

# COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2015 CITY OF PLEASANTON, CALIFORNIA



# City of Pleasanton

Pleasanton, California

*Comprehensive Annual Financial Report*

*For the year ended June 30, 2015*

*Prepared by the Finance Department*

# City of Pleasanton

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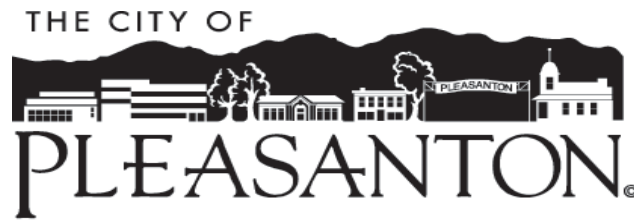
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To the Honorable Mayor, Members of the City Council  
and Citizens of the City of Pleasanton:

December 23, 2015

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Pleasanton, California, for the fiscal year ended June 30, 2015. The City of Pleasanton is required to annually publish a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited by an independent, certified public accounting firm. Pursuant to these requirements, we hereby issue the Comprehensive Annual Financial Report of the City of Pleasanton, California, for the fiscal year ended June 30, 2015.

The report presents the finances of the City of Pleasanton. Management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Vavrinek, Trine, Day & Company, LLP, a firm of licensed certified public accountants, has audited the City of Pleasanton's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Pleasanton for the fiscal year ended June 30, 2015, taken as a whole, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial management presentation. Vavrinek, Trine, Day & Company, LLP, the independent auditor, concluded based on the audit that there was a reasonable basis for rendering an unmodified opinion that the City of Pleasanton's financial statements for the fiscal year ending June 30, 2015, are fairly presented in conformity with GAAP. Their independent auditor's report is the first component presented in the financial section of this report.

The independent audit of the City's financial statements is part of a broader, federally mandated "Single Audit" designed to meet the needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the City's financial statements, but also on the City's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

GAAP requires management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Pleasanton's MD&A can be found immediately following the independent auditor's report in the financial section of this report.

## **Profile of the Government**

The City of Pleasanton was incorporated on June 18, 1894. Pleasanton's history has been shaped largely by its geographic location, from its days as a stop on the transcontinental railroad to its modern day position as a center of commerce at the intersection of interstate freeways 580 and 680. Pleasanton enjoys a rich blend of historic turn-of-the-century charm and vital modern facilities that provide the quality of life and economic well-being desired by residents and businesses. This successful balance has been achieved through Pleasanton's active and involved citizenry, strong community leadership and committed City government.



Pleasanton occupies a land area of 24.2 square miles and serves a residential population of 72,230. Pleasanton is a full service general law city providing police, fire, sewer, water, street, parks, support services, economic development, community development (planning, building and inspection services), community services (recreation, sports, senior center, preschool, etc.) and library services. The City operates under the Council-Manager form of government, with four Council members elected at-large for staggered four-year terms and the Mayor elected for a two-year term. The Council appoints the City Manager and the City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City and appointing department directors.

The financial statements included in this CAFR present the City (the primary government), the Housing Authority of the City of Pleasanton (Housing Authority) and the Pleasanton Joint Powers Financing Authority (PJPPFA) as component units. The Housing Authority and the PJPPFA are separate legal entities; however, the members of the City Council also serve as members of the boards for these entities. Therefore, financial information for the Housing Authority and the PJPPFA is blended with the City's financial information.

The biennial budget serves as the foundation for the City of Pleasanton's financial planning and control. The budget process begins in January in odd numbered years with each department receiving a budget packet. The City Manager meets with each department director to discuss their budget requests and make adjustments where necessary. Prior to July 1 (of each odd numbered year), the City Manager submits to the City Council a proposed operating budget for the coming two fiscal years. The operating budget includes proposed expenditures and the financing sources. Public hearings are conducted to obtain taxpayers' comments. The budget is legally adopted through passage of a Council resolution no later than June 30. A budget review, including approved additions or changes, is presented to the City Council by the City Manager at mid-year of each fiscal year (January) and mid-term (June of each even numbered year). Any changes as a result of these reviews are legally adopted through Council resolution.

The Council exercises budgetary control at the fund level. Formal budgetary integration is employed as a management control device during the fiscal year for the General Fund, Special Revenue Funds, Capital Projects Funds, Enterprise Funds and Internal Service Funds. The budgeted funds are adopted on a basis consistent with GAAP in the United States. Expenditures may not legally exceed budgeted appropriations at the fund level. Management does not have the authority to amend the budget without the approval of the City Council. However, the City Manager may authorize budgetary transfers from one account to another within the same fund.

### **Assessing the City's Economic Condition**

The City's geographic location is a major factor affecting its economic position. The City is located at the intersection of two interstate freeways (I-580 and I-680), linking Pleasanton to Sacramento to the north, San Francisco/Oakland to the west, the Silicon Valley to the south and the San Joaquin Valley to the east. The Bay Area Rapid Transit system (BART) has two stations located in the City and provides service from Pleasanton to San Francisco/Oakland and the surrounding areas. The Altamont Commuter Express (ACE) provides commuter service between the San Joaquin Valley and Silicon Valley, stopping in Pleasanton.

Besides Pleasanton's proximity to San Francisco and Silicon Valley and its transportation access, other factors contribute to its attractiveness to businesses and their ability to attract and retain quality employees. These factors include the low crime rate, moderate climate, well-educated labor pool, excellent schools, diversified housing stock, exceptional parks and recreational facilities and the hometown feel of the historic downtown.

Pleasanton's business community consists of approximately 53,000 employees working within the more than 22 million square feet of commercial, office and industrial space throughout the City. Pleasanton boasts five distinct business parks, among them the nationally recognized Hacienda Business Park. Businesses indicate that they are attracted to Pleasanton for the highly educated and skilled workforce. In addition to the diversified regional labor force, the Pleasanton area has a good base of executive, managerial, and professional people giving employers access to people with a wide range of skill levels including one of the nation's largest concentrations of scientific and engineering talent. In 2015, Pleasanton had one of the highest median household incomes in the nation (in cities with populations from 65,000 to 249,999) at \$144,132.

Pleasanton's economy is showing signs of a full recovery from the Great Recession:

- ❖ Median home prices values in 2014 were \$917,500 which is \$67,500 or 8% greater than they were in 2005 or the highest pre-recession year for Pleasanton's home values.



- ❖ The unemployment rate is 3.7%, down from a high of 8.8% in 2010.
- ❖ Office vacancies are 9.1%, down from 18.5% in 2011.
- ❖ Industrial vacancies are 3.2%, down from 8.8% in 2012.

### Commercial Office Activity

Continuing the post-recession economic recovery, FY 2014/15 was positive for the Pleasanton commercial office market. As of the end of the third quarter 2015, the office vacancy rate was 9.1% as compared to the 12.8% vacancy rate of the same time in the prior year.

As in preceding years, significant property sales demonstrated the continued strength and value of the Pleasanton market. The Gap paid approximately \$40 million for the 181,495 square foot Class A office building (\$225/square foot) it had been leasing in the repositioned Rosewood Commons – establishing a long-term commitment to the City. Electroboard Solutions, Inc. closed escrow on three more condominiums at Vision West Commerce Centre where it now owns five of the six condominiums that comprise that office/flex building. PSAI Realty Partners purchased the 135,210 square foot two-building Britannia Business Center II which was a capitalization rate (CAP) rate driven deal; tenants include IntegenX Inc., Robert Half, Pacific Office Automation, OMRON and PureRED. Britannia Business Center III comprised of three office/flex buildings totaling 190,574 square feet, traded for \$35,100,000 (\$184 per square foot) representing an estimated 6.5% CAP rate.

The Tri-Valley region's overall weighted average asking rent rate for Class A space is \$2.76 per square foot for the third quarter 2015, up \$0.24 from the close of the third quarter 2014. Reflective of the increasing occupancy rate, net absorption of vacant space in the Pleasanton market has slowed somewhat with approximately 192,933 square feet of Class A space being absorbed year-to-date.

Commercial activity was robust throughout the year, with a mix of new tenants moving in and existing firms taking up larger blocks of space throughout Pleasanton. Notably, Rosewood Commons was a strong player as several local companies inked deals. ServiceMax, Inc. took 62,559 square feet, Smart SmartZip Analytics another 37,255 square feet, joining Ellie Mae and Astex Pharmaceuticals which had moved into the campus during the prior year. Vacancy in that project now stands at about 20%, down from year end 2014 when vacancy was 68.2 percent. Also in Hacienda: Robert Half International, Inc. leased 28,634 square feet at Britannia Business Center II; Acosta, Inc. signed a seven year term for 27,532 square feet at Britannia Business Center III; and in partnership with San Ramon Regional Medical Center/Tenant Healthcare, John Muir Health Care began redevelopment of a recently purchased 92,000 square foot building for development of an outpatient medical facility that will offer additional services to the residents and employees of Pleasanton.

Other commercial areas fared equally well. Workday, Inc. continues to expand at Pleasanton Corporate Commons in the Stoneridge area, taking 82,177 square feet at Pleasanton Corporate Commons; the company will scale into that space as other tenant leases burn off. And Bernal Corporate Park welcomed Shaklee Corporation's expansion leasing of 16,194 square feet and TriReme Medical Inc.'s lease of 15,511 square feet.

Implementation of the Johnson Drive Economic Development Zone program continued. The property owner – Nearon Enterprises – demolished the exiting R & D buildings to prepare the 14-acre parcel for future redevelopment, and already has several interested tenants. Concurrently, City staff led the preparation of foundational information such as an environmental impact report and draft zoning, accompanied by initial community outreach. This process will carry over into the next fiscal year as the project elements move toward approval.

### Retail Activity

Into 2015, Pleasanton remains a strong retail marketplace, aligned with indicators that the Tri-Valley's retail market has fully rebounded. With an inventory of more than two million square feet of retail space, vacancy is extremely low at approximately 6% - down from 8% the same time last year. Shopping centers across the City are benefitting from investment by property owners and tenants; one notable example is the sale of Bernal Plaza for \$11.6 million (\$330 per

square foot). Stoneridge Shopping Center remains successful in positioning the center to serve the regional market and throughout the year opened several new stores, including national retailers Swarovski, Build-A-Bear Workshop, Aetrex, Kids Foot Locker and Lids.

A new 112,000 square foot community shopping center– Pacific Pearl – was approved in early 2015. The center will be anchored by Marina Food Grocery Store and will also include a mix of 20-30 restaurants, retail, and service businesses. Given its location at El Charro Road and Stoneridge Drive, Pacific Pearl will be easily accessible from Interstates 580 and 680, serving to attract local shoppers from the Tri-Valley as well as visitors to the adjacent Livermore Premium Outlets. Construction of the shopping center will begin in the spring of 2016 and will be completed by the spring of 2017, with the opening of the grocery store and initial tenants in the fall of 2017.

There's also ongoing activity among Pleasanton's auto dealerships, both new construction and investment in existing sites. At Pleasanton Auto Mall, upgrades to the Mini and BMW facilities are underway, as is the replacement of the Lexus building with a new 83,000 square foot showroom and service facility. On the Staples Ranch site, the 2014-approved Chrysler Jeep Dodge dealership is now open and a new CarMax dealership is under construction. The City is continuing efforts to attract additional auto dealerships to the remaining auto mall-zoned portion of Staples Ranch (approximately 15 acres).

The current retail vacancy rate in downtown Pleasanton is less 5% with only a few Main Street locations available as the downtown continues to attract retail and restaurant uses. The Pastime Plaza redevelopment project was fully leased prior to its mid-2015 opening, and the new Drift Co., Tri-Valley Bistro and Frontier Spice joined the long-awaited McKay's Taphouse in opening to immediate success, reflecting the demand for more retail by local consumers. In turn, this has prompted existing downtown tenants such as Fontina and Chianti's Reserve to prepare to undertake significant tenant improvements to remain competitive.

#### Other Business Activity

Pleasanton's hotel occupancy and average daily rate continue to improve with many hotels sold out during the week as further indication that corporate business has recovered from the downturn. This has prompted significant interest in development of new hotels in the City, and in the Tri-Valley region, including within the Johnson Drive Economic Development Zone area.

The City also received several accolades over the year. To accompany the city's 31st ranking on Money magazine's America's 50 Best Cities to Live, Pleasanton was ranked ninth on the publication's list of Top Earning Towns, with a median family income of \$144,132. Similarly, the San Francisco-based consumer/finance web company Nerdwallet.com included Pleasanton in its Top 20 Best Cities for Young Families in Northern California; and Apartmentlist.com ranks Pleasanton the second best city in California for raising kids and number 27 on its national list. And in a survey of Pleasanton's commercial community, 91% of the respondents rated Pleasanton as an excellent or good place to do business.

With such a breadth of activity across all sectors, Pleasanton continues to be well positioned to sustain and grow its economic base.

#### **General Plan Build-Out**

The City's General Plan is the official document used by City decision makers and citizens to guide the long-range development of land and conservation of resources as the City grows and changes. It is the City's "constitution" for all future development, containing goals, policies and maps. A new General Plan was adopted in July 2009, and the timeframe for build-out is estimated at approximately 2020 and 2030, respectively, for both residential and commercial development. The City's Housing Element of the General Plan was adopted in February 2012 and certified by the State Housing and Community Development Department in November 2012. As a result of this, the City Council approved the rezoning of nine sites for future multi-family housing to provide for additional affordable housing units to be developed in the City. In FY 2014/15 the following major housing development projects commenced construction in the City: 210-unit apartment

complex south of the Gateway Center on Bernal Avenue; 345-unit apartment complex with 39,000 square feet of retail at 3150 Bernal Avenue; 255-unit apartment complex at 4863 Willow Road; 251-unit apartment complex and a public park at 5789 Gibraltar Drive; 169-unit three and four story apartment complex at 5729 West Las Positas Boulevard; and 151 units of senior housing at 3300 Stoneridge Creek Place. In addition, there are several in-fill single family homes in construction during FY 2014/15. Many of these housing units are coming on line for occupancy starting in FY 2015/16. As the City approaches build-out, its annual revenue growth rate will naturally slow.

### **Major City Sponsored Initiatives**

The Bernal Property continues to represent opportunities for improved community services and facilities and the primary focus over the next year will be completing construction of Phase II of Bernal Community Park project that includes three synthetic sports fields, open space features, a shade structure, riparian habitat, native plants, and an oak woodlands area. The construction contract was awarded in April 2015 and this \$16 million project is expected to be complete by September 2016. The City completed the Bernal/I-680 Interchange project to provide improved circulation including new bicycle and pedestrian amenities. The City also completed design and bid the Recycled Water Infrastructure Expansion Project which includes installation of approximately 50,600 linear feet of recycled water mains and 134 recycled water connections.

Finally, the City is embarking on a major project to replace its financial, payroll, and human resources software systems with an integrated Enterprise Resource Program (ERP) solution. The current financial management system was implemented more than 25 years ago, and the human resources and payroll system was implemented approximately 12 years ago. In addition, there are separate systems for budgeting, cash receipts, asset tracking, and utility billing. These multiple non-integrated software systems do not interface and, in some cases, are no longer supported by the vendor. This has resulted in additional work for staff and heavy reliance on Excel spreadsheets for day-to-day processes. The new system, Tyler Munis, will allow (1) seamless sharing of related files and records between Finance, Payroll, and Human Resources, (2) better report writing features, and (3) automated approval processes such as timesheets and purchase orders. The ERP system should be fully implemented by the middle of FY 2016/17.

### **Long Term Financial Policies and Planning**

The City's long-term financial policies place an emphasis on building reserves to fund capital assets while minimizing the use of debt. In September 2014, the City made its last debt service payment for its outstanding bonds. Therefore, the City is now debt-free except for multifamily housing conduit bonds that are the obligation of the respective housing project that was funded with the bond proceeds. There is an outstanding loan payable to Alameda County for the remaining portion of the purchase of the Alameda County Transportation Corridor. However, the City has set aside the necessary funds to fund these loan payments.

The City continues to maintain a 10% reserve for economic uncertainties in the General Fund, currently totaling \$10.4 million at June 30, 2015. Also at June 30, 2015, the City had \$7.2 million in unassigned and non-spendable reserves for total General Fund Reserves of \$20.6 million. The City also has \$2.9 million in capital project reserves set aside for future projects, and \$33.6 million in reserves that have been set aside for insurance reserves, employee benefits, public art acquisition and maintenance, PERS rate stabilization and long term replacement and renovation of equipment, vehicles, parks and facilities, excluding the City's net pension liability. Finally the City has reserves set aside for Retiree Medical Benefits of \$18.1 million. The capital reserves have a long-term focus, systematically being accumulated until needed to avoid excessive debt financing. Therefore, if needed, these reserves could be drawn upon temporarily to sustain operations during a prolonged economic downturn or until the City could make operational changes to fit the constraints of its resources. While the City's financial policies require that one-time funds be used for one-time purposes, they do allow the temporary use of surplus fund balances (in excess of required minimum reserves) to help stabilize services. Therefore, if any of these reserves were drawn upon for stabilization of services, the goal would be to begin restoring them as soon as possible.

In FY 2014/15, the City used \$12.5 million of the Retiree Medical Reserve Fund and \$2.7 million from FY 2013/14 and 2014/15 year-end General Fund surpluses for a total of \$15.2 million to prefund the City's pension related liabilities

(CalPERS and OPEB). In addition, the City's FY 2015/16 and 2016/17 budget includes \$3.5 million to prefund the City's pension related liabilities. Thus, between the FY 2014/15 \$15.2 million prepayments and the \$3.5 million prepayment in the FY 2015/16 and 2016/17 budget, the City will have prefunded a total of \$18.7 million of its pension related liabilities by the end of FY 2016/17 or over 10% of the Miscellaneous and Police pension and OPEB liabilities. These prepayments will result in reduced annual pension and OPEB payments of approximately \$1.5 million and save the City's almost \$38 million over 30-years.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Pleasanton for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014. This was the eighteenth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

### **Acknowledgments**

The preparation of the CAFR was made possible through the dedicated work of all of the members of the Accounting, Treasury and Administrative divisions of the Finance Department. We would like to extend special thanks and acknowledgment to Diane Punzo and Nicholas Johnson who were primarily responsible for managing the year-end closing of the City's books and preparing the CAFR. Other contributing staff include: Charly Yang, Juan Gomez, Kathy Kitterman, Steven Lam, Margaret Lyons, Melissa Winsby, Annette Gibson, and Cheryl Caraballo.

The City Council should be acknowledged and thanked for its leadership and commitment to ensuring the long-term fiscal health of the City.

Respectfully submitted,



Tina Olson  
Director of Finance



Nelson Fialho  
City Manager

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Government Finance Officers Association

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

Presented to

**City of Pleasanton  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO



**CITY OF PLEASANTON**

**LISTING OF PUBLIC OFFICIALS  
AS OF JUNE 30, 2015**

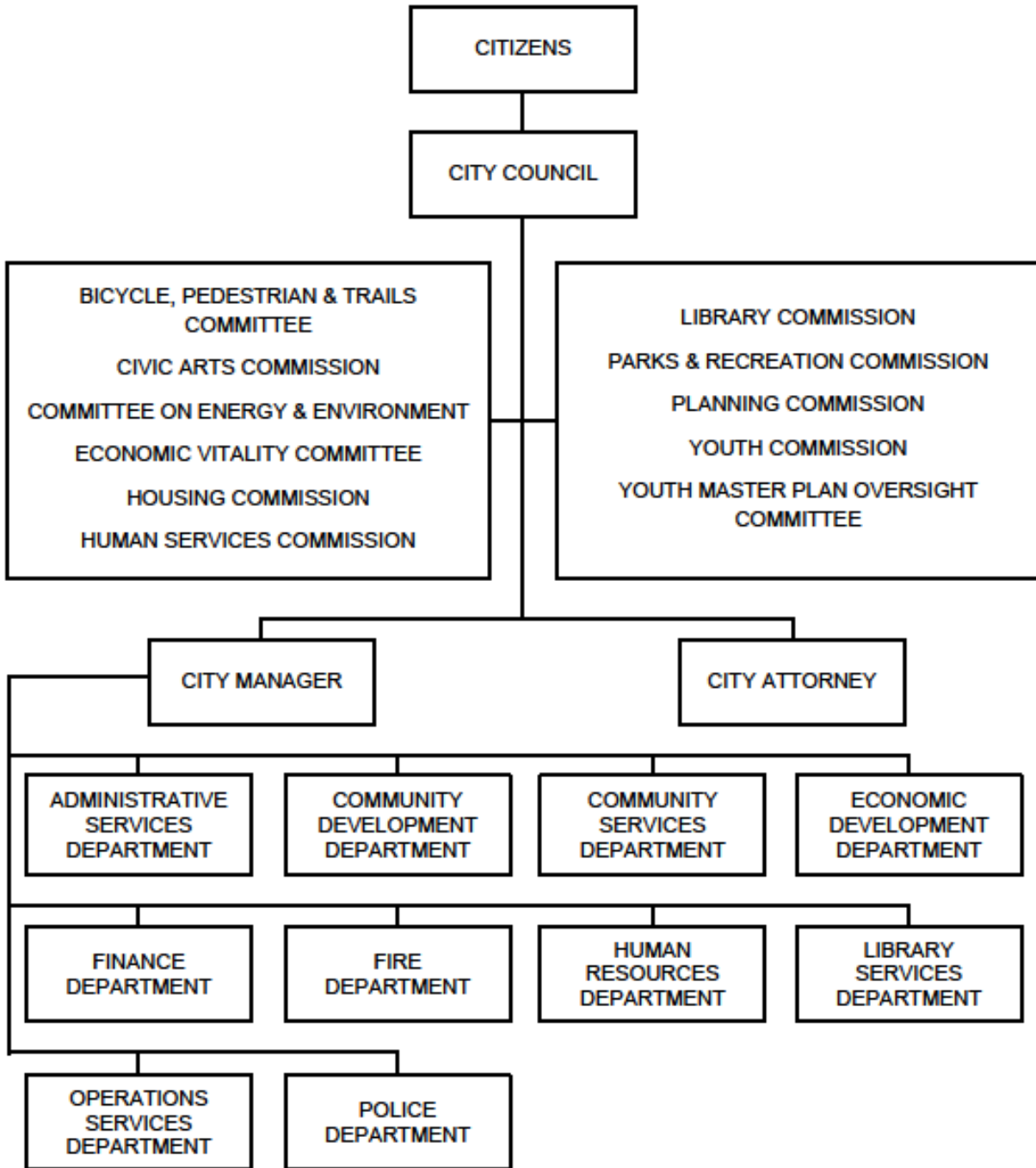
**ELECTED OFFICIALS:**

Mayor	Jerry Thorne
Vice Mayor	Karla Brown
Council Member	Kathy Narum
Council Member	Arne Olson
Council Member	Jerry Pentin

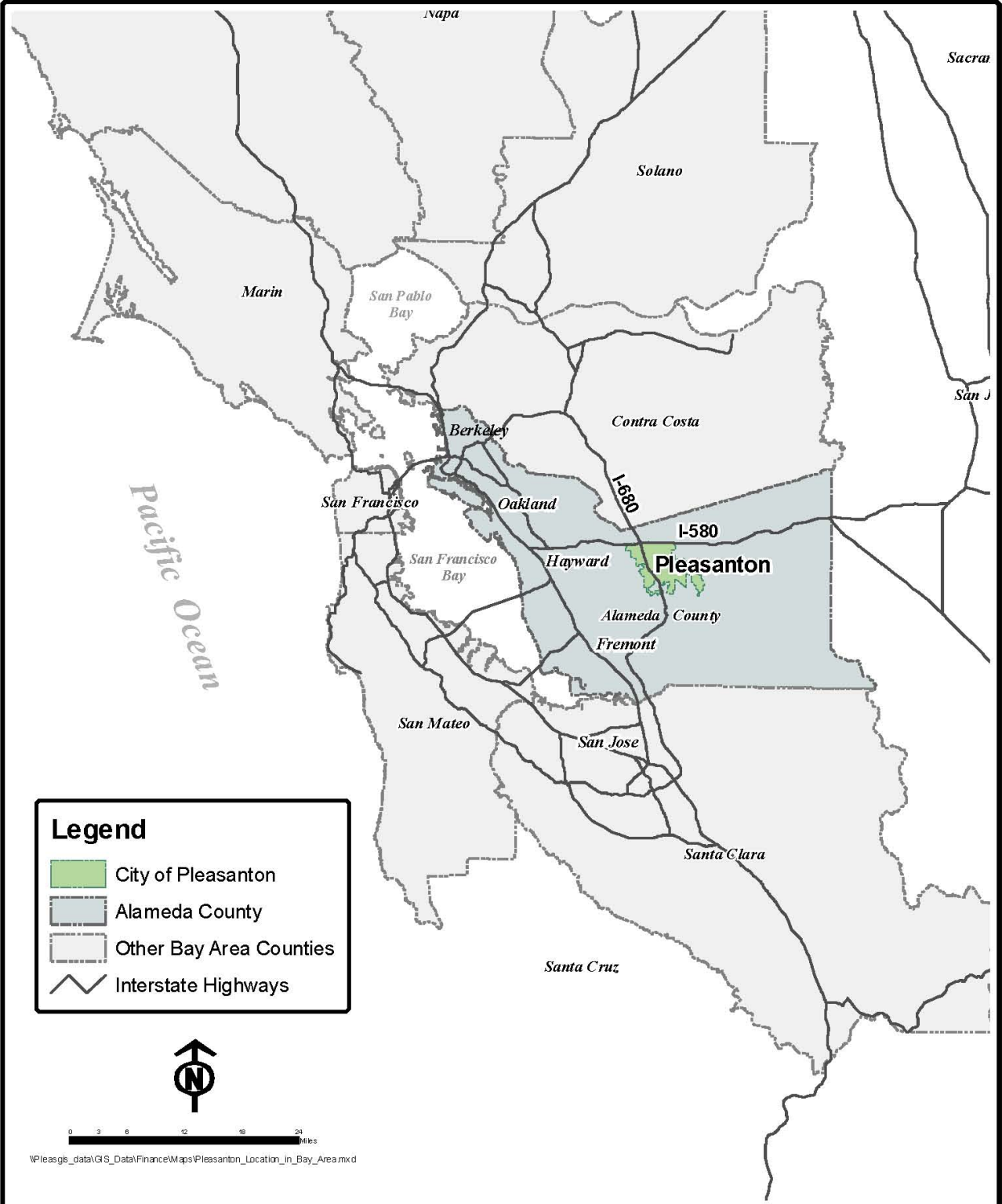
**ADMINISTRATIVE PERSONNEL:**

City Manager	Nelson Fialho
City Attorney	Jonathan Lowell
Assistant City Manager	Brian Dolan
Director of Finance	Tina Olson
Director of Community Development	Vacant
Director of Community Services	Susan Andrade-Wax
Director of Economic Development	Pamela Ott
Director of Human Resources	Debra Gill
Director of Library Services	Julie Farnsworth
Director of Operations Services	Daniel Smith
Chief of Police	David Spiller
Fire Chief	Ruben Torres
City Clerk	Karen Diaz

## 2015 ORGANIZATION CHART



# Pleasanton, California.



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## INDEPENDENT AUDITORS' REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Pleasanton, California (City), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Callippe Preserve Golf Course, that is reported as part of the Golf Enterprise Fund which represents 0.3 percent, 0.1 percent, and 9.3 percent, respectively, of the assets, net position, and revenues of the City's business-type activities and 2.6 percent, 0.5 percent and 99.9 percent, respectively, of the assets, net position, and revenues of the City's Golf Enterprise Fund. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the business-type activities and Golf Enterprise fund, is based solely on the report of the other auditors. We did not audit the financial statements of the Livermore-Amador Valley Waste Management Agency, for which the investment in joint venture was derived, which represents 4.6 percent, 0.2 percent, and 1.0 percent, respectively, of the assets, net position, and revenues of the City's business-type activities and 13.3 percent, 14.0 percent and 2.5 percent, respectively, of the assets, net position, and revenues of the City's Sewer Enterprise Fund. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the investment in joint venture, is based solely on the report of the other auditors.

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

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

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

## **Opinions**

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 1 to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*, effective July 1, 2014. Our opinions are not modified with respect to these matters.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

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

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

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

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2015, 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.

Varrinek, Trine, Day & Co., LLP.

Pleasanton, California  
December 23, 2015



**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(Required Supplementary Information)**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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This section of the City of Pleasanton's (City) Comprehensive Annual Financial Report presents a narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2015 (FY 2014/15). We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's basic financial statements, which follow this section.

### FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of FY 2014/15 by \$747.0 million (net position). Of this amount, \$15.0 million (unrestricted net position) may be used to meet the City's ongoing obligations to its citizens, businesses, and creditors, \$68.3 million is restricted for specific purposes (restricted net position), and \$663.7 million is the net investment in capital assets.
- During FY 2014/15, the City implemented GASB Statements No. 68 and 71 that require local governments to include pension liabilities in their annual financial reports. As a result of the implementation, the City restated its beginning net position to record the City's net pension liability of \$147.7 million, effectively decreasing the City's net position at July 1, 2014. As of June 30, 2015, the City's net pension liability was \$123.5 million. The liability attributable to governmental activities and business-type activities is \$116 million and \$7.5 million, respectively. Detailed information on the GASB 68 implementation can be found in Notes 11 and 14 of the Notes to the Financial Statements, as well as in the required supplementary information.
- As a result of including the City's pension liabilities, the City's total net position decreased by \$116.9 million from FY 2013/14, a 13.5% decrease. Of this amount, a decrease of \$109.2 million in net position was attributable to governmental activities, a 17.3% decrease, and a decrease of \$7.7 million in net position was due to business-type activities, a 3.3% decrease.
- Taking into account the restatement, the City's net position increased \$19.0 million (2.6%) during the fiscal year (July 1, 2014 through June 30, 2015) over the restated net position balance of \$728 million. Of this, \$18.7 million was generated by governmental activities and \$0.3 million was generated by business-type activities. Most of the \$18.7 million is related to increased revenues.
- The City's governmental funds reported ending fund balances of \$103.7 million, an increase of \$10 million (10.7%) in comparison with the prior fiscal year ending June 30, 2014 (FY 2013/14).
- The General Fund fund balance is \$20.6 million, of which \$13.3 million is committed for economic uncertainties, upcoming capital improvement projects and repair and replacement of existing assets, \$7.1 million is unassigned and \$.2 million is non-spendable. The \$20.6 million fund balance is \$5.6 million or 37% greater than the General Fund fund balance at the end of FY 2013/14.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this report consists of four parts – the Independent Auditors' Report, Management's Discussion and Analysis (this portion), the basic financial statements including the required supplementary information, and other supplemental information. The basic financial statements include two kinds of statements that present different views of the City as described below:

- The **Government-wide** financial statements provide both long-term and short-term information about the City's overall financial status.
- The **Fund** financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
  - **Governmental fund** statements tell how general government services such as police, fire and operations services were financed in the short-term, as well as what remains for future spending.

- **Proprietary fund** statements offer short and long-term financial information about the activities the City operates like businesses, such as water and sewer services.
- **Fiduciary fund** statements provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of others, to whom the resources belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The notes are followed by required supplementary information that consists of major governmental fund budgetary comparison schedules and the Pension Plan schedules and Other Postemployment Benefits Plan Schedule of Funding Progress. After these required elements, we have included supplemental information consisting of combining statements that provide details about our non-major governmental funds, non-major enterprise funds, internal service funds and agency funds.

The government-wide financial statements and the fund financial statements present different views of the City, as further described below.

**Government-wide Financial Statements** are designed to provide readers with a broad overview of City finances, in a manner similar to a private-sector business. The government-wide financial statements include the City (primary government) and the Housing Authority of the City of Pleasanton (Housing Authority) as a component unit. The City Council serves as the Board for the Housing Authority. Financial information for the Housing Authority is blended with the City's financial information. Although it is a legally separate entity, in substance the Housing Authority is an integral part of the City's operations.

The *Statement of Net Position* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as *net position*. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows (accrual basis of accounting). Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to interest on long-term debt.

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a substantial portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, community development, operations services, and community activities (parks, recreation, and library). The business-type activities of the City include water, sewer, golf, transit, storm drain, cemetery, and electric vehicle, as well as the Housing Authority as a component unit.

**Fund Financial Statements** use fund accounting to segregate accounts for specific activities or objectives, including demonstrating finance-related legal compliance. All of the funds of the City can be divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*, as described below.

*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 funds financial statements focus on *near-term inflows* and *outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

The governmental funds focus 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. This comparison facilitates a better understanding of the long-term impact associated with the government's near-term financing decisions. The governmental funds balance sheet and the

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

The City maintains several individual governmental funds organized according to their type (general, special revenue, debt service, and capital projects). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the *major funds* (see *Notes to Basic Financial Statements*).

Data from the remaining non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided as supplementary information in the form of *combining statements*.

*Proprietary funds* are generally used to account for services for which the City charges customers – either outside customers or internal units of departments in the City. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The City maintains two types of proprietary funds, *enterprise funds* and *internal service funds*, as described below.

- *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for water, sewer, golf, transit, storm drain, cemetery, electric vehicle, and the Housing Authority.
- *Internal service funds* are used by the City to establish reserves and account for employee benefits, public art acquisition and maintenance, replacement/renovation, liability insurance, pension and retiree medical benefits. These funds serve both governmental and business-type functions and so they are allocated accordingly in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided as supplementary information in the form of *combining statements*.

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the City. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements.

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

**Required Supplementary Information** includes budgetary comparison schedules that have been provided for the general and major special revenue governmental funds to demonstrate compliance with the budget. The City adopts a two-year budget in June of every odd numbered year. An update of the second year is presented to the City Council in June preceding the start of the second year (even numbered year). Required supplementary information also includes schedules showing the City's progress towards funding its pension plan and other post-employment benefits (OPEB). The City participates in California's Public Employees Retirement System (CalPERS) for its pension plan and provides its employees with post-retirement health care benefits (OPEB).

**Supplementary Information** includes information for the major capital project fund, non-major governmental, non-major enterprise, internal service, and agency funds, and is presented immediately following the required supplementary information.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

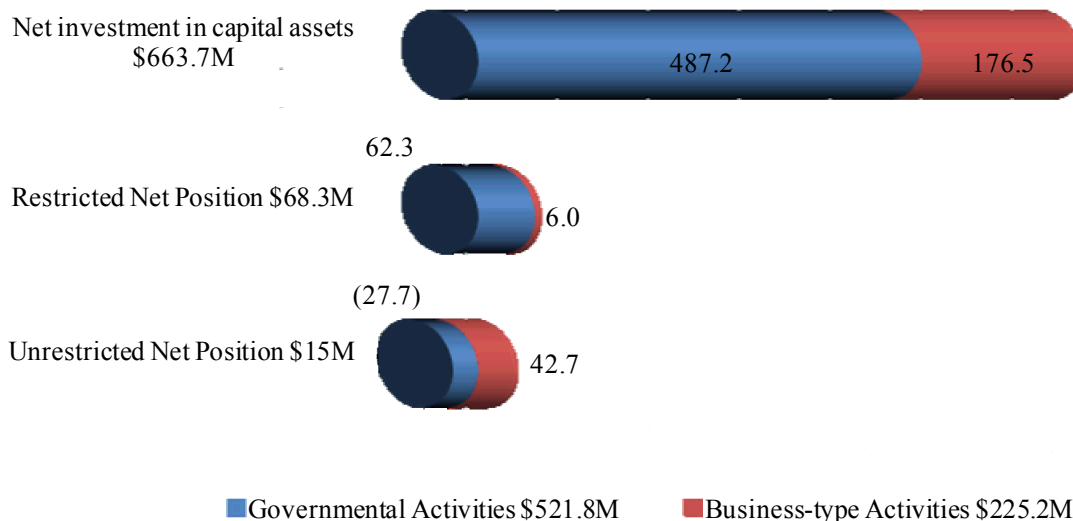
The following section provides a comparative analysis of government-wide data for FY 2013/14 and FY 2014/15. The Statement of Net Position for the two years will be discussed first, followed by a discussion of the Changes in Net Position for the two years.

The following table is a summary of the Statement of Net Position as of June 30, 2014 (2014) and June 30, 2015 (2015):

**City of Pleasanton  
Net Position (in millions of dollars)**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>		<b>Total Percentage Change</b>
	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014 to 2015</b>
<b>Assets:</b>							
Current and other assets	\$171.7	\$176.6	\$54.2	\$59.8	\$225.9	\$236.4	4.6%
Capital assets	481.4	487.3	182.8	176.6	664.2	663.9	0.0%
<b>Total assets</b>	<b>653.1</b>	<b>663.9</b>	<b>237.0</b>	<b>236.4</b>	<b>890.1</b>	<b>900.3</b>	<b>1.1%</b>
Deferred outflows of resources	<b>0.0</b>	<b>20.8</b>	<b>0.0</b>	<b>1.3</b>	<b>0.0</b>	<b>22.1</b>	<b>100.0%</b>
<b>Liabilities:</b>							
Other liabilities	8.5	11.3	3.7	3.8	12.2	15.1	23.8%
Long-term liabilities	13.6	130.2	0.4	7.6	14.0	137.8	884.3%
<b>Total liabilities</b>	<b>22.1</b>	<b>141.5</b>	<b>4.1</b>	<b>11.4</b>	<b>26.2</b>	<b>152.9</b>	<b>483.6%</b>
Deferred inflows of resources	<b>0.0</b>	<b>21.4</b>	<b>0.0</b>	<b>1.1</b>	<b>0.0</b>	<b>22.5</b>	<b>100.0%</b>
<b>Net Position:</b>							
Net investment in capital assets	478.6	487.2	182.4	176.5	661.0	663.7	0.4%
Restricted	59.5	62.3	5.3	6.0	64.8	68.3	5.4%
Unrestricted	92.9	(27.7)	45.2	42.7	138.1	15.0	-89.1%
<b>Total net position</b>	<b>\$631.0</b>	<b>\$521.8</b>	<b>\$232.9</b>	<b>\$225.2</b>	<b>\$863.9</b>	<b>\$747.0</b>	<b>-13.5%</b>

**Statement of Net Position as of June 30, 2015  
(in millions of dollars)**



**Analysis of Net Position** – With the consolidation of government-wide net position into one statement and the exclusion of fiduciary funds, net position serves as a useful indicator of a government’s financial position. For the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$747.0 million at the close of FY 2014/15.

The City reported overall positive balances in all three categories of net position, as well as for its separate business-type activities. For its governmental activities, the City reported positive balances in the net investment in capital assets and in the restricted net position categories, and a negative balance in the unrestricted net position category. The following are the primary components of the City’s net position:

- The *net investment in capital assets* (e.g. infrastructure, land, buildings, improvements other than buildings, construction in progress, and equipment), less any related debt used to acquire assets still outstanding, is \$663.7 million (88.8% of the total). The City uses these capital assets to provide services to the community; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since generally capital assets are not used to liquidate these liabilities. The City’s net investment in capital assets increased by \$2.7 million (0.4%) in FY 2014/15. The increase is primarily attributable to the addition of \$9.5 million of infrastructure and land improvements assets for work completed at the Staples Ranch development by contractors and subsequently donated to the City.
- The *restricted net position* of \$68.3 million (9.2% of the total) represents resources that are subject to external restrictions on how they may be used. Among these amounts are \$45.9 million restricted in the capital project funds for the construction of major capital projects (including the construction of Phase II of Bernal Park), \$17.9 million restricted for community development (the majority of which is in the Lower Income Housing Fund for the redevelopment of Kottinger Place and Pleasanton Gardens), and \$4.5 million in a variety of special revenue funds to support specific City programs.
- The *unrestricted net position* of \$15.0 million (2.0% of the total) represents amounts that may be used to meet the City’s ongoing obligations to its residential and business community, taxpayers, customers, and creditors. Governmental activities account for negative \$27.7 million of the unrestricted net position, which is mainly attributable to the net pension liability of \$116 million which is offset by the economic uncertainty reserve in the General Fund, amounts set aside for future capital improvements in the capital projects funds, and reserves held in internal service funds to pay for pension costs, retiree medical costs, general liability claims, and repair and replacement of City facilities and equipment. Business-type activities account for \$42.7 million, the majority of which is held in the utility funds for future capital projects and emergency repairs and replacement.



The following table reflects the change in net position for governmental and business-type activities for the year ended June 30:

**City of Pleasanton**  
**Changes in Net Position (in millions of dollars)**

	Governmental Activities		Business-type Activities		Total		Total % Change
	2014	2015	2014	2015	2014	2015	
Revenues:							
Program revenues:							
Charges for services	\$12.1	\$13.5	\$37.5	\$36.3	\$49.6	\$49.8	0.4%
Operating grants & contributions	1.3	2.5	0.1	0.3	1.4	2.8	100.0%
Capital grants & contributions	13.2	13.5	-	-	13.2	13.5	2.3%
Indirect charges	0.5	0.6	-	-	0.5	0.6	20.0%
General revenues:							
Property taxes	50.3	53.7	-	-	50.3	53.7	6.8%
Sales taxes	21.0	22.4	-	-	21.0	22.4	6.7%
All other taxes	10.5	11.7	-	-	10.5	11.7	11.4%
All other general revenues	3.2	1.8	1.0	1.9	4.2	3.7	-11.9%
Total revenues	<u>112.1</u>	<u>119.7</u>	<u>38.6</u>	<u>38.5</u>	<u>150.7</u>	<u>158.2</u>	5.0%
Expenses:							
General government	11.5	12.7	-	-	11.5	12.7	10.4%
Public safety	42.3	45.0	-	-	42.3	45.0	6.4%
Community development	16.0	15.8	-	-	16.0	15.8	-1.3%
Operations services	22.3	14.1	-	-	22.3	14.1	-36.8%
Community activities	10.8	12.6	-	-	10.8	12.6	16.7%
Water	-	-	20.4	17.6	20.4	17.6	-13.7%
Sewer	-	-	13.5	13.8	13.5	13.8	2.2%
Golf	-	-	5.2	4.9	5.2	4.9	-5.8%
Other	-	-	2.8	2.2	2.8	2.2	-21.4%
Indirect charges	-	-	0.5	0.6	0.5	0.6	20.0%
Total expenses	<u>102.9</u>	<u>100.2</u>	<u>42.4</u>	<u>39.1</u>	<u>145.3</u>	<u>139.3</u>	-4.1%
Revenues over (under) expenses	<u>9.2</u>	<u>19.5</u>	<u>(3.8)</u>	<u>(0.6)</u>	<u>5.4</u>	<u>18.9</u>	250.0%
Transfer In/(Out)	-	(0.8)	0.8	0.8	0.8	-	-100.0%
Change in net position	9.2	18.7	(3.0)	0.2	6.2	18.9	204.8%
Net position, beginning of year	621.8	631.1	235.8	232.9	857.6	864.0	0.7%
Prior period adjustment	-	(128.0)	-	(7.9)	0.0	(135.9)	
Net position, end of year	<u>\$631.0</u>	<u>\$521.8</u>	<u>\$232.8</u>	<u>\$225.2</u>	<u>\$863.8</u>	<u>\$747.0</u>	-13.5%

### Changes in Net Position

*Governmental Activities* increased the City's net position by \$18.7 million in FY 2014/15. Key factors in the increase are as follows:

Total governmental activities revenues increased approximately \$7.6 million over FY 2013/14.

#### Program Revenues - \$3.0 million increase

- Operating grants and contributions increased \$1.1 million in FY 2014/15 over FY 2013/14. The majority of the increase is due to increased activity and federal reimbursements associated with the City's CDBG and HOME programs for the improvements and development of the Kottinger Place and Pleasanton Gardens low income senior housing project.
- Capital grants and contributions increased by \$0.8 million. Two major projects were started during the fiscal year which accounted for the majority of the increase. The development of approximately 250 multi-family housing units at Gibraltar Dr/Hacienda Dr. and approximately 250 multi-family units at Owens Dr./Willow Rd. generated increased revenues from park dedication fees, public facility fees and City traffic impact fees of \$2.5 million, \$1.1 million and \$0.9 million, respectively.
- Charges for services increased \$1.3 million. The majority of the increase is attributable to an increase in building permit revenues in the amount of \$1.6 million. This is largely attributable to the multi-family housing development projects that were under way during FY 2014/15 and the proposed development of the Vintage Village apartment complex, an approximately 350 unit multi-story complex.

#### General Revenues - \$4.6 million increase

- Property Tax increased \$3.3 million in FY 2014/15 primarily due to the increase in assessed property values (5.8%), some of which is the reversal of Proposition 8 assessed value reductions granted during the Great Recession.
- Sales Tax revenue increased \$1.4 million primarily due to the continuing upward growth of the economy.
- Other taxes increased \$1.2 million which is primarily in Hotel Tax (\$0.9 million) as a result of the improved economy.

The City's governmental activities expenses decreased \$2.7 million over the FY 2014/15.

- The decrease was a result of several decreases in spending throughout various City activities. Governmental personnel costs decreased \$0.6 million due to staffing vacancies and contract services decreased approximately \$0.7 million.

Business-type activities increased the City's net position by \$0.2 million.

The City's Business-type activities provide the same type of information as the proprietary fund financial statements, but are presented in a more summarized format. Key changes in the Business-type activities are as follows:

- Water expenses decreased \$2.8 million from FY 2013/14, mainly due to decreased water purchases of \$3.3 million in FY 2014/15. This was offset by a reduction in water sales of \$3.3 million during the fiscal year. The City and residents were required by the State of California to reduce water consumption during FY 2014/15 by 25% due to the ongoing drought conditions throughout California. As a result of this, consumption of water by City customers decreased, requiring the City to purchase less water from Zone 7.
- Other Business-type activities remained relatively consistent between FY 2014/15 and FY 2013/14.

An analysis of key changes at the governmental funds level and proprietary funds level is provided in the following **Fund Financial Analysis** section.

