

City of Orinda, California Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2016



City of Orinda – 22 Orinda Way, Orinda CA 94563 – www.cityoforinda.org

City of Orinda, California
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2016

Prepared by
Finance Department

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CITY OF ORINDA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2016

Table of Contents

	<u>Page</u>
INTRODUCTORY SECTION:	
Letter of Transmittal.....	i
List of City Officials	iv
Mission Statement and Map of City.....	v
Organization Chart	vi
GFOA Certificate of Achievement.....	vii
FINANCIAL SECTION:	
Independent Auditors’ Report	1
Management’s Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	17
Statement of Activities	18
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet.....	20
Reconciliation of the Governmental Funds-Balance Sheet with the Statement of Net Position	22
Statement of Revenues, Expenditures and Changes in fund Balances.....	24
Reconciliation of the Net Change in Fund Balances – Total Governmental Funds with the Statement of Activities	26
Proprietary Funds:	
Statement of Net Position	27
Statement of Revenues, Expenses and Changes in Net Position.....	28
Statement of Cash Flows	29
Fiduciary Funds:	
Statement of Net Position	30
Notes to the Basic Financial Statements	33

CITY OF ORINDA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2016

Table of Contents

	<u>Page</u>
FINANCIAL SECTION (Continued):	
Required Supplementary Information:	
Schedule of Revenues, Expenditures and changes in Fund Balance – Budget and Actual:	
General Fund	58
Federal Grants	59
Community Facilities Maintenance.....	60
CCTA	61
Other Supplementary Information:	
Budgetary Comparison Schedule – Other Major Governmental Funds:	
Schedule of Revenues, expenditures and Changes in Fund Balance Budget - Actual:	
City Capital Projects	64
Road Bonds 2014 Capital Projects	65
General Fund:	
Combining Balance Sheet	70
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance	71
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual	72
Non-major Governmental Funds:	
Combining Balance Sheet	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	82
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual:	
Gas Tax	86
Transportation Impact	87
Drainage Impact.....	88
Library.....	89
Park Dedication.....	90
Tree Mitigation	91
Recycling	92
State AB 3229 S.L.E.S.F. Programs	93
Assessment District L-42	94
Assessment District M-9.....	95
District M-11	96
Wilder CFD.....	97
Stormwater.....	98
Affordable Housing.....	99

CITY OF ORINDA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2016

Table of Contents

	<u>Page</u>
FINANCIAL SECTION (Continued):	
Oaksprings Assessments District	100
State Grants	101
Road Bonds 2014	102
Other Grants	103
Internal Service Funds:	
Combining Statement of Net Position	106
Combining Statement of Revenues, Expenses and Changes in Fund Net Position.....	108
Combining Statement of Cash Flows	110
Agency Funds:	
Combining Statement of Changes in Assets and Liabilities.....	114
STATISTICAL SECTION:	
Statistical Section Overview	119
Net Position by Component	121
Changes in Net Position	122
Fund Balances, Governmental Funds.....	123
Changes in Fund Balances, Governmental Funds.....	124
Assessed Value and Actual Value of Taxable Property	125
Direct and Overlapping Debt	126
Top Ten Property Tax Payers.....	127
Schedule of Top 25 Principal Sales Tax Remitters.....	128
Property Tax Levies and Collections	129
Direct and Overlapping Tax Rates.....	130
Outstanding Debt.....	132
Legal Debt Margin Information	134
Demographic and Economic Statistics.....	136
Capital Asset Statistics by Function.....	137
Operating Indicators by Function.....	138
Full-time and Part-time City Employees by Function.....	139
Principal Employers	140

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INTRODUCTORY SECTION

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December 6, 2016

To the Honorable Mayor and Members of the City Council and Citizens of the City of Orinda:

We are pleased to submit the City of Orinda's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. Since incorporation, the City has submitted an annual audited financial report to the Council and Citizens. It is the policy of the Council to have a licensed certified public accountant conduct an annual audit at the end of each fiscal year and to issue a complete set of financial statements for the Council and all stakeholders of the City. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards.

