1,318,642,945	0.69%
2013	1,413,457,016	8,925,000	1,404,532,016	0.64%

Source: City Finance Department

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

City of Alameda
Sewer Fund Debt Coverage
Last Ten Fiscal Years

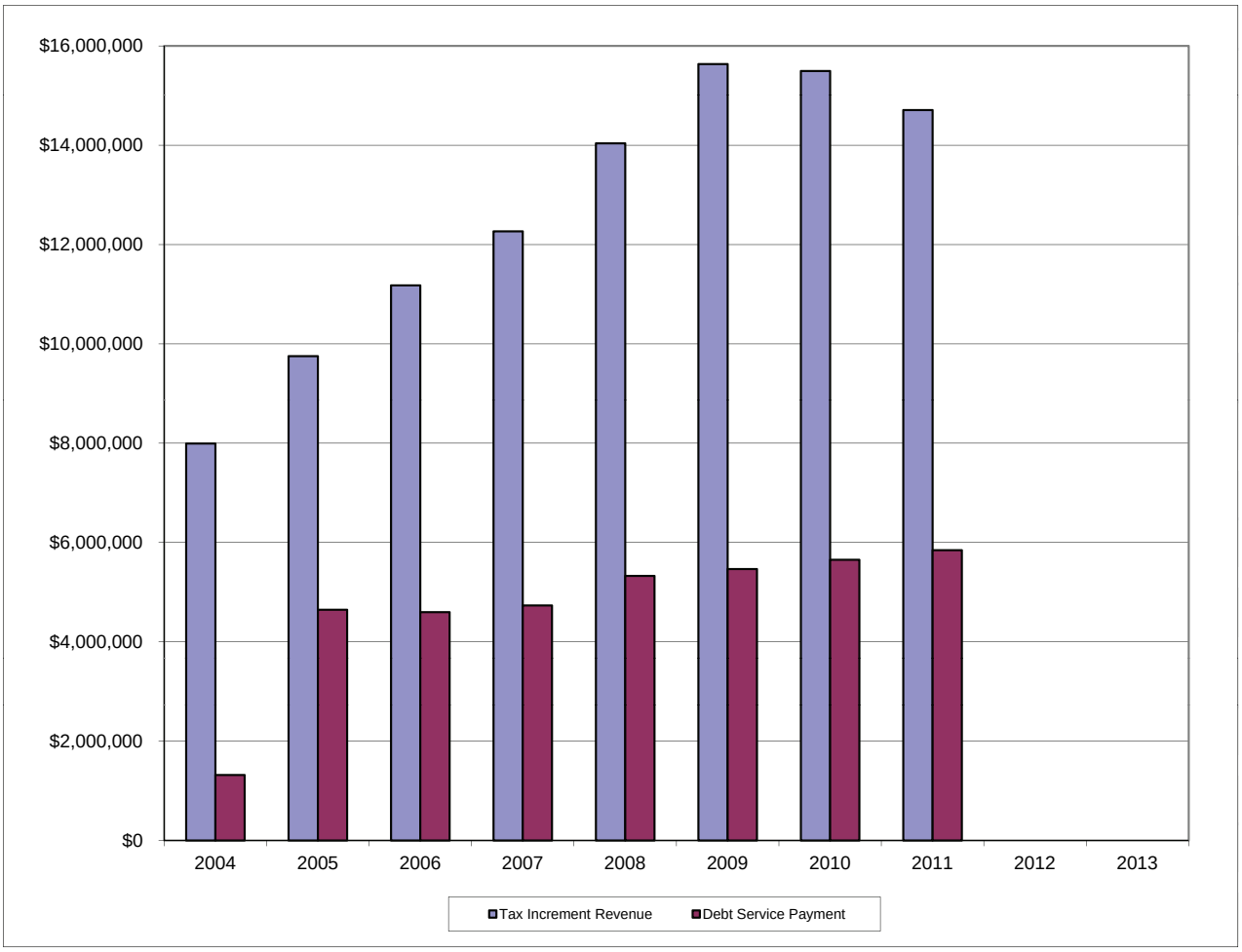


Fiscal Year	Gross Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal (3)	Interest	Total	
2004	$5,200,564	$2,676,271	$2,524,293	$464,930	$351,415	$816,345	3.09
2005	5,358,572	2,352,626	3,005,946	557,150	361,729	918,879	3.27
2006	5,510,703	2,610,725	2,899,978	563,839	354,612	918,451	3.16
2007	6,557,677	3,284,973	3,272,704	588,054	334,260	922,314	3.55
2008	6,802,936	3,344,067	3,458,869	607,573	312,675	920,248	3.76
2009	6,540,313	3,432,587	3,107,726	632,247	322,293	954,540	3.26
2010	6,362,273	3,075,856	3,286,417	652,237	272,959	925,196	3.55
2011	7,322,938	3,328,747	3,994,191	677,500	242,891	920,391	4.34
2012	7,638,530	2,609,730	5,028,800	703,047	219,274	922,321	5.45
2013	8,972,123	3,748,512	5,223,611	2,571,399	346,976	2,918,375	1.79