## **FUND FINANCIAL ANALYSIS**

The City uses *fund accounting* to segregate accounts for specific activities or objectives, including demonstrating finance-related legal compliance.

### ***Governmental Funds***

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of resources that are available to provide services and capital project construction.

### **Fund Balances**

On June 21, 2011, the City Council adopted Resolution No. 11-463 to establish the classification of fund balances in conformance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. That resolution also identified the fund balance category, the Economic Uncertainty Reserve as *Committed fund balance*. Additionally, during FY 2014/15, the City Council committed additional fund balance categories for Capital Improvement Projects and Repair and Replacement Reserves.

Funds reserved under Economic Uncertainty will be used to mitigate costs associated with unforeseen emergencies, including natural disasters or catastrophic events where the state or federal government declares a natural disaster. Should unforeseen and unavoidable events occur that require the expenditure of City resources beyond those provided for in the annual budget, the City Council must approve by Resolution any appropriations from the Economic Uncertainty Reserve. The detail of the fund balance classifications are disclosed in *Note 10* in the **Notes to the Basic Financial Statements**.

As of June 30, 2015, the City's governmental funds reported combined fund balances of \$103.7 million, an increase of \$10.0 million in comparison with FY 2013/14. A majority of the increase was related to increases in property tax revenues (\$3.3 million), sales tax revenues (\$1.4 million) and hotel tax revenues (\$0.9 million). Other significant increases are attributable to the development of multi-family housing at Gibraltar Dr./Hacienda Dr. and multi-family units at Owens Dr./Willow Rd. and the increased revenues generated by these projects from park dedication fees, public facility fees and City traffic impact fees of \$2.5 million, \$1.1 million and \$0.9 million, respectively.

*Restricted fund balances* constitute \$62.3 million of the combined governmental fund balance and are constrained for a specific purpose by external parties, constitutional provision, or enabling legislation. *Committed fund balances* of \$13.3 million are constrained for a specific purpose by the governmental entity and committed as such by the City Council, the City's highest level of decision making authority. *Assigned fund balances* of \$21.5 million are intended to be used for specific purposes and have been identified as such by the governing board or the Director of Finance, who has been delegated by the governing board to assign amounts. *Unassigned fund balances* of \$6.4 million consist of amounts that have not been classified as nonspendable, restricted, committed or assigned.

The following table presents the Governmental Funds' fund balances by classification as of June 30, 2015:

	General Fund	Lower Income Housing Fund	Park Capital Improvement Program Fund	Other Funds	Total
<b>Nonspendable</b>					
Notes Receivable	\$ 163,689	\$ -	\$ -	\$ -	\$ 163,689
<b>Restricted</b>					
Assessment District Construction	-	-	-	1,386,851	1,386,851
Asset Forfeiture	-	-	-	42,129	42,129
Budgeted Developer Projects	-	-	-	7,141,408	7,141,408
Community Access Television	-	-	-	676,367	676,367
Donations	-	-	-	241,063	241,063
Downtown & North Pleasanton	-	-	-	3,582,656	3,582,656
Geological Hazard Assessmt District	-	-	-	957,159	957,159
Grants	-	-	-	219,617	219,617
Housing	-	17,156,814	-	-	17,156,814
Landscape and Lighting District	-	-	-	419,078	419,078
Landscape Maintenance NPID	-	-	-	850,334	850,334
Marilyn Kane Trail Reserve	-	-	-	106,600	106,600
Park Development	-	-	-	8,628,906	8,628,906
Public Facilities Capital Improvements	-	-	-	5,231,965	5,231,965
Public Safety	-	-	-	274,928	274,928
Resource Management	-	-	-	771,058	771,058
Street Maintenance	-	-	-	6,317,909	6,317,909
Traffic Impact	-	-	-	3,391,775	3,391,775
Traffic Impact - Bernal	-	-	-	2,960,086	2,960,086
Tri-Valley Transportation	-	-	-	528,182	528,182
Various Specific Plan	-	-	-	1,411,356	1,411,356
<b>Committed</b>					
Economic Uncertainty	10,411,000	-	-	-	10,411,000
Capital Projects/Repair & Replacement	2,908,218	-	-	-	2,908,218
<b>Assigned</b>					
Capital Projects	-	-	10,710,262	10,655,921	21,366,183
Other Purposes	-	-	-	127,065	127,065
<b>Unassigned</b>	7,085,423	-	-	(680,538)	6,404,885
<b>Total Fund Balances</b>	<u>\$ 20,568,330</u>	<u>\$ 17,156,814</u>	<u>\$ 10,710,262</u>	<u>\$ 55,241,875</u>	<u>\$ 103,677,281</u>

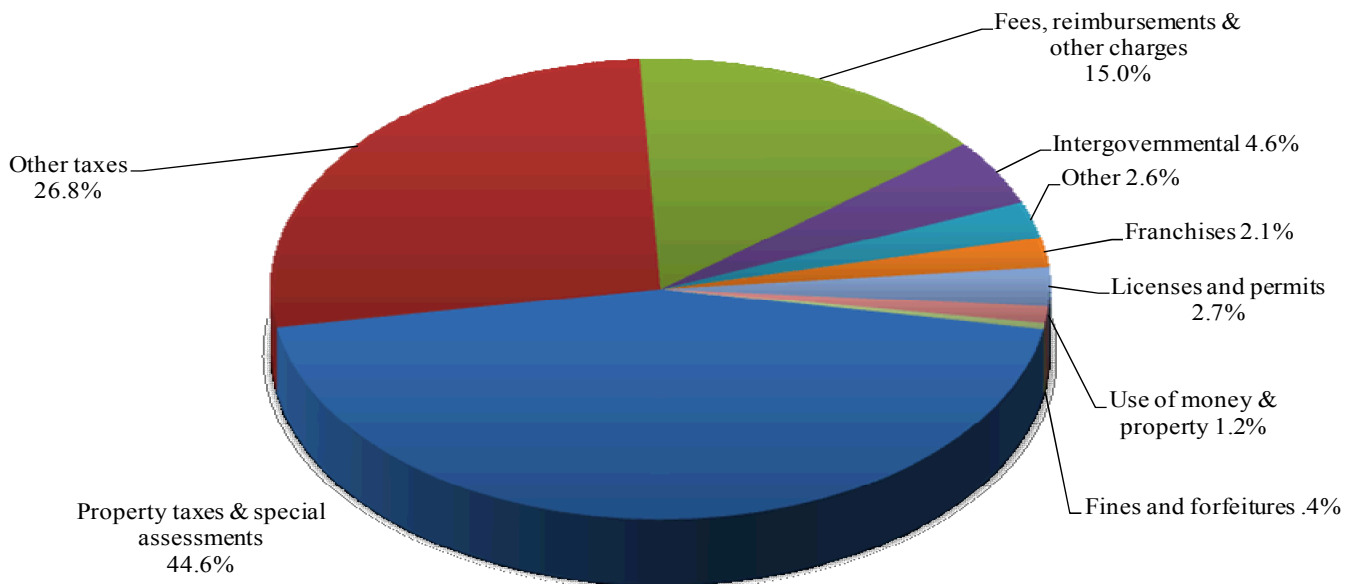
## Revenues

The following table presents the FY 2014/15 revenues from various sources, as well as the increase or decrease in these revenues over FY 2013/14.

**City of Pleasanton**  
**Revenues Classified by Source**  
**Governmental Funds**  
**(in millions of dollars)**

Revenues by Source	FY 2014		FY 2015		Increase/(Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	Percent
Property taxes & special assessments	\$ 50.7	44.7%	\$ 53.7	44.6%	\$ 3.0	5.9%
Other taxes	29.6	26.1%	32.3	26.8%	2.7	9.1%
Licenses and permits	1.8	1.6%	3.3	2.7%	1.5	83.3%
Fines and forfeitures	0.5	0.4%	0.5	0.4%	-	0.0%
Use of money & property	2.0	1.8%	1.4	1.2%	(0.6)	-30.0%
Intergovernmental	5.7	5.0%	5.6	4.6%	(0.1)	-1.8%
Franchises	2.4	2.1%	2.5	2.1%	0.1	4.2%
Fees, reimbursements & other charges	17.2	15.2%	18.1	15.0%	0.9	5.2%
Other	3.5	3.1%	3.1	2.6%	(0.4)	-11.4%
<b>Total</b>	<b>\$ 113.4</b>	<b>100.0%</b>	<b>\$ 120.5</b>	<b>100.0%</b>	<b>\$ 7.1</b>	<b>6.3%</b>

## Revenues by Source - Governmental Funds



The following provides an explanation of significant changes in revenues by source in FY 2014/15.

- **Property taxes** increased \$3.0 million primarily due to the increase in assessed property values (5.9%).
- **Other taxes** increased \$2.7 million primarily due to increases in sales tax (\$1.4 million) and hotel tax (\$0.9 million) as a result of the improved economy.
- **Licenses and permits** increased \$1.5 million primarily due to building permits issued in connection with the development of approximately 250 multi-family housing units at Gibraltar Dr. /Hacienda Dr. and approximately 250 multi-family units at Owens Dr./Willow Rd.

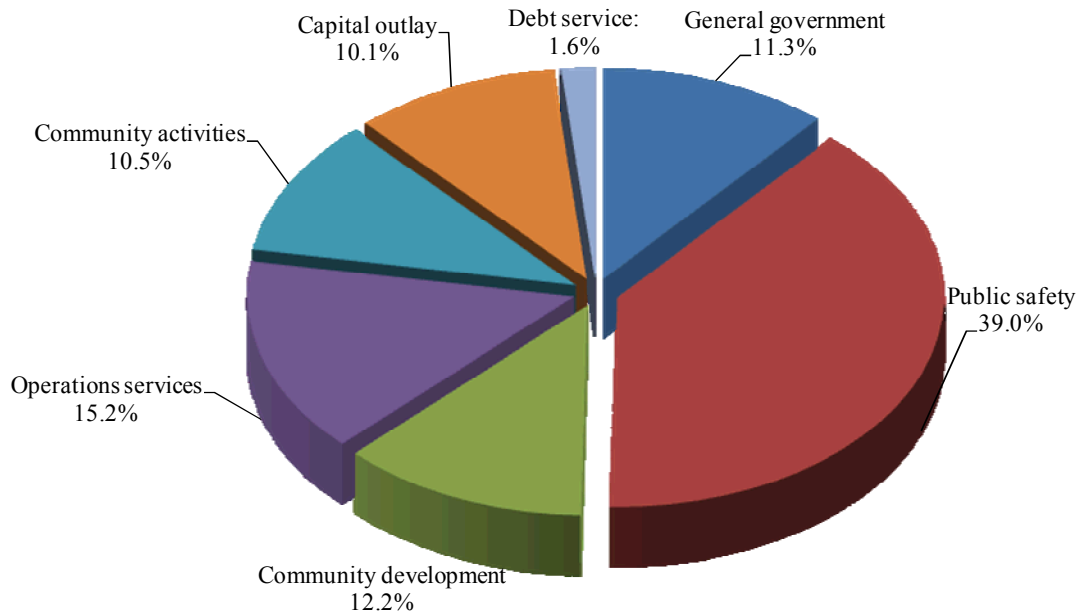
**Expenditures**

The following table presents expenditures by function in FY 2014/15 and the increase and decrease in expenditures as compared to FY 2013/14.

**City of Pleasanton  
Expenditures Classified by Function  
Governmental Funds  
(in millions of dollars)**

Expenditures by Function	FY 2014		FY 2015		Increase/(Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	Percent
Current:						
General government	\$11.8	10.9%	\$12.4	11.3%	\$0.6	5.1%
Public safety	41.6	38.4%	42.7	39.0%	1.1	2.6%
Community development	13.8	12.7%	13.4	12.2%	-0.4	-2.9%
Operations services	15.9	14.7%	16.6	15.2%	0.7	4.4%
Community activities	11.0	10.1%	11.5	10.5%	0.5	4.5%
Capital outlay	12.5	11.5%	11.1	10.1%	-1.4	-11.2%
Debt service:						
Principal	1.8	1.7%	1.8	1.6%	-	0.0%
Total	<u>\$108.4</u>	<u>100.0%</u>	<u>\$109.5</u>	<u>100.0%</u>	<u>\$1.1</u>	<u>1.0%</u>

**Expenditures by Function - Governmental Funds**



Governmental expenditures remained relatively consistent during FY2014/15 with a slight increase of \$1.1 million in expenditures by function compared to FY 2013/14.



## Major Governmental Funds

The designated major *Governmental funds* in FY 2014/15 are the General Fund, Lower Income Housing Fund, and the Park Capital Improvement Program Fund.

The **General Fund** is the primary operating fund of the City which accounts for most City services, including: public safety, operations services, parks and community services, library, community development, and general government.

During FY 2014/15, the General Fund's fund balance increased \$5.6 million. Revenues increased \$7.5 million over FY 2013/14 due primarily to the continuing improvement of the economy. Assessed property values within the City increased by 5.8% during FY 2014/15, resulting in additional property tax revenues of \$3.3 million. In addition, sales tax revenue increased \$1.4 million and hotel tax revenue increased \$0.9 million.

Also, during FY 2014/15, several new developments within the City were in process, including the development of approximately 250 multi-family housing units at Gibraltar Dr/Hacienda Dr. and approximately 250 multi-family units at Owens Dr./Willow Rd., attributing to increased revenue from building permits of \$1.5 million.

General Fund expenditures increased \$2.4 million and other financing uses increased \$1.4 million over FY 2013/14. Other than general increases throughout operations, the major increase was related to a one time transfer of \$1.3 million from the General Fund to the Park Capital Improvement Program Fund to assist with the construction of the Bernal Community Park, Phase II Lighted Multi-Purpose Sports Fields project.

By policy, the City maintains a reserve for economic uncertainties equal to 10% of annual General Fund revenues. Also by policy, any one-time revenues are used for one-time purposes, such as capital projects.

General Fund budget-to-actual variances for FY 2014/15 are reflected in more detail in the **Required Supplementary Information**. The following is a summary of these variances:

- Revenues were greater than projected at the mid-year budget by \$3.8 million or 3.8%.
- Expenditures including net transfers were less than expected by \$2.0 million or 2.0%.

The City Council has committed or assigned certain General Fund reserves in conformance with GASB Statement No. 54. The City maintains these commitments and assignments consistent with its formal financial policies. The following table summarizes all General Fund reserves, as well as non-spendable or unassigned fund balance, showing the beginning balances, plus changes resulting from FY 2014/15 operations and the resulting ending balances.

### **General Fund Reserves and Fund Balance as of 6/30/2015<sup>1</sup>**

	Balance 6/30/2014	Budgeted Additions and Deletions	Actual Additions and Deletions	Budget to Actual Variance	Balance 6/30/2015
Committed Reserves					
Economic Uncertainty	\$ 9,650,614	\$ 760,386	\$ 760,386	\$ -	\$ 10,411,000
CIP and Repair & Replacement	-	2,908,218	2,908,218	-	2,908,218
Unassigned*	5,136,347	1,865,825	1,949,076	(83,251)	7,085,423
Nonspendable*	218,082	-	(54,393)	54,393	163,689
<b>Total Fund Balance</b>	<b>\$ 15,005,043</b>	<b>\$ 5,534,429</b>	<b>\$ 5,563,287</b>	<b>\$ (28,858)</b>	<b>\$ 20,568,330</b>

\* The \$83,251 variance in Unassigned Fund Balance and the \$54,393 variance in Nonspendable Fund Balance represents the adjustment for unrecognized gains and losses prescribed in GASB Statement No. 31.

<sup>1</sup> The ending fund balance of \$20,568,330 is \$7,680 less than the ending fund balance in the FY 2014/15 year-end budget report of \$20,576,010 as a result of adjustments for unrecognized gains and losses of investments that do not affect the cash fund balance. The FY 2014/15 year-end budget report reflects the cash fund balance that is available to spend.

The **Lower Income Housing Fund** is funded with developer fees. The money is used to provide both rental and ownership affordable housing in the City through programs that subsidize rents and provide secondary financing to first-time homebuyers. The Lower Income Housing Fee, which may be paid by developers in lieu of constructing new affordable housing amounted to \$631,680 in FY 2014/15. Housing loan repayments totaled \$0.4 million and included a \$249,000 interest payment from BLP Partnership, Inc.

The Lower Income Housing Fund’s fund balance remained relatively consistent with a slight increase of \$0.6 million over FY 2013/14. This increase is primarily a result of a reduction in expenditures of \$1.0 million from FY 2013/14 to FY 2014/15. During FY 2013/14, the City paid in full the State CALHFA Help Program Note Payable in the amount of \$342,487. Also, during FY 2013/14, the Lower Income Housing Fund incurred a one-time \$0.5 million Public Facility Fee expenditure associated with the development of the St. Anton apartments.

The **Park Capital Improvement Program Fund** receives support from other City funds for the construction, reconstruction and maintenance of City parks. In FY 2014/15, the Park Capital Improvement Program Fund became a major fund of the City due to receiving an inter-fund advance from the City’s Facilities Renovation Fund in the amount of \$2.0 million. The overall fund balance increased \$1.0 million from FY 2013/14 primarily due to receiving a \$1.3 million transfer from the City’s General Fund during FY 2014/15. The advance and transfer are to assist with the construction of the Bernal Community Park, Phase II Lighted Multi-Purpose Sports Fields project.

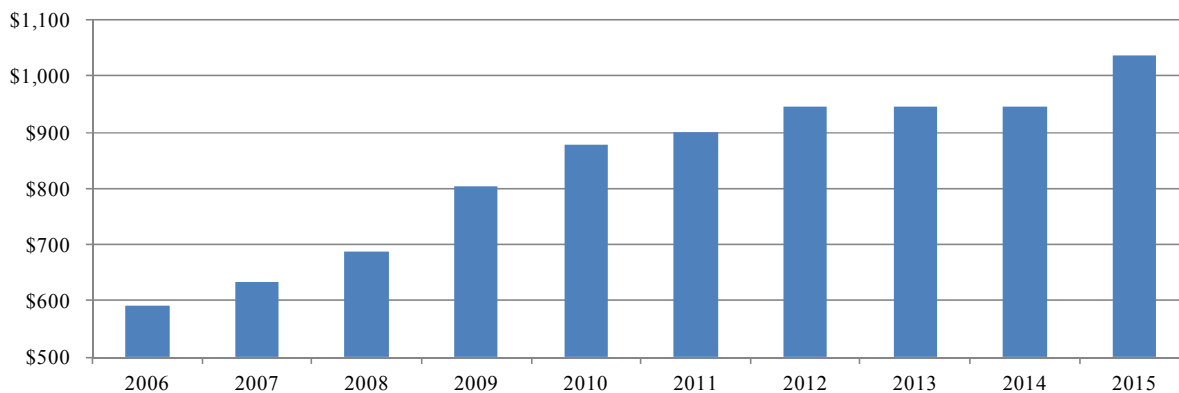
**Major Proprietary Funds**

The designated major *Proprietary funds* in FY 2014/15 are the Water, Sewer, Golf, and Storm Drain funds.

The **Water Fund’s** net position decreased \$3.0 million in FY 2014/15 due primarily to the implementation of GASB 68 which required the City to restate their Net Position to report its net pension liability in applicable funds. The result of the restatement was a \$4.9 million decrease of the Water Fund’s net position. This was partially offset by the receipt of a one-time \$1.1 million settlement payment from the Dublin San Ramon Services District (DSRSD) for the return of initial funding for a Clean Water Revival Project that was cancelled in 1999.

The major cost increases for the Water Fund has been the Zone 7 rate increases over the past several years in treated wholesale water. The graph below depicts the price increases over the last ten years in the Zone 7 treated water rates per acre-foot. The City’s water rate ordinance requires the City to increase its water rates to offset the increase in Zone 7 water rates in order to remain fiscally solvent. The City continues to monitor the revenues and expenses of the Water Fund and the City annually increases the City’s water rates based on the change in consumer price index (CPI).

**Summary of Zone 7 Treated Water Rates (\$ per acre-foot)**



The **Sewer Fund’s** net position decreased \$2.6 million in FY 2014/15 due primarily to the restatement of beginning net position related to the implementation of GASB 68. The result of the restatement decreased the beginning net position of the Sewer Fund by \$2.4 million. Depreciation expense of \$2.9 million was offset by an increase in operating income of \$0.5 million, and non-operating income of \$0.8 million from connection fees, capital contributions received, interest income and transfers. The major cost increases for the Sewer Fund has been the rate hikes in DSRSD regional sewer

treatment rates. The City’s sewer rate ordinance requires the City to increase its sewer rates to pass through the increase in DSRSD rates in order to remain fiscally solvent. Similar to the Water operation, in order to remain fiscally solvent in the Sewer Fund, the City annually increases the sewer rates based on the change in the consumer price index (CPI).

The **Golf Fund’s** net position decreased \$1.5 million in FY 2014/15 due largely to depreciation expense of \$1.7 million for golf course facilities.

The **Storm Drain Fund’s** net position decreased \$0.8 million in FY 2014/15 due primarily to the restatement of beginning net position related to the implementation of GASB 68. The result of the restatement decreased the beginning net position of the Storm Drain Fund by \$0.6 million. Partially offsetting the adjustment to the beginning net position was an increase of charges for services of \$0.1 million.

***Fiduciary Funds***

There were no designated major funds in the *Fiduciary funds* in FY 2014/15.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The following table displays the General Fund’s budget to actual variances for FY 2014/15. The Original Budget was established in June 2013 when the City adopted the two year budget for fiscal years 2013/14 and 2014/15. The Final Budget was adopted in December 2015 when the City Council approved the year-end report for FY 2014/15. Actual revenues were greater than final budget by \$3.8 million or 3.8% and expenditures were less than budget by about \$2.0 million or 2.0%.

The increase in fund balance of \$5.6 million is due to revenues of \$104.1 million exceeding expenditures and net transfers of \$98.5 million. The improved housing market and increased economic activity throughout the City contributed to the growth in the City’s General Fund revenues.

**General Fund FY 2014/15 Budgetary Comparison**

	Original Budget	Final Budget	Actual Amount	Variance from Final Budget
Revenues	\$ 97,118,741	\$ 100,377,294	\$ 104,146,349	\$ 3,769,055
Expenditures	(94,962,129)	(96,565,965)	(94,616,264)	1,949,701
Other Financing Sources(Uses):				
Transfers in	840,670	872,670	842,817	(29,853)
Transfers out	(2,997,282)	(4,858,000)	(4,809,615)	48,385
Net change in fund balance	\$ -	\$ (174,001)	\$ 5,563,287	\$ 5,737,288

Actual General Fund revenues exceeded final budget estimates by \$3.8 million in FY 2014/15. The major reason for the increase is the improved economy. The increase of \$3.8 million in revenues is summarized below:

**General Fund FY 2014/15 Revenues Budgetary Comparison**

	Original Budget	Final Budget	Actual Amount	Variance from Final Budget
Property Tax	\$ 51,365,000	\$ 53,050,000	\$ 53,744,273	\$ 694,273
Sales Tax	21,700,000	22,250,000	22,410,654	160,654
Documentary Transfer Tax	700,000	725,000	741,978	16,978
Business License Tax	3,200,000	3,200,000	3,376,592	176,592
Hotel Tax	4,100,000	4,400,000	5,057,080	657,080
Other Taxes	475,000	495,000	512,360	17,360
Development Services Fees	4,284,470	4,529,420	5,307,920	778,500
Franchise Fees	2,360,000	2,420,000	2,455,508	35,508
Recreation Fees	3,500,800	3,604,923	4,063,001	458,078
Library Revenues	98,600	122,400	139,590	17,190
Other Fees	948,250	945,250	965,751	20,501
Grants & Intergovernmental	500,300	622,430	864,432	242,002
Reimbursements	790,430	965,400	1,448,827	483,427
Interest Income	175,000	215,000	256,637	41,637
Inter-fund Labor Charges	2,369,582	2,369,582	2,191,365	(178,217)
Other Revenues	551,309	462,889	610,375	147,486
<b>Total</b>	<b>\$ 97,118,741</b>	<b>\$ 100,377,294</b>	<b>\$ 104,146,343</b>	<b>\$ 3,769,049</b>

Actual General Fund expenditures of \$94.6 million were less than the final budget estimates by \$2.0 million (2.1%). The majority of the decrease was primarily due to reductions in materials, supplies and services. The decrease of \$2.0 million in expenditures is summarized below.

**General Fund FY 2014/15 Expenditures Budgetary Comparison**

	Original Budget	Final Budget	Actual Amount	Variance from Final Budget
Personnel Expenses	\$ 71,279,158	\$ 72,078,826	\$ 71,513,631	\$ 565,195
Transportation and Training	2,096,616	2,418,900	2,208,855	210,045
Repairs and Maintenance	3,613,224	4,349,510	4,217,884	131,626
Material, Supplies and Services	17,407,031	17,167,329	16,221,582	945,747
Capital Outlay	566,100	551,400	454,312	97,088
<b>Total</b>	<b>\$ 94,962,129</b>	<b>\$ 96,565,965</b>	<b>\$ 94,616,264</b>	<b>\$ 1,949,701</b>

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2015 was \$664 million (net of accumulated depreciation). This investment in capital assets includes: infrastructure, land, right-of-ways, buildings, improvements other than buildings, vehicles and equipment, and construction-in-progress. The City's investment in capital assets (net of accumulated depreciation) decreased by \$0.3 million from the prior fiscal year. Major capital asset events during the current fiscal year included:

- Governmental activities net capital assets increased overall by \$5.9 million in the FY 2014/15. Additions and adjustments in capital assets of \$20.0 million were offset by decreases of \$14.1 million from the retirement of assets (\$1.2 million) and depreciation (\$12.9 million). Capital assets activity included:
  - Various construction-in-progress projects were added in FY 2014/15 and totaled \$10.2 million, including, improvements to the Foothill Road/I-580 interchange (\$1.8 million), improvement to the Bernal Road/I-680 interchange (\$1.9 million), construction of the Bernal Community Park, Phase II (\$1.7 million) and annual street resurfacing of various City streets (\$2.9 million).. Completed construction projects of \$13.0 million were transferred to various asset categories. The major completed projects included the Foothill Road/I-580 interchange (\$6.9 million), Main Street Greens Park (\$1.4 million), annual street resurfacing of various City streets (\$2.6 million) and Stoneridge/Santa Rita Road intersection widening (\$1.3 million).
  - Capital asset additions totaling \$9.8 million included \$7.2 million contributions of infrastructure and land improvements from developers associated with the Staples Ranch Development project. During the development of the project, developers installed lighting, landscaping and constructed a bridge. These assets were donated to the City and recorded as infrastructure and land improvements by the City.
  - These additions were offset by the retirement of assets (\$1.2 million) and net depreciation expense (\$12.9 million).
- Business-type activities net capital assets decreased overall by \$6.2 million in FY 2014/15. Additions in capital assets of \$2.8 million were offset by decreases of \$9.0 million from the depreciation of assets. Capital assets activity included:
  - Additions to construction-in-progress projects totaled \$1.4 million and included \$1.1 million for the Recycled Water Infrastructure Expansion design.
  - Contributed assets totaled \$1.4 million. During development of the Staples Ranch project, the developers installed water and sewer lines, meters and hydrants required for the project. These assets were donated to the City and recorded as infrastructure in the City's Water and Sewer Funds.
  - These additions were offset by net depreciation expense of \$9.0 million.

For the government-wide financial statements presentation, all depreciable capital assets are depreciated from their acquisition date over their useful lives. Governmental Fund financial statements report capital asset purchases as expenditures.

Capital assets for the governmental and business-type activities are presented in the following table to illustrate changes in FY 2014/15.

**City of Pleasanton**  
**Capital Assets**  
**(net of depreciation, in millions of dollars)**

	Governmental activities		Business-type activities		Total		Increase/ (Decrease)
	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	% Change
Infrastructure	\$108.2	\$117.8	\$118.1	\$113.5	\$226.3	\$231.2	2.2%
Land	239.8	240.1	14.5	14.5	254.3	254.6	0.1%
Right-of-ways	36.4	36.4	-	-	36.4	36.4	0.0%
Buildings	55.7	56.0	22.7	21.8	78.4	77.8	-0.7%
Improvements other than buildings	21.2	20.8	17.6	16.0	38.8	36.9	-5.0%
Vehicles & equipment	9.6	9.1	8.3	7.7	17.9	16.8	-6.0%
Public Art	0.7	0.7	-	-	0.7	0.7	104.7%
Construction in progress	9.7	6.6	1.7	3.1	11.5	9.7	-15.7%
<b>Total</b>	<b>\$481.4</b>	<b>\$487.3</b>	<b>\$182.8</b>	<b>\$176.6</b>	<b>\$664.2</b>	<b>\$664.0</b>	<b>0.0%</b>

Additional information about the City's capital assets can be found in *Note 5* in the **Notes to Basic Financial Statements**.

**Debt Administration**

Debt, considered a liability of governmental activities, decreased by \$0.3 million in FY 2014/15.

- The 2004 COPs outstanding were reduced by \$0.4 million as a result of the normal amortization of the debt. These certificates were fully repaid as of June 30, 2015.
- The County of Alameda note payable for the purchase of the Alameda County Transportation Corridor decreased by \$1.0 million from the normal amortization of the note payable.
- Payments on the LifePak cardiac monitor/defibrillators capital lease during the fiscal year totaled \$20,690. Lease payments are equally shared between the City of Pleasanton and the City of Livermore. The lease is the obligation of the City of Pleasanton and the activity is reflected in the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances.
- The City received a \$1.5 million loan from the California Energy Commission for the LED Lighting Upgrade project in FY 2014/15. During the year, the loan was decreased by \$0.35 million from the normal amortization of the loan payable.

Debt of the business-type activities decreased in FY 2014/15 by \$0.3 million.

- The 2004 Sewer Revenue Bonds outstanding were reduced during the fiscal year as a result of normal amortization of the debt (\$0.2 million). These bonds were fully repaid as of June 30, 2015.
- Payments on the golf course maintenance equipment capital lease during the fiscal year totaled \$132,519.

The following table compares the outstanding balances on long-term debt of the City as of June 30, 2014 and 2015:

**City of Pleasanton  
Long Term Debt Outstanding**

	Governmental Activities		Business-type Activities		Total	
	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015
2004 Refunding Lease Certificates of Participation	\$ 380,000	\$ -	\$ -	\$ -	\$ 380,000	\$ -
Alameda County Transportation Corridor Purchase Agmt	2,060,833	1,030,416	-	-	2,060,833	1,030,416
California Energy Commission (CEC)	-	1,118,014	-	-	-	1,118,014
Fire Equipment Capital Lease	52,585	31,895	-	-	52,585	31,895
2004 Sewer Revenue Bonds	-	-	180,000	-	180,000	-
Golf Course Capital Lease	-	-	246,315	113,796	246,315	113,796
<b>TOTAL</b>	<b>\$ 2,493,418</b>	<b>\$ 2,180,325</b>	<b>\$ 426,315</b>	<b>\$ 113,796</b>	<b>\$ 2,919,733</b>	<b>\$ 2,294,121</b>

Additional information about the City's long-term obligations can be found in *Note 6* in the **Notes to Basic Financial Statements**.

**ECONOMIC FACTORS, FY 2015/16 and FY 2016/17 BUDGET, AND CALPERS PENSION RATES**

The unemployment rate in Alameda County reduced to 4.6% as of June 2015, as compared with 5.8% for June 2014, and the unemployment rate in the City of Pleasanton has also shown some modest improvement at 3.5% as of June 2015 compared to the prior year of 4.6%.

As of the adoption of the two-year budget for FY 2015/16 and FY 2016/17 by the City Council on June 16, 2015, the economic outlook for the City was considered to be stable with some modest improvement. The adopted FY 2015/16 General Fund Budget of approximately \$100.7 million is an increase of 4.2% from the final FY 2014/15 budget, and the City is anticipating that current revenue sources will match expenditures and net transfers.

The required contribution rates as a percentage of payroll for the City's employer share of retirement funding will change effective July 1, 2015 to the following:

- Miscellaneous Plan 24.918%
- Safety Fire Plan 39.060%
- Safety Police Plan (pooled) 18.524% (1<sup>st</sup> Tier) \*  
15.627% (2<sup>nd</sup> Tier)  
11.153% (PEPRA)

\* Assuming employer prepayment of unfunded liability in the amount of \$1,164,272

**REQUEST FOR INFORMATION**

This financial report is designed to provide our residential and business community, taxpayers, customers, investors and creditors with a general overview of the City's finances. Additional information regarding the City's component unit may be found in the separately-issued financial statements for the Housing Authority of the City of Pleasanton, California. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, P.O. Box 520, Pleasanton, CA 94566.

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## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**City of Pleasanton**  
**Statement of Net Position**  
**June 30, 2015**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 155,649,170	\$ 42,989,945	\$198,639,115
Receivables (net):			
Accounts	7,537,932	4,913,749	12,451,681
Taxes	602,474	-	602,474
Grants	1,159,814	-	1,159,814
Interest	787,164	73,367	860,531
Lease	801,322	-	801,322
Internal balances	(962,209)	962,209	-
Inventory and prepaid expenses	-	115,072	115,072
Prepaid other post employment benefits	3,600,000	-	3,600,000
Notes receivable	7,392,486	-	7,392,486
Net investment in joint ventures	-	10,800,690	10,800,690
Capital assets:			
Nondepreciable	283,640,841	17,599,860	301,240,701
Depreciable, net	203,692,710	159,026,580	362,719,290
<b>Total assets</b>	<b>663,901,704</b>	<b>236,481,472</b>	<b>900,383,176</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources related to pensions	20,775,105	1,301,090	22,076,195
Unspent grant funds	24,480	-	24,480
<b>Total deferred outflows of resources</b>	<b>20,799,585</b>	<b>1,301,090</b>	<b>22,100,675</b>
<b>LIABILITIES</b>			
Accounts payable	10,149,327	3,048,747	13,198,074
Payroll payable	1,008,049	100,532	1,108,581
Refundable deposits	-	116,216	116,216
Unearned revenue	74,331	571,294	645,625
Long-term liabilities:			
Due within one fiscal year	5,712,767	98,245	5,811,012
Due in more than one fiscal year	8,514,715	15,551	8,530,266
Net pension liability	116,020,100	7,468,096	123,488,196
<b>Total liabilities</b>	<b>141,479,289</b>	<b>11,418,681</b>	<b>152,897,970</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of resources related to pensions	21,426,508	1,118,266	22,544,774
<b>NET POSITION</b>			
Net investment in capital assets	487,153,226	176,512,644	663,665,870
Restricted for:			
Capital projects	39,861,749	6,048,602	45,910,351
Special projects	4,506,620	32,590	4,539,210
Community development	17,927,872	-	17,927,872
<b>Total restricted net position</b>	<b>62,296,241</b>	<b>6,081,192</b>	<b>68,377,433</b>
Unrestricted net position	(27,653,975)	42,651,779	14,997,804
<b>Total net position</b>	<b>\$ 521,795,492</b>	<b>\$ 225,245,615</b>	<b>\$747,041,107</b>

See accompanying Notes to Basic Financial Statements.

**City of Pleasanton  
Statement of Activities and Changes in Net Position  
For the year ended June 30, 2015**

Functions / Programs	Expenses	Indirect Charges	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>					
<b>Governmental activities:</b>					
General government	\$ 12,709,650	\$ (1,045,202)	\$ 576,781	\$ 247,320	\$ -
Public safety	45,039,711	-	1,864,000	649,201	54,667
Community development	15,756,043	(210,181)	6,193,038	1,415,027	3,615,297
Operations services	14,122,124	643,213	464,764	-	3,805,999
Community activities	12,625,484	-	4,429,931	161,216	5,991,780
Interest on long-term debt	3,196	-	-	-	-
<b>Total governmental activities</b>	<b>100,256,208</b>	<b>(612,170)</b>	<b>13,528,514</b>	<b>2,472,764</b>	<b>13,467,743</b>
<b>Business-type activities:</b>					
Water	17,513,759	(215,787)	17,700,120	-	-
Sewer	13,742,709	842,561	14,274,645	-	-
Golf	4,923,007	-	3,620,949	-	-
Transit	576,286	-	26,934	84,421	-
Storm Drain	1,182,209	(15,985)	451,835	-	-
Cemetery	49,040	1,380	58,310	-	-
Housing	386,248	-	182,096	175,308	-
<b>Total business-type activities</b>	<b>38,373,258</b>	<b>612,170</b>	<b>36,314,889</b>	<b>259,729</b>	<b>-</b>
<b>Total primary government</b>	<b>\$ 138,629,466</b>	<b>\$ -</b>	<b>\$ 49,843,403</b>	<b>\$ 2,732,493</b>	<b>\$ 13,467,743</b>

**General Revenues:**

Taxes:

Property

Other

Sales tax

Franchise taxes

Total taxes - unrestricted

Investment income not restricted to specific programs

Miscellaneous

Transfers

**Total general revenues and transfers**

**Change in net position**

**Net position - beginning of year**

**Prior period adjustment**

**Net position - beginning of year, as restated**

**Net position - end of year**

See accompanying Notes to Basic Financial Statements.

Net (Expense) Revenue  
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (10,840,347)	\$ -	\$ (10,840,347)
(42,471,843)	-	(42,471,843)
(4,322,499)	-	(4,322,499)
(10,494,575)	-	(10,494,575)
(2,042,557)	-	(2,042,557)
(3,196)	-	(3,196)
<u>(70,175,017)</u>	<u>-</u>	<u>(70,175,017)</u>
-	402,148	402,148
-	(310,626)	(310,626)
-	(1,302,058)	(1,302,058)
-	(464,931)	(464,931)
-	(714,389)	(714,389)
-	7,890	7,890
-	(28,844)	(28,844)
<u>-</u>	<u>(2,410,810)</u>	<u>(2,410,810)</u>
<u>(70,175,017)</u>	<u>(2,410,810)</u>	<u>(72,585,827)</u>
53,744,273	-	53,744,273
9,292,582	-	9,292,582
22,410,654	-	22,410,654
2,455,508	-	2,455,508
<u>87,903,017</u>	<u>-</u>	<u>87,903,017</u>
1,493,023	325,838	1,818,861
275,323	1,635,657	1,910,980
(755,609)	755,609	-
<u>88,915,754</u>	<u>2,717,104</u>	<u>91,632,858</u>
<u>18,740,737</u>	<u>306,294</u>	<u>19,047,031</u>
631,070,309	232,874,190	863,944,499
(128,015,554)	(7,934,869)	(135,950,423)
<u>503,054,755</u>	<u>224,939,321</u>	<u>727,994,076</u>
<u>\$ 521,795,492</u>	<u>\$ 225,245,615</u>	<u>\$ 747,041,107</u>

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**GOVERNMENTAL FUND FINANCIAL STATEMENTS**

City of Pleasanton  
Balance Sheet  
Governmental Funds  
June 30, 2015

	General Fund	Lower Income Housing Fund	Park Capital Improvement Program Fund	Non-major Governmental Funds	Total
<b>ASSETS</b>					
Cash and investments	\$ 16,118,395	\$ 16,907,949	\$ 12,745,727	\$ 56,681,855	\$ 102,453,926
Receivables (net):					
Accounts	6,355,142	-	-	952,917	7,308,059
Taxes	602,474	-	-	-	602,474
Grants	-	-	-	1,159,814	1,159,814
Interest	50,493	308,678	16,934	306,426	682,531
Lease	-	801,322	-	-	801,322
Due from other funds	1,621,566	-	-	-	1,621,566
Notes receivable, net	163,689	4,824,430	-	2,404,368	7,392,487
<b>Total assets</b>	<b>24,911,759</b>	<b>22,842,379</b>	<b>12,762,661</b>	<b>61,505,380</b>	<b>122,022,179</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
	-	-	-	24,480	24,480
<b>Total assets and deferred outflows of resources</b>	<b>\$ 24,911,759</b>	<b>\$ 22,842,379</b>	<b>\$ 12,762,661</b>	<b>\$ 61,529,860</b>	<b>\$ 122,046,659</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 3,309,853	\$ 29,490	\$ 52,399	\$ 2,058,771	\$ 5,450,513
Payroll payable	980,950	-	-	-	980,950
Due to other funds	-	-	-	1,596,426	1,596,426
Advances from other funds	-	-	2,000,000	-	2,000,000
Unearned revenue	52,626	-	-	21,705	74,331
<b>Total liabilities</b>	<b>4,343,429</b>	<b>29,490</b>	<b>2,052,399</b>	<b>3,676,902</b>	<b>10,102,220</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
	-	5,656,075	-	2,611,083	8,267,158
<b>FUND BALANCES</b>					
Nonspendable	163,689	-	-	-	163,689
Restricted	-	17,156,814	-	45,139,427	62,296,241
Committed	13,319,218	-	-	-	13,319,218
Assigned	-	-	10,710,262	10,782,986	21,493,248
Unassigned	7,085,423	-	-	(680,538)	6,404,885
<b>Total fund balances</b>	<b>20,568,330</b>	<b>17,156,814</b>	<b>10,710,262</b>	<b>55,241,875</b>	<b>103,677,281</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 24,911,759</b>	<b>\$ 22,842,379</b>	<b>\$ 12,762,661</b>	<b>\$ 61,529,860</b>	<b>\$ 122,046,659</b>

See accompanying Notes to Basic Financial Statements.



## City of Pleasanton

### Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position - Governmental Activities

June 30, 2015

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**Fund Balances - Total Governmental Funds** \$ 103,677,281

Amounts reported for governmental activities in the Statement of Net Position were different because:

Capital assets used in governmental activities are not current financial resources. Therefore they were not reported in the Governmental Funds Balance Sheet. This amount is net of capital assets of the internal service funds in the amount of \$9,978,280. 477,355,271

Notes and lease receivables are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the fund financial statements. 8,267,158

Internal service funds are used by management to charge the costs of employee benefits, public art acquisition and maintenance, assessment district administration, equipment replacement/ renovation and self-insurance programs to individual departments or to other governments. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included in governmental activities in the Statement of Net Position. (65,323,893)

Certain liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the Governmental Fund Financial Statements:

Note payable to California Energy Commission	(1,118,014)
Note payable to Alameda County	(1,030,416)
Capital lease	(31,895)

**Net Position of Governmental Activities** \$ 521,795,492

City of Pleasanton  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the year ended June 30, 2015

	General Fund	Lower Income Housing Fund	Park Capital Improvement Program Fund	Non-major Governmental Funds	Total
<b>REVENUES:</b>					
Taxes	\$ 85,842,939	\$ -	\$ -	\$ -	\$ 85,842,939
Special assessments	-	-	-	204,755	204,755
Licenses	10,018	-	-	-	10,018
Permits	3,276,533	-	-	-	3,276,533
Fines and forfeitures	535,269	-	-	-	535,269
Use of money and property	256,637	694,255	72,081	422,358	1,445,331
Intergovernmental	864,432	-	-	4,752,206	5,616,638
Franchises	2,455,509	-	-	-	2,455,509
Charges for services	969,285	-	-	33,224	1,002,509
Development fees	56,523	631,680	13,944	7,982,609	8,684,756
Plan check fees	1,963,429	-	-	-	1,963,429
Reimbursements	1,448,828	150,968	-	639,414	2,239,210
Contributions and donations	5,531	-	-	176,406	181,937
Other revenues	2,398,413	-	-	669,584	3,067,997
Recreation charges	4,063,003	-	-	-	4,063,003
<b>Total revenues</b>	<b>104,146,349</b>	<b>1,476,903</b>	<b>86,025</b>	<b>14,880,556</b>	<b>120,589,833</b>
<b>EXPENDITURES:</b>					
Current:					
General government	12,355,234	-	-	-	12,355,234
Public safety	42,578,873	-	-	138,858	42,717,731
Community development	12,051,352	576,348	-	789,674	13,417,374
Operations services	15,824,851	-	-	814,169	16,639,020
Community activities	11,329,968	-	-	122,642	11,452,610
Capital outlay	454,312	239,046	763,877	9,674,273	11,131,508
Debt Service:					
Principal	20,690	-	-	1,760,417	1,781,107
Interest	984	-	-	9,971	10,955
<b>Total expenditures</b>	<b>94,616,264</b>	<b>815,394</b>	<b>763,877</b>	<b>13,310,004</b>	<b>109,505,539</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>9,530,085</b>	<b>661,509</b>	<b>(677,852)</b>	<b>1,570,552</b>	<b>11,084,294</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Issuance of notes payable	-	-	-	1,468,014	1,468,014
Transfers in	842,817	-	1,721,704	775,221	3,339,742
Transfers out	(4,809,615)	-	-	(1,093,240)	(5,902,855)
<b>Total other financing sources (uses)</b>	<b>(3,966,798)</b>	<b>-</b>	<b>1,721,704</b>	<b>1,149,995</b>	<b>(1,095,099)</b>
<b>Net change in fund balances</b>	<b>5,563,287</b>	<b>661,509</b>	<b>1,043,852</b>	<b>2,720,547</b>	<b>9,989,195</b>
<b>FUND BALANCES:</b>					
Beginning of year	15,005,043	16,495,305	9,666,410	52,521,328	93,688,086
End of year	\$ 20,568,330	\$ 17,156,814	\$ 10,710,262	\$ 55,241,875	\$ 103,677,281

**City of Pleasanton**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of  
Governmental Funds to the Government-Wide Statement of Activities - Governmental Activities  
For the year ended June 30, 2015**

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**Net Change in Fund Balances - Total Governmental Funds** \$ 9,989,195

Amounts reported for governmental activities in the Statement of Activities and Changes  
in

Net Position were different because:

Governmental funds report acquisition of capital assets as part of capital outlay  
expenditures. However, in the Government-Wide Statement of Activities, the cost of  
those assets were allocated over their estimated useful lives as depreciation expense.