Responsibility for the accuracy of the data and the fairness of presentation, including all footnotes and disclosures, rests with the City. We believe the data presented in this report is accurate in material respects and all statements and disclosures necessary for the reader to obtain a thorough understanding of the City's financial activities have been included. Management of the City has established an internal control framework that is designed both to protect the City'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 framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements.

While traditionally addressed to the governing body of the City, this report is intended to provide relevant financial information to the citizens of the City of Orinda, City staff, creditors, investors, and other concerned readers. We encourage all readers to contact the Finance Department with any questions or comments concerning this report.

The City's financial statements have been audited by Maze and Associates Accountancy Corporation, a firm of certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2016, 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 statement presentation. Based upon the audit, the independent auditors concluded that there was reasonable basis for rendering an unqualified opinion, which states that the City's financial statements for the fiscal year ended June 30, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special 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 financial statements, but also on the audited government'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 that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a 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's MD&A can be found immediately following the report of the independent auditors.

Profile of the City of Orinda

The City of Orinda operates under a Council-Manager form of government and provides municipal services that include public safety, public works, parks and recreation, and planning services. This report includes all funds of the City of Orinda. The City did not have a Redevelopment Agency.

The City Council establishes biennial budgets with a mid-cycle annual review for the General Fund and all other Funds. Budgetary control is legally maintained at the fund level for these funds. Department heads submit budget requests to the City Manager and Finance Director. The Finance Director prepares an estimate of revenues and prepares recommendations for the next year's budget. The preliminary budget may or may not be amended by the City Council and is adopted by resolution by the City Council on or before June 30 in accordance with the municipal code.

The City of Orinda was incorporated on July 1, 1985, after 100 years of gradual development. One of the primary reasons cited by many Orindans for supporting incorporation was the desire for local decision making. With a population of more than 18,150 in a 12.8 square-mile area, Orinda is mostly developed. Most of residential Orinda is comfortably mature, with trees dominating roads and buildings. The retail floor area has remained fairly constant during the last 15 years.

The City of Orinda City Council consist of five members, elected at-large to four-year overlapping terms. Council members must be residents of the City. The position of Mayor and Vice Mayor are chosen by the City Council. The Mayor conducts the Council meetings and represents the City on ceremonial occasions.

The City Council serves as the policy board for the municipality. As elected officials, the City Council provides policy direction, establishes goals, and sets priorities for the City government. In addition to serving as the policy makers for the community, the City Council also is responsible for numerous land use decisions within its borders in accordance with the General Plan and the Orinda Municipal Code. The City Council appoints the City Manager, City Attorney, and all members of advisory boards and commissions.

Orinda is a residential oriented community with more than 60 percent of the City's 6,580 homes built between 1940 and 1970. Access provided by the Caldecott Tunnel makes Orinda an accessible "country" environment in the East Bay.

In the City of Orinda the total labor force is approximately 9,000. Unemployment in Orinda is approximately 2.4%. Orinda is divided by Highway 24 and BART, which provide an easy commute to the cities of Berkeley, Oakland, and San Francisco.

Current Economic Conditions and Outlook

The City's economic development efforts and implementation of the City's financial policies help to promote Orinda's long-term fiscal stability. Since incorporation in 1985, at the direction of the Council, staff has conducted a systematic review of operations, resulting in some cases in the transition from contract service to an in-house operational model; in other instances a renegotiation of existing service contracts; and in other instances, retention of the contractual operational model with a different service provider. These operation analyses and reforms are intended to promote long-term savings to the City and ensure long-term stability. The City anticipates minimal growth for the next ten years in sales tax and franchise tax revenue and moderate growth in property tax revenue.

Awards and Acknowledgements

The City of Orinda will submit the fiscal year ended June 30, 2016 Comprehensive Annual Financial Report for the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA).