Notes: (1) Includes all Sewer Operating Revenues, Non-operating Interest Revenue, Connection Fees and other Non-operating Revenue
(2) Includes all Sewer Operating Expenses less Depreciation and Interest
(3) Bonds were refinanced during Fiscal Year 2012-13, with the first principal payment occurring in Fiscal Year 2013-14

Source: City of Alameda Annual Financial Statements

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

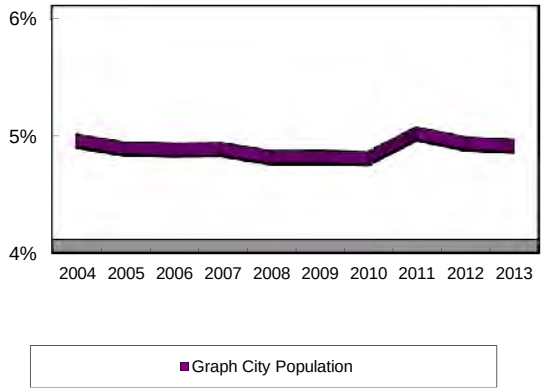


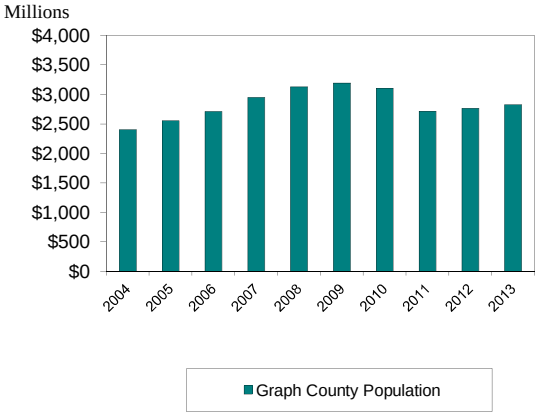
Fiscal Year	Tax Increment Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2004	$7,993,280	$95,000	$1,223,210	$1,318,210	6.06
2005	9,753,286	650,000	3,997,104	4,647,104	2.10
2006	11,178,320	640,000	3,957,871	4,597,871	2.43
2007	12,266,563	805,000	3,928,195	4,733,195	2.59
2008	14,037,684	1,190,000	4,137,493	5,327,493	2.63
2009	15,634,394	1,300,000	4,165,670	5,465,670	2.86
2010	15,494,892	1,582,000	4,070,898	5,652,898	2.74
2011	14,708,012	1,722,000	4,124,257	5,846,257	2.52
2012	(a)	(a)	(a)	(a)	(a)
2013	(a)	(a)	(a)	(a)	(a)

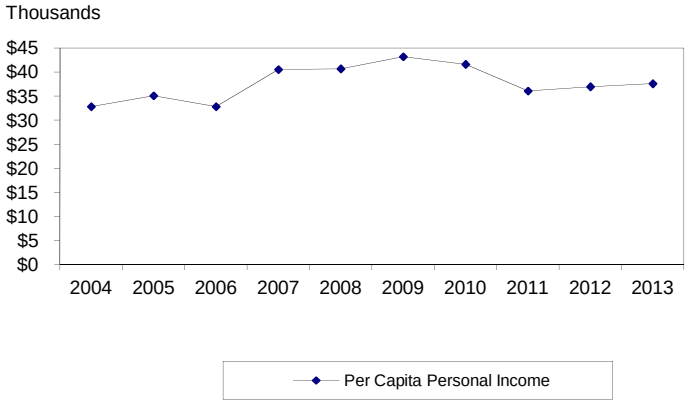
(a) Upon the dissolution of the Community Improvement Commission effective January 31, 2012, a Successor Agency assumed the liabilities of the former Community Improvement Commission, including the Tax Allocation Bonds.