Capital outlay (net of internal service funds of \$1,521,258).	17,322,318
Depreciation (net of internal service funds of \$1,484,267).	(11,461,972)

In the Statement of Activities, only the gain (loss) on the sale or disposal of capital  
assets is reported and allocated to the various program revenues and expenses,  
whereas in the governmental funds, the proceeds from the sale increase financial  
resources. Thus, the change in net position differs from the change in fund balances  
by the cost of the asset sold. (520,535)

Loans receivable are not considered available revenue and are classified as deferred  
inflows of resources in the governmental funds. 340,520

Accrued interest expense reported in the Statement of Activities does not require the  
use of current financial resources and, therefore, is not reported as expenditures in  
governmental funds. Accrued interest payable decreased by this amount. 7,759

Issuance of long-term notes is other financing sources in the governmental funds, but  
the issuance increases long-term liabilities in the Statement of Net Position. (1,468,014)

Repayment of debt principal is an expenditure in the governmental funds, but the  
repayment reduces long-term liabilities in the Statement of Net Position.

Principal repayments:

Alameda County Corridor Purchase	1,030,417
2004 Certificates of Participation	380,000
Note payable to California Energy Commission	350,000
Capital lease	20,690

Internal service funds are used by management to charge the costs of certain activities  
to individual funds. The net expense of certain activities of the internal service funds  
is reported with governmental activities. 2,750,359

**Change in Net Position of Governmental Activities** \$ 18,740,737

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**PROPRIETARY FUND FINANCIAL STATEMENTS**

**City of Pleasanton**  
**Statement of Fund Net Position**  
**Proprietary Funds**  
**June 30, 2015**

	Business-type Activities - Enterprise Funds					Governmental Activities	
	Water	Sewer	Golf	Storm Drain	Other Non-major Enterprise Funds	Total	Internal Service Funds
<b>ASSETS</b>							
Current assets:							
Cash and investments	\$ 24,327,712	\$ 15,871,253	\$ 351,860	\$ 1,521,709	\$ 917,411	\$ 42,989,945	\$ 53,195,244
Receivables (net):							
Accounts	3,090,890	1,732,301	75	2,860	87,623	4,913,749	229,873
Interest	41,599	28,687	283	2,078	720	73,367	104,633
Inventory and prepaid expenses	-	-	115,072	-	-	115,072	-
Prepaid other post employment benefits	-	-	-	-	-	-	3,600,000
Total current assets	<u>27,460,201</u>	<u>17,632,241</u>	<u>467,290</u>	<u>1,526,647</u>	<u>1,005,754</u>	<u>48,092,133</u>	<u>57,129,750</u>
Noncurrent assets:							
Net investment in joint ventures	-	10,800,690	-	-	-	10,800,690	-
Advances to other funds	-	-	-	-	-	-	5,728,321
Capital assets:							
Nondepreciable	3,715,044	1,364,692	12,434,327	24,047	61,750	17,599,860	659,368
Depreciable, net	66,250,966	51,433,437	17,983,925	23,215,986	142,266	159,026,580	9,318,912
Total noncurrent assets	<u>69,966,010</u>	<u>63,598,819</u>	<u>30,418,252</u>	<u>23,240,033</u>	<u>204,016</u>	<u>187,427,130</u>	<u>15,706,601</u>
<b>Total assets</b>	<u>97,426,211</u>	<u>81,231,060</u>	<u>30,885,542</u>	<u>24,766,680</u>	<u>1,209,770</u>	<u>235,519,263</u>	<u>72,836,351</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Deferred outflows of resources related to pensions	810,129	395,179	-	95,782	-	1,301,090	20,775,105
<b>LIABILITIES</b>							
Current liabilities:							
Accounts payable	1,120,571	1,677,359	206,079	10,100	34,638	3,048,747	4,698,815
Due to other funds	-	-	-	-	25,140	25,140	-
Payroll payable	56,655	27,838	-	8,378	7,661	100,532	27,099
Refundable deposits	-	-	103,836	-	12,380	116,216	-
Unearned revenue	282,129	-	233,255	-	55,910	571,294	-
Accrued compensated absences	-	-	-	-	-	-	1,307,526
Claims payable	-	-	-	-	-	-	3,182,581
Capital leases payable - due within one year	-	-	98,245	-	-	98,245	-
Total current liabilities	<u>1,459,355</u>	<u>1,705,197</u>	<u>641,415</u>	<u>18,478</u>	<u>135,729</u>	<u>3,960,174</u>	<u>9,216,021</u>
Noncurrent liabilities:							
Advances from other funds	-	-	-	-	-	-	3,728,321
Accrued compensated absences - due in more than one year	-	-	-	-	-	-	2,859,056
Claims payable - due in more than one year	-	-	-	-	-	-	4,697,994
Capital leases payable - due in more than one year	-	-	15,551	-	-	15,551	-
Net pension liability	4,650,042	2,268,280	-	549,774	-	7,468,096	116,020,100
Total noncurrent liabilities	<u>4,650,042</u>	<u>2,268,280</u>	<u>15,551</u>	<u>549,774</u>	<u>-</u>	<u>7,483,647</u>	<u>127,305,471</u>
<b>Total liabilities</b>	<u>6,109,397</u>	<u>3,973,477</u>	<u>656,966</u>	<u>568,252</u>	<u>135,729</u>	<u>11,443,821</u>	<u>136,521,492</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred inflows of resources related to pensions	696,293	339,651	-	82,322	-	1,118,266	21,426,508
<b>NET POSITION</b>							
Net investment in capital assets	69,966,010	52,798,129	30,304,456	23,240,033	204,016	176,512,644	11,978,280
Restricted for:							
Transportation	-	-	-	-	32,590	32,590	-
Capital improvements	3,625,459	2,423,143	-	-	-	6,048,602	-
Unrestricted	17,839,181	22,091,839	(75,880)	971,855	837,435	41,664,430	(76,314,824)
<b>Total net position</b>	<u>\$ 91,430,650</u>	<u>\$ 77,313,111</u>	<u>\$ 30,228,576</u>	<u>\$ 24,211,888</u>	<u>\$ 1,074,041</u>	<u>224,258,266</u>	<u>\$ (64,336,544)</u>
Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities.						987,349	
						Net position of business-type activities	<u>\$ 225,245,615</u>

See accompanying Notes to Basic Financial Statements.

City of Pleasanton  
Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the year ended June 30, 2015

	Business-type Activities - Enterprise Funds					Total	Governmental
	Water	Sewer	Golf	Storm Drain	Other Non-major Enterprise Funds		Internal Service Funds
<b>OPERATING REVENUES:</b>							
Charges for services	\$ 18,388,477	\$ 14,079,445	\$ 3,620,949	\$ 639,162	\$ 267,340	\$ 36,995,373	\$ 43,473,541
Miscellaneous	1,297,077	9,564	-	188,915	6,373	1,501,929	44,060
<b>Total operating revenues</b>	<b>19,685,554</b>	<b>14,089,009</b>	<b>3,620,949</b>	<b>828,077</b>	<b>273,713</b>	<b>38,497,302</b>	<b>43,517,601</b>
<b>OPERATING EXPENSES:</b>							
Personnel services	3,783,090	1,535,221	102,000	543,787	492,600	6,456,698	35,896,153
Transportation	119,945	57,583	-	4,572	90,662	272,762	-
Repairs and maintenance	148,141	55,284	579,246	16,805	123,066	922,542	-
Materials, supplies, and services	11,972,423	10,784,697	2,433,526	380,660	266,246	25,837,552	5,699,523
Depreciation	3,324,697	2,873,294	1,663,841	1,093,343	84,095	9,039,270	1,484,267
<b>Total operating expenses</b>	<b>19,348,296</b>	<b>15,306,079</b>	<b>4,778,613</b>	<b>2,039,167</b>	<b>1,056,669</b>	<b>42,528,824</b>	<b>43,079,943</b>
<b>OPERATING INCOME (LOSS)</b>	<b>337,258</b>	<b>(1,217,070)</b>	<b>(1,157,664)</b>	<b>(1,211,090)</b>	<b>(782,956)</b>	<b>(4,031,522)</b>	<b>437,658</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>							
Grants	-	-	-	-	259,729	259,729	-
Intergovernmental	-	-	-	-	133,728	133,728	-
Interest income	190,176	120,527	1,694	8,741	4,700	325,838	463,754
Miscellaneous revenue	-	-	-	-	-	-	-
Interest expense	-	(3,150)	(4,439)	-	-	(7,589)	-
Equity interest in gain from joint ventures	-	375,360	-	-	-	375,360	-
Gain (loss) from sale of capital assets	-	-	-	-	-	-	(595,573)
<b>Total nonoperating revenues (expenses)</b>	<b>190,176</b>	<b>492,737</b>	<b>(2,745)</b>	<b>8,741</b>	<b>398,157</b>	<b>1,087,066</b>	<b>(131,819)</b>
<b>Net income (loss) before contributions and transfers</b>	<b>527,434</b>	<b>(724,333)</b>	<b>(1,160,409)</b>	<b>(1,202,349)</b>	<b>(384,799)</b>	<b>(2,944,456)</b>	<b>305,839</b>
Capital contributions received	586,355	226,595	-	650,100	-	1,463,050	840,657
Connection fees	589,851	238,599	-	-	-	828,450	-
Transfers in	241,465	117,860	-	330,000	416,713	1,106,038	10,948,504
Transfers out	(44,625)	(20,955)	(279,014)	(5,835)	-	(350,429)	(9,141,000)
<b>Total contributions and transfers</b>	<b>1,373,046</b>	<b>562,099</b>	<b>(279,014)</b>	<b>974,265</b>	<b>416,713</b>	<b>3,047,109</b>	<b>2,648,161</b>
<b>Change in net position</b>	<b>1,900,480</b>	<b>(162,234)</b>	<b>(1,439,423)</b>	<b>(228,084)</b>	<b>31,914</b>	<b>102,653</b>	<b>2,954,000</b>
<b>NET POSITION:</b>							
Beginning of year	94,470,850	79,885,398	31,667,999	25,024,108	1,042,127		60,725,010
Prior period adjustment	(4,940,680)	(2,410,053)	-	(584,136)	-		(128,015,554)
Beginning of year, as restated	89,530,170	77,475,345	31,667,999	24,439,972	1,042,127		(67,290,544)
End of year	\$ 91,430,650	\$ 77,313,111	\$ 30,228,576	\$ 24,211,888	\$ 1,074,041		\$ (64,336,544)

Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal service funds is reported with business-type activities.

	203,641
Change in net position of business-type activities	<u>\$ 306,294</u>

City of Pleasanton  
Statement of Cash Flows  
Proprietary Funds  
For the year ended June 30, 2015

	Business-type Activities - Enterprise Funds					Governmental Activities	
	Water	Sewer	Golf	Storm Drain	Other Non-major Enterprise Funds	Total	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>							
Cash receipt from customers	\$ 17,653,857	\$ 14,068,944	\$ 3,621,851	\$ 640,027	\$ 297,231	\$ 36,281,910	\$ 43,498,213
Cash payment to suppliers for goods and services	(12,166,598)	(10,810,496)	(3,026,115)	(398,129)	(500,925)	(26,902,263)	(15,121,070)
Cash payment to and in behalf of employees for services	(4,178,168)	(1,727,148)	(102,000)	(588,211)	(491,476)	(7,087,003)	(33,109,967)
Miscellaneous revenue	1,474,366	9,564	-	188,915	6,592	1,679,437	44,060
<b>Net cash provided (used) by operating activities</b>	<b>2,783,457</b>	<b>1,540,864</b>	<b>493,736</b>	<b>(157,398)</b>	<b>(688,578)</b>	<b>3,972,081</b>	<b>(4,688,764)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>							
Grants received	-	-	-	-	156,959	156,959	-
Intergovernmental funds received	-	-	-	-	53,071	53,071	-
Transfer in	241,465	117,860	-	330,000	416,713	1,106,038	10,948,504
Transfer out	(44,625)	(20,955)	(279,014)	(5,835)	-	(350,429)	(9,141,000)
Repayments on advances from other funds	-	-	-	-	-	-	(881,945)
Prepayment of other post employment benefits contribution	-	-	-	-	-	-	(3,600,000)
<b>Net cash provided (used) by noncapital financing activities</b>	<b>196,840</b>	<b>96,905</b>	<b>(279,014)</b>	<b>324,165</b>	<b>626,743</b>	<b>965,639</b>	<b>(2,674,441)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>							
Principal payments on long-term debt	-	(180,000)	(132,519)	-	-	(312,519)	-
Interest payments	-	(3,150)	(4,439)	-	-	(7,589)	-
Capital asset acquisition	(1,355,474)	(1,272)	-	-	-	(1,356,746)	(1,797,485)
Connection fees received	589,851	238,599	-	-	-	828,450	-
<b>Net cash provided (used) by capital and related financing activities</b>	<b>(765,623)</b>	<b>54,177</b>	<b>(136,958)</b>	<b>-</b>	<b>-</b>	<b>(848,404)</b>	<b>(1,801,750)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>							
Interest and investment income received	181,103	113,653	2,084	8,252	4,609	309,701	445,371
Repayments on advances to other funds	-	-	-	-	-	-	(1,118,055)
<b>Net cash provided by (used in) noncapital investing activities</b>	<b>181,103</b>	<b>113,653</b>	<b>2,084</b>	<b>8,252</b>	<b>4,609</b>	<b>309,701</b>	<b>(672,684)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>2,395,777</b>	<b>1,805,599</b>	<b>79,848</b>	<b>175,019</b>	<b>(57,226)</b>	<b>4,399,017</b>	<b>(9,837,639)</b>
<b>CASH AND CASH EQUIVALENTS:</b>							
Beginning of year	21,931,935	14,065,654	272,012	1,346,690	974,637	38,590,928	63,032,883
End of year	\$ 24,327,712	\$ 15,871,253	\$ 351,860	\$ 1,521,709	\$ 917,411	\$ 42,989,945	\$ 53,195,244
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>							
Operating income (loss)	\$ 337,258	\$ (1,217,070)	\$ (1,157,664)	\$ (1,211,090)	\$ (782,956)	\$ (4,031,522)	\$ 437,658
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation and amortization	3,324,697	2,873,294	1,663,841	1,093,343	84,095	9,039,270	1,484,267
Decrease (increase) in:							
Accounts receivable	(734,620)	(10,501)	902	865	28,985	(714,369)	24,672
Inventory and prepaid items	-	-	(1,726)	-	-	(1,726)	-
Increase (decrease) in:							
Accounts payable	73,911	87,068	(22,830)	3,908	(22,616)	119,441	2,733,808
Accrued payroll	9,396	5,374	-	3,398	1,124	19,292	27,099
Due to other funds	-	-	-	-	1,665	1,665	-
Unearned revenue	177,289	-	7,067	-	957	185,313	-
Refundable deposits	-	-	4,146	-	168	4,314	-
Accrued benefits payable	-	-	-	-	-	-	(121,351)
Net pension liability	(404,474)	(197,301)	-	(47,822)	-	(649,597)	(10,344,051)
Claims payable	-	-	-	-	-	-	1,069,134
<b>Net cash provided (used) by operating activities</b>	<b>\$ 2,783,457</b>	<b>\$ 1,540,864</b>	<b>\$ 493,736</b>	<b>\$ (157,398)</b>	<b>\$ (688,578)</b>	<b>\$ 3,972,081</b>	<b>\$ (4,688,764)</b>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:</b>							
Capital contributions received	\$ 586,355	\$ 226,595	\$ -	\$ 650,100	\$ -	\$ 1,463,050	\$ 840,657
<b>Total noncash capital and related financing activities</b>	<b>\$ 586,355</b>	<b>\$ 226,595</b>	<b>\$ -</b>	<b>\$ 650,100</b>	<b>\$ -</b>	<b>\$ 1,463,050</b>	<b>\$ 840,657</b>



**FIDUCIARY FUND FINANCIAL STATEMENTS**

**City of Pleasanton**  
**Statement of Fund Net Position**  
**Fiduciary Funds**  
**June 30, 2015**

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	Private-Purpose Trust	Agency
<b>ASSETS</b>	<u>                    </u>	<u>                    </u>
Cash and investments	\$ 446,665	\$ 12,067,742
Receivables (net):		
Accounts	1,850	535,006
Interest	786	5,854
Notes receivable	-	24,830
	<u>                    </u>	<u>                    </u>
<b>Total assets</b>	<u>449,301</u>	<u>\$ 12,633,432</u>
<b>LIABILITIES</b>		
Accounts payable	330	\$ 6,915,943
Claims	-	3,397,500
Accrued compensated absences	-	579,365
Loans payable	-	24,830
Deposits	-	1,715,794
	<u>                    </u>	<u>                    </u>
<b>Total liabilities</b>	<u>330</u>	<u>\$ 12,633,432</u>
<b>NET POSITION</b>		
Net position held in trust for others	<u>\$ 448,971</u>	

See accompanying Notes to Basic Financial Statements.

**City of Pleasanton**  
**Statement of Changes in Fiduciary Net Position**  
**Private - Purpose Trust**  
**For the Year Ended June 30, 2015**

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	Private-Purpose Trust
<b>ADDITIONS:</b>	
Investment income	\$ 3,616
Miscellaneous	3,900
<b>Total additions</b>	<u>7,516</u>
<b>DEDUCTIONS:</b>	
Operations services	19,373
<b>Total deductions</b>	<u>19,373</u>
<b>Changes in net position</b>	<u>(11,857)</u>
<b>NET POSITION HELD IN TRUST:</b>	
Beginning of year	<u>460,828</u>
End of year	<u>\$ 448,971</u>

See accompanying Notes to Basic Financial Statements.

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**City of Pleasanton**  
**Index to Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the City of Pleasanton (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The most significant of the City's accounting policies are described below.

**A. Reporting Entity**

The City of Pleasanton (City) was incorporated on June 18, 1894, and operates under a Council-Manager form of government. The City Council consists of five elected members. The following services are provided by the City to its citizens: police, fire, operations services, water, sewer, economic development, parks and recreation, planning and community development, general administration, library, golf and cemetery.

As required by GAAP, these basic financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the City's operations and data from these units are combined with data of the City. Each blended component unit has a June 30 year-end. The City had no discretely presented component units. The following entity is reported as a blended component unit of the City as the component unit's governing body is the same as the governing body of the City and City management has operational responsibility for the component unit:

Housing Authority of the City of Pleasanton, California (Housing Authority) - The Housing Authority was established in 1943. The purpose of the Housing Authority is to provide and maintain the maximum number of housing units and services for low and moderate income families at rents they can afford, making the most effective and economical use of its resources. In accordance with Section 2.36 of the Municipal Code, the Pleasanton City Council serves as the Board of Directors for the Housing Authority of the City of Pleasanton. Separate financial statements for the Housing Authority may be obtained from the City's Finance Department located in City Hall at 123 Main Street, Pleasanton, CA 94566.

**B. Basis of Accounting and Measurement Focus**

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net position, revenues, and expenditures or expenses as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The City's government-wide financial statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***B. Basis of Accounting and Measurement Focus, Continued***

These government-wide financial statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities and Changes in Net Position presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities and Changes in Net Position, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds
- Advances to/from other funds
- Transfers in/out
- Interfund charges

*Governmental Fund Financial Statements*

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that met the applicable criteria.

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.



**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***B. Basis of Accounting and Measurement Focus, Continued***

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are recorded when received in cash, except that revenues subject to accrual (generally 90 days after year-end, with the exception of property tax for which the accrual period is 60 days after year-end) are recognized when due. The primary revenue sources which have been treated as susceptible to accrual by the City are property tax, sales tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

The City reports the following major governmental funds:

The *General Fund* – is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as general government, public safety, community development, operations services and community activities.

The *Lower Income Housing Fund* – is a special revenue fund used to account for and report the proceeds of housing in-lieu fees paid by developers of residential, commercial, and office property, as well as revenue from the repayment of housing loans. These revenues are used to provide financial assistance toward meeting the affordable housing guidelines detailed in the housing element of the City’s General Plan.

The *Park Capital Improvement Program Fund* – is a capital projects fund used to account for the construction, reconstruction, and maintenance of the City parks as adopted in the annual parks capital improvement programs.

*Proprietary Fund Financial Statements*

Proprietary Fund Financial Statements include a Statement of Fund Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and non-major funds aggregated.

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental and business-type activities in the government-wide financial statements as appropriate.

Proprietary funds are accounted for using the “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***B. Basis of Accounting and Measurement Focus, Continued***

Operating revenues in the proprietary fund are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The City reports the following major enterprise funds:

The Water Fund – accounts for the operation and maintenance of the City’s water utility, a self-supporting activity, which provides services on a user-charge basis to residences and businesses.

The Sewer Fund – accounts for the operation and maintenance of the City’s sewer collection system and related facilities. It is a self-supporting activity, which provides services on a user-charge basis to residences and businesses.

The Golf Fund – accounts for the daily operation and maintenance of the City’s golf course, Callippe Preserve Golf Course. The City currently contracts with Pleasanton Golf, LLC (CourseCo, Inc.) to manage and maintain the golf course and its facilities. This fund also accounts for golf course fixed assets, accumulation of funds for payment of golf debt service, and reimbursement for infrastructure expenses necessitated by the development of the golf course.

The Storm Drain Fund – accounts for the operation and maintenance of the City’s storm system. The revenue source for this fund is the urban runoff annual assessment fee levied on property owners beginning in FY 1992/93 and a subsidy from the General Fund. The expenses accounted for in this fund are for the federally mandated program to reduce pollutants to the Bay and other expenses related to maintaining the City’s storm drain system.

The City reports the following internal service funds:

The Internal Service Funds – account for the City’s employee benefits, public art acquisition and maintenance, equipment replacement/renovations provided to City departments or to other governments, and self-insurance programs – workers' compensation and general liability - on a cost-reimbursement basis.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The City’s fiduciary funds represent agency funds and a private purpose trust fund. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The private purpose trust fund is accounted for using the economic resources measurement focus. The fiduciary funds are accounted for using the accrual basis of accounting.

The City reports the following fiduciary funds:

The Agency Funds – account for assets held by the City as an agent for various local government agencies, insurance companies, developers and bond trustees.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***B. Basis of Accounting and Measurement Focus, Continued***

The *Private-Purpose Trust Funds* – accounts for the P.T.C.W.D. #3 Trust Fund. The Trust received money in 1973 from the Pleasanton Township County Water District #3 and the funds may be used in the future to maintain the private road that serves the City’s water tanks.

***C. Cash, Cash Equivalents and Investments***

The City pools its available cash for investment purposes. The City’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

The City participates in the Local Agency Investment Fund (LAIF), an investment pool managed by the State of California which invests a portion of the pooled funds in Structured Notes and Asset-backed Securities. LAIF’s investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-backed Securities are subject to market risk due to change in interest rates.

For purposes of the statement of cash flows of the proprietary funds types, cash and cash equivalents include all investments, as the City operates an internal cash management pool which maintains the general characteristics of a demand deposit account.

***D. Restricted Cash and Investments***

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt and for acquisition and construction of capital projects. Cash and investments are also restricted for deposits held for others within the enterprise funds.

***E. Receivables***

During the course of normal operations, the City carries various receivable balances that are shown net of allowances for doubtful accounts for taxes, interest, services, utilities and special assessments. The City maintains allowances for doubtful accounts of \$30,000 in the Water Fund and \$20,000 in the Sewer Fund.

***F. Notes Receivable***

For the purposes of the governmental fund financial statements, expenditures related to long-term notes arising from subsidy programs are charges to operations upon funding and the notes are recorded with an offset to an unavailable revenue account under the deferred inflows of resources section. For the purposes of the government-wide financial statements, long-term loans are not offset by unavailable revenue accounts.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**G. *Deferred Inflows/Outflows of Resources***

In accordance with GASB Statement No. 65, *Items previously Reported as Assets and Liabilities*, the Balance Sheet and Statement of Net Position reports deferred outflows of resources separately from assets. This financial statement element represents a consumption of net position that applies to a future period(s) and as such will not be recognized as an outflow of resources (expense/expenditure) until then. The City has grant proceeds and deferred pensions that qualify for reporting in this category. The grant proceeds were provided to an external party to assist with a low income housing loan program and remains unspent as of June 30, 2015. The deferred pensions are pension contributions made after the pension plan measurement date, June 30, 2014.

Similarly, the Balance Sheet and Statement of Net Position reports deferred inflows of resources separately from liabilities. This separate financial element represents an acquisition of net position that applies to a future period(s) and as such will not be recognized as an inflow of resources (revenue) until that time.

**H. *Interfund Transactions***

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans).

Advances between funds, reported in the fund financial statements, are classified as nonspendable fund balance in the applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

**I. *Inventory***

Inventory at the City's Callippe Golf Course is valued at the lower of cost or market; cost being determined using the moving average costing method for the golf shop merchandise and the first-in first-out costing method for the restaurant inventory.

**J. *Capital Assets***

The City's assets are capitalized at historical cost or estimated historical cost. City policy has set the capitalization threshold for reporting general capital assets at \$5,000, for CIP projects at \$50,000, and for reporting infrastructure (streets, water, sewer and storm drains) at \$100,000. All streetlights and traffic signals are included. Donated capital assets are recorded at fair market value when received. Depreciation is recorded on a straight-line basis over the useful lives of the assets as follows:

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***J. Capital Assets, Continued***

Machinery and Equipment	5-20 years
Infrastructure	20-40 years
Buildings and Improvements	20-50 years

The City has included the value of all infrastructure in the current Basic Financial Statements. Capital assets that meet the definition of a major infrastructure network or extend the life of existing infrastructure networks are capitalized as infrastructure. Infrastructure networks include: roads, bridges, water, sewer, drainage systems and lighting systems.

***K. Compensated Absences***

Accumulated unpaid vacation and compensatory time is accrued in the Employee Benefit internal service fund using the accrual basis of accounting. Sick leave with pay is granted to all eligible employees. Sick leave is not considered a right which employees may use at their discretion, but is allowed only for specific purposes as explained in the City's personnel policies. The City accrues accumulated unpaid compensated absences when earned by the employee.

***L. Long-Term Debt***

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities and business-type activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized in the period in which they occur.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

***M. Interest Payable***

In the government-wide financial statements, interest payable on long-term debt is recognized when the liability is incurred for governmental activities and business-type activities.

In the fund financial statements, proprietary fund types recognize the interest payable when the liability is incurred.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***N. Property Taxes***

Property taxes are levied based on a fiscal year (July 1 – June 30). The property tax assessments are formally due on November 1 and February 1, and become delinquent as of December 10 and April 10, respectively. Taxes become a lien on the property effective January 1 of the preceding year.

***O. Net Position***

In the government-wide financial statements, net position is classified in the following categories:

*Net Investment in Capital Assets* – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction or improvement of the assets.

*Restricted Net Position* – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

*Unrestricted Net Position* – This amount is all net position that does not meet the definition of “net investment in capital assets” or “restricted net position.”

***P. Use of Restricted and Unrestricted Net Position/Fund Balance***

When an expense is incurred for purposes for which both restricted and unrestricted net position and fund balance are available, the City’s policy is to apply restricted net position or fund balance first.

***Q. Fund Balances – Governmental Funds***

On June 21, 2011, the City Council adopted Resolution No. 11-463 classifying the City’s fund balances in conformance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Fund balance commitments may be established only by formal action (either resolution or ordinance, as each is equally binding) of the City Council, the City’s highest level of decision-making authority. Commitments may be modified or rescinded only by the City Council taking the same formal action that established the commitment originally.

Assignment of fund balances to specific purposes may be established, modified, or rescinded by the City Council or the City’s Director of Finance. Resolution No. 11-463 designated the Director of Finance as the City official to determine and define the amounts of those components of fund balance that are classified as “Assigned Fund Balance.” When an expense is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, the City’s policy is to apply committed fund balance first, followed by assigned fund balance and then unassigned fund balance. The General Fund is the only fund that reports a positive unassigned fund balance amount.

Additionally, the City Council committed the General Fund reserves in accordance with the City’s fiscal policies for the Economic Uncertainty Reserve and the CIP and Repair & Replacement Reserves. These commitments may only be changed by approval of a subsequent resolution of the City Council. Resolution No. 11-463 also specified that the Economic Uncertainty Reserve would be maintained at a level equal to 10% of General Fund revenues.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***Q. Fund Balances – Governmental Funds, continued***

Funds committed under the Economic Uncertainty Reserve will be used to mitigate costs associated with unforeseen emergencies, including natural disasters or catastrophic events where the state or federal government declares a natural disaster. Should unforeseen and unavoidable events occur that require the expenditure of City resources beyond those provided for in the annual budget, the City Council must approve appropriations from the Economic Uncertainty Reserve.

Funds committed under the CIP Reserve will be used for future City projects as identified in the Capital Improvement Program.

Funds committed under the Repair & Replacement Reserve will be used to provide ongoing replacement of City equipment, vehicles, traffic signals, streetlights, and to make major repairs/renovations to City facilities, parks, and medians, in order to extend their useful lives.

***R. Use of Estimates***

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities. In addition, estimates affect the reported amount of expenses. Actual results could differ from these estimates and assumptions.

***S. Implementation of New GASB Pronouncements***

In FY 2014/15, the City adopted new accounting standards in order to conform to the following Governmental Accounting Standards Board Statements:

- GASB Statement No. 68 – In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. The objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. This statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, Pension Disclosures, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of statements No. 27 and No. 50 remain applicable for pensions that are not covered by the scope of this statement. This statement was implemented by the City as of July 1, 2014.
- GASB Statement No. 69 – In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. The objective of this statement is to improve accounting and financial reporting by State and local governments for government combinations and disposals of government operations. The statement provides authoritative guidance on a variety of government combinations including mergers, acquisitions, and transfers of operations. This statement was effective July 1, 2014. The City has determined that this statement is not applicable.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**S. Implementation of New GASB Pronouncements, Continued**

- GASB Statement No. 71 – In November 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. The objective of this statement is to improve accounting and financial reporting by addressing an issue in Statement No. 68, *Accounting and Financial Reporting for Pensions*, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that statement by employers and nonemployer contributing entities. The provisions of this statement are required to be applied simultaneously with the provisions of Statement 68. This statement was implemented by the City as of July 1, 2014.

The City is currently evaluating the potential impact on its financial statements of the following Governmental Accounting Standards Board Statements:

- GASB Statement No. 72 – In February 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. This statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. These disclosures should be organized by type of asset or liability reported at fair value. It also requires additional disclosures regarding investments in certain entities that calculate net asset value per share (or its equivalent). The requirements of this statement are effective for financial statements for periods beginning after June 15, 2015. The City has not yet determined its effect on the financial statements.
- GASB Statement No. 73 – In June 2015, GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The provisions in statement 73 are effective for fiscal years beginning after June 15, 2015—except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016. The City has not yet determined its effect on the financial statements.
- GASB Statement No. 74 – In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Statement No. 74 replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, statement 43, and statement No. 50, *Pension Disclosures*. The provisions in statement 74 are effective for fiscal years beginning after June 15, 2016. The City has not yet determined its effect on the financial statements.
- GASB Statement No. 75 - In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Statement 75 establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. The provisions in statement 75 are effective for fiscal years beginning after June 15, 2017. The City has not yet determined its effect on the financial statements.



**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**S. Implementation of New GASB Pronouncements, Continued**

- GASB Statement No. 76 – In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). This statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This statement is effective for reporting periods beginning after June 15, 2015. The City has not yet determined its effect on the financial statements.
- GASB Statement No. 77 – In August 2015, GASB issued Statement No. 77, *Tax Abatement Disclosures*. The objective of this statement is to provide financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs. This statement is effective for reporting periods beginning after December 15, 2015. The City has not yet determined its effect on the financial statements.

**2. CASH AND INVESTMENTS**

The City maintains a cash and investments pool, which includes cash balances and authorized investments of all funds, that is available for use by all funds. The City had no restricted cash and investments at June 30, 2015.

The following is a summary of pooled cash and investments at June 30, 2015:

	Government-Wide Statement of Net Position		Fiduciary Funds	Total
	Governmental Activities	Business-Type Activities	Statement of Net Position	
Cash and investments	\$ 155,649,170	\$ 42,989,945	\$ 12,514,407	\$ 211,153,522
Total	\$ 155,649,170	\$ 42,989,945	\$ 12,514,407	\$ 211,153,522

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**2. CASH AND INVESTMENTS, Continued**

At June 30, 2015, the City's pooled cash and investments consisted of the following:

	<u>Fair Value</u>
	<u>June 30, 2015</u>
<b>City Treasury:</b>	
Deposits:	
Cash on hand	\$ 7,525
Deposits with banks	10,275,698
Certificates of deposits	108,900
Total Deposits	<u>10,392,123</u>
Investments	
U.S. Government treasuries	2,001,400
U.S. Government agencies	143,778,499
Medium-term corporate notes	3,982,700
Certificates of deposits	980,000
California Local Agency Investment Fund	50,018,800
Total Investments	<u>200,761,399</u>
<b>Total City Treasury</b>	<u>\$ 211,153,522</u>

**A. Deposits**

At June 30, 2015, the carrying amount of the City's cash deposits with the bank had a balance of \$10,275,698 and the bank's balance was \$8,987,568. The difference between the bank balance and the City's carrying amount represents outstanding checks and deposits in transit. Of the bank balance, \$1,196,397 was covered by federal depository insurance and \$7,791,171 was collateralized by the pledging financial institutions as required by Section 53652 of the California Government Code. The California Government Code requires California banks to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits, or by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits.

**B. Investments**

Under the provisions of the City's investment policy, and in accordance with Section 53601 of California Government Code, the City may invest or deposit in the following:

- Bankers' acceptances
- Commercial paper
- Local Agency Investment Fund
- Mutual funds
- Medium-term corporate notes
- Money market funds
- Negotiable certificates of deposit
- Repurchase agreements
- Securities of the Federal government or its agencies

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**2. CASH AND INVESTMENTS, Continued**

**B. Investments, Continued**

GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, requires that the City's investments be carried at fair market value instead of cost. Accordingly, the City adjusts the carrying value of its investments to reflect their fair value at each fiscal year-end and the effects of these adjustments are included in income for that fiscal year. Changes in market value at the fiscal year ended June 30, 2015 from the fiscal year ended June 30, 2014 amounted to an unrealized loss of \$84,775.

During the year, the City held callable notes. Callable notes are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options. They are issued by corporations and by government-sponsored enterprises such as the Federal National Mortgage Association (FNMA) and the Federal Home Loan Bank (FHLB). These securities could be called prior to maturity, depending on changes in interest rates. As of June 30, 2015, the City held \$119,149,246 in callable notes, which amounted to 59.35% of total investments.

**C. Interest Rate Risk**

As a means of limiting its exposure to fair market value losses arising from interest rates, the City's investment policy limits investments to a maximum maturity of five years. At June 30, 2015, the City had the following investment maturities:

Investment Type	Fair Value	Investment Maturities (In Years)	
		Less than 1	1 to 5
U.S. Government treasuries	\$ 2,001,400	\$ 2,001,400	\$ -
U.S. Government agencies	143,778,499	4,001,960	139,776,539
Medium-term corporate notes	3,982,700	2,002,920	1,979,780
Certificates of deposits	980,000	980,000	-
California Local Agency Investment Fund	50,018,800	50,018,800	-
<b>Total</b>	<b>\$ 200,761,399</b>	<b>\$ 59,005,080</b>	<b>\$ 141,756,319</b>

**D. Credit Risk**

The City's policy, consistent with state law, limits investments in corporate notes to notes rated "A" or better by a nationally recognized statistical rating organization (NRSRO), including Moody's Investor's Service and Standard & Poor's.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**2. CASH AND INVESTMENTS, Continued**

**D. Credit Risk, Continued**

The City's investments are rated by the nationally recognized rating organizations, and as of June 30, 2015, the ratings, as well as the percentage of credit risk expressed on a percentage basis, are as follows:

	Moody's	Standard & Poor's	Percentage
U.S. Government Agencies			
Federal Farm Credit Bank	Aaa	AA	26.83%
Federal Home Loan Bank	Aaa	AA	25.47%
Federal Home Loan Mortgage Corporation	Aaa	AA	14.32%
Federal National Mortgage Association	Aaa	AA	4.99%
Medium Term Notes			
General Electric Corporation	Aa	AA	1.00%
Apple, Inc.	Aa	AA	1.00%

*Concentration of Credit Risk* – The City's Policy has the same maturity limits as the California Government Code. The City is allowed to purchase mutual funds up to 20% of the value of the portfolio. There are no specified maximum percentages for U.S. Treasury Obligations, U.S. Agencies, and the external investment pool (State of California – Local Agency Investment Fund). The City is in compliance with these provisions of the Policy.

The following is a chart of investments not guaranteed by the U.S. Government that represent five (5) percent or more of the total investments:

<u>U.S. Agencies</u>	<u>Amount Invested</u>	<u>Percentage of Investments</u>
Federal Farm Credit Bank	\$ 53,871,928	26.8%
Federal Home Loan Bank	51,136,515	25.5%
Federal Home Loan Mortgage Corporation	28,749,148	14.3%
Federal National Mortgage Association	10,020,908	5.0%
	<u>\$ 143,778,499</u>	<u>71.61%</u>

For investments, custodial risk is the risk that in the event of failure of a depository financial institution or a counter party (e.g., broker-dealer) to a transaction, the City will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City's investments, with the exception of money market funds, certificates of deposit and LAIF, are held in the name of the City for safekeeping by a third-party custodian, Bank of New York Mellon (BNYM). BNYM is a registered member of the Federal Reserve Bank. Securities held on our behalf by our third-party custodian are not at risk or commingled with other entities' securities; therefore removing the custodial risk for the City.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**2. CASH AND INVESTMENTS, Continued**

***E. External Investment Pool***

As of June 30, 2015, the City had \$50,018,800 invested in the California Local Agency Investment Fund (LAIF), a State of California external investment pool. The LAIF is part of the Pooled Money Investment Account (PMIA). The PMIA began in 1955 and oversight is provided by the Pooled Money Investment Board (PMIB) and a State in-house Investment Committee. The PMIB members are the State Treasurer, Director of Finance, and the State Controller. The LAIF determines the fair value of its investment portfolio based on market quotations for those securities where market quotations are readily available, and on amortized cost or best estimate for those securities where market value is not readily available. At June 30, 2015, 47.46% of LAIF's portfolio was invested in government guaranteed U.S. Treasuries.

As of June 30 2015, 2.08% of LAIF's portfolio was invested in Structured Notes and Asset-Backed Securities. These investments included the following:

Structured Notes are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMS) or credit card receivables.

The fair value of LAIF was calculated by applying a factor of 1.000375979 to total investments held by LAIF. The fair value of the City's position in the pool is substantially equivalent to the value of the pool share. Separate financial statements for the PMIB may be obtained from California State Treasurer's Office, 915 Capital Mall, Sacramento, CA 95814.

**3. NOTES RECEIVABLE**

The following table summarizes the notes receivable outstanding as of June 30, 2015, and a brief description of each of the loan categories appears below the table:

	<u>Government- Wide Statement of Net Position</u>
Housing Loans	
Multifamily Housing Projects - Developers	\$ 3,567,063
Revolving Home Loans - Individuals	607,499
Senior Housing Projects - Developers	533,202
Nonprofit Public Benefit Corporation	65,000
HOME Grant Program Loans	1,544,720
CDBG Program Loans	549,979
Tri-Valley Housing Opportunity Center Loan	51,667
In-Lieu Parking Fee Loans	58,000
Sewer Connection Fee Loans	163,689
Hacienda Business Park LED Project	251,668
Total	<u>\$ 7,392,487</u>

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**3. NOTES RECEIVABLE, Continued**

Housing Loans – The City has loaned City funds to private developers, individuals, and corporations for the development of affordable housing for seniors and low income residents.

HOME Grant Program Loans – Through its membership in the Alameda County HOME Consortium, the City receives an annual allocation of federal funds through the HOME Investment Partnership Program (HOME). The City receives approximately \$75,000 annually through a formula administered by the County of Alameda. The City has allocated its HOME funds primarily to agencies and programs that provide housing to low-income persons and households.

CDBG Program Loans – As an “entitlement city” with a population greater than 50,000, the City receives an annual allocation of federal funds directly from the U.S. Department of Housing and Urban Development (HUD) through the Community Development Block Grant (CDBG) Program. The City receives approximately \$250,000 annually and makes its CDBG funds available annually for application by agencies that provide housing and services to low-income persons and households.

Tri-Valley Housing Opportunity Center Loan – The Tri-Valley Housing Opportunity Center (TVHOC) is a non-profit public charity that provides financial and housing counseling and education services to residents of the cities of Danville, Dublin, Livermore, Pleasanton, and San Ramon. In April 2013, the City joined with Dublin and Livermore in funding a \$155,001 loan to TVHOC to enable it to meet its outstanding financial obligations. The City's share of the loan to TVHOC was \$51,667, and the full amount was outstanding as of June 30, 2015.

In-Lieu Parking Fee Loans – Loans are provided to property owners within the Downtown Revitalization District to finance the cost of off-street parking required for a development project pursuant to the Pleasanton Municipal Code Chapter 18.88 Off Street Parking Facilities. This loan program was adopted by Ordinance No. 1898 in 2003 and is set forth in Pleasanton Municipal Code section 18.88.120. Since the program’s inception, several property owners have utilized this loan program and repaid their loans. The outstanding amount as of June 30, 2015 was \$58,000.

Sewer Loans – Loans are granted to restaurant owners to finance sewer connection fees. The loan program was adopted in 1989 to encourage restaurants to locate in the downtown area. In 1997, the City expanded the loan program to restaurants outside downtown Pleasanton. The outstanding amount as of June 30, 2015 was \$163,689.

Happy Valley Infrastructure Loans – In 2009, the City entered into an agreement with a resident for reimbursement of water and sewer infrastructure costs in the Happy Valley area of the City. The amount of the note is \$33,493 and does not include interest. There are sixty (60) monthly installment payments of \$565.75 due on the note, commencing on November 1, 2009. Payments received during FY 2014/15 amounted to \$1,616. The loan was fully repaid as of June 30, 2015.

Hacienda Business Park LED Loan – In 2015, the City loaned \$251,668 to the Hacienda Business Park Owners Association (HBPOA) for their share of the City LED Street Light Retrofit Capital Improvement Project. There are twenty-one (21) semi-annual payments due on the loan; each payment is due by June 22<sup>nd</sup> and December 22<sup>nd</sup> of each year. The interest rate adjusts annually based on the Local Agency Investment Fund interest calculated each January 2<sup>nd</sup>. Payments commence in December 2015. The outstanding amount as of June 30, 2015 was \$251,668.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**3. NOTES RECEIVABLE, Continued**

A detailed summary of each of the housing-related loans is presented below:

- *Eden Housing/Ridge View Commons Associates* – In 1988, the City loaned \$4,000,000 to Eden Housing, Inc. for the development of Ridge View Commons, a rental housing development for low and very low income seniors. Funding for this loan came from a Department of Housing and Urban Development (HUD) grant through the Housing Development Grant (HODAG) program. This loan bears interest of 5% per annum and both principal and interest are payable only to the extent that surplus cash is available. In 1999, the City loaned \$2,250,000 from the Lower Income Housing Fund to Ridgeview Commons Associates, a California Limited Partnership affiliated with Eden Housing, Inc., for this same housing project. In FY 2009/10, the City loaned an additional \$225,000 to Ridgeview Commons Associates to buy out the financial interests of the limited partner (Chevron USA, Inc.) in this project. This loan, totaling \$2,475,000, bears interest of 5.5% per annum and is payable only to the extent that surplus cash is available. Due to the contingent nature of the loan repayments, the City has recorded an allowance for doubtful accounts in its Lower Income Housing Fund for both principal and interest.
- *Tri-Valley REACH, Inc. Loans* – Beginning in January 1992, the City has entered into series of agreements with REACH, Inc. (formerly HOUSE, Inc.), a local nonprofit agency, to provide funding to purchase below-market priced homes in Pleasanton for developmentally disabled adults who can live independently with supportive services. These loans do not include interest payments and no repayment of principal is due as long as REACH, Inc. owns the property and continues to use it for the intended purpose. Total REACH, Inc. loans outstanding as of June 30, 2015 were \$1,147,532. Of this amount, \$1,034,967 is funded by the HOME Grant Program, \$65,000 is funded from the City’s Lower Income Housing Fund, and \$47,564 is funded by the CDBG Program.