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 this report will meet the program requirements to receive the award.

The preparation of the Comprehensive Annual Financial Report could not be accomplished without the efficient and dedicated service of the entire staff of the Finance Department and auditing firm of Maze & Associates. I would like to express my appreciation to Katherine Yuen CPA and Eric Foresman of Maze & Associates and to the members of the Finance Department who assisted and contributed to its preparation – Norma Costa, Accountant, Jennie Flores, Accounting Technician III, and Linda Thompson, Accounting Technician III.

I would also like to thank members of the City Council, the City Manager, and the various departments for their cooperation and support in planning and conducting the financial operations of the City during the fiscal year and the Finance Advisory Committee for its oversight and advice.

Respectfully submitted,



Susan Mahoney
Finance Director

City of Orinda
List of City Officials
At June 30, 2016

City Council

Victoria Smith, Mayor
Eve Phillips, Vice Mayor
Dean Orr, Councilmember
Amy R. Worth, Councilmember
Darlene K. Gee, Councilmember

City Officials

Janet Keeter, City Manager
Todd Trimble, Parks & Recreation Director
Susan Mahoney, Finance Director
Mark Nagel, Police Chief
Sheri Spediacci, City Clerk
Larry Theis, Public Works Director
Drummond Buckley, Planning Director

CITY OF ORINDA MISSION STATEMENT

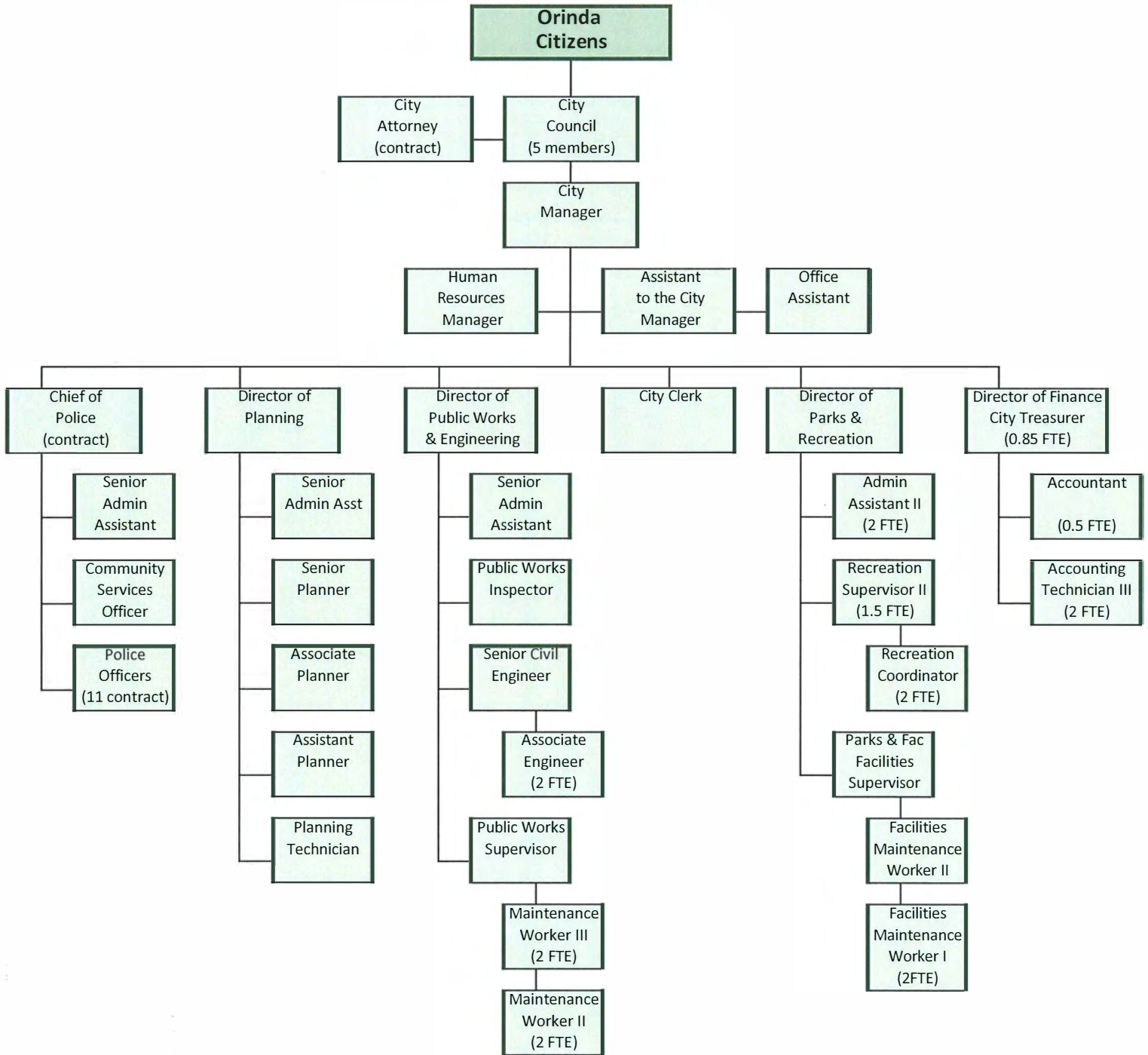
“Orinda strives to provide excellent service in a fiscally responsible manner and to promote a safe, healthy and vibrant community.”