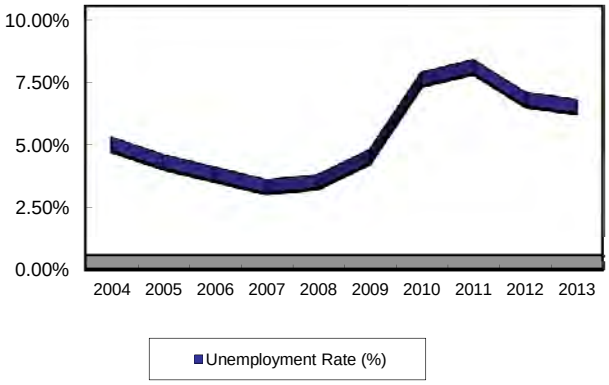
Source: City of Alameda Annual Financial Statements

City of Alameda
Demographic and Economic Statistics
Last Ten Fiscal Years









Fiscal Year	City Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate (%)	Alameda County Population	City Population % of County
2004	73,278	$2,403,681,000	$32,802	4.7%	1,496,968	4.90%
2005	72,782	2,552,837,000	35,075	4.0%	1,507,500	4.83%
2006	72,761	2,711,584,000	32,802	3.5%	1,510,303	4.82%
2007	72,808	2,950,462,000	40,524	3.0%	1,509,981	4.82%
2008	73,359	3,131,575,000	40,688	3.2%	1,543,000	4.75%
2009	74,032	3,197,344,000	43,189	4.2%	1,556,657	4.76%
2010	74,736	3,110,554,000	41,621	7.3%	1,574,857	4.75%
2011	75,409	2,719,701,000	36,066	7.8%	1,521,157	4.96%
2012	74,640	2,763,776,399	36,962	6.5%	1,532,137	4.87%
2013	75,126	2,824,096,775	37,591	6.2%	1,548,681	4.85%

Source: California State Department of Finance

City of Alameda
Principal Employers
Current Year and Six Years Ago (A)

	2012-13			2007-08		
Employer	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Alameda Unified School District	900	1	1.21%	1,000	1	1.33%
North Face Inc.	600	2	0.80%			
City of Alameda	502	3	0.67%	626	3	0.84%
Alameda Hospital	492	4	0.66%	600	4	0.80%
Celera Corp	490	5	0.66%	215	10	0.29%
VF Outdoor	400	6	0.54%			
Bay Ship & Yacht Co	250	7	0.33%			
ATPA	250	8	0.33%	472	5	0.63%
USCG Base Alameda	250	9	0.33%			
Marriott	208	10	0.28%			
Abbott Diabetes Care				671	2	0.90%
Safeway Stores				345	6	0.46%
Wind River Systems				339	7	0.45%
Kaiser Foundation Health Plan				252	8	0.34%
UT Starcom Inc.				223	9	0.30%
Subtotal	3,000		4.019%	3,743		6.329%
Total City Day Population	74,640			74,940		