The five loans to REACH, Inc. currently outstanding are summarized in the following table:

<b>Date of Loan</b>	<b>Loan Amount</b>	<b>Funding Sources</b>
January 1992	\$ 75,000	HOME Grant (\$75,000)
January 1997	201,440	HOME Grant (\$136,440); Lower Income Housing Fund (\$65,000)
August 2006	476,091	HOME Grant (\$428,527); CDBG Grant (\$47,564)
February 2009	195,000	HOME Grant (\$195,000)
May 2010	200,000	HOME Grant (\$200,000)
<b>Total</b>	<b>\$ 1,147,531</b>	

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**3. NOTES RECEIVABLE, Continued**

- Case Avenue Associates - In 1996, the City loaned \$766,063 to Case Avenue Associates to finance the construction of the Promenade Apartments, a mixed income rental housing development of very low income, low income and market rate units. This loan was to finance the construction of the low income and very low income units in the project and was comprised of two components: \$636,063 funded by the City, and \$130,000 funded through the City's allocation of HOME Program funds. Both loans are reported in the Lower Income Housing Fund. The \$636,063 portion did not bear interest through 2007. Beginning in 2008, interest accrues at 2% and is payable from available cash flow from the project. Any interest not paid due to insufficient cash flow is deferred until the first year cash flow is available. All deferred interest and principal are due in full on the date of maturity, April 1, 2051. The \$130,000 HOME portion bears no interest, and principal is to be paid in full on the date of maturity, April 1, 2051. Interest outstanding on the City-funded portion of the loan at June 30, 2015, was \$9,270. The principal amounts outstanding at June 30, 2015, for the City funded and the HOME funded portions were \$636,063 and \$130,000, respectively.
- Promenade Housing Associates - In 1996, the City loaned \$231,999 to Promenade Housing Associates to finance the construction of the Promenade Apartments, a mixed income rental housing development of very low income, low income and market rate units. This loan was to finance the construction of affordable units in the project and was comprised of two components: \$101,999 funded by the City, and \$130,000 funded through the City's allocation of HOME Program funds. Both loans are reported in the Lower Income Housing Fund. The \$101,999 portion did not bear interest through 2007. Beginning in 2008, interest accrues at 2% and is payable from available cash flow from the project. Any interest not paid due to insufficient cash flow is deferred until the first year cash flow is available. All deferred interest and principal are due in full on the date of maturity, April 1, 2051. The \$130,000 HOME portion bears no interest and principal is to be paid in full on the date of maturity, April 1, 2051. Interest outstanding on the City funded portion of the loan at June 30, 2015, was \$1,487. The principal amounts outstanding at June 30, 2015, for the City funded and the HOME funded portions were \$101,999 and \$130,000, respectively.
- Busch Garden Investors - In 2003, the City loaned Busch Garden Investors \$205,000 for the construction of the Gardens at Ironwood senior apartment project. The loan is a zero interest rate loan with annual principal payments in the amount of \$14,000. The amount outstanding at June 30, 2015, was \$79,000.
- Pleasanton Homeownership Assistance Program - As part of the Pleasanton Homeownership Assistance Program (PHAP) developed by the City to provide affordable housing opportunities for households of low and moderate income, loans are provided to eligible low and moderate income homebuyers for second mortgages and down payment assistance. For the City's Down Payment Assistance (DPA) program, which was started in 2004, amortized payments are made on half of the loan for the first ten years while payments are partially deferred for ten years on the other half. During FY 2014/15, the City received loan repayments totaling \$82,845 and issued two new loans totaling \$34,000. The outstanding amount due to the City for these types of loans as of June 30, 2015 was \$607,499.
- MidPen Housing Corporation – On November 12, 2013, the City approved a Disposition, Development and Loan Agreement with MidPen Housing Corporation that provides for a \$10,000,000 loan from the City's Lower Income Housing Fund for the development of the Kottinger Place and Pleasanton Gardens affordable senior housing project. During FY 2014/15, the City appropriated an additional \$3,750,000 from the Lower Income Housing Fund for this project, increasing the project funding to \$13,750,000. A promissory note will be executed at the time of the closing of the construction financing, anticipated in Spring, 2016.



**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**3. NOTES RECEIVABLE, Continued**

During FY 2013/14, the City agreed to provide a predevelopment loan up to a maximum of \$2,800,000 to MidPen Housing Corporation for the predevelopment costs of the Kottinger Place and Pleasanton Gardens senior housing project utilizing funds from the City's Lower Income Housing Fund. Interest accrues on the principal amount at 3% per annum. The term of the loan expires fifty-five years from the date of conversion to permanent financing. During FY 2014/15, the City disbursed an additional \$109,993 to MidPen Housing Corporation. The principal and interest outstanding at June 30, 2015 were \$533,202 and \$19,565, respectively.

During FY 2014/15, the City agreed to provide a separate predevelopment loan up to a maximum of \$450,000 to MidPen Housing Corporation for the predevelopment costs of the Kottinger Place and Pleasanton Gardens senior housing project. The loan was funded through the City's annual formula allocation of federal HOME Program funds. Interest accrues on the principal amount at 3% per annum. The term of the loan expires fifty-five years from the date of conversion to permanent financing. During FY 2014/15, the City disbursed \$188,412 to MidPen Housing Corporation. The principal and interest outstanding at June 30, 2015 were \$188,412 and \$1,354, respectively.

- BLP Partnership, Inc. – In 2005, the City loaned \$2,490,000 to BLP Partnership, Inc. for the predevelopment and construction of the Parkview assisted living facility. The loan requires an annual interest-only payment of 10% (\$249,000) for 55 years or until the loan is paid in full. Annual payments are based on the availability of surplus cash from the operation of the facility according to a “waterfall of payments” provision in the Loan Agreement, and any unpaid amounts are accrued to be paid from surplus cash in subsequent years. At maturity, on September 1, 2060, any unpaid principal and interest will be forgiven. Consequently, the City has recorded the accrued unpaid interest in an allowance for doubtful accounts in its Lower Income Housing Fund. During FY 2014/15, BLP paid the City \$249,000 representing a portion of the accrued unpaid interest. As of June 30, 2015, the accrued unpaid interest in the allowance for doubtful accounts was \$1,372,399 and the principal amount outstanding was \$2,490,000.
- Regional Affordable Housing Projects – The City has also allocated HOME funding via loans and grants to several regional affordable housing projects that have been deemed to provide a benefit to Pleasanton residents due to the unique populations they serve. There are three affordable housing loans outstanding which include: \$80,000 to Housing Alliance for the construction of Lorenzo Creek apartments (28 units of rental housing in Castro Valley for homeless individuals and families with disabilities); \$30,000 to the Deaf Senior Retirement Corporation for the construction of the Fremont Oak Gardens (50 units of rental housing in Fremont for very low income deaf seniors); and \$50,000 to Affordable Housing Associates for the construction of the Carmen Avenue apartments (30 units of rental housing in Livermore for families that were formerly homeless and have special needs). All three loans are deferred and the Fremont Oak Gardens and Carmen Avenue loans bear no interest. The Housing Alliance loan is subject to 3% interest, and payments are deferred for 15 years. Starting March 2021, payments are subject to available cash flow as determined by Alameda County (the lead agency in the multi-jurisdictional funding agreement). Interest outstanding on the Housing Alliance loan at June 30, 2015 was \$22,200. The principal amount outstanding for all three loans at June 30, 2015, was \$160,000.
- Housing Rehabilitation Program - The Housing Rehabilitation Program provides financial assistance for the improvement of properties occupied by very low or low-income homeowners. These loans accrue 3% simple interest. Principal and interest is deferred for thirty years or until such time the property is sold or ceases to be the principal residence of the borrower. The majority of loans issued through the Housing Rehabilitation Program have been funded using CDBG funds, with the exception of several loans that have been funded with HOME funds. The City currently contracts with Amerinational Community Services to service the City's Housing Rehabilitation Program loan portfolio. The outstanding principal and interest amounts of Housing Rehabilitation Program loans funded by CDBG funds as of June 30, 2015 were \$502,415 and \$167,226, respectively. The outstanding principal and interest amounts of Housing Rehabilitation Program loans funded by HOME funds as of June 30, 2015, were \$161,341 and \$15,936, respectively.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**4. INTERFUND TRANSACTIONS**

**A. Interfund Receivables / Payables**

The composition of interfund balances as of June 30, 2015 is as follows:

Due to/from Other Funds

The General Fund provides short-term cash flow assistance to various grant funds and Enterprise Funds that have grant programs for which expenses are paid in one fiscal year and not reimbursed from grant receipts until the subsequent fiscal year. In FY 2014/15, the most significant short-term cash flow assistance by the General Fund was the \$744,816 of assistance to the Miscellaneous Grants Fund. A majority of the assistance (\$680,538) was for the Dolores Bengtson Aquatic Center Deck and Mechanical Building Improvement Project. The East Bay Regional Park District Measure WW Park Bond Extension Grant will reimburse the City for these expenses upon completion of the project.

As of June 30, 2015, the General Fund provided \$1,596,426 to various non-major special revenue funds and \$25,140 to the Transit Fund.

		<b>Due From Other Funds</b>
		<u>General Fund</u>
<b>Due to Other Funds</b>	Non-major Governmental Funds:	
	Miscellaneous Grants Fund	\$ 744,816
	Federal ISTEA Program Fund	367,000
	Traffic Grants Fund	275,000
	HOME Program Fund	149,202
	Community Development Block Grant Fund	46,678
	HBPOA Maintenance District Fund	13,730
	Non-major Enterprise Funds:	
	Transit Fund	25,140
	<b>Total</b>	<u><u>\$ 1,621,566</u></u>

Long-Term Advances

On July 1, 2012, the Retirees Medical Reserve internal service fund advanced \$7,840,284 to the Employee Benefits internal service fund to internally finance the payoff of the PERS Police Retirement Group side fund loan. In FY 2014/15, \$881,945 of the advance was repaid, and the remaining \$3,728,321 will be repaid over the next four years.

On April 17, 2015, the Replacement/Renovation internal service fund advanced \$2,000,000 to the Park Capital Improvement Program Fund to be used for expenses associated with the Bernal Community Park, Phase II Lighted Multi-Purpose Sports Fields project. The advance will be repaid within ten years after the date of the park's opening.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**4. INTERFUND TRANSACTIONS, Continued**

**B. Transfers In/Out**

The majority of transfers in FY 2014/15 were to contribute to the PERS Rate Stabilization and Parks Capital Improvement Program Funds, and to provide operating subsidies to enterprise funds.

- The Retirees Medical Internal Service Fund (\$8,500,000), the General Fund (\$1,000,000), and the Water (\$44,626), Sewer (\$20,955), and Storm Drain (\$5,835) Enterprise Funds contributed \$9,571,416 to the PERS Rate Stabilization Internal Service Fund to reduce future CalPERS pension related liabilities.
- The General Fund transferred \$1,300,000 to the Park Capital Improvement Program Fund to fund activities related to the development of the Bernal Community Park, Phase II Lighted Multi-Purpose Sport Fields project.
- The General Fund transferred \$1,102,157 to enterprise funds to support low income and senior water and sewer discounts; and to support senior transportation, storm drain, and cemetery operations.

Transfers in/out for the year ended June 30, 2015 were as follows:

		Transfers Out							Total
		Major Fund					Non-Major Governmental Funds	Internal Service Funds	
		General Fund	Water Funds	Sewer Funds	Storm Funds	Golf Funds			
<b>Transfers In</b>	Major Fund:								
	General Fund	\$ -	\$ -	\$ -	\$ -	\$ 199,014	\$ 54,933	\$ 588,870	\$ 842,817
	Park CIP Fund	1,300,000	-	-	-	-	421,704	-	1,721,704
	Sewer Enterprise Funds*	100,805	-	-	-	-	-	17,055	117,860
	Water Enterprise Funds*	202,509	-	-	-	-	3,881	35,075	241,465
	Storm Drain Enterprise Funds	330,000	-	-	-	-	-	-	330,000
	Non-Major Governmental Funds	162,499	-	-	-	-	612,722	-	775,221
	Non-Major Enterprise Funds	416,713	-	-	-	-	-	-	416,713
	Internal Service Funds	2,297,089	44,625	20,955	5,835	80,000	-	8,500,000	10,948,504
	<b>Total</b>	<b>\$ 4,809,615</b>	<b>\$ 44,625</b>	<b>\$ 20,955</b>	<b>\$ 5,835</b>	<b>\$ 279,014</b>	<b>\$ 1,093,240</b>	<b>\$ 9,141,000</b>	<b>\$ 15,394,284</b>

\* Per Proposition 218, low income and senior discounts for sewer and water services cannot be funded by rate payers and instead must be funded by the General Fund.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**5. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2015, was as follows:

	Balance June 30, 2014	Additions	Retirements	Transfers	Balance June 30, 2015
<b>Governmental activities:</b>					
Nondepreciable assets:					
Land	\$ 239,829,209	\$ 239,046	\$ -	\$ -	\$ 240,068,255
Right-of-ways	36,354,674	-	-	-	36,354,674
Public Art	651,236	-	-	-	651,236
Construction in progress	9,787,915	10,237,823	(415,851)	(13,043,211)	6,566,676
Total nondepreciable assets	<u>286,623,034</u>	<u>10,476,869</u>	<u>(415,851)</u>	<u>(13,043,211)</u>	<u>283,640,841</u>
Depreciable assets:					
Infrastructure	270,078,679	6,891,737	(2,165,189)	10,201,692	285,006,919
Accumulated depreciation	(161,832,108)	(7,384,433)	1,964,876	-	(167,251,665)
Buildings	78,028,855	-	-	1,855,699	79,884,554
Accumulated depreciation	(22,313,827)	(1,564,257)	-	-	(23,878,084)
Improvements other than buildings	56,556,018	1,135,445	(318,893)	605,123	57,977,693
Accumulated depreciation	(35,344,659)	(1,813,498)	-	-	(37,158,157)
Machinery and equipment	22,436,213	1,004,220	(872,944)	380,697	22,948,186
Accumulated depreciation	(15,466,322)	(1,648,547)	697,333	-	(16,417,536)
Vehicles	11,353,747	573,088	(1,056,469)	-	10,870,366
Accumulated depreciation	(8,688,455)	(535,504)	934,393	-	(8,289,566)
Net depreciable assets	<u>194,808,141</u>	<u>(3,341,749)</u>	<u>(816,893)</u>	<u>13,043,211</u>	<u>203,692,710</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 481,431,175</u>	<u>\$ 7,135,120</u>	<u>\$ (1,232,744)</u>	<u>\$ -</u>	<u>\$ 487,333,551</u>
<b>Business-type activities:</b>					
Nondepreciable assets:					
Land	\$ 14,512,340	\$ -	\$ -	\$ -	\$ 14,512,340
Construction in progress:	1,730,776	1,356,744	-	-	3,087,520
Total nondepreciable assets	<u>16,243,116</u>	<u>1,356,744</u>	<u>-</u>	<u>-</u>	<u>17,599,860</u>
Depreciable assets:					
Infrastructure	260,392,855	1,463,050	-	-	261,855,905
Accumulated depreciation	(142,337,239)	(6,062,451)	-	-	(148,399,690)
Buildings	37,608,657	-	-	-	37,608,657
Accumulated depreciation	(14,932,923)	(870,321)	-	-	(15,803,244)
Improvements other than buildings	31,481,268	-	-	-	31,481,268
Accumulated depreciation	(13,878,330)	(1,567,608)	-	-	(15,445,938)
Machinery and equipment	14,028,882	-	-	-	14,028,882
Accumulated depreciation	(5,816,880)	(518,096)	-	-	(6,334,976)
Vehicles	620,862	-	(12,774)	-	608,088
Accumulated depreciation	(564,352)	(20,794)	12,774	-	(572,372)
Net depreciable assets	<u>166,602,800</u>	<u>(7,576,220)</u>	<u>-</u>	<u>-</u>	<u>159,026,580</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 182,845,916</u>	<u>\$ (6,219,476)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 176,626,440</u>

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**5. CAPITAL ASSETS, Continued**

**A. Depreciation**

Depreciation expense was charged to various governmental functions as follows:

General government	\$ 156,660
Public safety	1,384,901
Community development	1,295,430
Operations services	8,515,335
Community activities	<u>1,593,913</u>
<b>Total depreciation expense - governmental activities</b>	<b><u>\$ 12,946,239</u></b>

Depreciation expense was charged to the business-type functions as follows:

Water	\$ 3,324,697
Sewer	2,873,294
Golf	1,663,841
Transit	20,794
Storm Drain	1,093,343
Housing Authority	<u>63,301</u>
<b>Total depreciation expense - business type activities</b>	<b><u>\$ 9,039,270</u></b>

**6. LONG-TERM LIABILITIES**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2015:

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015	Amounts Due Within One Year	Amounts Due in More Than One Year
<b>Governmental Activities:</b>						
2004 Refunding Lease Certificates of Participation	\$ 380,000	\$ -	\$ (380,000)	\$ -	\$ -	\$ -
Note payable, County of Alameda	2,060,833	-	(1,030,417)	1,030,416	1,030,416	-
Emergency Medical Equipment Capital Lease*	52,585	-	(20,690)	31,895	21,147	10,748
California Energy Commission (CEC)	-	1,468,014	(350,000)	1,118,014	171,097	946,917
Claims payable (Note 7)	6,811,441	2,814,201	(1,745,067)	7,880,575	3,182,581	4,697,994
Compensated absences (Note 8)	4,287,933	3,138,280	(3,259,631)	4,166,582	1,307,526	2,859,056
Net pension liability (Note 11)	-	116,020,100	-	116,020,100	-	116,020,100
<b>Total governmental activities</b>	<b><u>\$ 13,592,792</u></b>	<b><u>\$ 123,440,595</u></b>	<b><u>\$ (6,785,805)</u></b>	<b><u>\$ 130,247,582</u></b>	<b><u>\$ 5,712,767</u></b>	<b><u>\$ 124,534,815</u></b>
<b>Business-type Activities:</b>						
2004 Sewer Revenue Refunding Bonds	\$ 180,000	\$ -	\$ (180,000)	\$ -	\$ -	\$ -
Golf Course Capital Lease	246,315	-	(132,519)	113,796	98,245	15,551
Net pension liability (Note 11)	-	7,468,096	-	7,468,096	-	7,468,096
<b>Total business-type activities</b>	<b><u>\$ 426,315</u></b>	<b><u>\$ 7,468,096</u></b>	<b><u>\$ (312,519)</u></b>	<b><u>\$ 7,581,892</u></b>	<b><u>\$ 98,245</u></b>	<b><u>\$ 7,483,647</u></b>

\*Amount included Livermore's 50% share of LPFD's capital lease obligation.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**6. LONG-TERM LIABILITIES, Continued**

Long-term debt at June 30, 2015, consisted of the following:

Type of Indebtedness (Purpose)	Maturity (Fiscal Year)	Interest Rates	Annual Installments (000's)	Amount Issued	Outstanding June 30, 2015
<b>Governmental Activities:</b>					
Note payable, County of Alameda	2016	Variable*	\$ 1,030	\$ 6,500,000	\$ 1,030,416
Note payable, California Energy Commission	2022	1.00%	171	1,468,014	1,118,014
<b>Total governmental activities</b>					<u>\$ 2,148,430</u>

\*Interest accrues at the LAIF rate prevailing on the payment due date (0.28% as of June 30, 2015).

2004 – Refunding Lease Certificates of Participation

On December 8, 2004, the City issued Refunding Lease Certificates of Participation in the amount of \$4,040,000. The proceeds were used to refinance in part the City's obligations relating to certain Refunding Lease Revenue Bonds, 1994 Series B of the Pleasanton Joint Powers Financing Authority, to fund a Reserve Fund for the Certificates, and to pay certain costs of issuing the Certificates. The original certificate proceeds were used in 1988 to finance the construction and acquisition of fire station improvements, the Fire Training Center and the Pleasanton City Hall at 123 Main Street. The certificates bear interest at rates ranging from 3.25% to 3.40% and are payable semiannually on March 1 and September 1. Principal payments are payable annually on each September 1. The final payment is due September 1, 2014. These certificates are obligated to be repaid from the City's general fund or any source of funds legally available. These certificates are fully repaid as of June 30, 2015.

Note Payable, County of Alameda

On July 8, 2008, the City signed a Purchase Agreement with the County of Alameda for the acquisition of approximately ten acres of vacant property, known as the Alameda County Transportation Corridor, located between Bernal Avenue and Stanley Boulevard and parallel to First Street in the Downtown area. For purposes of the Purchase Agreement, the property is divided into two sections, the Southern Property and the Northern Property. The purchase prices of the Southern and Northern Properties are \$5,500,000 and \$2,000,000, respectively. The City paid the County \$2,100,000 for the Southern Property at the close of escrow in July 2008, with the balance of \$3,400,000 to be paid to the County in seven, roughly equal, installments, of which the first two installments are interest free. The remaining installments bear interest at the Local Agency Investment Fund (LAIF) rate prevailing on the payment date. The purchase of a portion of the Northern Property was contingent upon the remedial cleanup action of a recognized environmental condition on the property. On September 30, 2013, the City purchased the uncontaminated segments of the Northern Property for a purchase price of \$1,687,250. The \$1,000,000 which had been held in escrow by the County as a security deposit was applied to pay the first of three annual purchase installments, \$562,417, with the residual amount returned to the City. The County will continue its efforts to complete the cleanup of contamination on the remaining segment of the Northern Property not purchased by the City.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**6. LONG-TERM LIABILITIES, Continued**

The following schedule illustrates the payment requirements for purchase agreements for governmental activities as of June 30, 2015:

Alameda County Transportation Corridor  
Purchase Agreement

Year Ending June 30,	Principal	Coupon	Estimated Interest*	Total Payment	Balance
2016	\$ 1,030,416	0.28%	\$ 2,885	\$ 1,033,301	\$ 1,030,416

\*Interest accrues at the LAIF rate prevailing on the payment due date. The June 30, 2015 LAIF rate was used for purposes of this schedule.

Emergency Medical Equipment Capital Lease

On November 8, 2011, the City entered into a lease purchase agreement with Bank of America for emergency medical equipment. The cost of the leased equipment is \$102,371. Accumulated depreciation of the leased equipment was \$35,404 as of June 30, 2015. The City will make quarterly payments of \$5,418 over a lease period of 60 months, including interest payments at a rate of 2.194%. At the end of the term, the equipment becomes the property of the City. After the first 30 months of the lease, the City will have the option to pre-pay the lease on any payment date for a premium of 1% on the then-outstanding balance. The City and the City of Livermore, through the Livermore-Pleasanton Fire Department, are expected to share the cost of the equipment lease payments, but the General Fund has provided the repayment pledge.

The following schedule presents future minimum lease payments for emergency medical equipment capital lease as of June 30, 2015:

	2015/16	2016/17	Total
Minimum Lease Payments	\$ 21,674	\$ 10,837	\$ 32,511
Less: Interest			(616)
Present Value of Minimum Lease Payment			<u>\$ 31,895</u>

California Energy Commission (CEC) Loan

On June 7, 2013, the City entered into an agreement with the California Energy Resources Conservation and Development Commission (Energy Commission) to borrow up to \$2,755,000 for the LED Street Light Retrofit Capital Improvement Project. Loan funds are to be disbursed to the City on a reimbursement basis based on eligible invoices paid. Interest accrues at 1% per annum on the unpaid principal, computed from each disbursement date. Payments begin on or before December 22<sup>nd</sup> of the fiscal year following the year in which the project is completed, and continues thereafter on each June 22<sup>nd</sup> and December 22<sup>nd</sup> until principal and interest is paid in full. The CEC disbursed \$1,468,014 to the City during FY 2014/15, of which the City repaid \$350,000 by the end of the fiscal year. The outstanding balance at June 30, 2015 was \$1,118,014.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**6. LONG-TERM LIABILITIES, Continued**

2004 Sewer Revenue Refunding Bonds

On December 8, 2004, the City issued \$1,760,000 of the Series 2004 Sewer Revenue Refunding Bonds. The 2004 Sewer Revenue Refunding Bonds were issued to refund a portion of the City’s obligations with respect to the Pleasanton Joint Powers Financing Authority 1994 Series A Refunding Water and Sewer Revenue Bonds and 1994 Series B Refunding Lease Revenue Bonds, to fund a reserve fund for the Bonds, and to pay certain costs of issuance of the Bonds. The original bond proceeds were used to fund the acquisition and construction of improvements to the City's sewer collection system. The bonds bear interest at rates ranging from 3.375% to 3.50% and are payable semiannually on each September 1 and March 1. Principal payments are payable annually on each September 1 through 2014. These bonds are to be repaid from net revenues received by the City from the operation of the sewer enterprise. These bonds are fully repaid as of June 30, 2015.

Golf Course Capital Leases

On January 24, 2011, the City entered into a lease purchase agreement with Bank of America for golf course maintenance equipment. The cost of the leased equipment is \$350,144. Accumulated depreciation of the leased equipment was \$220,924 as of June 30, 2015. The City will make quarterly payments of \$18,602 over a lease period of 60 months, including interest payments at a rate of 2.34%. At the end of the term, the equipment becomes the property of the City.

On September 30, 2011, the City entered into an additional lease purchase agreement with Bank of America for golf course maintenance equipment. The cost of the leased equipment is \$293,125. Accumulated depreciation of the leased equipment was \$157,031 as of June 30, 2015. The City will make quarterly payments of \$15,637 over a lease period of 60 months, including interest payments at a rate of 2.194%. At the end of the term, the equipment becomes the property of the City.

After the first 30 months of each of the golf course equipment leases, the City will have the option to pre-pay the lease on any payment date for a premium of 1% on the then-outstanding balance. Revenues of the golf course are expected to pay for the equipment lease payments, but the General Fund has provided the pledge for repayment.

The following schedules present future minimum lease payments for equipment at Callippe Golf Course as of June 30, 2015:

Lease Date: January 24, 2011	<u>2015/16</u>	<u>Total</u>	
Minimum Lease Payments	\$ 37,205	\$ 37,205	
Less: Interest		(325)	
Present Value of Minimum Lease Payments		<u>\$ 36,880</u>	
Lease Date: September 30, 2011	<u>2015/16</u>	<u>2016/17</u>	<u>Total</u>
Minimum Lease Payments	\$ 62,549	\$ 15,637	\$ 78,186
Less: Interest			(1,270)
Present Value of Minimum Lease Payments			<u>\$ 76,916</u>



**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**6. LONG-TERM LIABILITIES, Continued**

Operating Leases

The City has ongoing commitments under operating lease agreements for office equipment necessary for City operations, which expire at various dates through 2020. Each governmental fund includes the expenditures related to such lease agreements. There are both cancelable and non-cancelable lease agreements. Rental expenditures reported in the General Fund under these operating lease agreements for the fiscal year ended June 30, 2015, amounted to approximately \$135,598.

The future minimum lease payments anticipated under the existing lease commitments in governmental activities, as of June 30, 2015, are as follows:

	2015/16	2016/17	2017/18	2018/19	2019/20	Total
General Fund	\$ 126,731	\$ 121,704	\$ 75,986	\$ 28,884	\$ 11,643	\$ 364,948
Total Governmental Activities	<u>\$ 126,731</u>	<u>\$ 121,704</u>	<u>\$ 75,986</u>	<u>\$ 28,884</u>	<u>\$ 11,643</u>	<u>\$ 364,948</u>

The City has ongoing commitments under operating lease agreements for golf carts, the GPS system, and office equipment at Callippe Preserve Golf Course, which expire at various dates through 2018. Rental expenses reported in the Golf Fund under these operating lease agreements for the fiscal year ended June 30, 2015 amounted to \$119,144.

The future minimum lease payments anticipated under the existing lease commitments for business-type activities, as of June 30, 2015, are as follow:

	2015/16	2016/17	2017/18	Total
Golf Fund	\$ 75,085	\$ 1,777	\$ 1,776	\$ 78,638
Total Business-type Activities	<u>\$ 75,085</u>	<u>\$ 1,777</u>	<u>\$ 1,776</u>	<u>\$ 78,638</u>

2004 Water Revenue Refunding Bonds

In May 2011, the City defeased it's Series 2004 Water Revenue Refunding Bonds by funding an irrevocable trust to provide for the principal and interest payments on the bonds through the final maturity date of September 1, 2014. The trust account assets, held by U.S. Bank as escrow agent, and the liability for the defeased bonds are not included in the City's financial statements. The debt is paid in full as of June 30, 2015.

Conduit Debt

The City has issued two separate Multifamily Housing Revenue Bonds, the proceeds of which were used to fund mortgage loans to finance the acquisition and construction of multifamily rental housing facilities located in the City. The projects include the Bernal Apartments Project (original bond issue date 2001 in the amount of \$18,925,000; final maturity on September 15, 2034) and the Busch Senior Housing Apartments (original bond issue date 2003 in the amount of \$13,360,000; final maturity on June 15, 2037). Each facility is required to be occupied in part by low or moderate income families. In addition, the Busch Senior Housing Project is restricted to apartment units exclusively for seniors.

The bonds are secured by a first lien priority deed of trust, assignment of rents and security agreement encumbering the project. In addition, the required payments under the mortgage notes are secured by a pledge and security interest granted by the Federal National Mortgage Association (FNMA) to the trustee of interests in certain collateral owned by FNMA pursuant to the terms of each agreement.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**6. LONG-TERM LIABILITIES, Continued**

Conduit Debt, Continued

The bonds are payable solely from payments received on the underlying mortgage loans. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as a liability in the accompanying basic financial statements.

In September 2005, the City issued Variable Rate Demand Certificates of Participation (COP) for the Pleasanton Assisted Living Project (The Parkview) Financing in the amount of \$19,700,000. The COPs have a final maturity date of November 1, 2040. The Assisted Living facility is owned and operated by BLP Partnership, Inc. and payments on the COP debt will be made by the corporation from revenues derived from the operation of the facility. The City is not obligated in any manner for repayment of the COPs. Accordingly, the COPs are not reported as a liability in the accompanying basic financial statements.

The aggregate amount of all conduit debt outstanding as of June 30, 2015, was \$44,610,664.

Legal Debt Limit

As of June 30, 2015, the City's debt limit based on the legal debt margin (15% of 25% of the City's assessed valuation subject to taxation) was \$699,830,394.

Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations pertain to the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the U.S. Treasury at least every five years. The City has evaluated each bond issued subject to the arbitrage rebate requirements and has determined that no arbitrage liability exists at June 30, 2015.

As of June 30, 2015, the City was in compliance with all bond covenants as they pertain to reserve and sinking fund requirements.

**7. RISK MANAGEMENT**

The City is exposed to various risks of loss related to third party personal injuries and/or damage to property, employment practices liability, workers compensation claims, and damage to or destruction of City property and vehicles. The City has a self-retained limit for these various risks as shown below in the table. Over the City's self-retained limits, the City has coverage through a number of risk sharing public entity pools. For example, general liability claims over \$250,000 are covered through the Bay Cities Joint Powers Insurance Authority (BCJPIA) and the California Affiliated Risk Management Authority (CARMA). Similarly, employment practices liability claims between \$75,000 and \$1,000,000 are covered through the Employment Risk Management Authority (ERMA) and claims between \$1,000,000 and \$3,000,000 through Beazley Insurance, a Lloyd Company. In the opinion of City management, premiums paid to BCJPIA (which in turn pays premiums to others including CARMA and ERMA, depending on the risk involved) represent the best available estimate of the ultimate cost of its participation in these various risk sharing pools.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
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**7. RISK MANAGEMENT, Continued**

The City's self-insured retained limits and maximum coverage for its significant risk sharing public entity pools are as follows:

Coverage	Self - insured Retained Limit	Maximum Coverage	Maximum Coverage Through
General Liability	\$ 250,000	\$ 29,000,000	BCJPIA/CARMA
Employment Practices Liability	75,000	3,000,000	ERMA/Beazley Insurance, a Lloyd Company
Workers Compensation	1,000,000	Up to Statutory Limit	LAWCX
All Risk Property	10,000	Up to Replacement Cost	BCJPIA/PEPIP
Auto Physical Damage	1,000	Up to Replacement Cost	BCJPIA/PEPIP

Within the past three fiscal years, all claims that have settled have been within the maximum coverage.

The City accounts for and finances its uninsured risks of loss and liability insurance premiums in a Self Insurance Retention Fund and its Worker's Compensation Program in an Employee Benefits Fund. Both funds are classified as Internal Service Funds.

The Workers' Compensation Program makes payments needed to pay prior and current-year claims and to establish a reserve for future losses. The net position of the Workers' Compensation Program at June 30, 2015, had a negative balance of \$906,315, reflecting an increase in claims liability from the prior year. The claims liability of \$7,085,482 is reported as claims payable as of June 30, 2015. Payments in future years from funds of the City participating in the Worker's Compensation Program are anticipated to recover the full cost of the claims liability.

In the Self Insurance Retention Fund, at June 30, 2015, reserves of \$5,243,269 are reported in net position and claims liabilities of \$795,093 are reported as claims payable.

The Workers' Compensation Program claims liabilities in the Employee Benefits Fund for miscellaneous and police public safety employees are based on the City's historical incurred claims and paid loss experience and include amounts for claims incurred but not reported (IBNR). The Workers' Compensation Program claims liabilities in the Employee Benefits Fund for fire public safety employees are based on the result of an actuarial study and include IBNR claims amounts. The general and employment practices claims liabilities in the Self Insurance Retention Fund are based on the results of actuarial studies and include IBNR claims amounts. Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors.

The aggregate change in the balance of claims liabilities for the internal service self-insurance funds were as follows:

	June 30,	
	2014	2015
Unpaid claims, beginning of year	\$ 6,604,361	\$ 6,811,441
Incurred claims and changes in estimates	2,825,443	2,814,201
Claim payments	(2,618,363)	(1,745,067)
Unpaid claims, end of year	\$ 6,811,441	\$ 7,880,575

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**8. COMPENSATED ABSENCES**

The City records both an asset funded by the operating funds and a liability in its Employee Benefits Internal Service Fund to recognize the financial effect of unused vacation and other compensated leaves. As of June 30, 2015, accrued vacation and other compensated leaves amounted to \$4,166,582.

**9. INVESTMENT IN JOINT VENTURES AND MEMBERSHIP IN INSURANCE POOL**

The City participates in nine joint venture activities through formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued.

*Bay Cities Joint Powers Insurance Authority*

The City is a member of Bay Cities Joint Powers Insurance Authority (Bay Cities). Bay Cities was created in 1986 to develop effective risk management programs to reduce the amount and frequency of losses; to provide for pooled self-insurance among member agencies and to jointly purchase and provide administrative and other services including, but not limited to claims adjusting, data processing, risk management, loss prevention, accounting services, actuarial services, and legal services in connection with the program. Bay Cities consists of fifteen cities, three towns and one police authority all located within the metropolitan Bay Area.

The City's proportionate share of Bay Cities net position depends on a number of factors as there are inflows into the City's account with Bay Cities based on premium deposits and interest earned and there are outflows for expenditures for matters such as administration, claims handling, incurred losses and a reserve for claims incurred but not yet reported (IBNR). Accordingly, it is difficult to ascertain what the City's proportionate share is at any given time.

Nevertheless, if there is excess equity in the City's account for a program year that is five years old and for which there are no longer any outstanding claims for that program year, the Bay Cities Board of Directors may declare a dividend and distribute such dividend to the member entities based on what is in each member's equity account. Financial statements for Bay Cities may be obtained from Bay Cities, 1750 Creekside Oaks Drive, Suite 200, Sacramento, CA 95833.

The following is an excerpt from the Bay Cities audited financial statements for the year ended June 30, 2015:

Total Assets	\$ 30,839,364
Total Liabilities	<u>22,931,518</u>
Total Equity	<u>\$ 7,907,846</u>
Total Revenue	\$ 11,695,254
Total Expenses	<u>14,179,484</u>
Revenue over Expenses	<u>\$ (2,484,230)</u>

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**9. INVESTMENT IN JOINT VENTURES AND MEMBERSHIP IN INSURANCE POOL, Continued**

Pleasanton Joint Powers Financing Authority

In June 1993, the Pleasanton Joint Powers Financing Authority (PJFPA) was formed by a Joint Exercise of Powers Agreement between the City of Pleasanton and the Housing Authority. The PJFPA has facilitated lease financings (through the issuance of Certificates of Participation) for many of the City's public buildings, although no PJFPA debt obligations remained outstanding in FY 2014/15. The PJFPA is a blended component unit of the City and the financial operations of the PJFPA are included in the City of Pleasanton's financial statements.

Local Agency Workers' Compensation Excess Joint Powers Authority

In 2010, the City joined the Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX). The LAWCX was formed on July 1, 1992 as a state-wide joint powers authority to self-insure and pool excess workers' compensation losses. The LAWCX was established for California self-insured workers' compensation joint powers authorities, individual agencies and special districts. The LAWCX is governed by a Board of Directors with a representative from each member entity. Prior to 2010, the City had excess workers' compensation coverage through its membership in the Bay Cities Joint Powers Insurance Authority (BCJPIA), who in turn provided the coverage through their membership with LAWCX. The City found that there would be a substantial cost savings if the City participated directly as a member in LAWCX rather than to continue to participate in LAWCX through the BCJPIA. Financial statements for LAWCX may be obtained from LAWCX, 1750 Creekside Oaks Drive, Suite 200, Sacramento, CA 95833.

Livermore-Amador Valley Waste Management Agency

Livermore-Amador Valley Waste Management Agency (LAVWMA) was formed in 1974. LAVWMA operates the export pipeline connecting with the East Bay Discharges Authority's systems and discharges treated wastewater into San Francisco Bay. The current members of the Agency are Dublin San Ramon Services District (DSRSD), the City of Livermore, and the City of Pleasanton. Sewer revenue bonds issued by LAVWMA are being repaid with user charges assessed to member agencies.

The City accounts for its investment in LAVWMA by the equity method in the Sewer Enterprise Fund. The City records its share of earnings (loss) in the Proprietary Funds Statement of Revenues, Expenses and Changes in Fund Net Position as "Equity Interest in Gain(Loss) from Joint Ventures," and the carrying value of the City's investment in LAVWMA is recorded in the Proprietary Funds Statement of Fund Net Position as "Net Investment in Joint Ventures." The City's equity interest in LAVWMA was \$10,800,690 as of June 30, 2015. Financial statements for LAVWMA may be obtained from DSRSD, 7051 Dublin Boulevard, Dublin, CA 94568.

The following is an excerpt from the LAVWMA audited financial statements for the year ended June 30, 2015:

Total Assets	\$ 141,061,806
Total Liabilities	108,914,924
Total Equity	<u>\$ 32,146,882 *</u>
Total Revenue	\$ 11,255,508
Total Expenses	10,247,828
Revenue over Expenses	<u>\$ 1,007,680</u>

\* City's equity interest was \$10,800,690 as of June 30, 2015.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**9. INVESTMENT IN JOINT VENTURES AND MEMBERSHIP IN INSURANCE POOL, Continued**

*Livermore-Amador Valley Transit Authority*

The Livermore-Amador Valley Transit Authority (LAVTA) was formed in 1985 by a joint exercise of powers agreement between the County of Alameda and the cities of Dublin, Livermore and Pleasanton to provide transportation services within the cities' limits and portions of the unincorporated County. The LAVTA operates under the name "Wheels". Financial statements for LAVTA may be obtained from LAVTA, 1362 Rutan Court, Suite 100, Livermore, CA 94551.

*Tri-Valley Transportation Council*

The Tri-Valley Transportation Council (TVTC) was formed in 1991 by a joint exercise of powers agreement between the cities of Dublin, Livermore, Pleasanton and San Ramon, the Town of Danville and the Counties of Alameda and Contra Costa for the purposes of preparing a transportation plan and providing transportation facilities within the Tri-Valley area. Financial statements for TVTC may be obtained from the City of San Ramon, 2226 Camino Ramon, San Ramon, CA 94583.

*Livermore-Pleasanton Fire Department*

On December 3, 1996, the cities of Pleasanton and Livermore signed a Joint Powers Agreement (JPA) to form a joint fire department, Livermore-Pleasanton Fire Department (LPFD), covering both cities. LPFD may not own or enter into a contract without the approval of the governing board. The LPFD budget includes the contributions required from each City to fund operating and capital needs for the year. For the fiscal year ending June 30, 2015, the City of Pleasanton's net contribution was \$15,460,663. The City of Pleasanton's share of revenues and expenditures is reported in the General Fund. No separate financial statements are prepared for the JPA.

*East Bay Regional Communications System Authority*

In 2007, the City joined the East Bay Regional Communications System Authority (EBRCSA). The EBRCSA was formed to govern the regional communications system servicing Alameda and Contra Costa Counties, as well as many cities and special districts within the East Bay. Currently there are forty three member agencies consisting of both counties, thirty cities, six special districts, three colleges, Dublin-San Ramon Services District, and the California Department of Transportation serving a population of over 2.5 million people. The EBRCSA is governed by a twenty three member board of directors selected from participating counties, cities and districts. Financial statements for EBRCSA may be obtained from EBRCSA, 4985 Broder Boulevard, Dublin, CA 94568.

*Alameda County Transportation Commission*

The Alameda County Transportation Commission (Alameda CTC) was formed in 2010 as a result of the merger between the Alameda County Congestion Management Agency (ACMA) and the Alameda County Transportation Improvement Agency (ACTIA) to more cost effectively plan and deliver transportation programs in Alameda County. Members include the fourteen cities in Alameda County, the County of Alameda, AC Transit and BART. Financial statements for Alameda CTC may be obtained from Alameda CTC, 1111 Broadway, Suite 800, Oakland, CA 94607.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**10. NET POSITION/ FUND BALANCES**

**A. Net Position**

The government-wide and business-type activities financial statements utilize a net position presentation. Net position is categorized as: net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets

This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted Net Position

This category represents net position subject to external restrictions imposed by creditors, grantors, contributors, or laws, or regulations of governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This category represents the net position of the City, not restricted for any project or other purpose.

**B. Fund Balance**

In the fund financial statements, governmental funds report five classifications of fund balance as follows:

Nonspendable – amounts that cannot be spent due to not being in a spendable form (prepaid expenses, inventory) or are legally or contractually required to be maintained intact.

Restricted – amounts constrained for a specific purpose by external parties, constitutional provision, or enabling legislation.

Committed – amounts constrained for a specific purpose by the governmental entity and designated as such by its highest level of decision-making authority.

Assigned – amounts set aside for a specific purpose by a governing board or official that has been delegated the authority to assign amounts.

Unassigned – portion of General Fund that is not classified as nonspendable, restricted, committed, or assigned.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**10. NET POSITION/ FUND BALANCES, Continued**

***B. Fund Balance, Continued***

As of June 30, 2015, fund balances are composed of the following:

	General Fund	Lower Income Housing Fund	Park Capital Improvement Program Fund	Other Funds	Total
<b>Nonspendable</b>					
Notes Receivable	\$ 163,689	\$ -	\$ -	\$ -	\$ 163,689
<b>Restricted</b>					
Assessment District Construction	-	-	-	1,386,851	1,386,851
Asset Forfeiture	-	-	-	42,129	42,129
Budgeted Developer Projects	-	-	-	7,141,408	7,141,408
Community Access Television	-	-	-	676,367	676,367
Donations	-	-	-	241,063	241,063
Downtown & North Pleasanton	-	-	-	3,582,656	3,582,656
Geological Hazard Assessmt District	-	-	-	957,159	957,159
Grants	-	-	-	219,617	219,617
Housing	-	17,156,814	-	-	17,156,814
Landscape and Lighting District	-	-	-	419,078	419,078
Landscape Maintenance NPID	-	-	-	850,334	850,334
Marilyn Kane Trail Reserve	-	-	-	106,600	106,600
Park Development	-	-	-	8,628,906	8,628,906
Public Facilities Capital Improvements	-	-	-	5,231,965	5,231,965
Public Safety	-	-	-	274,928	274,928
Resource Management	-	-	-	771,058	771,058
Street Maintenance	-	-	-	6,317,909	6,317,909
Traffic Impact	-	-	-	3,391,775	3,391,775
Traffic Impact - Bernal	-	-	-	2,960,086	2,960,086
Tri-Valley Transportation	-	-	-	528,182	528,182
Various Specific Plan	-	-	-	1,411,356	1,411,356
<b>Committed</b>					
Economic Uncertainty	10,411,000	-	-	-	10,411,000
Capital Projects/Repair & Replacement	2,908,218	-	-	-	2,908,218
<b>Assigned</b>					
Capital Projects	-	-	10,710,262	10,655,921	21,366,183
Other Purposes	-	-	-	127,065	127,065
<b>Unassigned</b>	7,085,423	-	-	(680,538)	6,404,885
<b>Total Fund Balances</b>	<u>\$ 20,568,330</u>	<u>\$ 17,156,814</u>	<u>\$ 10,710,262</u>	<u>\$ 55,241,875</u>	<u>\$ 103,677,281</u>

***C. Deficit Fund Balances and Deficit Net Position***

At June 30, 2015, the following funds had a deficit fund balance or deficit net position:

- Employee Benefits Internal Service Fund - \$121,353,498.
- Miscellaneous Grants Special Revenue Fund - \$460,923.



**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**10. NET POSITION/ FUND BALANCES, Continued**

**C. Deficit Fund Balances and Deficit Net Position, Continued**

The Employee Benefits Internal Service Fund finished FY 2014/15 with a net position deficit of \$121,353,498 as shown in the Internal Service Funds Combining Statement of Fund Net Position. This net position deficit is primarily due to the recording of net pension liability of \$116,020,100 as a result of the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions. The City will continue to make the required contributions each year based on the 30 year CalPERS payment amortization schedule. In addition, the City will periodically make one-time payments beyond the minimum required by CalPERS to reduce the liability.

The deficit is also attributable to the balance remaining on the advance from the Retirees Insurance Reserve Fund to pay off the PERS Police Retirement Group side fund of \$3,728,321 and an increase of \$453,891 in workers' compensation claims liability. The City will continue to monitor the workers' compensation portion of the deficit and ensure it has sufficient cash to pay current claims. The deficit related to the advance from the Retirees Insurance Reserve Fund is being eliminated through annual payments from the General Fund over an eight year period beginning in FY 2011/12. The annual payment from the General Fund for FY 2014/15 was \$881,945.

The Miscellaneous Grants Special Revenue Fund concluded FY 2014/15 with a deficit fund balance of \$460,923. This amount will be eliminated through grant draw-downs to reimburse for allowable expenses.

**11. DEFINED BENEFIT PENSION PLAN**

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

The City participates in the following Pension Plans administered by CalPERS:

1. **Agent Multiple-Employer Defined Benefit Pension Plans** (Agent Multiple) for its Miscellaneous and Safety Fire employees.

An agent multiple-employer plan is one in which the assets of the participating government employers are pooled for investment purposes but separate accounts are maintained for each individual employer.

2. **Cost-Sharing Multiple-Employer Defined Benefit Pension Plan** (Cost Sharing) for its Safety Police employees.

A cost-sharing multiple-employer defined benefit pension plan is a plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay benefits of the employees of any employer that provides pensions through the plan.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**11. DEFINED BENEFIT PENSION PLAN, Continued**

*General Information about the Pension Plans*

**Plan Descriptions** - All qualified permanent employees are eligible to participate in the City's separate Safety (police) cost-sharing plans, Safety Fire agent multiple-employer defined benefit pension plan, and Miscellaneous (all other) agent multiple employer defined benefit pension plan that are administered by CalPERS.