22 Orinda Way, Orinda, CA 94563 * www.cityoforinda.org * 925.253.4200



Fiscal Year 2016 Organizational Chart



FTE = Full Time Equivalent
 All positions are 1 FTE unless otherwise noted



Government Finance Officers Association

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

Presented to

**City of Orinda
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Council
City of Orinda, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Orinda (City), California as of and for the year ended June 30, 2016, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and other required supplementary information 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. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2016, 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.



Pleasant Hill, California
December 6, 2016

Management's Discussion and Analysis

INTRODUCTION

As management of the City of Orinda (the City), we offer readers this discussion and analysis of the City's financial performance for the fiscal year (FY) ended June 30, 2016. The accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures in this report, are the responsibility of the City. The report has been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). Readers are encouraged to consider the information presented here in conjunction with additional information, which can be found in the City's financial statements, which follow this discussion. Management's discussion and analysis is designed to:

1. assist the reader in focusing on significant financial issues;
2. provide an overview of the City's financial activity and any changes in financial position;
3. explain any material deviations from the financial plan (approved budget); and
4. identify any issues or concerns and the City's ability to address future challenges.

FINANCIAL HIGHLIGHTS

The City's desirable location and relatively stable real estate market made it less vulnerable to the effects of the recent economic downturn and as a result, the City sustained minor declines when compared to other cities in Contra Costa County. For the fourth year in a row, the City's property tax revenue increased (8.3% over last year) after four years of decreases during the 2008 economic downturn. The City's sales tax revenue (not including Measure L sales tax) increased by 6.3% over the prior year. Measure L sales tax decreased 1.2% in FY 2016.

The City Council adopted a balanced General Fund operating budget for FY 2016. The City ended the fiscal year with a balanced budget that exceeded projections by over \$900,000. The General Fund reserve is equal to 43% of General Fund Revenues which meets the City's established reserve policy.

The City provides funding for its Capital Improvement Program on a pay-as-you-go basis including maximizing grant funding when available. In July 2012, the City Council adopted the Road and Drainage Repair Plan. This plan consists of four phases in which the City will fund, plan and manage the construction and repair of public roads and drains. The first phase was the passage of a half-cent sales tax increase (Measure L) which was approved by voters in the November 2012 election and has a 10 year sunset. The City began receiving the half-cent sales tax revenue in April 2013. The second phase of the plan included the passage of \$20,000,000 in general obligation bonds. The bonds were approved by voters in June 2014. The City sold \$10,000,000 of the bonds in March 2015 and expects to sell the remaining \$10,000,000 in March 2017. The third phase of the plan included the passage of \$25,000,000 in general obligation bonds. The bonds were approved by voters in June 2016 and the City anticipates selling the bonds in 2017.