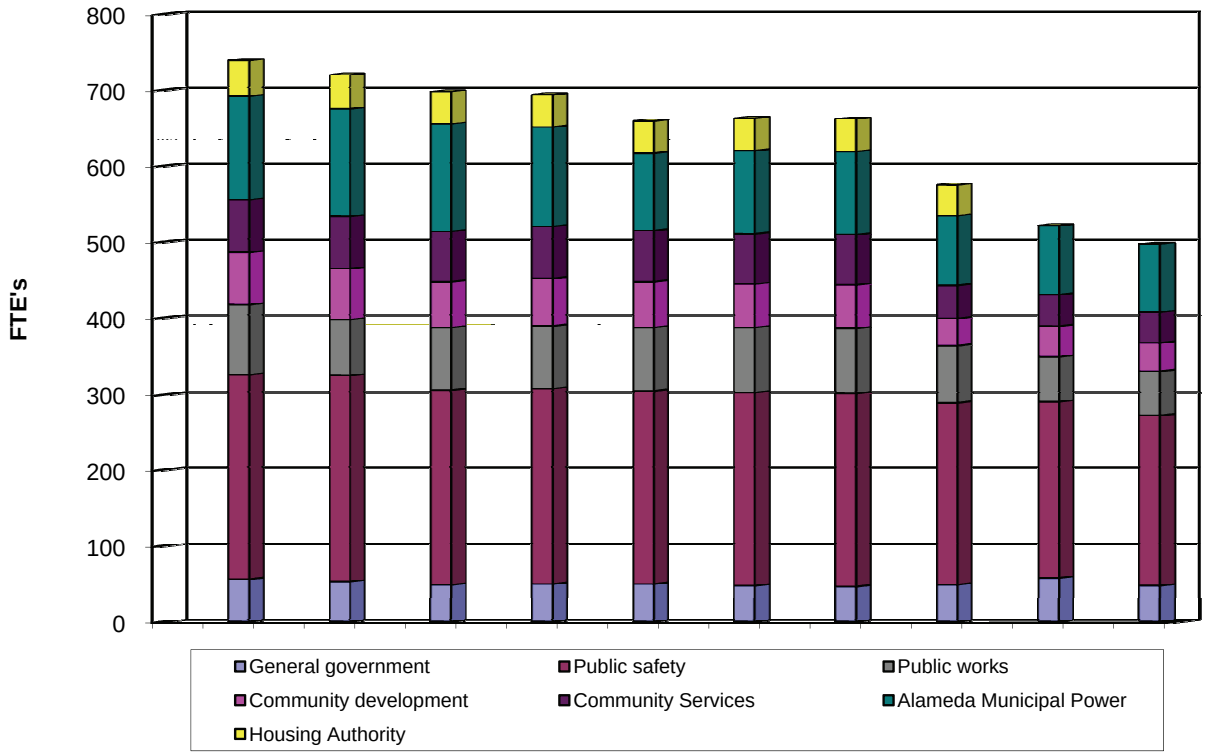
Sources: City of Alameda, Infousa.com

(A) Employment information not available for fiscal year 2003-2004

City of Alameda

People and Places in the City

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



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Function										
General government	56.50	53.50	49.50	50.50	50.50	48.50	47.50	49.70	58.00	48.55
Public safety	269.00	271.00	256.00	257.00	254.00	254.00	254.00	239.00	232.00	224.00
Public works	92.00	73.00	82.00	82.00	83.00	85.00	85.00	75.00	58.60	57.95
Community development	68.00	67.00	60.00	62.00	60.00	57.00	57.00	35.20	40.60	36.50
Community Services	70.50	68.50	65.50	68.50	66.50	65.50	65.50	44.00	40.75	40.00
Alameda Municipal Power	136.00	142.00	142.00	131.00	103.00	110.00	110.00	91.00	91.00	90.00
Housing Authority	46.20	44.70	42.70	42.70	41.70	42.70	42.70	41.00		
Total	738.20	719.70	697.70	693.70	658.70	662.70	661.70	574.90	520.95	497.00

Note:
Wastewater and Solid Waste are included in Public Works
Culture & Recreation includes Library, Recreation and Park and Golf

Source: City of Alameda

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

	2004	2005	2006	2007
General Information				
Area in square miles	10.1	22.7	22.7	22.7
Number of registered voters	39360	40,968	41,755	37,307
Number of Hospitals	1	1	1	1
Education:				
Student enrollment	(A)	10,383	9,975	9,975
Elementary schools	12	12	10	11
Junior high schools	3	3	3	3
High schools	2	2	3	3
Continuation schools	1	1	1	1
Independent study	1	1	1	1
Teachers (full & part time)	637	650	621	650
Function/Program				
Fire:				
Fire calls for service	6,003	(A)	(A)	(A)
Primary fire inspections conducted	1,700	3,050	3,215	3,215
Police:				
Police calls for Service	65,535	66,634	67,816	6,883
Law violations:				
Part I and Part II crimes	6,741	6,128	6,479	5,824
Physical arrests (adult and juvenile)	4,712	4,036	4,441	3,574
Traffic violations	15,370	16,154	16,205	11,721
Sewer				
Storm drain inlets	(A)	(A)	2,100	2,100
Sewer service connections	(A)	(A)	29,789	29,789
Solid Waste				
Refuse Landfill (tons per year)	(A)	(A)	35,504	39,584
Recyclables Processed (tons per year)	(A)	(A)	10,936	14,354

Fiscal Years					
2008	2009	2010	2011	2012	2013
22.7	22.7	22.7	22.7	22.7	22.7
40,238	42,547	42,547	41,665	42,547	44,444
1	1	1	1	1	1
10,260	9,770	8,704	8,704	8,704	10,836
10	10	10	10	10	11
3	3	3	3	3	3
3	3	4	4	4	4
1	1	1	1	1	1
1	1	1	1	1	1
514 FTE	638	628	628	628	381
(A)	4,360	6,100	6,100	6,100	6,523
(A)	2,485	1,991	1,991	1,991	1,414
69,272	69,061	65,963	65,963	65,963	70,360
5,705	5,705	5,141	5,141	5,141	4,582
3,661	3,461	3,103	3,103	3,103	2,396
12,058	12,265	12,000	12,000	12,000	28,793
2,280	2,280	2,300	2,300	2,300	2,300
30,525	30,525	20,590	20,590	20,590	20,590
36,640	31,485.53	33,280.00	33,280.00	33,280.00	31,181.00
20,816	18,864.14	17,777.00	17,777.00	17,777.00	18,240.00