The Miscellaneous and Safety Fire Plans are agent multiple-employer defined benefit pension plans which act as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website. The City shares the Safety Fire Plan with the City of Livermore with a share of 50%.

The City's Safety Police Plans are cost-sharing multiple-employer defined benefit pension plans administered by CalPERS since the plans have less than 100 active members, commonly referred to as risk pool. The City has two retirement benefit tiers in the Safety Police Plans. Tier 1 is for employees hired prior to January 1, 2013. Tier 2 is for employees hired on or after January 1, 2013.

**Benefits Provided** – CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees, and their beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment, age and the average of the final 3 years' compensation. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1959 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The plans' provisions and benefits in effect at June 30, 2015, are summarized as follows:

	Agent-Multiple		Cost-Sharing	
	Miscellaneous Plan	Safety (Fire) Plan	Safety (Police) Plans Tier 1	Safety (Police) Plans Tier 2
Hire date			prior to 1/1/2013	starting 1/1/2013
Benefit formula	2.7% at 55 <sup>(1)</sup>	3.0% at 50 <sup>(2)</sup>	3% at 50 <sup>(2)</sup>	3.0% at 55 <sup>(2)</sup>
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit Payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	55	50	50	57
Final compensation period	**	**	**	**
Monthly benefits, as a % of annual salary	2% to 2.7%	3% <sup>(2)</sup>	3%	2% to 2.7%
Required employee contribution rate	8%	9%	9%	11.50%
Required employer contribution rate	25.659%	36.979%	27.849%	11.50%

\*\* Average of the highest 3 consecutive years' compensation

(1) Newly hired Misc Employees will be enrolled in the 2% at 60 or 2% at 62 formula, dependent on the individual's eligibility, as per AB340

(2) Newly hired Safety Employees will be enrolled in the 3% at 55 or 2.7% at 57 formula, dependent on the individual's eligibility, as per AB340.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**11. DEFINED BENEFIT PENSION PLAN, Continued**

**Employees Covered** – At June 30, 2015, the following employees were covered by the benefit terms of the Miscellaneous Plan and Safety Fire Plan, however, information for the Safety Police Plans was not provided from CalPERS for cost-sharing multiple-employer defined benefit pension plans.

	<u>Miscellaneous</u>	<u>Safety Fire</u>
Inactive employees or beneficiaries currently receiving benefits	294	26
Inactive employees entitled to but not yet receiving benefits	171	133
Active employees	<u>296</u>	<u>114</u>
Total	<u>761</u>	<u>273</u>

**Contributions** – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on July 1 following notice of change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rates of employees.

For the year ended June 30, 2015, the annual required employer contributions to the Plans were as follows:

	<u>Miscellaneous Plan</u>	<u>Safety (Fire) Plan*</u>	<u>Safety (Police) Plans**</u>
Contributions - employer	\$ 6,477,030	\$ 2,440,177	\$ 2,638,355

\* This amount represents the City share only (50% of the Plan).

\*\* All tiers of the Safety Police Plans were combined together on the GASB 68 report provided by CalPERS.

**Net Pension Liability**

The City’s net pension liability for the Miscellaneous and Safety Fire Plans are measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each of the Plan is measured as of June 30, 2014, using an annual actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. As of June 30, 2015, the City reported net pension liabilities of \$100,206,953.

As of June 30, 2015, the City’s reported net pension liabilities for its proportionate shares of the net pension liability of each Safety Police Tier are as follows:

	<u>Cost-Sharing</u>		
	<u>Safety (Police) Plans</u>		
	<u>Tier 1</u>	<u>Tier 2</u>	<u>Total</u>
Proportionate Share of Net Pension Liability	\$ 23,279,722	\$ 1,521	\$ 23,281,243
	<u>Cost</u>		
	<u>Agent Plans</u>	<u>Sharing Plan</u>	<u>Total</u>
Total Net Pension Liability	\$100,206,953	\$23,281,243	\$123,488,196

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**11. DEFINED BENEFIT PENSION PLAN, Continued**

The City's net pension liability for each Safety Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2014 and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Safety Police Plans as of June 30, 2013 and 2014 is as follows:

	<u>Cost-Sharing</u> <u>Safety (Police) Plans</u>
Proportion - June 30, 2013	0.38%
Proportion - June 30, 2014	<u>0.37%</u>
Change-Increase (Decrease)	<u><u>-0.01%</u></u>

***Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension***

At June 30, 2015, the City recognized pension expense of \$8,789,081 for the Miscellaneous and Safety Fire Plans and \$2,364,049 for the Safety Police Plan.

The City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for the Miscellaneous and Safety Plans:

	<u>Agent-Multiple</u> <u>Miscellaneous Plan</u>		<u>Agent-Multiple</u> <u>Safety (Fire) Plan</u>		<u>Cost-Sharing</u> <u>Safety (Police) Plans</u>		<u>Total</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 12,477,030	\$ -	\$ 2,440,177	\$ -	\$ 7,138,355	\$ -	\$ 22,055,562	\$ -
Differences between actual and expected experience	-	-	-	-	-	-	-	-
Changes in assumptions	-	-	-	-	-	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	10,723,826	-	4,521,980	-	7,029,377	-	22,275,183
Adjustments due to differences in proportion	-	-	-	-	20,633	269,591	20,633	269,591
	<u>\$ 12,477,030</u>	<u>\$ 10,723,826</u>	<u>\$ 2,440,177</u>	<u>\$ 4,521,980</u>	<u>\$ 7,158,988</u>	<u>\$ 7,298,968</u>	<u>\$ 22,076,195</u>	<u>\$ 22,544,774</u>

The \$22,055,562 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016, and includes \$6,000,000 and \$4,500,000 in contributions in excess of the required contributions for the Miscellaneous and Safety Police Plans, respectively.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**11. DEFINED BENEFIT PENSION PLAN, Continued**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended	Miscellaneous Plan	Safety (Fire) Plan	Safety (Police) Plans	Total
	Deferred Outflows/ (Inflows) of Resources	Deferred Outflows/ (Inflows) of Resources	Deferred Outflows/ (Inflows) of Resources	Deferred Outflows/ (Inflows) of Resources
6/30/2015	\$ (2,680,957)	\$ (1,130,495)	\$ (1,818,868)	\$ (5,630,320)
6/30/2016	(2,680,957)	(1,130,495)	(1,818,868)	(5,630,320)
6/30/2017	(2,680,957)	(1,130,495)	(1,819,346)	(5,630,798)
6/30/2018	(2,680,955)	(1,130,495)	(1,821,253)	(5,632,703)
	<u>\$ (10,723,826)</u>	<u>\$ (4,521,980)</u>	<u>\$ (7,278,335)</u>	<u>\$ (22,524,141)</u>

**Actuarial Assumptions** – The total pension liabilities in June 30, 2013 actuarial valuations were determined using the following actuarial assumptions for the Miscellaneous and Safety Plans:

	All Plans
Valuation Date	6/30/2013
Measurement Date	6/30/2014
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.5%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return <sup>(1)</sup>	7.5%
Mortality	Derived using CalPERS' membership for data for all funds

<sup>(1)</sup> Net of pension plan investment and administrative expenses; includes inflation.

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

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation for Miscellaneous and Safety Plans were based on the results of a January 2014 actuarial experience study for the period of 1997 to 2007. Further detail of the Experience Study can be found on the CalPERS website.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**11. DEFINED BENEFIT PENSION PLAN, Continued**

**Discount Rate** – The discount rate used to measure the total pension liability was 7.50 percent for the Miscellaneous and Safety Plans. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.50 percent is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called “GASB Crossover Testing Report” that can be obtained at CalPERS’ website under the GASB 68 section.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher total pension liability and net pension liability. The difference was deemed immaterial to the agent multiple-employer and cost-sharing multiple-employer Plans checked by CalPERS.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**11. DEFINED BENEFIT PENSION PLAN, Continued**

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

Asset Class	New Strategic Allocation	Real Return Years 1-10 (a)	Real Return Years 11+ (b)
Global Equity	47.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	12.0%	6.83%	6.95%
Real Estate	11.0%	4.50%	5.13%
Infrastructure and Forestland	3.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
	<u>100.0%</u>		

(a) An expected inflation of 2.5% used for this period

(b) An expected inflation of 3.0% used for this period

***Sensitivity of the Net Pension Liability for Miscellaneous Plans and Sensitivity of the Proportionate Share of the Net Pension Liability for Safety Plans to changes in the Discount rate*** – The following presents the net pension liability of the City for the Miscellaneous Plan and the City’s proportionate share of the net pension liability for the Safety Plans, calculated using the discount rate as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1- percentage point lower or 1- percentage point higher than the current rate:

	Agent-Multiple Miscellaneous Plan	Agent-Multiple Safety Fire Plan	Cost Sharing Safety Police Plans	
			Tier 1	Tier 2
1% Decrease	6.50%	6.50%	6.50%	6.50%
Net Pension Liability	\$101,163,841	\$ 40,034,951	\$ 40,061,388	\$ 2,617
Current Discount Rate	7.50%	7.50%	7.50%	7.50%
Net Pension Liability	\$ 71,616,645	\$ 28,590,308	\$ 23,279,722	\$ 1,521
1% Increase	8.50%	8.50%	8.50%	8.50%
Net Pension Liability	\$ 46,962,585	\$ 19,004,460	\$ 9,452,355	\$ 617

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**11. DEFINED BENEFIT PENSION PLAN, Continued**

*Changes in the Net Pension Liability*

The changes in the Net Pension Liability for the Miscellaneous and Safety Fire Plans are as follows:

	Miscellaneous		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2014	\$ 218,063,744	\$ 135,058,277	\$ 83,005,467
Changes in the year:			
Service Cost	4,784,381	-	4,784,381
Interest on the total pension liability	16,162,509	-	16,162,509
Differences between actual and expected experience	-	-	-
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Contribution - employer	-	6,912,621	(6,912,621)
Contribution - employee	-	1,956,863	(1,956,863)
Net Investment income	-	23,466,228	(23,466,228)
Differences between projected and actual earnings on plan investments	-	-	-
Administrative expenses	-	-	-
Benefit payments, including refunds of employee contributions	(9,911,617)	(9,911,617)	-
Net changes	<u>11,035,273</u>	<u>22,424,095</u>	<u>(11,388,822)</u>
Balance at June 30, 2015	<u>\$ 229,099,017</u>	<u>\$ 157,482,372</u>	<u>\$ 71,616,645</u>

	Safety Fire**		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2014	\$ 90,076,443	\$ 57,235,997	\$ 32,840,447
Changes in the year:			
Service Cost	1,823,791	-	1,823,791
Interest on the total pension liability	6,651,770	-	6,651,770
Differences between actual and expected experience	-	-	-
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Contribution - employer	-	2,269,615	(2,269,615)
Contribution - employee	-	584,323	(584,323)
Net Investment income	-	9,871,762	(9,871,762)
Differences between projected and actual earnings on plan investments	-	-	-
Administrative expenses	-	-	-
Benefit payments, including refunds of employee contributions	(4,596,134)	(4,596,134)	-
Net changes	<u>3,879,427</u>	<u>8,129,566</u>	<u>(4,250,139)</u>
Balance at June 30, 2015	<u>\$ 93,955,870</u>	<u>\$ 65,365,563</u>	<u>\$ 28,590,308</u>

\*\*The schedule shows the City share only (50% of the plan)



**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**12. POST EMPLOYMENT HEALTH CARE BENEFITS**

**A. Plan Description**

Through its post employment health care plan, the City provides post retirement health care benefits, in accordance with certain employee agreements, to all employees who retire directly from the City with a minimum of five years of service. The plan benefit provisions and obligations to contribute are established, or may be amended, by City Council action. The effective date and benefit varies based upon the employee's classification and related memorandum of understanding (MOU).

- If retiring from service, the City shall pay for each year of service, four percent (4%) of the Kaiser Early Retiree Health Plan coverage 2-party rate for: PCEA/AFSCME Local 955 (Pleasanton City Employees' Association) who retired before 7/1/12; POA (Police Officers' Association) who retired prior to 7/1/09; IAFF (International Association of Firefighters) who retired prior to 1/1/08; and Management and Confidential who retired prior to 7/1/09. For purposes of calculating service credit, Management and Confidential employees who were hired prior to 1/1/09 and retire with at least five years of City service may include years of non-City municipal CalPERS service, as agreed to in its Management/Confidential Employee Performance Compensation Plan.
- For employees classified as PCEA/AFSCME Local 955 who were hired prior to 6/1/11 and retire after 7/1/12, the City shall pay for each year of service, four percent (4%) of the lowest cost HMO 2-party rate. If hired after 6/1/11, the City shall pay for each year of service four percent (4%) of the lowest cost HMO single rate, until age 65. Upon reaching 65, all retiree medical benefits will cease.
- For POA who were hired prior to 1/1/09 and retire after 7/1/09, the City shall pay for each year of service, four percent (4%) of the lowest cost HMO, 2-party rate. If hired after 1/1/09, the City shall pay for each year of service, four percent (4%) of the lowest cost HMO, single rate if employment is less than 20 years. If employed for more than 20 years, the City shall pay for each year of service, four percent (4%) of the lowest cost HMO, 2-party rate. If hired after 1/1/12, the City shall pay for each year of service, four percent (4%) of the lowest cost HMO, single rate, until age 65. Upon reaching 65, all retiree medical benefits will cease.
- For IAFF who retire after 1/1/08, the City shall pay for each year of service, four percent (4%) of the lowest cost HMO, 2-party rate. If hired on or after 7/1/12, the City shall pay for each year of service, four percent (4%) of the lowest cost HMO, single rate, until age 65. Upon reaching 65, all retiree medical benefits will cease.
- For employees classified as Management and Confidential who were hired prior to 1/21/09 and retire after 7/1/09, the City shall pay for each year of service, four percent (4%) of the lowest cost HMO, 2-party rate. For purposes of calculating service credit, Management and Confidential employees who were hired prior to 1/1/09 and retire with at least five years of City service may include years of non-City municipal CalPERS service. If hired after 1/21/09, the City shall pay for each year of service, four percent (4%) of the lowest cost HMO, single rate, until age 65. Upon reaching 65, all retiree medical benefits will cease.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

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**12. POST EMPLOYMENT HEALTH CARE BENEFITS, Continued**

**A. Plan Description, Continued**

Surviving spouses are eligible for one-half of the retiree benefit for those retirees eligible for the 2-party benefit. If a spouse remarries the benefit terminates.

For all employees mentioned above who retire for disability, the City shall pay a percentage of the monthly premium in accordance with the applicable MOU.

The City allows retirees to participate in the same medical plan as active employees at the same premium rates. Because the rate is a “blended rate”, payments for the active employees include an implied subsidy of what would normally be a higher rate for retirees if the retirees were in a stand-alone health plan. GASB 45 requires that this implied subsidy be reclassified when reporting the contributions to retiree medical costs. The premium rate paid by a retiree depends on the retiree's former classification, years of service, and the formula specified in the applicable MOU.

As of June 30, 2013 (the most recent valuation date), plan membership consisted of 453 active participants, consisting of 336 Non-Fire (Miscellaneous and Police) and 117 Fire active participants, and 337 retirees, consisting of 264 Non-Fire and 73 Fire retirees.

**B. Funding Policy**

In April 2011, the City established an Other Post Employment Health Benefit (OPEB) irrevocable trust, the City of Pleasanton Group Account, with the California Employer’s Retiree Benefit Trust Program (CERBT) administered by the California Public Employees’ Retirement System (CalPERS) as an agent multiple-employer plan. This trust is used to accumulate resources to fund future benefits, however, it does not represent the activities of the plan. Financial statements of CERBT are included in the CalPERS Comprehensive Annual Financial Report (CAFR). Copies of the CalPERS CAFR may be obtained from the CalPERS Executive Office – 400 P Street – Sacramento, CA 95814.

The following table summarizes the City’s contributions toward the City's FY 2014/15 ARC:

	Non-Fire	Fire <sup>(1)</sup>	Total
Prefunding OPEB Trust	\$ 2,405,400	\$ 1,171,800	\$ 3,577,200
Benefit to retirees	2,519,757	945,513	3,465,270
Legal and actuarial services	4,438	1,048	5,486
Implied subsidy	641,000	240,000	881,000
<b>Total</b>	<b>\$ 5,570,595</b>	<b>\$ 2,358,361</b>	<b>\$ 7,928,956</b>

<sup>(1)</sup> Includes City of Livermore's portion of costs, which is approximately 50%.

The City’s ARC was \$7,928,956 (\$5,570,595 for Non-Fire and \$2,358,361 for Fire) for FY 2014/15 (See Note 12 C).

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**12. POST EMPLOYMENT HEALTH CARE BENEFITS, Continued**

**C. Annual OPEB Cost and Net OPEB Obligation**

The City’s annual other postemployment benefit cost (expense) is calculated based on the annual required contribution (ARC) of the employer. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following table, based on the City’s actuarial valuation as of June 30, 2013, shows the components of the City’s annual OPEB cost for FY 2014/15, the amount actually contributed to the plan, and changes in the City’s Net OPEB obligation:

	<b>Non-Fire</b>	<b>Fire<sup>(1)</sup></b>	<b>Total</b>
Annual required contribution	\$ 5,516,000	\$ 2,347,000	\$ 7,863,000
Adjustment to annual required contribution <sup>(2)</sup>	54,595	11,361	65,956
Annual OPEB cost (expense)	5,570,595	2,358,361	7,928,956
Prefunding OPEB trust	(2,405,400)	(1,171,800)	(3,577,200)
Unfunded Actuarial Liability Paydown	(3,600,000)	-	(3,600,000)
Benefit payments to retirees	(2,519,757)	(945,513)	(3,465,270)
Legal and actuarial services	(4,438)	(1,048)	(5,486)
Implied subsidy	(641,000)	(240,000)	(881,000)
Increase in net OPEB obligation (asset)	(3,600,000)	-	(3,600,000)
Net OPEB obligation (asset) - beginning of year	-	-	-
Net OPEB obligation (asset) - end of year	<u>\$ (3,600,000)</u>	<u>\$ -</u>	<u>\$ (3,600,000)</u>

<sup>(1)</sup> Includes City of Livermore's portion of costs, which is approximately 50%.

<sup>(2)</sup> Adjustment reflects year-end retiree health premium payments and administrative fees.

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for Fiscal Years 2012/13 through 2014/15 are as follows:

<b>Non-Fire</b>			
Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2013	\$ 6,768,135	100%	-
June 30, 2014	6,988,973	100%	-
June 30, 2015	5,570,595	165%	-

<b>Fire<sup>(1)</sup></b>			
Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2013	\$ 2,622,052	100%	-
June 30, 2014	2,707,004	100%	-
June 30, 2015	2,358,361	100%	-

<sup>(1)</sup> Includes City of Livermore's portion of costs, which is approximately 50%.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**12. POST EMPLOYMENT HEALTH CARE BENEFITS, Continued**

**C. Annual OPEB Cost and Net OPEB Obligation, Continued**

**Funded Status and Funding Progress.** The June 30, 2013 actuarial valuation was used to develop the FY 2014/15 ARC. The funded status of the plan as of June 30, 2015 was:

	<u>Non-Fire</u>	<u>Fire<sup>(1)</sup></u>	<u>Total</u>
Actuarial accrued liability (AAL)	\$ 74,631,000	\$ 32,064,000	\$ 106,695,000
Actuarial value of plan assets	19,361,000	8,696,000	28,057,000
Unfunded actuarial accrued liability (UAAL)	<u>\$ 55,270,000</u>	<u>\$ 23,368,000</u>	<u>\$ 78,638,000</u>
Funded ratio (actuarial value of plan assets/AAL)	25.9%	27.1%	26.3%
Projected covered payroll (active Plan members)	\$ 33,331,000	\$ 14,546,000	\$ 47,877,000
UAAL as a percentage of covered payroll	165.8%	160.6%	164.3%

<sup>(1)</sup> Includes City of Livermore's portion, which is approximately 50%.

Actuarial valuations of an ongoing plan involve estimates of the value of expected benefit payments and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Actuarial Methods and Assumptions.** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used are consistent with the long-term perspective of the calculations.

For the June 30, 2013 actuarial valuation that was used to develop the FY 2014/15 ARC, the entry age normal actuarial cost method was used. The actuarial assumptions included: (a) discount rate of 7.61%, prefunded with CERBT Investment Option 1; (b) 3.25% annual aggregate payroll increase rate; and (c) projected healthcare cost increases of 8.5% for HMO and PPO plans for 2014 decreasing to 5.0% for HMO and PPO plans after 7 years. Both (a) and (b) include an inflation component of 3.0%. The unfunded actuarial accrued liability (or excess assets) is being amortized over a closed fixed 30-year period as a level percentage of projected payroll beginning with the year ended June 30, 2008. For purposes of determining the actuarial value of assets, investment gains and losses are spread over a five-year rolling period, but valuation assets cannot be outside the range of 80% to 120% of the market value of assets. As of June 30, 2015, the actuarial value of assets was \$19,361,000 for Non-Fire and \$8,696,000 for Fire.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**12. POST EMPLOYMENT HEALTH CARE BENEFITS, Continued**

***D. Retiree Medical Reserves***

The City has accumulated reserves in two Internal Service Funds, the Retirees' Insurance Reserve and the Livermore-Pleasanton Fire Retirees' Insurance Reserve, for payment of retiree medical benefits. The following schedule identifies the beginning net position; plus contributions from Operating Funds and annual interest income; less payment of benefits for current retirees (pay-as-you-go) and the City's Annual Required Contribution (ARC) to the OPEB trust. The ending net position for the reserves reflects the amounts that are being accumulated for the purpose of paying retiree medical benefits.

	<b>Retiree Medical Reserves</b>		
	<b>Retirees Insurance Reserve</b>	<b>LPFD Reserve(1)</b>	<b>Total</b>
June 30, 2014 Net Position	\$ 25,184,596	\$ 4,212,706	\$ 29,397,302
FY 2014/15 Contributions from operating funds	5,515,984	1,000,000	6,515,984
FY 2014/15 Interest Income	166,848	29,321	196,169
FY 2014/15 Prefunding OPEB Trust	(2,405,400)	(1,171,800)	(3,577,200)
Benefit payments to retirees(2)	(2,519,757)	(945,513)	(3,465,270)
Legal and actuarial services	(4,438)	(1,048)	(5,486)
Transfer in from General Fund	1,297,088	-	1,297,088
Transfer out to PERS Stabilization Fund	(8,500,000)	-	(8,500,000)
Transfer out of implied subsidy to operating funds	(641,000)	-	(641,000)
June 30, 2015 Net Position	<u>\$ 18,093,921</u>	<u>\$ 3,123,666</u>	<u>\$ 21,217,587</u>

<sup>(1)</sup> Includes City of Livermore's portion, which is approximately 50%.

<sup>(2)</sup> Does not include an implicit rate subsidy of \$881,000.

**13. COMMITMENTS AND CONTINGENCIES**

***A. Animal Shelter***

The County of Alameda owns and operates the East County Animal Shelter. The facility was placed in service during fiscal year 1996. The cities of Pleasanton, Dublin and Livermore and the County of Alameda (County) entered into an agreement under which the County constructed the animal shelter on County property. The cities pay their prorata share of the debt service and operating costs based on their usage of the animal shelter. The City's share of FY 2014/15 debt service and operating costs for the facility was \$141,103.

***B. Lawsuits in the Normal Course of Business***

The City is presently involved in certain matters of litigation that have arisen in the normal course of conducting City business. City management believes, based upon consultation with the City Attorney, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City. Additionally, City management believes that the City's risk sharing programs are sufficient to cover any potential losses should an unfavorable outcome materialize.

**City of Pleasanton**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2015**

**13. COMMITMENTS AND CONTINGENCIES, Continued**

**C. LAVWMA Bonds**

The City has recorded an investment in joint venture for its participation in the Livermore-Amador Valley Water Management Agency (LAVWMA). LAVWMA issued \$105,345,000 of the 2011 Sewer Revenue Refunding Bonds (2011 Bonds) on September 28, 2011 to refinance the costs of improvements to the wastewater disposal system, including the Export Pipeline Expansion/Rehabilitation Project originally constructed with bonds issued in 2001. The 2011 Bonds are secured by the pledge of the net revenues of the Agency.

**D. Construction Commitments**

The City had several outstanding or planned operating and construction projects as of June 30, 2015. These projects are evidenced by contractual commitments with consultants and contractors, and include the following major projects:

Project Description	Amount
Recycled Water Infrastructure Expansion - Phase 1A	\$ 15,717,056
Bernal Community Park, Phase II Lighted Multi-Purpose Sports Fields	13,540,515
Annual Street Resurfacing and Preventative Maintenance	2,514,902
Redevelopment of Kottinger Place and Pleasanton Gardens	2,441,450
Bridge Preventative Maintenance	1,037,876
Bicycle and Pedestrian Related Improvements	866,598
Enterprise Resource Planning System Implementation	736,543
Total	<u>\$ 36,854,940</u>

**14. RESTATEMENT**

Prior period adjustments were made to decrease the governmental and business-type activities beginning net positions. These adjustments were made to record beginning net pension liability and deferred outflows of resources as a result of implementing GASB 68 and 71. (See note 1)

The restatements of beginning net positions are summarized as follows:

	Internal Service	Governmental Activities	Enterprise Funds			Total Business-Type Activities	Grand Total
			Water	Sewer	Storm Drain		
Beginning net position	\$ 60,725,010	\$ 631,070,309	\$ 94,470,850	\$ 79,885,398	\$ 25,024,108	\$ 232,874,190	\$ 863,944,499
Beginning net pension liability	(139,018,424)	(139,018,424)	(5,389,514)	(2,628,993)	(637,202)	(8,655,709)	(147,674,133)
Beginning deferred outflow	11,002,870	11,002,870	448,834	218,940	53,066	720,840	11,723,710
Beginning net position as restated	<u>\$(67,290,544)</u>	<u>\$503,054,755</u>	<u>\$89,530,170</u>	<u>\$77,475,345</u>	<u>\$24,439,972</u>	<u>\$224,939,321</u>	<u>\$727,994,076</u>

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**REQUIRED SUPPLEMENTARY INFORMATION**



**City of Pleasanton**  
**Required Supplementary Information**  
**For the year ended June 30, 2015**

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**1. BUDGETARY INFORMATION**

*Budgetary Information*

The following procedures are performed by the City in establishing the budgetary data reflected in the basic financial statements:

1. Prior to July 1, the City Manager submits to the City Council a proposed operating budget for the coming fiscal year. The operating budget includes proposed expenditures and projected revenues.
2. Public hearings are conducted to obtain taxpayers' comments.
3. The budget is legally adopted through passage of a Council resolution.
4. The transfer of budgeted amounts between funds must be approved by the City Council.
5. A budget review is presented to the City Council by the City Manager mid-year and approved additions or changes are legally adopted through Council resolution.
6. Formal budgetary integration is employed as a management control device during the fiscal year for the General Fund, Special Revenue Funds, Debt Service funds and certain Capital Projects Funds, Enterprise Funds and Internal Service Funds.
7. The budgeted funds are adopted on a basis consistent with generally accepted accounting principles in the United States.
8. Expenditures may not legally exceed budgeted appropriations at the fund level. Management does not have the authority to amend the budget without the approval of the City Council. However, the City Manager may authorize transfers from one account to another within the same fund.

**City of Pleasanton**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2015**

**2. BUDGETARY COMPARISON SCHEDULES**

*Budgetary Comparison Schedule – General Fund*

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes	\$ 81,540,000	\$ 84,120,000	\$ 85,842,939	\$ 1,722,939
Licenses	11,220	11,220	10,018	(1,202)
Permits	2,394,135	2,314,135	3,276,533	962,398
Fines and forfeitures	604,500	529,500	535,269	5,769
Use of money and property	175,000	215,000	256,637	41,637
Intergovernmental	500,300	622,430	864,432	242,002
Franchises	2,360,000	2,420,000	2,455,509	35,509
Charges for services	1,001,450	997,250	969,285	(27,965)
Development fees	168,615	423,565	56,523	(367,042)
Plan check fees	1,660,500	1,730,500	1,963,429	232,929
Reimbursements	790,430	965,400	1,448,828	483,428
Contribution and donations	13,800	15,380	5,531	(9,849)
Other revenues	2,397,991	2,407,991	2,398,413	(9,578)
Recreation charges	3,500,800	3,604,923	4,063,003	458,080
<b>Total revenues</b>	<u>97,118,741</u>	<u>100,377,294</u>	<u>104,146,349</u>	<u>3,769,055</u>
<b>EXPENDITURES:</b>				
Current:				
General government	13,242,192	13,304,994	12,355,234	949,760
Public safety	41,660,985	42,455,341	42,578,873	(123,532)
Community development	12,402,588	12,452,060	12,051,352	400,708
Operations service	15,825,124	16,469,306	15,824,851	644,455
Community activities	11,243,466	11,311,190	11,329,968	(18,778)
Capital outlay	566,100	551,400	454,312	97,088
Debt service:				
Principal	20,690	20,690	20,690	-
Interest, fiscal charges	984	984	984	-
<b>Total expenditures</b>	<u>94,962,129</u>	<u>96,565,965</u>	<u>94,616,264</u>	<u>1,949,701</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>2,156,612</u>	<u>3,811,329</u>	<u>9,530,085</u>	<u>5,718,756</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	840,670	872,670	842,817	(29,853)
Transfers out	(2,997,282)	(4,858,000)	(4,809,615)	48,385
<b>Total other financing sources</b>	<u>(2,156,612)</u>	<u>(3,985,330)</u>	<u>(3,966,798)</u>	<u>18,532</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ (174,001)</u>	5,563,287	<u>\$ 5,737,288</u>
<b>FUND BALANCES:</b>				
Beginning of year			15,005,043	
End of year			<u>\$ 20,568,330</u>	

**City of Pleasanton**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2015**

**2. BUDGETARY COMPARISON SCHEDULES, Continued**

*Budgetary Comparison Schedule – Lower Income Housing Fund*

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Use of money and property	\$ 312,600	\$ 312,600	\$ 694,255	\$ 381,655
Development fees	122,604	122,604	631,680	509,076
Reimbursements	160,000	160,000	150,968	(9,032)
Other	-	235,000	-	(235,000)
<b>Total revenues</b>	<u>595,204</u>	<u>830,204</u>	<u>1,476,903</u>	<u>646,699</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	545,794	3,177,085	576,348	2,600,737
Capital outlay	500,000	7,935,000	239,046	7,695,954
<b>Total expenditures</b>	<u>1,045,794</u>	<u>11,112,085</u>	<u>815,394</u>	<u>10,296,691</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(450,590)</u>	<u>(10,281,881)</u>	<u>661,509</u>	<u>10,943,390</u>
<b>Net change in fund balances</b>	<u>\$ (450,590)</u>	<u>\$ (10,281,881)</u>	<u>661,509</u>	<u>\$ 10,943,390</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>16,495,305</u>	
End of year			<u>\$ 17,156,814</u>	

**City of Pleasanton**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2015**

**3. OTHER POSTEMPLOYMENT BENEFITS PLAN SCHEDULE OF FUNDING PROGRESS,**

**Schedule of Funding Progress**  
**Other Postemployment Benefits<sup>(1)</sup>**

**Non-Fire**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/2010	\$ 7,192,000	\$ 65,860,000	\$ 58,668,000	10.9%	\$ 37,759,000	155.4%
6/30/2011	10,109,000	74,712,000	64,603,000	13.5%	38,985,000	165.7%
6/30/2013	19,361,000	74,631,000	55,270,000	25.9%	40,252,000	137.3%

**Fire<sup>(2)</sup>**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/2010	\$ 2,970,000	\$ 27,193,000	\$ 24,223,000	10.9%	\$ 16,059,000	150.8%
6/30/2011	4,708,000	30,857,000	26,149,000	15.3%	16,582,000	157.7%
6/30/2013	8,696,000	32,064,000	23,368,000	27.1%	17,121,000	136.5%

(1) The actuarial valuations have been performed biennially, but starting with the 6/30/2011 valuation will be performed in odd years rather than even years.

(2) Includes City of Livermore's portion of obligation, which is approximately 50%.

**City of Pleasanton**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2015**

**4. SCHEDULES OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS – AGENT  
MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN**

**Miscellaneous and Safety Fire Plans**  
**As of June 30, 2015**  
**Last 10 Years \***

Measurement Date	Miscellaneous June 30, 2014	Safety Fire ** June 30, 2014
<b>Total Pension Liability</b>		
Service Cost	\$ 4,784,381	\$ 1,823,791
Interest on total pension liability	16,162,509	6,651,770
Changes in benefits terms	-	-
Difference between expected and actual experience	-	-
Changes in assumptions	-	-
Benefit payments, including refunds of employee contributions	(9,911,617)	(4,596,134)
<b>Net change in total pension liability</b>	11,035,273	3,879,427
<b>Total Pension Liability - beginning</b>	218,063,744	90,076,443
<b>Total Pension Liability - ending (a)</b>	\$ 229,099,017	\$ 93,955,870
<b>Plan fiduciary net position</b>		
Contributions - employer	\$ 6,912,621	\$ 2,269,615
Contributions - employee	1,956,863	584,323
Net investment income	23,466,228	9,871,762
Benefit payments	(9,911,617)	(4,596,134)
Other changes in Fiduciary Net Position	-	-
<b>Net change in plan fiduciary net position</b>	22,424,095	8,129,566
<b>Plan fiduciary net position - beginning</b>	135,058,277	57,235,997
<b>Plan fiduciary net position - ending (b)</b>	\$ 157,482,372	\$ 65,365,563
 Net pension liability - ending (a) - (b)	 \$ 71,616,645	 \$ 28,590,308
 Plan fiduciary net position as a percentage of the total pension liability	 68.74%	 69.57%
 Covered - employee payroll	 \$ 24,742,104	 \$ 6,771,834
 Net pension liability as a percentage of covered employee payroll	 289.45%	 422.19%

\* Fiscal year 2014/15 was the 1st year of implementation, therefore only one year is shown.

\*\* 50% is the City of Pleasanton share per LPFD agreement

**City of Pleasanton**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2015**

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**5. SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - COST-SHARING  
MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN**

**Safety Police Plans**  
**As of June 30, 2015**  
**Last 10 Years \***

Plan's proportionate of the Net Pension Liability (Asset)		0.37415%
Plan's proportionate share of the Net Pension Liability (Asset)	\$	23,281,243
Plan's Covered-Employee Payroll	\$	9,638,125
Plan's proportionate share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee payroll		241.55%
Plan's proportionate share of the Fiduciary Net Position as a percentage of the Plan's Total Pension Liability		81.42%

\* Fiscal year 2014/15 was the 1st year of implementation, therefore only one year is shown.

**City of Pleasanton**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2015**

**6. SCHEDULES OF CONTRIBUTIONS**

**Miscellaneous and Safety Fire Plans**  
**Agent Multiple-Employer Defined Benefit Pension Plan**  
**Last 10 Years \***

	Miscellaneous	Safety Fire **
<b>Actuarially Determined Contribution</b>	\$ 6,477,030	\$ 2,440,177
Contribution in relation to the Actuarially Determined Contribution	(12,477,030)	(2,440,177)
Contribution Deficiency (Excess)	\$ (6,000,000)	\$ -
 Covered-employee payroll	 \$ 27,188,472	 \$ 9,201,628
 Contributions as a percentage of covered-employee payroll	 45.89%	 26.52%
 <b>Notes to Schedule</b>		
Valuation date	6/30/2013	6/30/2013

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Asset valuation method	5-year smoothed market
Inflation	2.75%
Salary increases	Varies by entry age and service
Payroll growth	3.00%
Investment rate of return	7.5%, net of pension plan investment expenses, including inflation
Retirement age	50 years
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using scale AA published by the Society of Actuaries.

\* Fiscal year 2014/15 was the 1st year of implementation, therefore only one year is shown.

\*\* 50% is the City of Pleasanton share agreed upon per LPFD agreement

**City of Pleasanton**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2015**

**6. SCHEDULES OF CONTRIBUTIONS, Continued**

**Safety Police Plans**  
**Cost-Sharing Multiple-Employer Defined Benefit Pension Plan**  
**Last 10 Years \*\***

	<u>Safety Police Plan</u>
Actuarially determined contribution	\$ 2,638,355
Contributions in relation to the actuarially determined contribution	<u>(7,138,355)</u>
Contributions deficiency (excess)	<u>\$ (4,500,000)</u>
Covered-employee payroll	\$ 11,002,998
Contributions as a percentage of covered-employee payroll	64.88%

**Notes to Schedule**

Valuation date 6/30/2013

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Asset valuation method	5-year smoothed market
Inflation	2.75%
Salary increases	Varies by entry age and service
Payroll growth	3.00%
Investment rate of return	7.5%, net of pension plan investment expenses, including inflation
Retirement age	50 years
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using scale AA published by the Society of Actuaries.

\*\* Fiscal year 2014/15 was the 1st year of implementation, therefore only one year is shown.



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## **SUPPLEMENTARY INFORMATION**

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Major Capital Project Fund**  
**Park Capital Improvement Program Fund**  
**For the year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ 50,000	\$ 72,081	\$ 22,081
Other revenues	-	-	13,944	13,944
<b>Total revenues</b>	<b>-</b>	<b>50,000</b>	<b>86,025</b>	<b>36,025</b>
<b>EXPENDITURES:</b>				
Capital outlay	10,945,993	13,367,697	763,877	12,603,820
<b>Total expenditures</b>	<b>10,945,993</b>	<b>13,367,697</b>	<b>763,877</b>	<b>12,603,820</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(10,945,993)</b>	<b>(13,317,697)</b>	<b>(677,852)</b>	<b>12,639,845</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,300,000	1,746,704	1,721,704	(25,000)
<b>Total other financing sources (uses)</b>	<b>1,300,000</b>	<b>1,746,704</b>	<b>1,721,704</b>	<b>(25,000)</b>
<b>Net change in fund balances</b>	<b>\$ (9,645,993)</b>	<b>\$ (11,570,993)</b>	<b>1,043,852</b>	<b>\$ 12,614,845</b>
<b>FUND BALANCES:</b>				
Beginning of year			9,666,410	
End of year			<b>\$ 10,710,262</b>	

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**City of Pleasanton  
Combining Balance Sheet  
Non-Major Governmental Funds  
June 30, 2015**

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
<b>ASSETS</b>				
Cash and investments	\$ 10,907,202	\$ -	\$ 45,774,653	\$ 56,681,855
Receivables:				
Accounts	855,042	-	97,875	952,917
Grants	1,159,814	-	-	1,159,814
Interest	224,637	-	81,789	306,426
Notes receivable	2,152,700	-	251,668	2,404,368
<b>Total assets</b>	<u>15,299,395</u>	<u>-</u>	<u>46,205,985</u>	<u>61,505,380</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	24,480	-	-	24,480
<b>Total assets and deferred outflows of resources</b>	<u>\$ 15,323,875</u>	<u>\$ -</u>	<u>\$ 46,205,985</u>	<u>\$ 61,529,860</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 462,541	\$ -	\$ 1,596,230	\$ 2,058,771
Due to other funds	1,596,426	-	-	1,596,426
Unearned revenue	21,705	-	-	21,705
<b>Total liabilities</b>	<u>2,080,672</u>	<u>-</u>	<u>1,596,230</u>	<u>3,676,902</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	2,359,415	-	251,668	2,611,083
<b>FUND BALANCES</b>				
Restricted	11,437,261	-	33,702,166	45,139,427
Assigned	127,065	-	10,655,921	10,782,986
Unassigned	(680,538)	-	-	(680,538)
<b>Total fund balances</b>	<u>10,883,788</u>	<u>-</u>	<u>44,358,087</u>	<u>55,241,875</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 15,323,875</u>	<u>\$ -</u>	<u>\$ 46,205,985</u>	<u>\$ 61,529,860</u>

**City of Pleasanton**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the year ended June 30, 2015**

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
<b>REVENUES:</b>				
Special assessments	\$ 204,755	\$ -	\$ -	\$ 204,755
Use of money and property	77,393	5	344,960	422,358
Intergovernmental	4,752,206	-	-	4,752,206
Charges for service	33,224	-	-	33,224
Development fees	45,170	-	7,937,439	7,982,609
Reimbursements	123,565	-	515,849	639,414
Contributions and donations	109,406	-	67,000	176,406
Other revenues	460,411	-	209,173	669,584
<b>Total revenues</b>	<b>5,806,130</b>	<b>5</b>	<b>9,074,421</b>	<b>14,880,556</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	138,858	-	-	138,858
Community development	788,129	-	1,545	789,674
Operations services	438,075	-	376,094	814,169
Community activities	75,520	-	47,122	122,642
Capital outlay	3,886,389	-	5,787,884	9,674,273
Debt service:				
Principal	-	380,000	1,380,417	1,760,417
Interest	-	6,460	3,511	9,971
<b>Total expenditures</b>	<b>5,326,971</b>	<b>386,460</b>	<b>7,596,573</b>	<b>13,310,004</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>479,159</b>	<b>(386,455)</b>	<b>1,477,848</b>	<b>1,570,552</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Loan proceeds	-	-	1,468,014	1,468,014
Transfers in	680,221	-	95,000	775,221
Transfers out	(56,755)	(2,060)	(1,034,425)	(1,093,240)
<b>Total other financing sources (uses)</b>	<b>623,466</b>	<b>(2,060)</b>	<b>528,589</b>	<b>1,149,995</b>
<b>Net change in fund balances</b>	<b>1,102,625</b>	<b>(388,515)</b>	<b>2,006,437</b>	<b>2,720,547</b>
<b>FUND BALANCES:</b>				
Beginning of year	9,781,163	388,515	42,351,650	52,521,328
End of year	<u>\$ 10,883,788</u>	<u>\$ -</u>	<u>\$ 44,358,087</u>	<u>\$ 55,241,875</u>

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## NON-MAJOR SPECIAL REVENUE FUNDS

*Special Revenue Funds* account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

### **D.A.R.E Trust**

The Drug Abuse Resistance Education (D.A.R.E) fund accounts for private donations made to specifically enhance the City's D.A.R.E program.

### **Asset Forfeiture**

This fund accounts for the proceeds from assets forfeited as a result of investigations of criminal offenses, generally narcotics related. In accordance with the Health and Safety Code section 11489, the funds must be used for law enforcement and prosecution efforts.

### **Central Business District Parking (CBD) In-Lieu**

This fund accounts for fees collected from developers in the downtown area in lieu of providing required parking. The City will use this money to build downtown parking structures in the future.

### **Resource Management**

This fund accounts for Measure D revenues from Alameda County as well as other mitigation revenues. The City has developed a variety of recycling programs in accordance with state and county requirements.

### **Miscellaneous Donations**

This fund is used to account for donations made to the City for equipment or to enhance services in accordance with the donor's requests.

### **Landscape and Lighting Districts**

Residents of five different subdivisions (Ponderosa 84-1, Windsor 93-1, Bond 93-2, Moller 95-1 and Oak Tree Farms 94-1) participate in landscape maintenance districts that pay to maintain and repair designated landscaped and open space areas. It is administered by the City but paid for by the homeowners through annual assessments placed on their property tax bills.

### **Geologic Hazard Assessment Districts (GHADs)**

Residents of four different subdivisions (Lemoine, Laurel Creek, Moller and Oak Tree Farm) participate in assessment districts that will pay for any landslide repairs and related geologic work. It is administered by the City but paid for by the homeowners through annual assessments placed on their property tax bills.

### **Measure B Transportation Improvements**

This fund accounts for moneys received from voter-approved Measure B which is to be used for street construction, repair and maintenance and for bicycle and pedestrian safety projects.

### **Gas Tax**

The City receives its share of gas tax from the State and uses the funds to construct, reconstruct and maintain streets throughout the City as designated in the annual capital improvement program.

### **H.O.M.E Program**

The Housing Opportunities Made Easy program is funded through a federal grant from the U.S. Department of Housing and Urban Development. The City receives its annual formula allocation and the funds must be used for housing projects that benefit lower income persons.

### **M.T.C. Funds**

The City annually applies to the Metropolitan Transportation Commission (M.T.C.) for monies to be used on various bicycle path projects.

### **Abandoned Vehicle**

The City receives funds from a vehicle registration surcharge for abatement of abandoned vehicles. The funds are used to cover the costs associated with the handling of abandoned vehicles.



## NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)

### **Urban Forestry Program**

This fund was created to promote conservation and public education in regard to Pleasanton's street trees, park trees and trees on private property. Revenue sources include donations and fines assessed for damaging heritage trees.

### **Library Trust Fund**

This fund was established in 2000-01 to account for donations made to the library. Funds will be expended for equipment and enhanced services in accordance with donor's requests.

### **Miscellaneous Operating Grants**

This fund includes various grant revenues received for the Used Oil program, AB3229 revenues for front line law enforcement expenditures, and Federal Block Grants for law enforcement programs.

### **HBPOA Maintenance District**

This fund receives revenue from the Hacienda Business Park Owners Association to maintain the traffic signals within their business park. The City administers the maintenance contracts.

### **Community Development Block Grant**

The Community Development Block Grant (CDBG) program is funded through a federal grant from the U.S. Department of Housing and Urban Development. CDBG funds must be used for projects and activities that benefit at least 70 percent lower income persons. Eligible projects include capital improvements, housing rehabilitation, public services, and economic development activities.

### **Traffic Grants**

This fund receives grants from State and Federal agencies for various traffic related projects.

### **Downtown Economic Loan**

This fund was established in 1995-96 to provide design and other assistance to downtown merchants to improve their facades. Proposed expenditures in the future will be loans to merchants.

### **Federal ISTEA Program**

This fund accounts for grant revenues from the Federal Intermodal Surface Transportation Efficiency Act (ISTEA).