The employees of the City accumulate retirement benefits through a defined contribution plan with the ICMA Retirement Corporation. Payments are made on a pay-as-you-go basis so the City has no future pension obligations. Employees who have retired from the City are eligible to participate in the City's group health insurance plan at their own cost. The health insurance plan requires a minimum employer contribution which is paid by the City. Currently there are three retired employees in the group health plan and the total minimum employer contribution is less than \$3,000 per year.

The following are some key highlights of note:

1. At the end of FY 2015/16, the unassigned fund balance for the General Fund was \$9,303,768. This amount includes \$1,366,917 in Measure L Sales Tax fund balance.

2. The General Fund operating results (including Measure L Sales Tax) for the fiscal year was a surplus of \$1,331,713.

General Fund	\$ 1,267,308
Measure L	\$ 64,405
TOTAL	\$ 1,331,713

3. General Fund revenues were higher than expected for Planning Fees and Franchise Taxes. The increase in Planning Fees was mainly due to building activity in the west side of the City known as the Wilder area.
4. General Fund expenditures were generally on target with budget except for Public Safety expenses. Public Safety expenses were under budget by over \$500,000 due primarily to vacant positions.
5. The City's total assets exceeded its liabilities by \$60,696,792 (net position) for FY 2015/16. This compares to assets exceeding liabilities by \$58,288,650 in FY 2014/15, an increase of \$2,408,142. Total net position is comprised of the following:
 - a. Investment in capital assets (net of related debt) of \$42,026,180, which includes parklands, buildings, furniture and equipment and infrastructure, all net of accumulated depreciation and debt.
 - b. Net assets of \$7,753,790 are restricted by constraints imposed from outside the City, including grantors, lenders, laws or regulations, consisting primarily of the Community Facilities Maintenance Endowment Fund (\$1.5 million), Park Dedication Fees (\$0.7 million), Transportation Impact Fees (\$1.2 million), Drainage Fees (\$0.8 million), Library Assessment Fund (\$0.2 million), Gas Tax (\$0.6 million), CCTA (\$0.7 million), Road Bonds Debt Service (\$1.4 million), Wilder Community Facilities District (\$0.2 million) and other Special Revenue Funds (\$0.5 million).
 - c. Unrestricted net position of \$10,916,822 for the government-wide statements represents the portion available to maintain the City's continuing obligations to citizens and creditors.
6. The General Fund unrestricted reserve funded transfers totaling \$376,604 to: the Slope Emergency Stabilization Fund (\$150,000); the General Plan Fund (\$50,000); the Capital Improvement Fund (\$100,000); the Library Fund ((\$24,071); and \$52,533 to the M-11 Lighting and Landscape District.

FINANCIAL ANALYSIS OF GENERAL FUND

The General Fund is the primary operating fund of the City. It accounts for the revenues and expenditures associated with police services, public works, engineering, planning, building inspections, finance, park & recreation, city clerk, city attorney and administration.

General Fund Revenues

The City's General Fund operating revenues increased 6.7% compared to the prior year. Property tax assessments are the largest revenue source for the City and property tax revenue has been steadily increasing in the past few years. Currently, the City receives approximately seven cents for every dollar in property taxes paid by its residents. Sales tax is also an important revenue source of the City. Sales tax revenue (including Measure L sales tax) increased 2.6% from last year. A portion of the sales tax revenue received by the City (the Measure L add-on sales tax portion) is dedicated by the Council through budget appropriations to road and drainage repairs. The Measure L tax sunsets in fiscal year 2023. Because Orinda has a relatively small retail base, the impact of fluctuations in sales tax, both positive and negative, is less severe than in other cities that rely more heavily on big box, mall or auto retailers for their sales tax revenue.