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

	2004	2005	2006	2007
Planning & Building:				
Number of Building Permits issued	5,131	7,011	6,197	5,979
Recreation and Parks:				
Youth & Teens:				
Number of youth programs	90	92	98	102
Number of youth attendees	28,479	33,550	22,915	23,831
Seniors:				
Number of senior programs	79	81	84	96
Number of senior attendees	161,216	160,762	167,269	166,788
Number of meals served	14,243	12,154	12,209	11,203
Number of Mastick Senior Center attendees	161,216	160,762	167,269	166,788
Library:				
Volumes in Collection (thousands)	189	198	193	224
Total Volumes Borrowed (thousands)	508	499	494	483
Finance:				
Number of Business Licenses issued	8,732	9,038	9,283	10,251
Alameda Power and Telecom:				
Number of electric customers	33,059	33,188	33,869	33,892
Number of kilowatt hours sold	379,852,595	378,328,730	377,792,038	389,286,575
Reliability rate	99.99	99.99	99.99	99.99
Number of telecom customers	12,001	15,462	16,770	16,374

Source: City of Alameda

Note: (A) Information not available
(B) Telecom sold in November 2008

Fiscal Years					
2008	2009	2010	2011	2012	2013
5,297	5,231	4,575	4,575	4,575	4,314
110	148	151	151	151	239
26,766	29,596	153,056	153,056	153,056	146,191
101	110	114	114	114	125
169,552	151,065	153,056	153,056	153,056	7,053
51,962	9,512	9,672	9,672	9,672	145,795
169,352	151,065	153,056	153,056	153,056	
203	200	216	216	216	211
573	591	630	630	630	550
(A)	9,462	8,638	8,638	8,638	8,700
34,030	34,272	34,231	34,231	34,231	34,338
392,955,223	387,847,929	383,119,780	383,119,780	383,119,780	373,787,288
99.99	99.99	99.99	99.99	99.99	99.99
16,316	(B)	(B)	(B)	(B)	(B)

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

	2004	2005	2006	2007
Function/Program				
Fire:				
Fire stations	5	5	5	5
Police:				
Police stations	1	1	1	1
Public works:				
Miles of streets	135	135	135	138
Miles of bike lanes	(A)	10	10	10
Traffic Signals	(A)	78	78	78
Wastewater				
Miles of sanitary sewers	(A)	(A)	160	160
Miles of storm sewers	(A)	(A)	41	41
Recreation and Parks:				
City parks	29	31	31	31
City parks acreage	141	149	149	149
Playgrounds	11	11	11	11
City trails/Bike paths	(A)	12	12	12
Community centers	12	12	12	12
Senior centers	1	1	1	1
Sports centers				
Performing arts centers				
Swimming pools (B)	5	5	5	5
Tennis courts (C)	19	19	19	19
Baseball/softball diamonds (D)	15	15	15	15
Soccer/football fields (E)	2	2	2	2
Golf:				
Acres of Greens	5.39	5.39	5.39	5.39
Number of electric golf carts	(A)	150	150	150
Library:				
City Libraries	3	3	3	3
Alameda Power and Telecom:				
Miles of lines	2,456	245	147	256
Street lights	(A)	(A)	6,359	6,365

Source: City of Alameda

Note: (A) Information not available
(B) Owned by Alameda Unified School District but operated jointly by City and District
(C) 16 courts are owned by the City, 3 owned by Alameda Unified School District but operated jointly by City and District
(D) 14 baseball fields in City parks with three owned by College of Alameda
(E) 1 Dedicated soccer field in City Parks with one not owned by City at Alameda Point

Fiscal Years					
2008	2009	2010	2011	2012	2013
5	4	3	3	3	4
1	1	1	1	1	1
141	141	141	141	141	145
12	15	15	15	15	15
78	78	78	78	78	82
165	165	165	165	165	165
41	41	41	41	41	41
31	32	32	32	32	33
152	156	156	156	156	155
11	11	13	13	13	7
13	13	13	13	13	13
13	13	13	13	13	13
1	1	1	1	1	1
5	5	5	5	5	5
19	19	19	19	19	19
15	15	18	18	18	18
2	3	3	3	3	3
5.39	5.39	5.39	5.39	5.39	
120	120	120	120	120	
3	3	3	3	3	3
257	257	257	257	257	259
6,370	6,440	6,069	6,069	6,069	5,593