### **Community Access Television**

Under City Ordinance No. 2013, Section 6.54.060 of the Pleasanton Municipal Code, the City collects one percent (1%) of gross revenues from Cable Operators to support PEG (public, educational and governmental) channel facilities. This fund accounts for collection of PEG revenues and the capital expenditures related to PEG channel facilities.

### **Marilyn Murphy Kane Trail Reserve**

This fund accounts for the unspent portion of a donation received for the construction of the Marilyn Murphy Kane Trail. The remaining funds will be spent on design and construction services to install additional trees along the Marilyn Murphy Kane Trail on the City's Bernal property.

### **Specific Plan Funds**

Under Government Code Section 65450-65457, the City has established specific plans to develop policies, programs, and regulations for implementing its general plan in site-specific areas. Fees collected under these plans for the construction of infrastructure in these specific areas of the City are accounted for in this fund. This fund currently consists of the Happy Valley Specific Plan, the Vineyard Avenue Corridor Specific Plan and the Stoneridge Drive Specific Plan.

### **Vehicle Registration Fees**

This fund accounts for monies received from voter approved Measure F which is to be used for repair and maintenance of local streets and roads and the improvement of traffic flow, public transportation, and bicyclist, pedestrian and driver safety.

### **Measure BB Transportation Improvements**

This fund accounts for moneys received from voter-approved Measure BB which is to be used for transportation priorities that includes streets and roads improvements, bicycle/pedestrian enhancements, and transit related projects.

**City of Pleasanton  
Combining Balance Sheet  
Non-Major Special Revenue Funds  
June 30, 2015**

	D.A.R.E. Trust	Asset Forfeiture	CBD Parking In-Lieu	Resource Management	Miscellaneous Donations
<b>ASSETS</b>					
Cash and investments	\$ 24,690	\$ 42,083	\$ 99,982	\$ 729,600	\$ 136,274
Receivables:					
Accounts	-	-	-	49,780	-
Grants	-	-	-	-	-
Interest	45	46	170	1,338	221
Notes receivable	-	-	58,000	-	-
<b>Total assets</b>	<b>24,735</b>	<b>42,129</b>	<b>158,152</b>	<b>780,718</b>	<b>136,495</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
	-	-	-	-	-
<b>Total assets and deferred     outflows of resources</b>	<b>\$ 24,735</b>	<b>\$ 42,129</b>	<b>\$ 158,152</b>	<b>\$ 780,718</b>	<b>\$ 136,495</b>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 9,660	\$ 250
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,660</b>	<b>250</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
	-	-	58,000	-	-
<b>FUND BALANCES</b>					
Restricted	24,735	42,129	-	771,058	136,245
Assigned	-	-	100,152	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances</b>	<b>24,735</b>	<b>42,129</b>	<b>100,152</b>	<b>771,058</b>	<b>136,245</b>
<b>Total liabilities, deferred inflows     of resources and fund balances</b>	<b>\$ 24,735</b>	<b>\$ 42,129</b>	<b>\$ 158,152</b>	<b>\$ 780,718</b>	<b>\$ 136,495</b>

Landscape and Lighting Districts	Geologic Hazard Assessment Districts	Measure B Transportation Improvements	Gas Tax	H.O.M.E. Program	M.T.C. Funds	Abandoned Vehicle	Urban Forestry Program
\$ 427,265	\$ 955,048	\$ 1,287,447	\$ 4,346,286	\$ -	\$ -	\$ 249,712	\$ 53,848
150	1,034	249,156	195,673	-	-	-	-
-	-	-	-	218,585	-	-	-
737	1,675	3,119	6,239	39,488	-	482	120
-	-	-	-	1,544,720	-	-	-
<u>428,152</u>	<u>957,757</u>	<u>1,539,722</u>	<u>4,548,198</u>	<u>1,802,793</u>	<u>-</u>	<u>250,194</u>	<u>53,968</u>
-	-	-	-	24,480	-	-	-
<u>\$ 428,152</u>	<u>\$ 957,757</u>	<u>\$ 1,539,722</u>	<u>\$ 4,548,198</u>	<u>\$ 1,827,273</u>	<u>\$ -</u>	<u>\$ 250,194</u>	<u>\$ 53,968</u>
\$ 9,072	\$ 600	\$ 8,945	\$ 95,127	\$ 93,862	\$ -	\$ -	\$ 4,730
-	-	-	-	149,202	-	-	-
-	-	-	-	-	-	-	-
<u>9,072</u>	<u>600</u>	<u>8,945</u>	<u>95,127</u>	<u>243,064</u>	<u>-</u>	<u>-</u>	<u>4,730</u>
-	-	-	-	1,584,209	-	-	-
419,080	957,157	1,530,777	4,453,071	-	-	250,194	49,238
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>419,080</u>	<u>957,157</u>	<u>1,530,777</u>	<u>4,453,071</u>	<u>-</u>	<u>-</u>	<u>250,194</u>	<u>49,238</u>
<u>\$ 428,152</u>	<u>\$ 957,757</u>	<u>\$ 1,539,722</u>	<u>\$ 4,548,198</u>	<u>\$ 1,827,273</u>	<u>\$ -</u>	<u>\$ 250,194</u>	<u>\$ 53,968</u>

**City of Pleasanton  
Combining Balance Sheet  
Non-Major Special Revenue Funds, Continued  
June 30, 2015**

	Library Trust Fund	Miscellaneous Grants	HBPOA Maintenance District	Community Development Block Grant	Traffic Grants
<b>ASSETS</b>					
Cash and investments	\$ 55,480	251,024	\$ -	\$ -	\$ -
Receivables:					
Accounts	-	19,999	35,665	-	-
Grants	-	101,276	-	197,953	275,000
Interest	97	384	-	167,226	-
Notes receivable	-	-	-	549,980	-
<b>Total assets</b>	<b>55,577</b>	<b>372,683</b>	<b>35,665</b>	<b>915,159</b>	<b>275,000</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
	-	-	-	-	-
<b>Total assets and deferred     outflows of resources</b>	<b>\$ 55,577</b>	<b>\$ 372,683</b>	<b>\$ 35,665</b>	<b>\$ 915,159</b>	<b>\$ 275,000</b>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 67,688	\$ 21,935	\$ 150,672	\$ -
Due to other funds	-	744,816	13,730	46,678	275,000
Unearned revenue	-	21,102	-	603	-
<b>Total liabilities</b>	<b>-</b>	<b>833,606</b>	<b>35,665</b>	<b>197,953</b>	<b>275,000</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
	-	-	-	717,206	-
<b>FUND BALANCES</b>					
Restricted	55,577	219,615	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(680,538)	-	-	-
<b>Total fund balances</b>	<b>55,577</b>	<b>(460,923)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities, deferred inflows     of resources and fund balances</b>	<b>\$ 55,577</b>	<b>\$ 372,683</b>	<b>\$ 35,665</b>	<b>\$ 915,159</b>	<b>\$ 275,000</b>

Downtown Economic Loan	Federal ISTEA Program	Community Access Television	Marilyn Murphy Kane Trail Reserve	Specific Plan Funds	Vehicle Registration Fees	Measure BB Transportation Improvements	Total
\$ 26,866	\$ -	\$ 611,994	\$ 106,414	1,409,902	\$ 93,287	\$ -	\$ 10,907,202
-	-	63,338	-	-	64,512	175,735	855,042
-	367,000	-	-	-	-	-	1,159,814
47	-	1,033	186	1,454	530	-	224,637
-	-	-	-	-	-	-	2,152,700
<u>26,913</u>	<u>367,000</u>	<u>676,365</u>	<u>106,600</u>	<u>1,411,356</u>	<u>158,329</u>	<u>175,735</u>	<u>15,299,395</u>
-	-	-	-	-	-	-	24,480
<u>\$ 26,913</u>	<u>\$ 367,000</u>	<u>\$ 676,365</u>	<u>\$ 106,600</u>	<u>\$ 1,411,356</u>	<u>\$ 158,329</u>	<u>\$ 175,735</u>	<u>\$ 15,323,875</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 462,541
-	367,000	-	-	-	-	-	1,596,426
-	-	-	-	-	-	-	21,705
-	367,000	-	-	-	-	-	2,080,672
-	-	-	-	-	-	-	2,359,415
-	-	676,365	106,600	1,411,356	158,329	175,735	11,437,261
26,913	-	-	-	-	-	-	127,065
-	-	-	-	-	-	-	(680,538)
<u>26,913</u>	<u>-</u>	<u>676,365</u>	<u>106,600</u>	<u>1,411,356</u>	<u>158,329</u>	<u>175,735</u>	<u>10,883,788</u>
<u>\$ 26,913</u>	<u>\$ 367,000</u>	<u>\$ 676,365</u>	<u>\$ 106,600</u>	<u>\$ 1,411,356</u>	<u>\$ 158,329</u>	<u>\$ 175,735</u>	<u>\$ 15,323,875</u>

**City of Pleasanton**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Special Revenue Funds**  
**For the year ended June 30, 2015**

	D.A.R.E. Trust	Asset Forfeiture	CBD Parking In-Lieu	Resource Management	Miscellaneous Donations
<b>REVENUES:</b>					
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Use of money and property	185	191	323	6,229	879
Intergovernmental	-	-	-	-	-
Charges for service	-	-	-	-	-
Reimbursements	-	-	-	-	-
Contributions and donations	3,700	-	-	-	92,691
Development fees	-	-	14,500	-	-
Other	-	1,056	-	199,598	-
<b>Total revenues</b>	<b>3,885</b>	<b>1,247</b>	<b>14,823</b>	<b>205,827</b>	<b>93,570</b>
<b>EXPENDITURES:</b>					
Current:					
Public safety	1,500	-	-	-	-
Community development	-	-	-	-	-
Operations services	-	-	-	200,353	-
Community activities	-	-	-	-	19,340
Capital outlay	-	-	-	30,031	48,450
<b>Total expenditures</b>	<b>1,500</b>	<b>-</b>	<b>-</b>	<b>230,384</b>	<b>67,790</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>2,385</b>	<b>1,247</b>	<b>14,823</b>	<b>(24,557)</b>	<b>25,780</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	67,500	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>67,500</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>2,385</b>	<b>1,247</b>	<b>82,323</b>	<b>(24,557)</b>	<b>25,780</b>
<b>FUND BALANCES:</b>					
Beginning of year	22,350	40,882	17,829	795,615	110,465
End of year	\$ 24,735	\$ 42,129	\$ 100,152	\$ 771,058	\$ 136,245

Landscape and Lighting Districts	Geologic Hazard Assessment Districts	Measure B Transportation Improvements	Gas Tax	H.O.M.E. Program	M.T.C. Funds	Abandoned Vehicle	Urban Forestry Program
\$ 129,454	\$ 75,301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,104	7,281	14,407	26,461	-	-	2,109	615
-	-	1,002,335	2,043,735	340,295	-	-	-
-	-	-	-	-	-	32,224	1,000
-	-	-	-	-	-	-	8,170
-	-	-	-	-	-	-	13,015
-	-	-	-	-	-	-	-
11,565	1,169	-	-	-	-	-	-
144,123	83,751	1,016,742	2,070,196	340,295	-	34,333	22,800
-	-	-	-	-	-	32,224	-
-	20,383	-	7,500	340,295	-	-	-
102,586	-	-	-	-	-	-	19,741
-	-	-	-	-	-	-	-
-	-	1,172,063	2,089,507	-	-	-	-
102,586	20,383	1,172,063	2,097,007	340,295	-	32,224	19,741
41,537	63,368	(155,321)	(26,811)	-	-	2,109	3,059
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(20,798)
-	-	-	-	-	-	-	(20,798)
41,537	63,368	(155,321)	(26,811)	-	-	2,109	(17,739)
377,543	893,789	1,686,098	4,479,882	-	-	248,085	66,977
\$ 419,080	\$ 957,157	\$ 1,530,777	\$ 4,453,071	\$ -	\$ -	\$ 250,194	\$ 49,238

**City of Pleasanton**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Special Revenue Funds, Continued**  
**For the year ended June 30, 2015**

	Library Trust Fund	Miscellaneous Grants	HBPOA Maintenance District	Community Development Block Grant	Traffic Grants
<b>REVENUES:</b>					
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Use of money and property	435	1,405	-	-	-
Intergovernmental	-	423,552	-	402,245	-
Charges for service	-	-	-	-	-
Reimbursements	-	-	115,395	-	-
Contributions and donations	-	-	-	-	-
Development fees	-	-	-	-	-
Other	-	-	-	-	-
<b>Total revenues</b>	<b>435</b>	<b>424,957</b>	<b>115,395</b>	<b>402,245</b>	<b>-</b>
<b>EXPENDITURES:</b>					
Current:					
Public safety	-	105,134	-	-	-
Community development	-	17,706	-	402,245	-
Operations services	-	-	115,395	-	-
Community activities	-	10,173	-	-	-
Capital outlay	-	163,760	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>296,773</b>	<b>115,395</b>	<b>402,245</b>	<b>-</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>435</b>	<b>128,184</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>435</b>	<b>128,184</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>					
Beginning of year	55,142	(589,107)	-	-	-
End of year	\$ 55,577	\$ (460,923)	\$ -	\$ -	\$ -



Downtown Economic Loan	Federal ISTE Program	Community Access Television	Marilyn Murphy Kane Trail Reserve	Specific Plan Funds	Vehicle Registration Fees	Measure BB Transportation Improvements	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 204,755
210	-	3,926	834	6,803	1,996	-	77,393
-	-	-	-	-	364,309	175,735	4,752,206
-	-	-	-	-	-	-	33,224
-	-	-	-	-	-	-	123,565
-	-	-	-	-	-	-	109,406
-	-	-	-	30,670	-	-	45,170
-	-	247,023	-	-	-	-	460,411
210	-	250,949	834	37,473	366,305	175,735	5,806,130
-	-	-	-	-	-	-	138,858
-	-	-	-	-	-	-	788,129
-	-	-	-	-	-	-	438,075
-	-	46,007	-	-	-	-	75,520
-	-	-	-	-	382,578	-	3,886,389
-	-	46,007	-	-	382,578	-	5,326,971
210	-	204,942	834	37,473	(16,273)	175,735	479,159
-	-	-	-	612,721	-	-	680,221
-	-	-	-	(35,957)	-	-	(56,755)
-	-	-	-	576,764	-	-	623,466
210	-	204,942	834	614,237	(16,273)	175,735	1,102,625
26,703	-	471,423	105,766	797,119	174,602	-	9,781,163
\$ 26,913	\$ -	\$ 676,365	\$ 106,600	\$ 1,411,356	\$ 158,329	\$ 175,735	\$ 10,883,788

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**D.A.R.E Trust Special Revenue Fund**  
**For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Use of money and property	\$ 100	\$ 100	\$ 185	\$ 85
Contributions and donations	2,500	3,700	3,700	-
<b>Total revenues</b>	<u>2,600</u>	<u>3,800</u>	<u>3,885</u>	<u>85</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	5,000	5,000	1,500	3,500
<b>Total expenditures</b>	<u>5,000</u>	<u>5,000</u>	<u>1,500</u>	<u>3,500</u>
<b>Net change in fund balances</b>	<u>\$ (2,400)</u>	<u>\$ (1,200)</u>	2,385	<u>\$ 3,585</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>22,350</u>	
End of year			<u>\$ 24,735</u>	

**City of Pleasanton  
 Budgetary Comparison Schedule  
 Asset Forfeiture Special Revenue Fund  
 For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Other	\$ 2,000	\$ 2,000	\$ 1,056	\$ (944)
Use of money and property	<u>100</u>	<u>100</u>	<u>191</u>	<u>91</u>
<b>Total revenues</b>	<u>2,100</u>	<u>2,100</u>	<u>1,247</u>	<u>(853)</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>6,000</u>
<b>Total expenditures</b>	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>(6,000)</u>
<b>Net change in fund balances</b>	<u>\$ (3,900)</u>	<u>\$ (3,900)</u>	1,247	<u>\$ 5,147</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>40,882</u>	
End of year			<u>\$ 42,129</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**CBD Parking In-Lieu Special Revenue Fund**  
**For the year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 323	\$ 323
Contributions and donations	22,000	24,500	-	(24,500)
Development fees	-	-	14,500	14,500
<b>Total revenues</b>	<u>22,000</u>	<u>24,500</u>	<u>14,823</u>	<u>(9,677)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	57,500	67,500	10,000
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>57,500</u>	<u>67,500</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ 22,000</u>	<u>\$ 82,000</u>	<u>82,323</u>	<u>\$ 323</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>17,829</u>	
End of year			<u>\$ 100,152</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Resource Management Special Revenue Fund**  
**For the year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES:</b>				
Use of money and property	\$ 2,300	\$ 2,300	\$ 6,229	\$ 3,929
Other	<u>200,000</u>	<u>200,000</u>	<u>199,598</u>	<u>(402)</u>
<b>Total revenues</b>	<u>202,300</u>	<u>202,300</u>	<u>205,827</u>	<u>3,527</u>
<b>EXPENDITURES:</b>				
Current:				
Operations services	255,000	255,000	200,353	54,647
Capital Outlay	<u>-</u>	<u>-</u>	<u>30,031</u>	<u>(30,031)</u>
<b>Total expenditures</b>	<u>255,000</u>	<u>255,000</u>	<u>230,384</u>	<u>24,616</u>
<b>Net change in fund balances</b>	<u>\$ (52,700)</u>	<u>\$ (52,700)</u>	(24,557)	<u>\$ 28,143</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>795,615</u>	
End of year			<u>\$ 771,058</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Miscellaneous Donations Special Revenue Fund**  
**For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>				
Use of money and property	\$ 900	\$ 900	\$ 879	\$ (21)
Contributions and donations	<u>40,000</u>	<u>65,000</u>	<u>92,691</u>	<u>27,691</u>
<b>Total revenues</b>	<u>40,900</u>	<u>65,900</u>	<u>93,570</u>	<u>27,670</u>
<b>EXPENDITURES:</b>				
Current:				
Community activities	-	3,700	19,340	(15,640)
Capital Outlay	<u>40,000</u>	<u>40,000</u>	<u>48,450</u>	<u>(8,450)</u>
<b>Total expenditures</b>	<u>40,000</u>	<u>43,700</u>	<u>67,790</u>	<u>(24,090)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>-</u>	<u>(25,000)</u>	<u>-</u>	<u>25,000</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(25,000)</u>	<u>-</u>	<u>25,000</u>
<b>Net change in fund balances</b>	<u>\$ 900</u>	<u>\$ (2,800)</u>	25,780	<u>\$ 28,580</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>110,465</u>	
End of year			<u>\$ 136,245</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Landscape and Lighting Districts Special Revenue Fund**  
**For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>				
Special assessments	\$ 129,947	\$ 129,947	\$ 129,454	\$ (493)
Use of money and property	2,100	2,100	3,104	1,004
Other	11,559	11,559	11,565	6
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total revenues</b>	143,606	143,606	144,123	517
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>EXPENDITURES:</b>				
Current:				
Operations services	166,920	166,920	102,586	64,334
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total expenditures</b>	166,920	166,920	102,586	64,334
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net change in fund balances</b>	<u>\$ (23,314)</u>	<u>\$ (23,314)</u>	41,537	<u>\$ 64,851</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>377,543</u>	
End of year			<u>\$ 419,080</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Geologic Hazard Assessment Districts Special Revenue Fund**  
**For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>				
Special assessments	\$ 74,941	\$ 74,941	\$ 75,301	\$ 360
Use of money and property	5,150	5,150	7,281	2,131
Other	<u>1,103</u>	<u>1,103</u>	<u>1,169</u>	<u>66</u>
<b>Total revenues</b>	<u>81,194</u>	<u>81,194</u>	<u>83,751</u>	<u>2,557</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	<u>67,030</u>	<u>67,030</u>	<u>20,383</u>	<u>46,647</u>
<b>Total expenditures</b>	<u>67,030</u>	<u>67,030</u>	<u>20,383</u>	<u>46,647</u>
<b>Net change in fund balances</b>	<u>\$ 14,164</u>	<u>\$ 14,164</u>	63,368	<u>\$ 49,204</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>893,789</u>	
End of year			<u>\$ 957,157</u>	



**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Measure B Transportation Improvements Special Revenue Fund**  
**For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>				
Use of money and property	\$ 1,050	\$ 8,050	\$ 14,407	\$ 6,357
Intergovernmental	<u>911,000</u>	<u>911,000</u>	<u>1,002,335</u>	<u>91,335</u>
<b>Total revenues</b>	<u>912,050</u>	<u>919,050</u>	<u>1,016,742</u>	<u>97,692</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>2,345,545</u>	<u>2,345,545</u>	<u>1,172,063</u>	<u>1,173,482</u>
<b>Total expenditures</b>	<u>2,345,545</u>	<u>2,345,545</u>	<u>1,172,063</u>	<u>1,173,482</u>
<b>Net change in fund balances</b>	<u>\$ (1,433,495)</u>	<u>\$ (1,426,495)</u>	(155,321)	<u>\$ 1,271,174</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>1,686,098</u>	
End of year			<u>\$ 1,530,777</u>	

**City of Pleasanton  
 Budgetary Comparison Schedule  
 Gas Tax Special Revenue Fund  
 For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>				
Use of money and property	\$ 3,900	\$ 13,600	\$ 26,461	\$ 12,861
Intergovernmental	<u>1,786,866</u>	<u>1,786,866</u>	<u>2,043,735</u>	<u>256,869</u>
<b>Total revenues</b>	<u>1,790,766</u>	<u>1,800,466</u>	<u>2,070,196</u>	<u>269,730</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	7,500	7,500	-
Capital outlay	<u>5,850,513</u>	<u>5,733,686</u>	<u>2,089,507</u>	<u>3,644,179</u>
<b>Total expenditures</b>	<u>5,850,513</u>	<u>5,741,186</u>	<u>2,097,007</u>	<u>3,644,179</u>
<b>Net change in fund balances</b>	<u>\$ (4,059,747)</u>	<u>\$ (3,940,720)</u>	(26,811)	<u>\$ 3,913,909</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>4,479,882</u>	
End of year			<u>\$ 4,453,071</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**H.O.M.E. Program Special Revenue Fund**  
**For the year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES:</b>				
Intergovernmental	\$ 154,000	\$ 535,270	\$ 340,295	\$ (194,975)
<b>Total revenues</b>	<u>154,000</u>	<u>535,270</u>	<u>340,295</u>	<u>(194,975)</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	154,000	535,270	340,295	194,975
<b>Total expenditures</b>	<u>154,000</u>	<u>535,270</u>	<u>340,295</u>	<u>194,975</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**M.T.C. Special Revenue Fund**  
**For the year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>23,836</u>	<u>17,435</u>	<u>-</u>	<u>17,435</u>
<b>Total expenditures</b>	<u>23,836</u>	<u>17,435</u>	<u>-</u>	<u>17,435</u>
<b>Net change in fund balances</b>	<u>\$ (23,836)</u>	<u>\$ (17,435)</u>	<u>-</u>	<u>\$ 17,435</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Abandoned Vehicle Special Revenue Fund**  
**For the year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Use of money and property	\$ 1,500	\$ 1,500	\$ 2,109	\$ 609
Charges for services	<u>30,000</u>	<u>30,000</u>	<u>32,224</u>	<u>2,224</u>
<b>Total revenues</b>	<u>31,500</u>	<u>31,500</u>	<u>34,333</u>	<u>2,833</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	<u>30,000</u>	<u>30,000</u>	<u>32,224</u>	<u>(2,224)</u>
<b>Total expenditures</b>	<u>30,000</u>	<u>30,000</u>	<u>32,224</u>	<u>(2,224)</u>
<b>Net change in fund balances</b>	<u>\$ 1,500</u>	<u>\$ 1,500</u>	2,109	<u>\$ 609</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>248,085</u>	
End of year			<u>\$ 250,194</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Urban Forestry Program Special Revenue Fund**  
**For the year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Use of money and property	\$ 200	\$ 200	\$ 615	\$ 415
Charges for service	-	-	1,000	1,000
Reimbursements	-	-	8,170	8,170
Contributions and donations	8,500	8,500	13,015	4,515
<b>Total revenues</b>	<u>8,700</u>	<u>8,700</u>	<u>22,800</u>	<u>14,100</u>
<b>EXPENDITURES:</b>				
Current:				
Operations services	9,000	24,000	19,741	4,259
<b>Total expenditures</b>	<u>9,000</u>	<u>24,000</u>	<u>19,741</u>	<u>4,259</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfer out	(18,637)	(18,637)	(20,798)	(2,161)
<b>Total other financing sources</b>	<u>(18,637)</u>	<u>(18,637)</u>	<u>(20,798)</u>	<u>(2,161)</u>
<b>Net change in fund balances</b>	<u>\$ (18,937)</u>	<u>\$ (33,937)</u>	(17,739)	<u>\$ 16,198</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>66,977</u>	
End of year			<u>\$ 49,238</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Library Trust Fund Special Revenue Fund**  
**For the year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Use of money and property	\$ 300	\$ 300	\$ 435	\$ 135
<b>Total revenues</b>	<u>300</u>	<u>300</u>	<u>435</u>	<u>135</u>
<b>Net change in fund balances</b>	<u>\$ 300</u>	<u>\$ 300</u>	435	<u>\$ 135</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>55,142</u>	
End of year			<u>\$ 55,577</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Miscellaneous Grants Special Revenue Fund**  
**For the year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Use of money and property	\$ 1,050	\$ 1,050	\$ 1,405	\$ 355
Intergovernmental	<u>1,697,920</u>	<u>1,697,920</u>	<u>423,552</u>	<u>(1,274,368)</u>
<b>Total revenues</b>	<u>1,698,970</u>	<u>1,698,970</u>	<u>424,957</u>	<u>(1,274,013)</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	5,043	48,197	105,134	(56,937)
Community development	-	-	17,706	(17,706)
Community activities	-	-	10,173	(10,173)
Capital outlay	<u>960,726</u>	<u>1,060,726</u>	<u>163,760</u>	<u>896,966</u>
<b>Total expenditures</b>	<u>965,769</u>	<u>1,108,923</u>	<u>296,773</u>	<u>812,150</u>
<b>Net change in fund balances</b>	<u>\$ 733,201</u>	<u>\$ 590,047</u>	128,184	<u>\$ (461,863)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>(589,107)</u>	
End of year			<u>\$ (460,923)</u>	



**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**HBPOA Maintenance District Special Revenue Fund**  
**For the year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES:</b>				
Reimbursements	<u>\$ 100,000</u>	<u>\$ 149,040</u>	<u>\$ 115,395</u>	<u>\$ (33,645)</u>
<b>Total revenues</b>	<u>100,000</u>	<u>149,040</u>	<u>115,395</u>	<u>(33,645)</u>
<b>EXPENDITURES:</b>				
Current:				
Operations services	<u>100,000</u>	<u>149,040</u>	<u>115,395</u>	<u>33,645</u>
<b>Total expenditures</b>	<u>100,000</u>	<u>149,040</u>	<u>115,395</u>	<u>33,645</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Community Development Block Grant Special Revenue Fund**  
**For the year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES:</b>				
Intergovernmental	\$ 229,600	\$ 308,986	\$ 402,245	\$ 93,259
<b>Total revenues</b>	<u>229,600</u>	<u>308,986</u>	<u>402,245</u>	<u>93,259</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	229,600	308,986	402,245	(93,259)
Capital outlay	<u>-</u>	<u>1,250,000</u>	<u>-</u>	<u>1,250,000</u>
<b>Total expenditures</b>	<u>229,600</u>	<u>1,558,986</u>	<u>402,245</u>	<u>1,156,741</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	<u>-</u>	<u>1,250,000</u>	<u>-</u>	<u>(1,250,000)</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>1,250,000</u>	<u>-</u>	<u>(1,250,000)</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Traffic Grants Special Revenue Fund**  
**For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES:</b>				
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Downtown Economic Loan Special Revenue Fund**  
**For the year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES:</b>				
Use of money and property	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 210</u>	<u>\$ 10</u>
<b>Total revenues</b>	<u>200</u>	<u>200</u>	<u>210</u>	<u>10</u>
<b>Net change in fund balances</b>	<u>\$ 200</u>	<u>\$ 200</u>	210	<u>\$ 10</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>26,703</u>	
End of year			<u>\$ 26,913</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Federal ISTEPA Program Special Revenue Fund**  
**For the year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Community Access Television Special Revenue Fund**  
**For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>				
Use of money and property	\$ 1,900	\$ 1,900	\$ 3,926	\$ 2,026
Other	235,000	235,000	247,023	12,023
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total revenues</b>	236,900	236,900	250,949	14,049
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>EXPENDITURES:</b>				
Current:				
Community Activities	37,000	46,000	46,007	(7)
Capital outlay	30,000	30,000	-	30,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total expenditures</b>	67,000	76,000	46,007	29,993
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net change in fund balances</b>	<u>\$ 169,900</u>	<u>\$ 160,900</u>	204,942	<u>\$ 44,042</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>471,423</u>	
End of year			<u>\$ 676,365</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Marilyn Murphy Kane Trail Reserve Special Revenue Fund**  
**For the year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES:</b>				
Use of money and property	\$ 1,000	\$ 800	\$ 834	\$ 34
<b>Total revenues</b>	<u>1,000</u>	<u>800</u>	<u>834</u>	<u>34</u>
<b>Net change in fund balances</b>	<u>\$ 1,000</u>	<u>\$ 800</u>	834	<u>\$ 34</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>105,766</u>	
End of year			<u>\$ 106,600</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Specific Plan Funds Special Revenue Fund**  
**For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>				
Use of money and property	\$ 200	\$ 4,700	\$ 6,803	\$ 2,103
Development fees	<u>          -</u>	<u>          30,670</u>	<u>          30,670</u>	<u>          -</u>
<b>Total revenues</b>	<u>          200</u>	<u>          35,370</u>	<u>          37,473</u>	<u>          2,103</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>          694,166</u>	<u>          703,834</u>	<u>                  -</u>	<u>          703,834</u>
<b>Total expenditures</b>	<u>          694,166</u>	<u>          703,834</u>	<u>                  -</u>	<u>          703,834</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	612,721	612,721	-
Transfers out	<u>          -</u>	<u>          (32,000)</u>	<u>          (35,957)</u>	<u>          (3,957)</u>
<b>Total other financing sources (uses)</b>	<u>          -</u>	<u>          580,721</u>	<u>          576,764</u>	<u>          (3,957)</u>
<b>Net change in fund balances</b>	<u>          \$ (693,966)</u>	<u>          \$ (87,743)</u>	614,237	<u>          \$ 701,980</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>          797,119</u>	
End of year			<u>          \$ 1,411,356</u>	



**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Vehicle Registration Fees Special Revenue Fund**  
**For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>				
Use of money and property	\$ 700	\$ 1,000	\$ 1,996	\$ 996
Intergovernmental	<u>326,700</u>	<u>326,700</u>	<u>364,309</u>	<u>37,609</u>
<b>Total revenues</b>	<u>327,400</u>	<u>327,700</u>	<u>366,305</u>	<u>38,605</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	43,945	36,445	-	36,445
Capital outlay	<u>385,000</u>	<u>385,000</u>	<u>382,578</u>	<u>2,422</u>
<b>Total expenditures</b>	<u>428,945</u>	<u>421,445</u>	<u>382,578</u>	<u>38,867</u>
<b>Net change in fund balances</b>	<u>\$ (101,545)</u>	<u>\$ (93,745)</u>	(16,273)	<u>\$ 77,472</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>174,602</u>	
End of year			<u>\$ 158,329</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Measure BB Transportation Improvements Special Revenue Fund**  
**For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 175,735	\$ 175,735
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>175,735</u>	<u>175,735</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>175,735</u>	<u>\$ 175,735</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>-</u>	
End of year			<u>\$ 175,735</u>	

## NON-MAJOR DEBT SERVICE FUND

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

### **2004 COPs**

This fund accounts for the accumulation of resources and payment of principal and interest on debt issued on December 1, 2004 to refund the Pleasanton Joint Powers Financing Authority 1994 Series B Refunding Lease Revenue Bonds.

**City of Pleasanton  
Combining Balance Sheet  
Non-Major Debt Service Fund  
June 30, 2015**

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	<u>2004 COPs</u>
<b>ASSETS</b>	
Restricted cash and investments	<u>\$ -</u>
<b>Total assets</b>	<u><u>\$ -</u></u>
<b>FUND BALANCES</b>	
Restricted	<u>\$ -</u>
<b>Total fund balances</b>	<u><u>\$ -</u></u>

**City of Pleasanton**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Debt Service Fund**  
**For the year ended June 30, 2015**

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	2004 COPs
<b>REVENUES:</b>	
Use of money and property	\$ 5
<b>Total operating revenues</b>	<u>5</u>
<b>EXPENDITURES:</b>	
Debt service:	
Principal	380,000
Interest	6,460
<b>Total expenditures</b>	<u>386,460</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(386,455)</u>
<b>OTHER FINANCING SOURCES (USES):</b>	
Transfers out	<u>(2,060)</u>
<b>Total other financing sources (uses)</b>	<u>(2,060)</u>
<b>Net change in fund balances</b>	(388,515)
<b>FUND BALANCES:</b>	
Beginning of year	<u>388,515</u>
End of year	<u>\$ -</u>

**City of Pleasanton  
 Budgetary Comparison Schedule  
 2004 COPs Debt Service Fund  
 For the year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 5	\$ 5
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal	380,000	380,000	380,000	-
Interest, fiscal charges	6,460	6,460	6,460	-
<b>Total expenditures</b>	<u>386,460</u>	<u>386,460</u>	<u>386,460</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(386,460)</u>	<u>(386,460)</u>	<u>(386,455)</u>	<u>5</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	-	(2,060)	(2,060)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(2,060)</u>	<u>(2,060)</u>
<b>Net change in fund balances</b>	<u>\$ (386,460)</u>	<u>\$ (386,460)</u>	(388,515)	<u>\$ (2,055)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>388,515</u>	
End of year			<u>\$ -</u>	

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## NON-MAJOR CAPITAL PROJECTS FUNDS

*Capital Projects Funds* account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by Proprietary and Special Revenue Funds.

### **Miscellaneous Capital Improvement Program**

This fund receives contributions from the General Fund to be used for the purchase of equipment or the construction of facilities as adopted in the annual miscellaneous capital improvement program.

### **CIP for Downtown and North Pleasanton**

This fund was set up in 2007-08 to account for the purchase of land and to construct parking facilities and other improvements in the Downtown Area and in North Pleasanton.

### **Public Facilities**

This fund receives revenues from developers of properties. The moneys are used for the purchase of equipment or construction of facilities related to the new property development as adopted in the annual miscellaneous capital improvement program.

### **Park Development**

This fund receives revenues from developers of properties and the funds may only be used for the design, development, and construction of new parks within the City.

### **Street Capital Improvement Program**

This fund receives contributions from the General Fund to be used for the construction, reconstruction and maintenance of City streets as adopted in the annual streets capital improvement program.

### **Traffic Impact**

This fund receives revenues from developers of commercial and residential properties. The funds may only be used for traffic/street improvements.

### **Landscape Maintenance North Pleasanton Improvement District**

This fund accounts for the portion of the N.P.I.D. #3 funds that have been designated for the temporary maintenance of freeway onramps landscape.

### **Traffic Impact Fund - Bernal Property**

This fund was set up in 2000-01. A percentage of the traffic impact fees collected from developers are deposited in this fund and used for the construction of the Bernal interchange.

### **Budgeted Developer Projects**

This fund receives revenue from developers for specific capital improvement projects.

### **Assessment District Construction**

This fund includes the construction funds of Assessment District NPID 1 and Assessment District Stoneridge Business Center. The projects include street and intersection improvements.



## **NON-MAJOR CAPITAL PROJECTS FUNDS, Continued**

### **Tri-Valley Transportation**

The City, as a member of the Tri-Valley Transportation Council, collects a fee from developers to finance projects to reduce traffic-related impacts caused by future developments.

### **Mutual Benefits District**

This fund receives revenue from groups of developers for specific capital improvement projects.

**City of Pleasanton  
Combining Balance Sheet  
Non-Major Capital Project Funds  
June 30, 2015**

	Miscellaneous Capital Improvement Programs	CIP for Downtown & North Pleasanton	Public Facilities	Park Development	Street Capital Improvement Program	Traffic Impact
<b>ASSETS</b>						
Cash and investments	\$ 4,022,262	\$ 3,576,415	\$ 5,222,930	\$ 9,348,395	\$ 6,539,411	\$ 3,461,009
Receivables:						
Accounts	-	-	-	-	97,875	-
Interest	7,448	6,241	9,035	16,888	11,336	5,960
Notes receivable	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 4,029,710</b>	<b>\$ 3,582,656</b>	<b>\$ 5,231,965</b>	<b>\$ 9,365,283</b>	<b>\$ 6,648,622</b>	<b>\$ 3,466,969</b>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ 736,376	\$ 22,411	\$ 75,194
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>736,376</b>	<b>22,411</b>	<b>75,194</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
	-	-	-	-	-	-
<b>FUND BALANCES</b>						
Restricted	-	3,582,656	5,231,965	8,628,907	-	3,391,775
Assigned	4,029,710	-	-	-	6,626,211	-
<b>Total fund balances</b>	<b>4,029,710</b>	<b>3,582,656</b>	<b>5,231,965</b>	<b>8,628,907</b>	<b>6,626,211</b>	<b>3,391,775</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 4,029,710</b>	<b>\$ 3,582,656</b>	<b>\$ 5,231,965</b>	<b>\$ 9,365,283</b>	<b>\$ 6,648,622</b>	<b>\$ 3,466,969</b>

Landscape Maintenance N.P.I.D.	Traffic Impact Fund Bernal	Budgeted Developer Projects	Assessment District Construction	Tri-Valley Transportation	Mutual Benefits District	Total
\$ 850,709	\$ 3,198,090	\$ 7,398,498	\$ 1,420,496	\$ 684,271	\$ 52,167	\$ 45,774,653
-	-	-	-	-	-	97,875
1,486	6,019	13,905	2,464	1,007	-	81,789
251,668	-	-	-	-	-	251,668
<u>\$ 1,103,863</u>	<u>\$ 3,204,109</u>	<u>\$ 7,412,403</u>	<u>\$ 1,422,960</u>	<u>\$ 685,278</u>	<u>\$ 52,167</u>	<u>\$ 46,205,985</u>
\$ 1,861	\$ 244,023	\$ 270,994	\$ 36,109	\$ 157,095	\$ 52,167	\$ 1,596,230
1,861	244,023	270,994	36,109	157,095	52,167	1,596,230
251,668	-	-	-	-	-	251,668
850,334	2,960,086	7,141,409	1,386,851	528,183	-	33,702,166
-	-	-	-	-	-	10,655,921
850,334	2,960,086	7,141,409	1,386,851	528,183	-	44,358,087
<u>\$ 1,103,863</u>	<u>\$ 3,204,109</u>	<u>\$ 7,412,403</u>	<u>\$ 1,422,960</u>	<u>\$ 685,278</u>	<u>\$ 52,167</u>	<u>\$ 46,205,985</u>

**City of Pleasanton**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Capital Project Funds**  
**For the year ended June 30, 2015**

	Miscellaneous Capital Improvement Programs	CIP for Downtown & North Pleasanton	Public Facilities	Park Development	Street Capital Improvement Program	Traffic Impact
<b>REVENUES:</b>						
Use of money and property	\$ 29,898	\$ 29,012	\$ 33,747	\$ 62,158	\$ 50,810	\$ 26,107
Development fees	-	-	1,753,764	4,224,072	37,050	1,555,619
Reimbursements	-	-	-	-	515,849	-
Contributions and donations	4,500	-	-	-	-	-
Other revenues	134,048	-	-	-	-	-
<b>Total revenues</b>	<b>168,446</b>	<b>29,012</b>	<b>1,787,511</b>	<b>4,286,230</b>	<b>603,709</b>	<b>1,581,726</b>
<b>EXPENDITURES:</b>						
Current:						
Operations services	-	-	-	-	-	-
Community activities	47,122	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	137,219	-	2,215	1,143,896	445,188	1,022,206
Debt service:						
Principal	951,527	428,890	-	-	-	-
Interest	-	3,511	-	-	-	-
<b>Total expenditures</b>	<b>1,135,868</b>	<b>432,401</b>	<b>2,215</b>	<b>1,143,896</b>	<b>445,188</b>	<b>1,022,206</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(967,422)</b>	<b>(403,389)</b>	<b>1,785,296</b>	<b>3,142,334</b>	<b>158,521</b>	<b>559,520</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Loan proceeds	1,468,014	-	-	-	-	-
Transfers in	95,000	-	-	-	-	-
Transfers out	(269,490)	-	-	(152,214)	-	-
<b>Total other financing sources (uses)</b>	<b>1,293,524</b>	<b>-</b>	<b>-</b>	<b>(152,214)</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>326,102</b>	<b>(403,389)</b>	<b>1,785,296</b>	<b>2,990,120</b>	<b>158,521</b>	<b>559,520</b>
<b>FUND BALANCES:</b>						
Beginning of year	3,703,608	3,986,045	3,446,669	5,638,787	6,467,690	2,832,255
End of year	\$ 4,029,710	\$ 3,582,656	\$ 5,231,965	\$ 8,628,907	\$ 6,626,211	\$ 3,391,775

Landscape Maintenance N.P.I.D.	Traffic Impact Fund Bernal	Budgeted Developer Projects	Assessment District Construction	Tri-Valley Transportation	Mutual Benefits District	Total
\$ 8,159	\$ 30,931	62,539	\$ 7,893	\$ 3,706	\$ -	\$ 344,960
-	-	-	-	366,934	-	7,937,439
-	-	-	-	-	-	515,849
-	-	62,500	-	-	-	67,000
75,125	-	-	-	-	-	209,173
83,284	30,931	125,039	7,893	370,640	-	9,074,421
348,346	-	-	27,748	-	-	376,094
-	-	-	-	-	-	47,122
-	1,545	-	-	-	-	1,545
-	1,950,723	276,262	533,723	276,452	-	5,787,884
-	-	-	-	-	-	1,380,417
-	-	-	-	-	-	3,511
348,346	1,952,268	276,262	561,471	276,452	-	7,596,573
(265,062)	(1,921,337)	(151,223)	(553,578)	94,188	-	1,477,848
-	-	-	-	-	-	1,468,014
-	-	-	-	-	-	95,000
-	-	(612,721)	-	-	-	(1,034,425)
-	-	(612,721)	-	-	-	528,589
(265,062)	(1,921,337)	(763,944)	(553,578)	94,188	-	2,006,437
1,115,396	4,881,423	7,905,353	1,940,429	433,995	-	42,351,650
\$ 850,334	\$ 2,960,086	\$ 7,141,409	\$ 1,386,851	\$ 528,183	\$ -	\$ 44,358,087

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Miscellaneous Capital Improvement Program Capital Projects Fund**  
**For the year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Use of money and property	\$ 1,700	\$ 20,000	\$ 29,898	\$ 9,898
Contributions and donations	-	-	4,500	4,500
Other revenues	174,746	174,746	134,048	(40,698)
<b>Total revenues</b>	<u>176,446</u>	<u>194,746</u>	<u>168,446</u>	<u>(26,300)</u>
<b>EXPENDITURES:</b>				
Current:				
Community activities	250,000	250,000	47,122	202,878
Capital outlay	2,716,648	2,348,028	137,219	2,210,809
Debt service:				
Principal	1,952,209	2,302,209	951,527	1,350,682
Interest	-	-	-	-
<b>Total expenditures</b>	<u>4,918,857</u>	<u>4,900,237</u>	<u>1,135,868</u>	<u>3,764,369</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(4,742,411)</u>	<u>(4,705,491)</u>	<u>(967,422)</u>	<u>3,738,069</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Loan proceeds	1,186,104	1,471,429	1,468,014	(3,415)
Transfers in	-	95,000	95,000	-
Transfers out	-	(269,490)	(269,490)	-
<b>Total other financing sources (uses)</b>	<u>1,186,104</u>	<u>1,296,939</u>	<u>1,293,524</u>	<u>(3,415)</u>
<b>Net change in fund balances</b>	<u>\$ (3,556,307)</u>	<u>\$ (3,408,552)</u>	326,102	<u>\$ 3,734,654</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>3,703,608</u>	
End of year			<u>\$ 4,029,710</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**CIP for Downtown and North Pleasanton Capital Projects Fund**  
**For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Use of money and property	\$ 32,000	\$ 25,000	\$ 29,012	\$ 4,012
Taxes	-	-	-	-
<b>Total revenues</b>	<u>32,000</u>	<u>25,000</u>	<u>29,012</u>	<u>4,012</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal	(690,761)	428,890	428,890	-
Interest	3,511	3,511	3,511	-
<b>Total expenditures</b>	<u>(687,250)</u>	<u>432,401</u>	<u>432,401</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>719,250</u>	<u>(407,401)</u>	<u>(403,389)</u>	<u>4,012</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Loan proceeds	567,599	-	-	-
<b>Total other financing sources (uses)</b>	<u>567,599</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ 1,286,849</u>	<u>\$ (407,401)</u>	<u>(403,389)</u>	<u>\$ 4,012</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>3,986,045</u>	
End of year			<u>\$ 3,582,656</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Public Facilities Fund**  
**For the year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Use of money and property	\$ 700	\$ 20,000	\$ 33,747	\$ 13,747
Development fees	<u>1,387,523</u>	<u>1,387,523</u>	<u>1,753,764</u>	<u>366,241</u>
<b>Total revenues</b>	<u>1,388,223</u>	<u>1,407,523</u>	<u>1,787,511</u>	<u>379,988</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>2,836,384</u>	<u>2,836,384</u>	<u>2,215</u>	<u>2,834,169</u>
<b>Total expenditures</b>	<u>2,836,384</u>	<u>2,836,384</u>	<u>2,215</u>	<u>2,834,169</u>
<b>Net change in fund balances</b>	<u>\$ (1,448,161)</u>	<u>\$ (1,428,861)</u>	1,785,296	<u>\$ 3,214,157</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>3,446,669</u>	
End of year			<u>\$ 5,231,965</u>	