General Fund Expenses

As a policy, the City has endeavored to keep its operating expenses low and the number of employees at a minimum. The major expenses for the City organization (excluding debt service) are: 1) Police (\$4,033,935, 33.3%), contracted through the County; 2) Parks & Recreation, including facilities maintenance (\$2,557,929, 21.1%) and 3) Public Works/Engineering (\$2,503,302, 20.7%). Park & Recreation operating costs are offset by fees for service with a cost recover 84% in FY 2016.

Debt

The General Fund is used to pay debt service on the City's Certificates of Participation which were issued in 2006 and due to retire in 2035. The debt service payment in FY 2015/16 was \$546,281 and the balance at June 30, 2016 is \$7,650,000. The COP's were refunded in FY 2015/16 resulting in a savings of almost \$1,000,000 over the remaining life of the loan.

In June 2014, Orinda voters approved the issuance of \$20,000,000 in general obligation bonds to provide funds to repair, restore, and upgrade the City's roads and storm drains. The first series of bonds totaling \$10,000,000 were issued in March 2015. It is estimated that the second series of bonds for the remaining \$10,000,000 will be issued in March 2017. Principal and interest payments on the Bonds are payable from the proceeds of an *ad valorem* tax assessed upon all property subject to taxation by the City. Principal and interest on the Bonds are not payable from the General Fund of the City.

Fund Balance

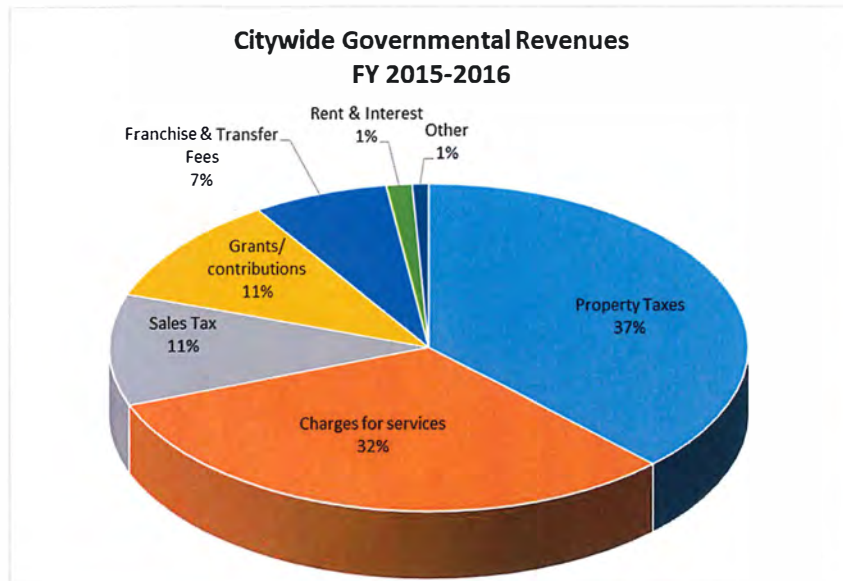
The net worth of the General Fund (the difference between assets and liabilities) is called Fund Balance. At June 30, 2016, the fund balance was \$9,303,768 compared to \$7,972,055 in FY 2014/15. This is an increase of \$1,331,713 in FY 2015/16 compared to an increase of \$262,456 in FY 2014/15. The fund balance is made up of the following unassigned funds:

- \$1,366,917 in the Measure L Sales Tax fund, an increase of \$64,405 over FY 2014/15.
- \$7,936,851 in the General Fund, an increase of \$1,267,308 over FY 2014/15 due mainly to increased planning fee revenue and lower than expected public safety costs.

The City Council has set a General Fund reserve policy which requires an operating reserve of \$5,000,000 plus 20% of the amount of budgeted General Fund revenues in excess of \$10,000,000 not including Measure L revenue (the add-on sales tax). The June 30, 2016 reserve amount of \$5,560,472 is included in the General Fund unassigned funds.