**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Park Development Capital Projects Fund**  
**For the year ended June 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES:</b>				
Use of money and property	\$ 250	\$ 30,000	\$ 62,158	\$ 32,158
Development fees	<u>3,254,069</u>	<u>3,254,069</u>	<u>4,224,072</u>	<u>970,003</u>
<b>Total revenues</b>	<u>3,254,319</u>	<u>3,284,069</u>	<u>4,286,230</u>	<u>1,002,161</u>
<b>EXPENDITURES:</b>				
Current:				
Community activities	(38,792)	-	-	-
Capital outlay	<u>5,419,476</u>	<u>5,228,470</u>	<u>1,143,896</u>	<u>4,084,574</u>
<b>Total expenditures</b>	<u>5,380,684</u>	<u>5,228,470</u>	<u>1,143,896</u>	<u>4,084,574</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(2,126,365)</u>	<u>(1,944,401)</u>	<u>3,142,334</u>	<u>5,086,735</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>-</u>	<u>(152,214)</u>	<u>(152,214)</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(152,214)</u>	<u>(152,214)</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ (2,126,365)</u>	<u>\$ (2,096,615)</u>	2,990,120	<u>\$ 5,086,735</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>5,638,787</u>	
End of year			<u>\$ 8,628,907</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Street Capital Improvement Program Capital Projects Fund**  
**For the year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ 40,000	\$ 50,810	\$ 10,810
Development fees	8,000	8,000	37,050	29,050
Reimbursements	-	210,543	515,849	305,306
<b>Total revenues</b>	<u>8,000</u>	<u>258,543</u>	<u>603,709</u>	<u>345,166</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>6,092,411</u>	<u>6,224,291</u>	<u>445,188</u>	<u>5,779,103</u>
<b>Total expenditures</b>	<u>6,092,411</u>	<u>6,224,291</u>	<u>445,188</u>	<u>5,779,103</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(6,084,411)</u>	<u>(5,965,748)</u>	<u>158,521</u>	<u>6,124,269</u>
<b>Net change in fund balances</b>	<u>\$ (6,084,411)</u>	<u>\$ (5,965,748)</u>	<u>158,521</u>	<u>\$ 6,124,269</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>6,467,690</u>	
End of year			<u>\$ 6,626,211</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Traffic Impact Capital Projects Fund**  
**For the year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Use of money and property	\$ 10,000	\$ 10,000	\$ 26,107	\$ 16,107
Development fees	<u>2,081,696</u>	<u>2,081,696</u>	<u>1,555,619</u>	<u>(526,077)</u>
<b>Total revenues</b>	<u>2,091,696</u>	<u>2,091,696</u>	<u>1,581,726</u>	<u>(509,970)</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>1,892,399</u>	<u>1,825,637</u>	<u>1,022,206</u>	<u>803,431</u>
<b>Total expenditures</b>	<u>1,892,399</u>	<u>1,825,637</u>	<u>1,022,206</u>	<u>803,431</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>199,297</u>	<u>266,059</u>	<u>559,520</u>	<u>293,461</u>
<b>Net change in fund balances</b>	<u>\$ 199,297</u>	<u>\$ 266,059</u>	559,520	<u>\$ 293,461</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>2,832,255</u>	
End of year			<u>\$ 3,391,775</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Landscape Maintenance N.P.I.D. Capital Projects Fund**  
**For the year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES:</b>				
Use of money and property	\$ 10,000	\$ 7,000	\$ 8,159	\$ 1,159
Other	<u>285,325</u>	<u>285,325</u>	<u>75,125</u>	<u>(210,200)</u>
<b>Total revenues</b>	<u>295,325</u>	<u>292,325</u>	<u>83,284</u>	<u>(209,041)</u>
<b>EXPENDITURES:</b>				
Current:				
Operations services	<u>287,925</u>	<u>287,925</u>	<u>348,346</u>	<u>(60,421)</u>
<b>Total expenditures</b>	<u>287,925</u>	<u>287,925</u>	<u>348,346</u>	<u>(60,421)</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>7,400</u>	<u>4,400</u>	<u>(265,062)</u>	<u>(269,462)</u>
<b>Net change in fund balances</b>	<u>\$ 7,400</u>	<u>\$ 4,400</u>	<u>(265,062)</u>	<u>\$ (269,462)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>1,115,396</u>	
End of year			<u>\$ 850,334</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Traffic Impact - Bernal Capital Projects Fund**  
**For the year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES:</b>				
Use of money and property	\$ 1,000	\$ 21,000	\$ 30,931	\$ 9,931
<b>Total revenues</b>	<u>1,000</u>	<u>21,000</u>	<u>30,931</u>	<u>9,931</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	1,545	(1,545)
Capital Outlay	<u>2,149,093</u>	<u>2,149,093</u>	<u>1,950,723</u>	<u>198,370</u>
<b>Total expenditures</b>	<u>2,149,093</u>	<u>2,149,093</u>	<u>1,952,268</u>	<u>196,825</u>
<b>Net change in fund balances</b>	<u>\$ (2,148,093)</u>	<u>\$ (2,128,093)</u>	(1,921,337)	<u>\$ 206,756</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>4,881,423</u>	
End of year			<u>\$ 2,960,086</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Budgeted Developer Projects Capital Projects Fund**  
**For the year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ 3,000	\$ 62,539	\$ 59,539
Contributions and donations	-	-	62,500	62,500
<b>Total revenues</b>	-	3,000	125,039	122,039
<b>EXPENDITURES:</b>				
Capital outlay	6,754,077	6,144,356	276,262	5,868,094
<b>Total expenditures</b>	6,754,077	6,144,356	276,262	5,868,094
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	(612,721)	(612,721)	-
<b>Total other financing sources (uses)</b>	-	(612,721)	(612,721)	-
<b>Net change in fund balances</b>	<u>\$ (6,754,077)</u>	<u>\$ (6,754,077)</u>	(763,944)	<u>\$ 5,990,133</u>
<b>FUND BALANCES:</b>				
Beginning of year			7,905,353	
End of year			<u>\$ 7,141,409</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Assessment District Construction Capital Projects Fund**  
**For the year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES:</b>				
Use of money and property	\$ 3,600	\$ 5,850	\$ 7,893	\$ 2,043
<b>Total revenues</b>	<u>3,600</u>	<u>5,850</u>	<u>7,893</u>	<u>2,043</u>
<b>EXPENDITURES:</b>				
Current:				
Operations services	24,040	24,040	27,748	(3,708)
Capital outlay	<u>1,618,235</u>	<u>1,619,891</u>	<u>533,723</u>	<u>1,086,168</u>
<b>Total expenditures</b>	<u>1,642,275</u>	<u>1,643,931</u>	<u>561,471</u>	<u>1,082,460</u>
<b>Net change in fund balances</b>	<u>\$ (1,638,675)</u>	<u>\$ (1,638,081)</u>	(553,578)	<u>\$ 1,084,503</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>1,940,429</u>	
End of year			<u>\$ 1,386,851</u>	

**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Tri-Valley Transportation Capital Projects Fund**  
**For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>				
Use of money and property	\$ 10	\$ 2,010	\$ 3,706	\$ 1,696
Development fees	<u>163,975</u>	<u>163,975</u>	<u>366,934</u>	<u>202,959</u>
<b>Total revenues</b>	<u>163,985</u>	<u>165,985</u>	<u>370,640</u>	<u>204,655</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>606,626</u>	<u>606,626</u>	<u>276,452</u>	<u>330,174</u>
<b>Total expenditures</b>	<u>606,626</u>	<u>606,626</u>	<u>276,452</u>	<u>330,174</u>
<b>Net change in fund balances</b>	<u>\$ (442,641)</u>	<u>\$ (440,641)</u>	94,188	<u>\$ 534,829</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>433,995</u>	
End of year			<u>\$ 528,183</u>	



**City of Pleasanton**  
**Budgetary Comparison Schedule**  
**Mutual Benefits District Fund Capital Projects Fund**  
**For the year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>				
Development fees	\$ -	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

## NON-MAJOR ENTERPRISE FUNDS

*Enterprise Funds* account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (including depreciation) of providing goods and services to the general public on a continuing basis be recovered through user charges.

### **Transit**

This fund receives revenue from Metropolitan Transportation Commission grants, fares from passengers and Measure B and Measure BB sales tax. This fund provides transit service to seniors and the disabled in Pleasanton.

### **Cemetery**

This fund accounts for the operations of the Pleasanton Memorial Gardens Cemetery. The City currently contracts with Catholic Funeral & Cemetery Services for burial and monument services for previously purchased plots. The Cemetery Fund currently generates no revenue and is supported by an operating subsidy contribution from the General Fund.

### **Housing Authority**

This fund represents the activities of the Pleasanton Housing Authority. The purpose is to provide and maintain the maximum number of housing units and services for low and moderate income families at rents they can afford.

### **Electric Vehicle**

This fund accounts for the collection of fees from the use of city-owned electric vehicle charging stations and the expenses associated with this activity, including charging station maintenance and repair, marketing, and payment processing.

**City of Pleasanton**  
**Combining Statement of Fund Net Position**  
**Non-Major Enterprise Funds**  
**June 30, 2015**

	Transit	Cemetery	Pleasanton Housing Authority	Electric Vehicle	Total
<b>ASSETS</b>					
Current assets:					
Cash and investments	\$ 3,737	\$ 482,864	\$ 424,717	\$ 6,093	\$ 917,411
Receivables (net):					
Accounts	64,322	23,057	-	244	87,623
Interest	-	710	-	10	720
<b>Total current assets</b>	<b>68,059</b>	<b>506,631</b>	<b>424,717</b>	<b>6,347</b>	<b>1,005,754</b>
Noncurrent assets:					
Capital assets:					
Nondepreciable	-	10,000	51,750	-	61,750
Depreciable	35,714	-	106,552	-	142,266
<b>Total noncurrent assets</b>	<b>35,714</b>	<b>10,000</b>	<b>158,302</b>	<b>-</b>	<b>204,016</b>
<b>Total assets</b>	<b>103,773</b>	<b>516,631</b>	<b>583,019</b>	<b>6,347</b>	<b>1,209,770</b>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	11	18,018	16,609	-	34,638
Payroll payable	7,661	-	-	-	7,661
Due to other funds	25,140	-	-	-	25,140
Refundable deposits	-	-	12,380	-	12,380
Unearned revenue	2,657	-	53,253	-	55,910
<b>Total current liabilities</b>	<b>35,469</b>	<b>18,018</b>	<b>82,242</b>	<b>-</b>	<b>135,729</b>
<b>Total liabilities</b>	<b>35,469</b>	<b>18,018</b>	<b>82,242</b>	<b>-</b>	<b>135,729</b>
<b>NET POSITION</b>					
Net investment in capital assets	35,714	10,000	158,302	-	204,016
Restricted for:					
Transportation	32,590	-	-	-	32,590
Unrestricted	-	488,613	342,475	6,347	837,435
<b>Total net position</b>	<b>\$ 68,304</b>	<b>\$ 498,613</b>	<b>\$ 500,777</b>	<b>\$ 6,347</b>	<b>\$ 1,074,041</b>

**City of Pleasanton**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Non-Major Enterprise Funds**  
**For the year ended June 30, 2015**

	Transit	Cemetery	Pleasanton Housing Authority	Electric Vehicle	Total
<b>OPERATING REVENUES:</b>					
Charges for services	\$ 26,934	\$ 58,310	\$ 182,096	\$ -	\$ 267,340
Miscellaneous	-	-	3,338	3,035	6,373
<b>Total operating revenues</b>	<u>26,934</u>	<u>58,310</u>	<u>185,434</u>	<u>3,035</u>	<u>273,713</u>
<b>OPERATING EXPENSES:</b>					
Personnel services	492,600	-	-	-	492,600
Transportation	90,662	-	-	-	90,662
Repairs and maintenance	6,779	-	116,287	-	123,066
Materials, supplies, and services	9,166	50,420	206,660	-	266,246
Depreciation	20,794	-	63,301	-	84,095
<b>Total operating expenses</b>	<u>620,001</u>	<u>50,420</u>	<u>386,248</u>	<u>-</u>	<u>1,056,669</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(593,067)</u>	<u>7,890</u>	<u>(200,814)</u>	<u>3,035</u>	<u>(782,956)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>					
Grants	84,421	-	175,308	-	259,729
Intergovernmental	133,728	-	-	-	133,728
Interest income	-	3,141	1,524	35	4,700
<b>Total non-operating revenues (expenses)</b>	<u>218,149</u>	<u>3,141</u>	<u>176,832</u>	<u>35</u>	<u>398,157</u>
<b>Net income (loss) before contributions and transfers</b>	<u>(374,918)</u>	<u>11,031</u>	<u>(23,982)</u>	<u>3,070</u>	<u>(384,799)</u>
Transfers in	386,713	30,000	-	-	416,713
<b>Change in net position</b>	<u>11,795</u>	<u>41,031</u>	<u>(23,982)</u>	<u>3,070</u>	<u>31,914</u>
<b>NET POSITION:</b>					
Beginning of year	56,509	457,582	524,759	3,277	1,042,127
End of year	<u>\$ 68,304</u>	<u>\$ 498,613</u>	<u>\$ 500,777</u>	<u>\$ 6,347</u>	<u>\$ 1,074,041</u>

**City of Pleasanton**  
**Combining Statement of Cash Flows**  
**Non-Major Enterprise Funds**  
**For the year ended June 30, 2015**

	Transit	Cemetery	Pleasanton Housing Authority	Electric Vehicle	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash receipts from customers	\$ 59,658	\$ 55,203	\$ 182,370	\$ -	\$ 297,231
Cash payments to suppliers for goods and services	(104,985)	(55,260)	(340,680)	-	(500,925)
Cash payments to employees for services	(491,476)	-	-	-	(491,476)
Miscellaneous revenue	-	-	3,338	3,254	6,592
<b>Net cash provided (used) by operating activities</b>	<b>(536,803)</b>	<b>(57)</b>	<b>(154,972)</b>	<b>3,254</b>	<b>(688,578)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Grants received	100,756	-	56,203	-	156,959
Intergovernmental funds received	53,071	-	-	-	53,071
Transfer in	386,713	30,000	-	-	416,713
<b>Net cash provided (used) by noncapital financing activities</b>	<b>540,540</b>	<b>30,000</b>	<b>56,203</b>	<b>-</b>	<b>626,743</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest received	-	3,059	1,525	25	4,609
<b>Net cash provided (used) by investing activities</b>	<b>-</b>	<b>3,059</b>	<b>1,525</b>	<b>25</b>	<b>4,609</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>3,737</b>	<b>33,002</b>	<b>(97,244)</b>	<b>3,279</b>	<b>(57,226)</b>
<b>CASH AND CASH EQUIVALENTS:</b>					
Beginning of year	-	449,862	521,961	2,814	974,637
End of year	\$ 3,737	\$ 482,864	\$ 424,717	\$ 6,093	\$ 917,411
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Operating income (loss)	\$ (593,067)	\$ 7,890	\$ (200,814)	\$ 3,035	\$ (782,956)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	20,794	-	63,301	-	84,095
Decrease (increase) in:					
Accounts receivable	31,767	(3,107)	106	219	28,985
Increase (decrease) in:					
Accounts payable	(43)	(4,840)	(17,733)	-	(22,616)
Accrued payroll	1,124	-	-	-	1,124
Due to other funds	1,665	-	-	-	1,665
Unearned revenue	957	-	-	-	957
Refundable deposits	-	-	168	-	168
<b>Net cash provided (used) by operating activities</b>	<b>\$ (536,803)</b>	<b>\$ (57)</b>	<b>\$ (154,972)</b>	<b>\$ 3,254</b>	<b>\$ (688,578)</b>

## INTERNAL SERVICE FUNDS

*Internal Service Funds* account for the financing of goods or services provided by a department for other departments on a cost-reimbursement basis.

### **Employee Benefits**

This fund accounts for all employee benefit costs including accrued unused employee vacation leave, employees' retirement, medical, dental, life insurance and long-term disability costs. Revenues come from benefit accrual charges placed on all City operating programs. This fund also includes the accounting for workers' compensation benefits.

### **Public Art Acquisition and Maintenance**

This fund is to provide a source of public funding for the design, selection, acquisition, purchase, renovation, conservation and installation of City-owned public art.

### **Replacement / Renovation**

The replacement fund charges various user departments based on usage of equipment vehicles, and facilities and uses the money to replace or renovate these items.

### **LPFD Retirees Insurance Reserve (Pleasanton Share Only)**

This fund is establishing reserves for future medical insurance obligations for retirees from the Livermore/Pleasanton Fire Department.

### **Self Insurance Retention**

This fund pays insurance premiums and claims that fall under the City's various limits.

### **Retirees Insurance Reserve**

This fund is establishing reserves for future medical insurance obligations for retirees.

### **PERS Rate Stabilization Fund**

This fund is to provide additional annual payments to PERS that are needed to offset the impact of smoothing or negative amortization of the City's Unfunded Pension Liability.

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**City of Pleasanton**  
**Combining Statement of Fund Net Position**  
**Internal Service Funds**  
**June 30, 2015**

	Employee Benefits	Public Art Acquisition and Maintenance	Replacement / Renovation	LPFD Retirees Insurance Reserve (Pleasanton Share Only)
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 10,389,909	\$ 274,886	\$ 20,397,110	\$ 1,576,768
Accounts receivable	196,789	-	27,660	-
Interest receivable	16,129	482	38,145	2,947
Prepaid other post employmnet benefits	-	-	-	-
<b>Total current assets</b>	<b>10,602,827</b>	<b>275,368</b>	<b>20,462,915</b>	<b>1,579,715</b>
Noncurrent assets:				
Advances to other funds	-	-	2,000,000	-
Capital assets:				
Nondepreciable	-	318,893	340,475	-
Depreciable	-	-	9,318,912	-
<b>Total noncurrent assets</b>	<b>-</b>	<b>318,893</b>	<b>11,659,387</b>	<b>-</b>
<b>Total assets</b>	<b>10,602,827</b>	<b>594,261</b>	<b>32,122,302</b>	<b>1,579,715</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred pensions	20,775,105	-	-	-
<b>Total deferred outflows of resources</b>	<b>20,775,105</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	277,338	5,306	593,326	17,882
Payroll payable	27,099	-	-	-
Accrued compensated absences	1,307,526	-	-	-
Claims payable	2,975,548	-	-	-
<b>Total current liabilities</b>	<b>4,587,511</b>	<b>5,306</b>	<b>593,326</b>	<b>17,882</b>
Noncurrent liabilities:				
Advances from other funds	3,728,321	-	-	-
Accrued compensated absences	2,859,056	-	-	-
Net pension liability	116,020,100	-	-	-
Claims payable	4,109,934	-	-	-
<b>Total noncurrent liabilities</b>	<b>126,717,411</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>131,304,922</b>	<b>5,306</b>	<b>593,326</b>	<b>17,882</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred pensions	21,426,508	-	-	-
<b>Total deferred inflows of resources</b>	<b>21,426,508</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET POSITION</b>				
Net investment in capital assets	-	318,893	11,659,387	-
Unrestricted	(121,353,498)	270,062	19,869,589	1,561,833
<b>Total net position</b>	<b>\$ (121,353,498)</b>	<b>\$ 588,955</b>	<b>\$ 31,528,976</b>	<b>\$ 1,561,833</b>



Self Insurance Retention	Retiree Insurance Reserve	PERS Rate Stabilization Fund	Total
\$ 6,191,550	\$ 14,365,021	\$ -	\$ 53,195,244
5,424	-	-	229,873
9,301	37,629	-	104,633
-	3,600,000	-	3,600,000
6,206,275	18,002,650	-	57,129,750
-	3,728,321	-	5,728,321
-	-	-	659,368
-	-	-	9,318,912
-	3,728,321	-	15,706,601
6,206,275	21,730,971	-	72,836,351
-	-	-	20,775,105
-	-	-	20,775,105
167,913	3,637,050	-	4,698,815
-	-	-	27,099
-	-	-	1,307,526
207,033	-	-	3,182,581
374,946	3,637,050	-	9,216,021
-	-	-	3,728,321
-	-	-	2,859,056
-	-	-	116,020,100
588,060	-	-	4,697,994
588,060	-	-	127,305,471
963,006	3,637,050	-	136,521,492
-	-	-	21,426,508
-	-	-	21,426,508
-	-	-	11,978,280
5,243,269	18,093,921	-	(76,314,824)
\$ 5,243,269	\$ 18,093,921	\$ -	\$ (64,336,544)

**City of Pleasanton**  
**Combining Statement of Revenues, Expenses and Changes in Net Position**  
**Internal Service Funds**  
**For the year ended June 30, 2015**

	Employee Benefits	Public Art Acquisition and Maintenance	Replacement / Renovation	LPFD Retirees Insurance Reserve (Pleasanton Share Only)
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 32,072,104	\$ -	\$ 4,520,453	\$ 500,000
Miscellaneous	9,498	-	24,515	-
<b>Total operating revenues</b>	<b>32,081,602</b>	<b>-</b>	<b>4,544,968</b>	<b>500,000</b>
<b>OPERATING EXPENSES:</b>				
Personnel services	19,412,343	-	-	1,058,656
Materials, supplies, and services	2,108,560	20,825	2,174,289	524
Depreciation and amortization	-	-	1,484,267	-
<b>Total operating expenses</b>	<b>21,520,903</b>	<b>20,825</b>	<b>3,658,556</b>	<b>1,059,180</b>
<b>OPERATING INCOME (LOSS)</b>	<b>10,560,699</b>	<b>(20,825)</b>	<b>886,412</b>	<b>(559,180)</b>
<b>NONOPERATING REVENUES/EXPENSES:</b>				
Interest income	64,495	2,225	168,932	18,925
Grants	-	-	-	-
Miscellaneous revenues	-	-	-	-
Gain (loss) from disposal of capital assets	-	-	(595,573)	-
<b>Total non-operating revenues (expenses)</b>	<b>64,495</b>	<b>2,225</b>	<b>(426,641)</b>	<b>18,925</b>
<b>Income before Transfers in (out)</b>	<b>10,625,194</b>	<b>(18,600)</b>	<b>459,771</b>	<b>(540,255)</b>
Capital contributions	-	-	844,922	(4,265)
Transfers in	-	-	80,000	-
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>924,922</b>	<b>(4,265)</b>
<b>Change in net position</b>	<b>10,625,194</b>	<b>(18,600)</b>	<b>1,384,693</b>	<b>(544,520)</b>
<b>NET POSITION:</b>				
Beginning of year	(4,963,138)	607,555	30,144,283	2,106,353
Prior period adjustment	(127,015,554)	-	-	-
Beginning of year, as restated	(131,978,692)	607,555	30,144,283	2,106,353
End of year	<b>\$ (121,353,498)</b>	<b>\$ 588,955</b>	<b>\$ 31,528,976</b>	<b>\$ 1,561,833</b>

Self Insurance Retention	Retirees Insurance Reserve	PERS Rate Stabilization Fund	Total
\$ 865,000	\$ 5,515,984	\$ -	\$ 43,473,541
10,047	-	-	44,060
875,047	5,515,984	-	43,517,601
-	4,925,154	10,500,000	35,896,153
1,390,887	4,438	-	5,699,523
-	-	-	1,484,267
1,390,887	4,929,592	10,500,000	43,079,943
(515,840)	586,392	(10,500,000)	437,658
42,330	166,847	-	463,754
-	-	-	-
-	-	-	-
-	-	-	(595,573)
42,330	166,847	-	(131,819)
(473,510)	753,239	(10,500,000)	305,839
-	-	-	840,657
-	1,297,088	9,571,416	10,948,504
-	(9,141,000)	-	(9,141,000)
-	(7,843,912)	9,571,416	2,648,161
(473,510)	(7,090,673)	(928,584)	2,954,000
5,716,779	25,184,594	1,928,584	60,725,010
-	-	(1,000,000)	(128,015,554)
5,716,779	25,184,594	928,584	(67,290,544)
\$ 5,243,269	\$ 18,093,921	\$ -	\$ (64,336,544)

**City of Pleasanton**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the year ended June 30, 2015**

	Employee Benefits	Public Art Acquisition and Maintenance	Replacement / Renovation	LPFD Retirees Insurance Reserve (Pleasanton Share Only)
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash receipt from customer/other funds	\$ 31,962,711	\$ -	\$ 4,523,387	\$ 636,555
Cash payment to suppliers for goods and services	(11,916,689)	(15,519)	(2,119,901)	(119,585)
Cash payment to employees for services	(19,506,595)	-	-	(1,058,656)
Miscellaneous revenue	9,498	-	24,515	-
<b>Net cash provided (used) by operating activities</b>	<u>548,925</u>	<u>(15,519)</u>	<u>2,428,001</u>	<u>(541,686)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Transfer in	-	-	80,000	-
Transfer out	-	-	-	-
Grants	-	-	-	-
Repayments on advances from other funds	(881,945)	-	-	-
Prepayment of pension expense	-	-	-	-
Revenue from Agency funds	-	-	-	-
<b>Net cash provided (used) by noncapital financing activities</b>	<u>(881,945)</u>	<u>-</u>	<u>80,000</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Capital assets acquisition	-	-	(1,797,485)	-
Capital contributions	-	-	-	(4,265)
<b>Net cash provided (used) by capital and related financing activities</b>	<u>-</u>	<u>-</u>	<u>(1,797,485)</u>	<u>(4,265)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest received	61,050	2,183	161,593	19,026
Repayments on advances to other funds	-	-	(2,000,000)	-
<b>Net cash provided (used) by investing activities</b>	<u>61,050</u>	<u>2,183</u>	<u>(1,838,407)</u>	<u>19,026</u>
<b>Net (decrease) in cash and cash equivalents</b>	<u>(271,970)</u>	<u>(13,336)</u>	<u>(1,127,891)</u>	<u>(526,925)</u>
<b>CASH AND CASH EQUIVALENTS:</b>				
Beginning of year	10,661,879	288,222	21,525,001	2,103,693
End of year	<u>\$ 10,389,909</u>	<u>\$ 274,886</u>	<u>\$ 20,397,110</u>	<u>\$ 1,576,768</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED IN) OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$ 10,560,699	\$ (20,825)	\$ 886,412	\$ (559,180)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	-	-	1,484,267	-
Decrease (increase) in:				
Accounts receivable	(109,393)	-	2,934	136,555
Prepaid expense	-	-	-	-
Increase (decrease) in:				
Accounts payable	(250,392)	5,306	54,388	(119,061)
Payroll payable	27,099	-	-	-
Accrued compensated absences	(121,351)	-	-	-
Net pension liability	(10,344,051)	-	-	-
Claims payable	786,314	-	-	-
<b>Net cash provided (used) by operating activities</b>	<u>\$ 548,925</u>	<u>\$ (15,519)</u>	<u>\$ 2,428,001</u>	<u>\$ (541,686)</u>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Contributed capital assets	\$ -	\$ -	\$ 844,922	\$ (4,265)
<b>Total noncash capital and related financing activities</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 844,922</u>	<u>\$ (4,265)</u>

Self Insurance Retention	Retirees Insurance Reserve	PERS Rate Stabilization Fund	Total
\$ 859,576	\$ 5,515,984	\$ -	\$ 43,498,213
(944,938)	(4,438)	-	(15,121,070)
-	(2,044,716)	(10,500,000)	(33,109,967)
10,047	-	-	44,060
<u>(75,315)</u>	<u>3,466,830</u>	<u>(10,500,000)</u>	<u>(4,688,764)</u>
-	1,297,088	9,571,416	10,948,504
-	(9,141,000)	-	(9,141,000)
-	-	-	-
-	-	-	(881,945)
-	(3,600,000)	-	(3,600,000)
-	-	-	-
-	<u>(11,443,912)</u>	<u>9,571,416</u>	<u>(2,674,441)</u>
-	-	-	(1,797,485)
-	-	-	(4,265)
-	-	-	(1,801,750)
41,159	160,360	-	445,371
-	881,945	-	(1,118,055)
<u>41,159</u>	<u>1,042,305</u>	<u>-</u>	<u>(672,684)</u>
(34,156)	(6,934,777)	(928,584)	(9,837,639)
6,225,706	21,299,798	928,584	63,032,883
<u>\$ 6,191,550</u>	<u>\$ 14,365,021</u>	<u>\$ -</u>	<u>\$ 53,195,244</u>
\$ (515,840)	\$ 586,392	\$ (10,500,000)	\$ 437,658
-	-	-	1,484,267
(5,424)	-	-	24,672
-	-	-	-
163,129	2,880,438	-	2,733,808
-	-	-	27,099
-	-	-	(121,351)
-	-	-	(10,344,051)
282,820	-	-	1,069,134
<u>(75,315)</u>	<u>3,466,830</u>	<u>(10,500,000)</u>	<u>(4,688,764)</u>
\$ -	\$ -	\$ -	\$ 840,657
\$ -	\$ -	\$ -	\$ 840,657

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## AGENCY FUNDS

*Agency Funds* account for assets held by the City as agent for individuals, private organizations, other governmental units, or other funds. Assets equal liabilities and the measurement of operations is not a focus.

### **Employee Insurance and Retirement Agency**

This fund collects money from employees and former employees and pays their share of insurance bills. Former employees have the legal right to pay their share of insurance bills for a specified period of time.

### **Downtown Merchant Improvements**

This fund collects annual assessments from downtown businesses and passes it on to the Pleasanton Downtown Association.

### **Asset Forfeiture Agency**

This fund collects the assets forfeited as a result of investigations of criminal offences, generally narcotics related. The money is passed on to various other governmental agencies.

### **Miscellaneous Agencies and Trusts**

This fund collects various fees and contributions from developers and others and passes the money on to various government agencies (i.e. Zone 7 water, DSRSD, Tri-Valley Transportation Council, etc), or organizations.

### **Cash Bonds Agency**

This fund collects cash bond deposits from developers and returns the money when their project is completed.

### **Art Gallery Fund**

This fund collects money from the sale of art displayed at the Firehouse Arts Center Gallery and remits the proceeds to the artists less any reimbursements to the General Fund for administrative costs.

### **Livermore-Pleasanton Fire Department Agency (Livermore Share Only)**

This fund accounts for the City of Livermore's share of Livermore-Pleasanton Fire Department activity related to operations, replacement and renovation of equipment, vehicles and facilities, retiree medical and workers' compensation.

**City of Pleasanton**  
**Combining Statement of Assets and Liabilities**  
**Agency Funds**  
**June 30, 2015**

	Employee Insurance & Retirement Agency	Downtown Merchant Improvements	Asset Forfeiture	Miscellaneous Agencies and Trusts	Cash Bonds
<b>ASSETS</b>					
Cash and investments	\$ 26,074	\$ 36,217	\$ 48,687	\$ 6,576,832	\$ 2,083,134
Receivables:					
Accounts	39,109	-	-	423,197	-
Interest	-	78	-	-	-
Notes receivable	-	-	-	24,830	-
<b>Total assets</b>	<b>\$ 65,183</b>	<b>\$ 36,295</b>	<b>\$ 48,687</b>	<b>\$ 7,024,859</b>	<b>\$ 2,083,134</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 14,073	\$ -	\$ 4,354	\$ 6,815,497	\$ -
Claims	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-
Loan payable	-	-	-	24,830	-
Deposits	51,110	36,295	44,333	184,532	2,083,134
<b>Total liabilities</b>	<b>\$ 65,183</b>	<b>\$ 36,295</b>	<b>\$ 48,687</b>	<b>\$ 7,024,859</b>	<b>\$ 2,083,134</b>



Art Gallery Fund	Livermore- Pleasanton Fire Department (Livermore Share Only)	Total
\$ 552	\$ 3,296,246	\$ 12,067,742
-	72,700	535,006
-	5,776	5,854
-		24,830
<u>\$ 552</u>	<u>\$ 3,374,722</u>	<u>\$ 12,633,432</u>
\$ 552	\$ 81,467	\$ 6,915,943
-	3,397,500	3,397,500
-	579,365	579,365
-	-	24,830
-	(683,610)	1,715,794
<u>\$ 552</u>	<u>\$ 3,374,722</u>	<u>\$ 12,633,432</u>

**City of Pleasanton**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the year ended June 30, 2015**

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<b><u>Employee Insurance and Retirement Agency</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 23,156	\$ 754,195	\$ (751,273)	\$ 26,078
Accounts receivable	36,560	464,851	(462,306)	39,105
<b>Total assets</b>	<b>\$ 59,716</b>	<b>\$ 1,219,046</b>	<b>\$ (1,213,579)</b>	<b>\$ 65,183</b>
<b>Liabilities:</b>				
Accounts payable	\$ 1,809	\$ 457,604	\$ (445,340)	\$ 14,073
Deposits	57,907	724,520	(731,317)	51,110
<b>Total liabilities</b>	<b>\$ 59,716</b>	<b>\$ 1,182,124</b>	<b>\$ (1,176,657)</b>	<b>\$ 65,183</b>
<b><u>Downtown</u></b>				
<b><u>Merchant Association</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 32,783	\$ 66,232	\$ (62,798)	\$ 36,217
Interest receivable	61	78	(61)	78
<b>Total assets</b>	<b>\$ 32,844</b>	<b>\$ 66,310</b>	<b>\$ (62,859)</b>	<b>\$ 36,295</b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 62,798	\$ (62,798)	\$ -
Deposits	32,844	66,249	(62,798)	36,295
<b>Total liabilities</b>	<b>\$ 32,844</b>	<b>\$ 129,047</b>	<b>\$ (125,596)</b>	<b>\$ 36,295</b>
<b><u>Asset Forfeiture</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 12,807	\$ 46,877	\$ (10,997)	\$ 48,687
<b>Total assets</b>	<b>\$ 12,807</b>	<b>\$ 46,877</b>	<b>\$ (10,997)</b>	<b>\$ 48,687</b>
<b>Liabilities:</b>				
Accounts payable	\$ 1,278	\$ 14,073	\$ (10,997)	\$ 4,354
Deposits	11,529	32,804	-	44,333
<b>Total liabilities</b>	<b>\$ 12,807</b>	<b>\$ 46,877</b>	<b>\$ (10,997)</b>	<b>\$ 48,687</b>
<b><u>Miscellaneous Agencies and Trust</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,477,727	\$ 24,434,998	\$ (19,335,893)	\$ 6,576,832
Receivables:				
Accounts	515,016	615,153	(706,972)	423,197
Notes	27,900	-	(3,070)	24,830
<b>Total assets</b>	<b>\$ 2,020,643</b>	<b>\$ 25,050,151</b>	<b>\$ (20,045,935)</b>	<b>\$ 7,024,859</b>
<b>Liabilities:</b>				
Payables:				
Accounts	\$ 1,819,166	\$ 22,353,474	\$ (17,357,143)	\$ 6,815,497
Notes	27,900	-	(3,070)	24,830
Deposits	173,577	24,138,009	(24,127,054)	184,532
<b>Total liabilities</b>	<b>\$ 2,020,643</b>	<b>\$ 46,491,483</b>	<b>\$ (41,487,267)</b>	<b>\$ 7,024,859</b>

(Continued)

**City of Pleasanton**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds, Continued**  
**For the year ended June 30, 2015**

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<b><u>Cash Bonds</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,315,184	\$ 938,338	\$ (170,388)	\$ 2,083,134
<b>Total assets</b>	<b>\$ 1,315,184</b>	<b>\$ 938,338</b>	<b>\$ (170,388)</b>	<b>\$ 2,083,134</b>
<b>Liabilities:</b>				
Accounts payable	\$ 5,000	\$ 25,488	\$ (30,488)	\$ -
Deposits	1,310,184	936,338	(163,388)	2,083,134
<b>Total liabilities</b>	<b>\$ 1,315,184</b>	<b>\$ 961,826</b>	<b>\$ (193,876)</b>	<b>\$ 2,083,134</b>
<b><u>Art Gallery Fund</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,490	\$ 10,510	\$ (11,448)	\$ 552
<b>Total assets</b>	<b>\$ 1,490</b>	<b>\$ 10,510</b>	<b>\$ (11,448)</b>	<b>\$ 552</b>
<b>Liabilities:</b>				
Accounts payable	\$ 1,490	\$ 7,618	\$ (8,556)	\$ 552
Deposits	-	6,747	(6,747)	-
<b>Total liabilities</b>	<b>\$ 1,490</b>	<b>\$ 14,365</b>	<b>\$ (15,303)</b>	<b>\$ 552</b>
<b><u>Livermore-Pleasanton Fire Department</u></b> <b><u>(Livermore Share Only)</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 3,535,098	\$ 3,381,427	\$ (3,620,279)	\$ 3,296,246
Receivables:				
Accounts	352,102	72,700	(352,102)	72,700
Interest	4,030	5,777	(4,031)	5,776
<b>Total assets</b>	<b>\$ 3,891,230</b>	<b>\$ 3,459,904</b>	<b>\$ (3,976,412)</b>	<b>\$ 3,374,722</b>
<b>Liabilities:</b>				
Accounts payable	\$ 208,382	\$ 81,467	\$ (208,382)	\$ 81,467
Claims payable	2,943,609	3,397,500	(2,943,609)	3,397,500
Accrued compensated absences	579,369	-	(4)	579,365
Deposits	159,870	1,157,484	(2,000,964)	(683,610)
<b>Total liabilities</b>	<b>\$ 3,891,230</b>	<b>\$ 4,636,451</b>	<b>\$ (5,152,959)</b>	<b>\$ 3,374,722</b>
<b><u>Total of All Agency Funds</u></b>				
	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<b>Assets:</b>				
Cash and investments	\$ 6,398,245	\$ 29,632,577	\$ (23,963,076)	\$ 12,067,746
Receivables:				
Accounts	903,678	1,152,704	(1,521,380)	535,002
Interest	4,091	5,855	(4,092)	5,854
Notes receivable	27,900	-	(3,070)	24,830
<b>Total assets</b>	<b>\$ 7,333,914</b>	<b>\$ 30,791,136</b>	<b>\$ (25,491,618)</b>	<b>\$ 12,633,432</b>
<b>Liabilities:</b>				
Payables:				
Accounts	\$ 2,037,125	\$ 23,002,522	\$ (18,123,704)	\$ 6,915,943
Claims	2,943,609	3,397,500	(2,943,609)	3,397,500
Accrued compensated absences	579,369	-	(4)	579,365
Loan	27,900	-	(3,070)	24,830
Deposits	1,745,911	27,062,151	(27,092,268)	1,715,794
<b>Total liabilities</b>	<b>\$ 7,333,914</b>	<b>\$ 53,462,173</b>	<b>\$ (48,162,655)</b>	<b>\$ 12,633,432</b>

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## STATISTICAL SECTION

This part of the City of Pleasanton's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information says about the City's overall financial health.

Contents	<u>Page</u>
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This information is intended to assist users in understanding and assessing how a government's financial position has changed over time.	189
<b><i>Revenue Capacity Information</i></b>	
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<b><i>Debt Capacity Information</i></b>	
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**Financial Trends Information**

**Net Position by Component - Last Ten Fiscal Years**

**Changes in Net Position - Last Ten Fiscal Years**

**Fund Balances - Last Ten Fiscal Years**

**Changes in Fund Balances - Last Ten Fiscal Years**

**City of Pleasanton**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>			
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Governmental Activities</b>				
Net investment in				
capital assets (1)	\$ 376,469,051	\$ 378,710,205	\$ 387,184,839	\$ 408,670,524
Restricted	47,775,291	50,280,585	56,544,224	49,187,538
Unrestricted (2)	<u>132,091,752</u>	<u>141,297,679</u>	<u>153,668,288</u>	<u>145,009,695</u>
<b>Total government activities net position</b>	<b><u>\$ 556,336,094</u></b>	<b><u>\$ 570,288,469</u></b>	<b><u>\$ 597,397,351</u></b>	<b><u>\$ 602,867,757</u></b>
<b>Business-Type Activities</b>				
Net investment in				
capital assets	\$ 183,167,289	\$ 204,187,116	\$ 210,923,039	\$ 214,389,793
Restricted	814,068	686,964	620,850	610,294
Unrestricted	<u>58,875,845</u>	<u>56,449,170</u>	<u>52,522,039</u>	<u>49,036,181</u>
<b>Total business-type activities net position</b>	<b><u>\$ 242,857,202</u></b>	<b><u>\$ 261,323,250</u></b>	<b><u>\$ 264,065,928</u></b>	<b><u>\$ 264,036,268</u></b>
<b>Primary Government</b>				
Net investment in				
capital assets	\$ 559,636,340	\$ 582,897,321	\$ 598,107,878	\$ 623,060,317
Restricted	48,589,359	50,967,549	57,165,074	49,797,832
Unrestricted	<u>190,967,597</u>	<u>197,746,849</u>	<u>206,190,327</u>	<u>194,045,876</u>
<b>Total primary government activities net position</b>	<b><u>\$ 799,193,296</u></b>	<b><u>\$ 831,611,719</u></b>	<b><u>\$ 861,463,279</u></b>	<b><u>\$ 866,904,025</u></b>

**Notes:**

- (1) The increase in net investment in capital assets in 2013 primarily reflects the redemption of the City's \$20.7 million outstanding 2003 Certificates of Participation (COPs).
- (2) In 2013, the reduction in unrestricted net position primarily reflects the use of General Fund reserves (\$13.2 million) and the Retirees Medical Reserve (\$6.5 million) to redeem the 2003 COPs. Additionally, \$3.7 million of the reduction resulted from the reclassification of the City of Livermore's share of LPFD financial activity from Governmental Funds to Agency Funds. In 2015, the negative unrestricted net position in Governmental Activities is attributable to the recording of net pension liability of \$116 million as a result of the implementation of GASB 68, Accounting and Financial Reporting for Pensions.



<b>Fiscal Year Ended June 30</b>					
<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
\$ 447,001,813	\$ 442,888,249	\$ 459,571,666	\$ 478,640,595	\$ 478,618,864	\$ 487,153,226
52,277,108	53,388,353	53,945,028	54,730,098	59,542,954	62,296,241
<u>129,218,569</u>	<u>125,477,861</u>	<u>116,496,384</u>	<u>88,466,476</u>	<u>92,908,491</u>	<u>(27,653,975)</u>
<u>\$ 628,497,490</u>	<u>\$ 621,754,463</u>	<u>\$ 630,013,078</u>	<u>\$ 621,837,169</u>	<u>\$ 631,070,309</u>	<u>\$ 521,795,492</u>
\$ 210,069,900	\$ 202,753,118	\$ 196,819,739	\$ 189,306,314	\$ 182,419,601	\$ 176,512,644
264,948	2,267,923	4,273,502	4,630,314	5,245,338	6,081,192
<u>42,260,016</u>	<u>40,528,824</u>	<u>41,306,525</u>	<u>41,910,981</u>	<u>45,209,251</u>	<u>42,651,779</u>
<u>\$ 252,594,864</u>	<u>\$ 245,549,865</u>	<u>\$ 242,399,766</u>	<u>\$ 235,847,609</u>	<u>\$ 232,874,190</u>	<u>\$ 225,245,615</u>
\$ 657,071,713	\$ 645,641,367	\$ 656,391,405	\$ 667,946,909	\$ 661,038,465	\$ 663,665,870
52,542,056	55,656,276	58,218,530	59,360,412	64,788,292	68,377,433
<u>171,478,585</u>	<u>166,006,685</u>	<u>157,802,909</u>	<u>130,377,457</u>	<u>138,117,742</u>	<u>14,997,804</u>
<u>\$ 881,092,354</u>	<u>\$ 867,304,328</u>	<u>\$ 872,412,844</u>	<u>\$ 857,684,778</u>	<u>\$ 863,944,499</u>	<u>\$ 747,041,107</u>

**City of Pleasanton**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year Ended June 30			
	2006	2007	2008	2009
<b>Program Revenues</b>				
<b>Governmental Activities:</b>				
<b>Charges for Services</b>				
General Government	\$ 488,237	\$ 540,607	\$ 539,443	\$ 553,377
Public Safety (1)	13,949,960	14,495,113	15,748,044	15,222,341
Community Development (2)	3,194,674	599,131	579,215	2,143,307
Operations Services (2)	3,634,892	3,216,986	3,074,811	115,257
Community Activities	3,425,758	3,899,454	4,005,599	3,794,922
Operating Grants & Contributions	5,695,141	3,641,293	3,090,744	4,238,873
Capital Grants & Contributions	12,350,368	10,113,847	21,607,143	15,900,420
<b>Total Government Activities:</b>	<u>42,739,030</u>	<u>36,506,431</u>	<u>48,644,999</u>	<u>41,968,497</u>
<b>Business-Type Activities:</b>				
<b>Charges for Services</b>				
Water	15,060,402	15,964,135	15,535,004	14,882,156
Sewer	10,947,581	13,489,859	11,178,802	10,461,999
Golf	2,671,290	4,564,478	4,578,857	4,374,085
Transit	38,740	39,284	43,130	42,289
Storm Drain	353,976	363,353	356,724	361,563
Cemetery	-	-	-	-
Pleasanton Housing Authority	231,478	142,447	159,226	175,873
Operating Grants & Contributions	-	-	-	-
Capital Grants & Contributions	7,559,908	12,107,855	7,075,196	10,913,306
<b>Total Business-Type Activities</b>	<u>36,863,375</u>	<u>46,671,411</u>	<u>38,926,939</u>	<u>41,211,271</u>
<b>Total Primary Government Revenues</b>	<u>\$ 79,602,405</u>	<u>\$ 83,177,842</u>	<u>\$ 87,571,938</u>	<u>\$ 83,179,768</u>
<b>Expenses</b>				
<b>Governmental Activities:</b>				
General Government	\$ 10,142,529	\$ 11,598,637	\$ 9,928,811	\$ 10,751,657
Public Safety (1)	43,286,424	45,396,698	47,939,264	53,586,653
Community Development (2)	7,376,026	5,527,218	5,054,123	12,485,756
Operations Services (2)	26,053,044	25,333,753	27,080,827	16,774,701
Community Activities	17,783,181	20,576,380	20,866,873	25,180,011
Interest on Long-Term Debt	1,276,016	1,232,732	1,202,153	1,159,175
<b>Total Government Activities:</b>	<u>105,917,220</u>	<u>109,665,418</u>	<u>112,072,051</u>	<u>119,937,953</u>
<b>Business-Type Activities:</b>				
Water	15,197,789	16,863,032	16,671,095	20,941,922
Sewer	11,457,129	12,906,227	13,883,619	13,968,779
Golf	2,810,105	5,904,610	5,737,159	5,249,520
Transit	518,813	508,760	557,103	708,954
Storm Drain	1,288,566	1,529,192	1,531,754	1,894,830
Cemetery	90,274	90,274	58,407	47,983
Pleasanton Housing Authority	343,746	397,526	372,050	413,767
<b>Total Business-Type Activities</b>	<u>31,616,148</u>	<u>38,199,621</u>	<u>38,811,187</u>	<u>43,225,755</u>
<b>Total Primary Government Expense</b>	<u>\$ 137,533,368</u>	<u>\$ 147,865,039</u>	<u>\$ 150,883,238</u>	<u>\$ 163,163,708</u>

**Notes:**

(1) The reduction in public safety charges for services revenue and public safety expenditures from 2012 to 2013 primarily reflects the reclassification of the City of Livermore's share of LPFD financial activity (approximately \$13.6 million) from Governmental Funds to Agency Funds.

(2) In 2009, Planning & Community Development and Public Works were reorganized into two functions: Community Development and Operations Services.

**Fiscal Year Ended June 30**

<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
\$ 552,655	\$ 600,615	\$ 530,379	\$ 847,400	\$ 351,432	\$ 576,781
15,438,986	15,133,410	15,349,962	1,925,017	1,871,706	1,864,000
1,881,698	1,263,487	4,213,319	5,070,801	5,406,350	6,193,038
180,938	254,425	172,033	488,833	615,063	464,764
3,316,593	3,409,771	3,814,092	3,786,304	3,920,184	4,429,931
2,352,064	2,344,348	1,981,223	2,339,740	1,446,304	2,472,764
7,684,713	9,269,252	30,930,426	8,257,001	13,322,657	13,467,743
<b>31,407,647</b>	<b>32,275,308</b>	<b>56,991,434</b>	<b>22,715,096</b>	<b>26,933,696</b>	<b>29,469,021</b>
14,045,288	15,906,217	17,858,731	19,874,140	19,542,181	17,700,120
10,693,533	11,201,749	12,450,545	12,873,074	13,591,371	14,274,645
4,182,190	3,871,138	3,924,212	3,921,815	3,781,952	3,620,949
40,306	40,278	36,393	32,728	29,287	26,934
365,816	370,024	365,155	347,612	361,348	451,835
-	349,941	102,046	77,242	49,142	58,310
160,093	155,609	153,255	163,515	176,432	182,096
-	-	370,989	182,854	114,771	259,729
665,225	-	99,596	78,595	-	-
<b>30,152,451</b>	<b>31,894,956</b>	<b>35,360,922</b>	<b>37,551,575</b>	<b>37,646,484</b>	<b>36,574,618</b>
<b>\$ 61,560,098</b>	<b>\$ 64,170,264</b>	<b>\$ 92,352,356</b>	<b>\$ 60,266,671</b>	<b>\$ 64,580,180</b>	<b>\$ 66,043,639</b>
\$ 14,462,794	\$ 11,320,194	\$ 11,287,857	\$ 10,983,778	\$ 10,360,977	\$ 11,664,448
53,923,103	53,346,944	61,545,745	47,486,526	42,173,584	45,039,711
10,931,688	11,383,162	12,614,316	18,502,872	15,690,263	15,545,862
16,120,414	25,859,451	25,072,278	20,676,081	23,101,587	14,765,337
21,559,193	13,238,584	12,186,269	11,705,687	10,767,100	12,625,484
1,122,135	1,077,908	1,048,843	1,528,110	36,565	3,196
<b>118,119,327</b>	<b>116,226,243</b>	<b>123,755,308</b>	<b>110,883,054</b>	<b>102,130,076</b>	<b>99,644,038</b>
17,710,045	18,783,261	20,624,535	22,028,379	19,955,880	17,297,973
14,794,022	13,818,267	14,216,171	14,050,710	14,397,652	14,585,270
5,530,246	5,048,601	5,146,812	5,154,023	5,217,734	4,923,007
687,793	694,687	690,067	668,192	656,825	576,286
1,866,985	1,822,769	1,746,357	1,758,604	1,661,216	1,166,224
207,186	36,998	22,544	29,656	88,195	50,420
425,771	453,270	380,940	375,950	400,015	386,248
<b>41,222,048</b>	<b>40,657,853</b>	<b>42,827,426</b>	<b>44,065,514</b>	<b>42,377,517</b>	<b>38,985,428</b>
<b>\$ 159,341,375</b>	<b>\$ 156,884,096</b>	<b>\$ 166,582,734</b>	<b>\$ 154,948,568</b>	<b>\$ 144,507,593</b>	<b>\$ 138,629,466</b>

**City of Pleasanton**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>			
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Net (Expenses)/Revenue:</b>				
<b>Governmental Activities:</b>	\$ (63,178,190)	\$ (73,158,987)	\$ (63,427,052)	\$ (77,969,456)
<b>Business-Type Activities:</b>	5,247,227	8,471,790	115,752	(2,014,484)
<b>Total Net (Expense)/Revenue</b>	<u>(57,930,963)</u>	<u>(64,687,197)</u>	<u>(63,311,300)</u>	<u>(79,983,940)</u>
<b>General Revenues &amp; Other Changes in Net Position</b>				
<b>Governmental Activities:</b>				
<b>Taxes</b>				
Property taxes	41,257,246	45,341,149	47,973,499	50,414,405
Other taxes	7,484,133	7,534,768	7,257,360	6,031,852
Sales tax	21,029,378	21,060,115	21,130,683	17,535,784
Motor vehicle in lieu	1,538,398	403,401	304,886	236,475
Franchise fees	1,578,689	1,727,617	1,783,405	1,829,153
Unrestricted investment earnings	4,230,879	9,654,142	10,554,711	6,863,523
Miscellaneous	641,283	792,476	641,888	663,770
Interfund charges	1,322,631	-	-	-
Transfers	(4,361,507)	597,694	889,502	144,302
<b>Total Government Activities:</b>	<u>74,721,130</u>	<u>87,111,362</u>	<u>90,535,934</u>	<u>83,719,264</u>
<b>Business-Type Activities:</b>				
Unrestricted investment earnings	1,109,607	2,181,462	1,898,546	1,176,950
Equity interest in gain from joint ventures	1,918,111	-	-	-
Miscellaneous	598,693	802,445	1,617,882	1,078,280
Interfund charges	(1,322,631)	-	-	-
Transfers	4,361,507	(597,694)	(889,502)	(144,302)
<b>Total Business-Type Activities</b>	<u>6,665,287</u>	<u>2,386,213</u>	<u>2,626,926</u>	<u>2,110,928</u>
<b>Total Primary Government</b>	<u>81,386,417</u>	<u>89,497,575</u>	<u>93,162,860</u>	<u>85,830,192</u>
<b>Change in Net Position</b>				
<b>Governmental Activities:</b>	11,542,940	13,952,375	27,108,882	5,749,808
<b>Business-Type Activities:</b>	11,912,514	10,858,003	2,742,678	96,444
<b>Total Primary Government</b>	<u>\$ 23,455,454</u>	<u>\$ 24,810,378</u>	<u>\$ 29,851,560</u>	<u>\$ 5,846,252</u>

Fiscal Year Ended June 30					
2010	2011	2012	2013	2014	2015
\$ (86,711,680)	\$ (83,950,935)	\$ (66,763,874)	\$ (88,167,958)	\$ (75,196,380)	\$ (70,175,017)
<u>(11,069,597)</u>	<u>(8,762,897)</u>	<u>(7,466,504)</u>	<u>(6,513,938)</u>	<u>(4,731,033)</u>	<u>(2,410,810)</u>
<u>(97,781,277)</u>	<u>(92,713,832)</u>	<u>(74,230,378)</u>	<u>(94,681,897)</u>	<u>(79,927,413)</u>	<u>(72,585,827)</u>
49,724,115	48,569,049	47,923,732	48,648,728	50,366,818	53,744,273
5,957,264	6,245,758	6,962,201	7,866,876	8,278,095	9,292,582
15,420,066	18,503,316	19,107,418	19,102,977	20,993,123	22,410,654
206,180	356,653	36,534	30,491	-	-
1,955,493	2,001,934	2,012,970	2,114,954	2,371,125	2,455,508
1,766,743	1,585,593	1,439,639	230,933	2,326,506	1,493,023
647,235	568,212	983,690	1,076,858	868,797	275,323
-	-	-	-	-	-
<u>393,080</u>	<u>(622,606)</u>	<u>(3,443,695)</u>	<u>920,232</u>	<u>(774,943)</u>	<u>(755,609)</u>
<u>76,070,176</u>	<u>77,207,909</u>	<u>75,022,489</u>	<u>79,992,049</u>	<u>84,429,521</u>	<u>88,915,754</u>
267,730	264,762	282,760	(100,734)	525,766	325,838
-	-	-	-	-	-
1,151,141	830,530	589,950	982,747	456,905	1,635,657
-	-	-	-	-	-
<u>(393,080)</u>	<u>622,606</u>	<u>3,443,695</u>	<u>(920,232)</u>	<u>774,943</u>	<u>755,609</u>
<u>1,025,791</u>	<u>1,717,898</u>	<u>4,316,405</u>	<u>(38,219)</u>	<u>1,757,614</u>	<u>2,717,104</u>
<u>77,095,967</u>	<u>78,925,807</u>	<u>79,338,894</u>	<u>79,953,830</u>	<u>86,187,135</u>	<u>91,632,858</u>
(10,641,503)	(6,743,027)	8,258,615	(8,175,909)	9,233,141	18,740,737
<u>(10,043,806)</u>	<u>(7,044,999)</u>	<u>(3,150,099)</u>	<u>(6,552,157)</u>	<u>(2,973,419)</u>	<u>306,294</u>
<u>\$ (20,685,309)</u>	<u>\$ (13,788,026)</u>	<u>\$ 5,108,516</u>	<u>\$ (14,728,066)</u>	<u>\$ 6,259,722</u>	<u>\$ 19,047,031</u>

**City of Pleasanton**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years <sup>(1)</sup>**  
**(accrual basis of accounting)**

	June 30				
	2006	2007	2008	2009	2010
<b>General Fund</b>					
Reserved	\$ 605,264	\$ 1,360,798	\$ 643,256	\$ 1,756,537	\$ -
Unreserved	23,915,653	24,713,932	24,807,190	23,694,199	25,282,385
<b>Total General Fund</b>	<u>\$ 24,520,917</u>	<u>26,074,730</u>	<u>25,450,446</u>	<u>25,450,736</u>	<u>25,282,385</u>
<b>All Other Governmental Funds</b>					
Reserved	\$ 411,095	\$ 412,354	\$ 406,282	\$ 404,188	\$ 394,945
Unreserved, reported in:					
Special Revenue Funds	21,886,907	20,877,745	24,006,111	22,754,570	23,681,256
Capital Projects Funds	62,842,692	64,812,331	70,880,985	57,965,409	52,325,470
<b>Total All Other Governments Funds</b>	<u>\$ 85,140,694</u>	<u>\$ 86,102,430</u>	<u>\$ 95,293,378</u>	<u>\$ 81,124,167</u>	<u>\$ 76,401,671</u>

	June 30				
	2011	2012	2013	2014	2015
<b>General Fund</b>					
Nonspendable	\$ 168,033	\$ 218,658	\$ 264,456	\$ 218,082	\$ 163,689
Restricted	-	-	-	-	-
Committed <sup>(2)</sup>	19,953,285	20,029,711	9,229,188	9,650,614	13,319,218
Assigned <sup>(2)</sup>	2,000,000	2,000,000	-	-	-
Unassigned	3,207,664	3,083,456	3,425,359	5,136,347	7,085,423
<b>Total General Fund</b>	<u>\$ 25,328,982</u>	<u>\$ 25,331,825</u>	<u>\$ 12,919,003</u>	<u>\$ 15,005,043</u>	<u>\$ 20,568,330</u>
<b>All Other Governmental Funds</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	53,388,353	53,945,028	54,730,098	59,542,954	62,296,241
Committed	-	-	-	-	-
Assigned	22,584,906	22,174,209	20,544,393	19,872,240	21,493,248
Unassigned	-	-	-	(732,151)	(680,538)
<b>Total All Other Governments Funds</b>	<u>\$ 75,973,259</u>	<u>\$ 76,119,237</u>	<u>\$ 75,274,491</u>	<u>\$ 78,683,043</u>	<u>\$ 83,108,951</u>

**Notes:**

(1) Per GASB 54, Fund Balance designations changed for reporting purposes effective June 30, 2011.

(2) The reduction in the General Fund of committed and assigned fund balance from 2012 to 2013 reflects the use of the committed Temporary Recession Reserve (\$11,700,000) and the assigned Golf Course Debt Service Reserve (\$2,000,000) to pay off the City's 2003 Certificates of Participation.

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**City of Pleasanton**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year Ended June 30				
	2006	2007	2008	2009	2010
<b>Revenues:</b>					
Taxes	\$ 69,225,234	\$ 75,235,506	\$ 76,668,560	\$ 74,321,964	\$ 71,408,195
Special Assessments	215,035	190,362	196,784	194,311	203,798
Licenses	11,709	11,259	11,591	11,536	11,424
Permits	2,031,209	1,950,100	1,701,275	974,211	852,900
Fines and Forfeitures	575,524	526,208	557,615	471,606	453,118
Use of Money & Property	2,766,468	5,926,569	6,306,432	3,840,218	1,211,827
Intergovernmental	6,171,443	5,933,046	5,916,548	5,585,376	5,382,179
Franchises	1,578,689	1,727,617	1,783,405	1,829,153	1,955,493
Charges for Services (1)	13,747,992	13,268,001	14,320,932	14,409,775	14,741,021
Development Fees	3,685,255	3,824,811	6,403,102	4,747,036	1,646,586
Plan Check fees	1,119,904	924,558	995,038	483,500	428,476
Reimbursements	1,786,422	2,147,204	2,043,745	2,142,775	2,368,673
Contributions and Donations	3,417,226	748,144	6,027,436	1,145,881	1,659,234
Other Revenues	3,520,069	3,313,780	3,836,587	3,707,092	3,053,264
Recreation Charges	3,318,406	3,659,920	3,731,918	3,708,827	3,210,480
	<u>113,170,585</u>	<u>119,387,085</u>	<u>130,500,968</u>	<u>117,573,261</u>	<u>108,586,668</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General Government	10,279,430	11,362,742	12,405,156	12,127,645	11,896,618
Public Safety (1)	43,826,861	47,626,223	50,030,665	50,354,468	51,761,407
Community Development (2)	7,560,598	5,250,750	5,841,161	12,453,559	11,490,516
Operations Services (2)	15,413,787	15,780,590	15,791,053	8,006,599	8,130,826
Community Activities	16,209,390	17,850,952	18,580,800	17,621,844	16,885,312
Capital Outlay	8,486,034	16,521,137	18,073,711	30,476,317	12,720,830
<b>Debt Service:</b>					
Principal (3)	1,330,000	1,345,000	1,385,000	1,425,000	1,825,000
Interest & Fiscal Charges (3)	1,239,890	1,204,063	1,167,388	1,129,603	1,091,998
Total Expenditures	<u>104,345,990</u>	<u>116,941,457</u>	<u>123,274,934</u>	<u>133,595,035</u>	<u>115,802,507</u>
Excess/(Deficiency of Revenues Over/(Under) Expenditures	<u>8,824,595</u>	<u>2,445,628</u>	<u>7,226,034</u>	<u>(16,021,774)</u>	<u>(7,215,839)</u>
<b>Other Financing Sources (Uses):</b>					
Proceeds from Issuance of Debt	1,520,000	-	227,487	20,000	-
Capital Lease	-	-	-	-	-
Loan Proceeds					
Transfers In (4)	8,426,644	17,317,214	11,085,480	11,193,907	6,702,172
Transfers Out (4)	(11,868,411)	(16,429,835)	(9,972,337)	(9,361,054)	(4,377,180)
Total Other Financing Sources (Uses)	<u>(1,921,767)</u>	<u>887,379</u>	<u>1,340,630</u>	<u>1,852,853</u>	<u>2,324,992</u>
Net Change in Fund Balances	<u>6,902,828</u>	<u>3,333,007</u>	<u>8,566,664</u>	<u>(14,168,921)</u>	<u>(4,890,847)</u>
<b>Fund Balances:</b>					
Beginning of Year	102,758,783	109,661,611	112,177,160	120,743,824	106,574,903
Prior Period Adjustment	-	(817,458)	-	-	-
End of Year	<u>\$ 109,661,611</u>	<u>\$ 112,177,160</u>	<u>\$ 120,743,824</u>	<u>\$ 106,574,903</u>	<u>\$ 101,684,056</u>
<b>Debt Service as a Percentage of Noncapital Expenditure (5)</b>	2.63%	2.37%	2.26%	2.32%	2.75%

**Notes:**

- (1) The reduction in charges for services revenue and public safety expenditures from 2012 to 2013 primarily reflects the reclassification of the City of Livermore's share of LPPD financial activity (approximately \$13.6 million) from Governmental Funds to Agency Funds.
- (2) In 2009, Planning & Community Development and Public Works were reorganized into two functions: Community Development and Operations Services.
- (3) Debt service expenditures in 2013 reflects the redemption of the City's outstanding 2003 Certificates of Participation and payment of accrued interest (approximately \$20.7 million principal and \$191,000 interest).
- (4) Transfers in 2013 reflect transfers from the General Fund (\$13.2 million, also included in transfers out), the Golf Fund (\$1.2 million), and the Retiree Medical Fund (\$6.5 million) to the 2003 Certificates of Participation Debt Service Fund totaling approximately \$20.9 million.
- (5) The amount of capital outlay used to calculate the ratio of total debt service expenditures to noncapital expenditures is presented as the reconciling item for capital outlay in the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures, and changes in fund balance.



**Fiscal Year Ended June 30**

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
\$	73,637,299	\$ 74,342,216	\$ 75,998,183	\$ 80,036,078	\$ 85,842,939
	202,642	198,710	210,276	204,912	204,755
	10,978	11,180	10,548	15,534	10,018
	1,453,709	1,775,254	1,963,950	1,809,142	3,276,533
	554,089	514,613	606,483	528,070	535,269
	1,201,627	1,169,435	966,403	2,002,307	1,445,331
	7,204,939	5,398,749	7,470,232	5,665,356	5,616,638
	2,001,935	2,012,970	2,114,955	2,371,125	2,455,509
	14,382,797	14,624,998	955,963	1,003,549	1,002,509
	3,104,570	3,822,464	3,117,578	8,559,519	8,684,756
	918,878	1,616,141	1,200,174	2,124,937	1,963,429
	1,387,642	1,525,030	2,422,053	1,759,826	2,239,210
	461,576	4,341,337	414,842	547,642	181,937
	3,061,797	3,326,512	3,139,666	2,985,310	3,067,997
	3,295,411	3,504,924	3,457,871	3,772,872	4,063,003
	<b>112,879,889</b>	<b>118,184,533</b>	<b>104,049,177</b>	<b>113,386,179</b>	<b>120,589,833</b>
	11,172,110	11,671,393	11,942,389	11,773,367	12,590,280
	50,091,867	52,128,400	39,771,835	41,628,740	42,781,587
	11,991,350	12,658,878	12,851,491	13,761,593	15,875,983
	14,377,543	14,109,244	14,526,304	15,904,145	7,624,563
	10,644,722	10,551,455	10,976,770	11,037,399	11,518,746
	9,199,072	10,123,534	10,294,297	12,510,682	17,322,318
	1,860,000	1,852,741	22,132,902	1,773,047	1,781,107
	1,053,120	1,009,993	1,173,287	29,335	10,955
	<b>110,389,784</b>	<b>114,105,638</b>	<b>123,669,275</b>	<b>108,418,308</b>	<b>109,505,539</b>
	<b>2,490,105</b>	<b>4,078,895</b>	<b>(19,620,098)</b>	<b>4,967,871</b>	<b>11,084,294</b>
	-	-	-	-	-
	-	102,372	-	-	-
	5,610,956	10,172,452	25,318,583	1,687,250	1,468,014
	(8,482,876)	(14,204,898)	(18,956,053)	2,853,819	3,339,742
	<b>(2,871,920)</b>	<b>(3,930,074)</b>	<b>6,362,530</b>	<b>(4,014,347)</b>	<b>(5,902,855)</b>
	<b>(381,815)</b>	<b>148,821</b>	<b>(13,257,568)</b>	<b>526,722</b>	<b>(1,095,099)</b>
	<b>(381,815)</b>	<b>148,821</b>	<b>(13,257,568)</b>	<b>5,494,593</b>	<b>9,989,195</b>
	101,684,056	101,302,241	101,451,062	88,193,494	93,688,087
	-	-	-	-	-
\$	<b>101,302,241</b>	<b>101,451,062</b>	<b>88,193,494</b>	<b>93,688,087</b>	<b>103,677,281</b>
	2.76%	2.70%	20.14%	1.86%	1.94%

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## **Revenue Capacity Information**

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

**Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years**

**Principal Property Tax Payers - Current Year & Ten Years Ago**

**Property Tax Levies and Collections - Last Ten Fiscal Years**

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

<b>Fiscal Year Ended June 30</b>	<b>Net Secured</b>	<b>Public Utilities</b>	<b>Net Unsecured</b>	<b>Net Taxable Assessed Value (1)</b>	<b>Total Direct Tax Rate (2)</b>
2006	\$13,618,889,401	\$ 2,242,475	\$ 575,007,837	\$ 14,196,139,713	0.2971%
2007	14,878,786,916	2,146,073	575,007,837	15,455,940,826	0.2971%
2008	15,884,626,870	1,520,242	634,144,021	16,520,291,133	0.2971%
2009	16,703,488,099	1,520,242	667,916,119	17,372,924,460	0.2971%
2010	16,608,342,939	1,520,242	678,842,286	17,288,705,467	0.2971%
2011	16,330,693,261	1,583,493	639,791,920	16,972,068,674	0.2971%
2012	16,118,033,742	1,583,493	624,006,570	16,743,623,805	0.2971%
2013	16,310,521,666	1,583,493	610,478,023	16,922,583,182	0.2971%
2014	17,035,804,215	1,583,362	605,798,375	17,643,185,952	0.2971%
2015	17,986,025,380	1,398,984	674,719,475	18,662,143,839	0.2971%

- (1) The net taxable assessed value provided by Alameda County is the only data currently available with respect to the actual market value of taxable property.
- (2) Unsecured property is taxed at the prior year direct tax rate.

Source: Alameda County Office of the Auditor-Controller

**City of Pleasanton**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**

	Fiscal Year Ended June 30			
	2006	2007	2008	2009
County Wide Levy (Net Pleasanton)	0.7029	0.7029	0.7029	0.7029
City of Pleasanton	0.2971	0.2971	0.2971	0.2971
Pleasanton Unified School District	0.0854	0.0721	0.0756	0.0777
Community College District	0.0158	0.0159	0.0164	0.0183
Flood Zone 7	0.0130	0.0151	0.0150	0.0169
Bay Area Rapid Transit District	0.0048	0.0050	0.0076	0.0090
East Bay Regional Park District	0.0057	0.0085	0.0080	0.0100
<b>Total</b>	<u>1.1247</u>	<u>1.1166</u>	<u>1.1226</u>	<u>1.1319</u>

Note: Rates are percentage of total assessed value

Source: HDL Companies

<b>Fiscal Year Ended June 30</b>					
<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>0.7029</b>	<b>0.7029</b>	<b>0.7029</b>	<b>0.7029</b>	<b>0.7029</b>	<b>0.7029</b>
<b>0.2971</b>	<b>0.2971</b>	<b>0.2971</b>	<b>0.2971</b>	<b>0.2971</b>	<b>0.2971</b>
<b>0.0809</b>	<b>0.0891</b>	<b>0.0908</b>	<b>0.0963</b>	<b>0.2390</b>	<b>0.2390</b>
<b>0.0195</b>	<b>0.0211</b>	<b>0.0214</b>	<b>0.0219</b>	<b>0.0262</b>	<b>0.0262</b>
<b>0.0203</b>	<b>0.0250</b>	<b>0.0307</b>	<b>0.0228</b>	<b>0.0219</b>	<b>0.0219</b>
<b>0.0057</b>	<b>0.0031</b>	<b>0.0041</b>	<b>0.0043</b>	<b>0.0064</b>	<b>0.0064</b>
<b>0.0108</b>	<b>0.0084</b>	<b>0.0071</b>	<b>0.0051</b>	<b>0.0305</b>	<b>0.0305</b>
<b>1.1372</b>	<b>1.1467</b>	<b>1.1541</b>	<b>1.1504</b>	<b>1.3240</b>	<b>1.3240</b>

**City of Pleasanton**  
**Principal Property Tax Payers**  
**Current Year and Ten Years Ago**

FY 2014/15			FY 2005/06		
Taxpayer	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Kaiser Foundation Health Plan Inc.	\$ 264,167,159	1.41%	Peoplesoft Properties Inc.	\$ 211,158,106	1.45%
Stoneridge Properties	243,030,900	1.29%	Stoneridge Properties	208,253,549	1.43%
SFI Pleasanton LLC	219,942,146	1.17%	6200 Stoneridge Mal Road Inv	170,886,534	1.18%
Safeway Inc.	150,698,132	0.80%	Safeway Inc.	137,929,508	0.95%
Stoneridge Residential LLC	148,086,880	0.79%	Pleasant Property LLC	136,825,333	0.94%
Applera Corporation	145,907,078	0.78%	Applera Corporation	127,812,476	0.88%
Tishman Speyer Archstone Smith	128,207,825	0.68%	Kaiser Foundation Hospitals	127,351,021	0.88%
Oracle America Inc/Peoplesoft	127,431,038	0.68%	ND Properties Inc.	113,592,000	0.78%
Continuing Life Communities	126,464,166	0.67%	Clorox Services Company	110,737,408	0.76%
6200 Stoneridge Mall Rd Inv	<u>124,055,226</u>	<u>0.66%</u>	NNN Briannia Business Center 1	<u>101,517,732</u>	<u>0.70%</u>
	<u>\$1,677,990,550</u>	<u>8.93%</u>		<u>\$1,446,063,667</u>	<u>9.95%</u>

Source: HdL Companies



**City of Pleasanton**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30</b>	<b>Taxes Levied for the Fiscal Year (1)</b>	<b>Collection within the Fiscal Year of Levy</b>		<b>Delinquent Tax Collections (2)</b>
		<b>Amount</b>	<b>Percent of Levy</b>	
2006	\$ 44,899,643	\$ 44,721,215	99.60%	\$ 955,480
2007	52,176,573	50,841,540	97.44%	856,922
2008	55,187,206	52,552,853	95.23%	1,342,062
2009	55,938,376	53,700,031	96.00%	2,219,607
2010	53,217,192	50,776,973	95.41%	2,281,671
2011	52,430,338	51,798,923	98.80%	1,515,544
2012	52,910,059	52,215,414	98.69%	1,445,750
2013	53,198,430	51,821,281	97.41%	1,265,459
2014	54,769,569	54,438,909	99.40%	1,001,164
2015	59,017,605	58,536,604	99.18%	971,138

(1) Total Tax Levy includes estimated Unitary Tax, estimated supplemental assessments, home owners' exemptions, In Lieu Vehicle License Fees and In Lieu Sales and Use Tax.

(2) Alameda County does not provide delinquent tax collection data by levy year or distinguish between delinquent taxes and penalties and interest, so the amounts shown in the delinquent tax collections column include the delinquency collections for all prior years, including penalties and interest, that were remitted to the City in each fiscal year.

Source: Alameda County Office of the Auditor-Controller

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**Debt Capacity Information**

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years**

**Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years**

**Direct and Overlapping Debt - Year Ended June 30, 2014**

**Legal Debt Margin - Last Ten Fiscal Years**

**Pledged-Revenue Coverage for the Sewer Fund - Last Ten Fiscal Years**

**City of Pleasanton**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30</b>	<b>Governmental Activities</b>			
	<b>General Obligation Bonds</b>	<b>Certificates of Participation</b>	<b>Notes and Capital Lease Payable</b>	<b>Total Governmental Activities</b>
2006	\$ -	\$ 30,560,000	\$ 1,595,000	\$ 32,155,000
2007	-	29,215,000	1,595,000	30,810,000
2008	-	27,830,000	1,822,487	29,652,487
2009	-	26,405,000	5,242,487	31,647,487
2010	-	25,110,000	4,712,487	29,822,487
2011	-	23,780,000	2,682,487	26,462,487
2012	-	22,405,000	2,307,117	24,712,117
2013	-	750,000	1,829,215	2,579,215
2014	-	380,000	2,113,419	2,493,419
2015	-	-	2,180,325	2,180,325

<b>Business-Type Activities</b>						
<b>Sewer Revenue Bonds</b>	<b>Water Revenue Bonds</b>	<b>Notes Payable</b>	<b>Capital Lease</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Debt Per Capita</b>
\$ 3,120,000	\$ 2,945,000	\$ 361,499	\$ 567,545	\$ 39,149,044	1.2%	581.17
2,575,000	2,300,000	319,204	448,682	36,452,886	1.0%	537.74
2,010,000	1,645,000	274,117	296,531	33,878,135	0.8%	494.15
1,415,000	975,000	226,105	149,158	34,412,750	0.8%	496.31
840,000	825,000	174,875	-	31,662,362	0.8%	451.38
685,000	-	120,263	316,939	27,584,689	0.8%	390.10
520,000	-	-	502,508	25,734,625	0.8%	361.09
355,000	-	-	375,864	3,310,079	0.1%	46.06
180,000	-	-	246,316	2,919,735	0.1%	39.96
-	-	-	113,796	2,294,121	0.1%	31.41

**City of Pleasanton**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30</b>	<b>Governmental Activities</b>			<b>Percent of Assessed Value</b>	<b>Per Capita</b>
	<b>General Obligation Bonds</b>	<b>Tax Allocation Bonds</b>	<b>Total</b>		
2006	\$ -	\$ -	\$ -	0.000%	-
2007	-	-	-	0.000%	-
2008	-	-	-	0.000%	-
2009	-	-	-	0.000%	-
2010	-	-	-	0.000%	-
2011	-	-	-	0.000%	-
2012	-	-	-	0.000%	-
2013	-	-	-	0.000%	-
2014	-	-	-	0.000%	-
2015	-	-	-	0.000%	-

**City of Pleasanton**  
**Direct and Overlapping Debt**  
**For the year ended June 30, 2015**

2014/15 Net Assessed Valuation: \$18,662,143,839

Overlapping Tax Debt:	Outstanding Debt 06/30/15	Percentage Applicable (1)	Estimated Share of Overlapping Debt
Bay Area Rapid Transit District	\$630,795,000	3.347%	\$21,112,709
Chabot-Las Positas Community College District	426,226,042	19.348%	82,466,215
Dublin Joint Unified School District	272,344,336	0.007%	19,064
Livermore Valley Joint Unified School District	76,350,000	2.030%	1,549,905
Pleasanton Unified School District	34,564,429	97.426%	33,674,741
Sunol Glen Unified School District	714,648	0.001%	7
East Bay Regional Park District	176,790,000	5.138%	9,083,470
<b>Total Overlapping Tax Debt:</b>			<b><u>\$147,906,111</u></b>

**Ratios to Net Assessed Valuation:**

Total Overlapping Tax Debt 0.79%

**Direct and Overlapping General Fund Debt:**

Alameda County General Fund Obligations	\$869,204,500	8.512%	\$73,986,687
Alameda County Pension Obligation Bonds	67,164,225	8.512%	5,717,019
Pleasanton Unified School District Certificates of Participation	17,510,000	97.426%	17,059,293
City of Pleasanton Notes and Capital Lease	2,180,325	100.000%	2,180,325
<b>Total Direct and Overlapping General Fund Debt:</b>			<b><u>98,943,324</u></b>
<b>Combined Total Debt</b>			<b><u>\$246,849,435</u></b> <sup>(2)</sup>
<b>Total Direct Debt</b>			<b>\$2,180,325</b>
<b>Total Overlapping Debt</b>			<b><u>244,669,110</u></b>
<b>Combined Total Debt</b>			<b><u>\$246,849,435</u></b> <sup>(2)</sup>

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

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

**Ratios to Assessed Valuation:**

Total Overlapping Tax and Assessment Debt 0.79%  
Total Direct Debt (\$2,835,905) 0.01%  
Combined Total Debt 1.31%

Sources: California Municipal Statistics, Inc., Alameda County Office of the Auditor-Controller, and City of Pleasanton Department of Finance.

**City of Pleasanton  
Legal Debt Margin  
Last Ten Fiscal Years**

	<b>Fiscal Year Ended June 30</b>			
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Net Assessed Valuation</b>	<b>\$14,196,139,713</b>	<b>\$15,455,940,826</b>	<b>\$16,520,291,133</b>	<b>\$17,372,924,460</b>
<b>Conversion Percentage for Calculation of Debt Limit</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>
<b>Adjusted Assessed Valuation</b>	<b>3,549,034,928</b>	<b>3,863,985,207</b>	<b>4,130,072,783</b>	<b>4,343,231,115</b>
<b>Debt Limit Percentage</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>
<b>Legal Debt Limit</b>	<b><u>532,355,239</u></b>	<b><u>579,597,781</u></b>	<b><u>619,510,917</u></b>	<b><u>651,484,667</u></b>
<b>Amount of Debt Subject to Limit</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Legal Debt Margin</b>	<b><u>\$532,355,239</u></b>	<b><u>\$579,597,781</u></b>	<b><u>\$619,510,917</u></b>	<b><u>\$651,484,667</u></b>
<b>Total Debt Applicable to Limit as a Percentage of Debt Limit</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

Source: City of Pleasanton Finance Department  
Alameda County Office of the Auditor-Controller



<b>Fiscal Year Ended June 30</b>					
<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>\$17,288,705,467</b>	<b>\$16,972,068,674</b>	<b>\$16,743,623,805</b>	<b>\$16,922,583,182</b>	<b>\$17,643,185,952</b>	<b>\$18,662,143,839</b>
<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>
<b>4,322,176,367</b>	<b>4,243,017,169</b>	<b>4,185,905,951</b>	<b>4,230,645,796</b>	<b>4,410,796,488</b>	<b>4,665,535,960</b>
<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>	<b>15%</b>
<b>648,326,455</b>	<b>636,452,575</b>	<b>627,885,893</b>	<b>634,596,869</b>	<b>661,619,473</b>	<b>699,830,394</b>
<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>\$648,326,455</b>	<b>\$636,452,575</b>	<b>\$627,885,893</b>	<b>\$634,596,869</b>	<b>\$661,619,473</b>	<b>\$699,830,394</b>
<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

**City of Pleasanton**  
**Pledged-Revenue Coverage for the Sewer Fund**  
**Last Ten Fiscal Years**

**Sewer Revenue Bonds**

Fiscal Year Ended June 30	Sewer Revenues	Less Operating Expenses	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2006	\$ 11,312,597	\$ 9,698,298	\$ 1,614,299	\$ 540,000	\$ 102,472	\$ 642,472	2.51
2007	11,681,865	10,048,466	1,633,399	545,000	88,744	633,744	2.58
2008	11,813,279	10,029,648	1,783,631	565,000	73,500	638,500	2.79
2009	10,944,451	9,605,229	1,339,222	595,000	56,434	651,434	2.06
2010	10,949,878	9,500,116	1,449,762	575,000	37,163	612,163	2.37
2011	11,360,283	9,602,747	1,757,536	155,000	24,638	179,638	9.78
2012	12,636,013	10,804,143	1,831,870	165,000	19,838	184,838	9.91
2013	13,027,481	11,609,263	1,418,218	165,000	14,784	179,784	7.89
2014	13,774,609	11,945,218	1,829,391	175,000	9,253	184,253	9.93
2015	14,037,443	11,937,216	2,100,227	180,000	3,150	183,150	11.47

**Note:** Revenue and expense totals differ from totals in the financial statements because bond rate covenants include and exclude various line item amounts (e.g. depreciation and General Fund interfund transfer that was subordinate to the payment of Bonds).

**Source:** City of Pleasanton, Finance Department

**Demographic and Economic Information**

**Demographic and Economic Statistics - Last Ten Fiscal Years**

**Principal Employers - Current Year and Ten Years Ago**

**City Employees by Function - Last Ten Fiscal Years**

**City of Pleasanton**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate (3)</u>
05/06	67,363	\$ 3,403,264,000	\$ 50,521	2.5%
06/07	67,789	3,747,727,000	55,285	2.2%
07/08	68,558	4,007,301,000	58,451	2.3%
08/09	69,337	4,103,578,000	59,183	3.0%
09/10	70,145	3,990,557,000	56,890	5.4%
10/11	70,711	3,297,749,000	46,637	5.8%
11/12	71,269	3,338,739,000	46,847	5.3%
12/13	71,871	3,512,480,000	48,872	3.5%
13/14	73,067	3,610,971,000	49,420	2.8%
14/15	73,028	3,612,987,000	49,474	4.6%

Source: HDL Companies

(1) California State Department of Finance, Demographic Research

(2) HDL Statistical Package (note: data collected is presented in CY format)

(3) California Employment Development Department, Labor Market Information Division

**City of Pleasanton  
Principal Employers  
Current Year and Ten Years Ago**

<b>Employer</b>	<b>FY 2014/15</b>		<b>Employer</b>	<b>FY 2005/06</b>	
	<b>Number of Employees</b>	<b>Percent of Total Employment</b>		<b>Number of Employees</b>	<b>Percent of Total Employment</b>
Kaiser Permanente	3,741	6.79%	Safe way Inc.	2,400	4.16%
Safe way Inc.	2,600	4.72%	EMC Corporation	2,200	3.81%
Wokday	2,250	4.09%	Oracle	1,800	3.12%
Oracle	1,612	2.93%	Washington Mutual	1,400	2.43%
Valley Care Medical Center	1,300	2.36%	Valley Care Medical Center	1,300	2.25%
Pleasanton Unified School Dist.	1,293	2.35%	Kaiser Permanente	1,200	2.08%
Ellie Mae	832	1.51%	Pleasanton Unified School Dist.	1,168	2.03%
Clorox Service Company	682	1.24%	Robert Half International	1,102	1.91%
State Compensation Ins. Fund	650	1.18%	E-Loan	825	1.43%
Thermo Fisher Scientific	579	1.05%	AT&T	750	1.30%
Macy's	556	1.01%	Macy's	750	1.30%
Veeva Systems	538	0.98%	Farmers Insurance	601	1.04%
Roche Molecular Systems Inc.	510	0.93%	Ross Stores	550	0.95%
EMC Corporation	507	0.92%	Clorox Services Company	530	0.92%
Thoratec Corporation	481	0.87%	City of Pleasanton	504	0.87%

Sources: City of Pleasanton Economic Development Department

<sup>(1)</sup> Does not include City of Livermore fire personnel in Livermore Pleasanton Joint Powers Authority.

**City of Pleasanton**  
**Full-Time and Part-Time and Limited Term Employees by Function**  
**Last Ten Fiscal Years**

Function	Full-Time, Part-Time and Limited Term Employees as of June 30									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government (1)	44	45	45	46	45	41	38	37	37	38
Public Safety (2)	185	187	186	186	184	181	175	175	175	175
Community Development (3)	20	20	22	59	51	50	48	48	48	48
Public Works - Admin, Engr, Bldg (3)	38	38	40	-	-	-	-	-	-	-
Public Works - Field, Streets, Support (4)	38	37	36	-	-	-	-	-	-	-
Operations Services (4) (5)	-	-	-	35	36	63	59	58	57	60
Community Activities (5)	85	85	85	83	79	44	47	47	46	45
Utilities	35	35	35	40	39	36	35	35	38	38
<b>Total</b>	<b>445</b>	<b>447</b>	<b>449</b>	<b>449</b>	<b>434</b>	<b>415</b>	<b>402</b>	<b>400</b>	<b>402</b>	<b>405</b>

- (1) In 2011 Business License was transferred from Finance (General Government) to Economic Development (Community Development).
- (2) Public Safety includes Police personnel and the City of Pleasanton's cost share allocation of Livermore-Pleasanton Fire Department (LPFD) personnel per Joint Powers Agreement; does not include Livermore fire personnel in LPFD.
- (3) In 2009 Public Works Administration, Engineering & Inspection and Building & Safety transferred to Community Development.
- (4) In 2009 Public Works Field Services, Streets and Support Services transferred to Operations Services.
- (5) In 2011 Parks Division was transferred from Community Activities to Operations Services.

Source: City of Pleasanton Budget

## **Operating Information**

**Operating Indicators by Function - Last Ten Fiscal Years**

**Capital Asset Statistics by Function - Last Ten Fiscal Years**

**City of Pleasanton**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

	Fiscal Year Ended June 30			
	2006	2007	2008	2009
<b>Police:</b>				
Arrests	2,281	2,414	2,563	2,772
Parking Citations Issued	1,285	1,175	1,019	911
Administrative Citations Issue	181	129	150	92
<b>Fire:</b>				
Number of Responses (Pleasanton only)	4,547	4,886	5,129	5,007
Number of Inspections (Pleasanton only)	1,465	1,701	1,604	1,269
<b>Library:</b>				
Annual Circulation	1,109,541	1,237,543	1,303,995	1,433,876
Gate Count (# of people thru the doors)	459,138	472,633	498,614	530,738
e-Resources				
<b>Economic Development:</b>				
Business Licenses Issued	10,933	9,206	9,368	8,783
<b>Parks &amp; Community Services:</b>				
Paratransit Trips (1)	20,974	19,122	18,656	22,122
Golf Rounds Played	45,229	73,365	72,092	68,294
Aquatics Programs (No. of Participants) (2)	16,002	16,838	17,756	21,185
Sports, Camps, Classes and Leagues (No. of Participants) (2)	9,299	11,755	12,782	12,683
Amador Theater & Firehouse Arts Center (No. of Patrons)	66,354	70,900	42,500	50,100
<b>Operations Services:</b>				
Streets Resurfacing (miles)	10.0	10.0	9.0	9.0
Utility Bills Generated	128,838	131,027	131,290	131,500
New Water Connections	180	113	52	21
Gallons Delivered (in million gallons/day)	16.4 mgd	16.2 mgd	16.0 mgd	15.0 mgd
New Sewer Connections	201	185	65	24

Source: City of Pleasanton

(1) In FY2013, Downtown Route Service was reduced from 5 days a week to 3 days a week to meet the service demands.

(2) In FY2013, the category was widened from youth to all participants.



**Fiscal Year Ended June 30**

<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
2,970	3,283	2,675	2,387	2,239	1,992
1,133	1,634	1,263	909	1,421	1,486
108	144	105	62	42	50
4,952	4,146	4,342	4,548	4,753	4,849
861	988	1,194	1,032	1,415	1,552
1,475,666	1,465,716	1,438,609	1,428,665	1,422,134	1,309,117
552,779	562,757	561,351	551,297	556,810	529,996
					50,000
9,067	8,534	9,147	9,275	9,625	9,776
20,393	17,506	15,499	13,486	11,921	10,725
63,591	58,559	58,272	56,104	54,998	56,066
21,982	23,907	25,494	34,334	25,861	40,803
13,400	13,580	22,480	54,579	52,589	55,054
28,380	43,048	51,096	45,291	44,762	42,759
6.0	11.5	12.0	11.8	2.0	12.9
134,651	132,141	126,104	127,955	128,277	134,559
26	44	51	88	74	124
14.1 mgd	11.4 mgd	13.4 mgd	14.8 mgd	14.2 mgd	10.8 mgd
26	82	49	136	231	285

**City of Pleasanton**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

	Fiscal Year Ended June 30			
	2006	2007	2008	2009
<b>Police:</b>				
Stations	1	1	1	1
<b>Fire:</b>				
Stations (Pleasanton only)	5	5	5	5
<b>Library:</b>				
Branches	1	1	1	1
<b>Parks &amp; Community Services:</b>				
Acres of Parks Maintained	378	378	385	385
Municipal Golf Courses	1	1	1	1
Aquatic Centers	1	1	1	1
Senior Centers	1	1	1	1
<b>Operations Services:</b>				
Streets ( miles)	198	206	208	215
Streetlights	5,311	5,320	5,379	5,992
Traffic Signals	87	92	93	93
<b>Water:</b>				
Water mains (miles)	314	318	318	320
Pumping Capacity (gallons/day)	37.0M	37.0M	37.0M	37.0M
<b>Wastewater:</b>				
Sanitary Sewers (miles)	249	253	253	255
Storm Sewers (miles)	183	188	188	191

Source: City of Pleasanton

**Fiscal Year Ended June 30**

<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
1	1	1	1	1	1
5	5	5	5	5	5
1	1	1	1	1	1
385	385	385	385	390	390
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
215	216	216	216	217	217
6,007	6,007	6,007	6,025	6,200	6,247
93	93	95	96	101	104
320	321	324	324	327	329
32.0M	30.0M	31.0M	31.0M	31.0M	31.0M
255	255	257	257	257	258
192	192	194	194	194	194

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