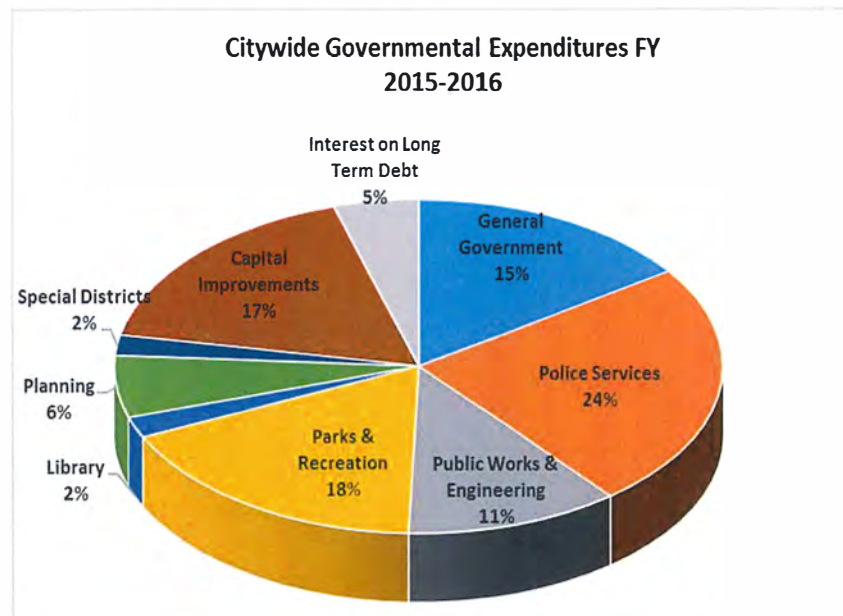
THE CITY AS A WHOLE

The *Statement of Net Position* and the *Statement of Activities* reports information about the City as a whole. These statements include all assets and liabilities using the full accrual basis of accounting. Under this method, all current year's revenues and expenses are taken into account regardless of when cash is actually received or paid.



Looking at the City's net position (the difference between assets and liabilities) is a measurement of the City's financial health. Over time, increases or decreases in the City's net position are an indication of whether its financial health is improving or deteriorating. However, other non-financial factors such as changes in the City's property tax base or the condition of the City's roads must also be considered.

The *Statement of Net Position* and the *Statement of Activities* presents consolidated financial information on the City's primary activities. These include Police, Capital Improvements, Parks and Recreation (including facility operations), Planning, Public Works and Engineering Services and City Management (City Manager, City Clerk, City Attorney and Finance). For funding activities and services, some departments generate function-specific fee revenue. Interest and lease revenues, sales taxes, franchise fees, motor vehicle license fees and property taxes, including property transfer taxes, are used to fund the balance.



STATEMENT OF NET POSITION

The City's net position increased by \$2,408,142 versus an increase of \$3,176,961 in FY 2014/15). The ending position at June 30, 2016 was \$60,696,792. The 5.0% decrease in current assets over last year is mainly due to the use of a portion of bond proceeds for road and drainage projects. As of June 30, 2016 \$4.4 million of the \$10 million in bond proceeds were spent. The 101.0% increase in current liabilities is mainly due to the current portion of long-term debt associated with the General Obligation bonds. The following table provides a summary of the City's net position for all funds at June 30, 2016 compared to June 30, 2015.

Summary of Net Position Fiscal Years 2015/16 and 2014/15 Primary Government Activities

	<u>2015/16</u>	<u>2014/15</u>	<u>% Increase (Decrease)</u>
Current and other assets	\$27,677,900	\$29,124,589	(5.0)%
Restricted assets	0	0	0%
Noncurrent assets	54,986,222	49,624,937	10.8%
Total assets:	\$82,664,122	\$78,749,526	5.0%
Current liabilities	\$ 4,920,650	\$ 2,449,555	100.9%
Noncurrent liabilities	17,046,680	18,011,321	(5.4)%
Total liabilities:	\$21,967,330	\$20,460,876	7.4%
<u>Net position</u>			
Net investment in capital assets	\$42,026,180	\$31,242,089	34.5%
Restricted	7,753,790	17,424,073	(55.5)%
Unrestricted	10,916,822	9,622,488	13.5%
Total net position	60,696,792	58,288,650	4.1%
Ending net position and liabilities	\$82,664,122	\$78,749,526	5.0%

STATEMENT OF ACTIVITIES

In the *Statement of Activities* (pages 18 to 19), both expenses and revenues are reported for each particular program, which includes all funds. This format shows how much of each program is funded through fees, grants and taxes and highlights the relative financial burden of each program on general revenues. The following table provides a summary of the City's Statement of Activities for FY 2015/16 and 2014/15 with the variance percentage between the two years.

**Summary of Change in Net Position: Primary Government Activities
Fiscal Years 2015/16 and 2014/15**

	<u>2015/16</u>	<u>2014/15</u>	<u>% Increase (Decrease)</u>
<u>Revenues:</u>			
Program revenues:			
Charges for services	\$6,123,890	\$5,777,614	6.0%
Operating grants and Contributions	1,254,815	431,776	190.6%)
Capital Grants and Contributions	795,526	2,171,109	(63.4)%
General revenues:			
Sales Tax	2,121,297	2,067,331	2.6%
Franchise and Transfer Fees	1,333,210	1,350,855	(1.3)%
Property Tax	7,256,358	5,686,724	27.6%
Rent and Interest	225,216	168,378	33.7%
Unrealized gain (loss) on investments	27,411	(10,550)	379.6%)
Other	162,004	424,507	(61.8)%
Total Revenues	<u>19,299,727</u>	<u>18,067,744</u>	6.8 %
<u>Expenses:</u>			
General Government	2,593,399	2,388,834	8.6%
Police Services	4,027,414	3,938,840	2.3%
Public Works and Engineering Services	1,919,178	1,977,801	(2.96)%
Parks and Recreation	2,962,868	2,386,335	24.2%
Library operations	341,982	350,263	(2.4)%
Planning	1,011,480	894,001	13.1%
Special districts	334,201	314,941	6.1%
Interest on long-term debt	767,185	496,430	54.5%
Capital improvements	2,933,878	2,143,342	36.9%
Total Expenses	<u>16,891,585</u>	<u>14,890,787</u>	13.4%
 Change in net position	 2,408,142	 3,176,957	 (24.2)%
 Beginning net position	 58,288,650	 55,111,693	 5.8%
 Ending net position	 <u>\$60,696,792</u>	 <u>\$58,288,650</u>	 4.1%

Overall, total revenue increased 6.8% in comparison to the prior year. The most significant changes in revenues are: 1) federal grant for the North Lane Stormwater project; 2) General Obligation Bonds debt service tax proceeds (property tax revenue); and 3) Planning fees.

Overall, total expenses increased 13.4% in comparison to the prior year. The most significant increase in expenses was in Capital improvements due to road and drainage projects. The increase in Parks and Recreation expenses was mostly due to increase costs for building maintenance, field maintenance, and equipment. Increases in Planning costs are offset by additional fee revenue. The increase in long term debt was due to the FY 2015 issuance of the General Obligation bonds.

GASB requires municipalities to state their investment portfolio at market value and to report the amount of gain or loss that would be realized if the investments were to be sold on the last day of the fiscal year. The City's unrealized gain on investments was \$27,411 in Fiscal Year 2015/16. The City's policy, however, is to keep all investments until their maturity date, so the gain or loss should not be realized.

FINANCIAL ANALYSIS OF COMBINED FUNDS

Governmental Funds

Beginning in FY 2010/11, governmental entities were required to implement the provisions of GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement improves financial reporting by providing fund balance categories and classifications that are more easily understood. The fund balance classification approach in this statement requires governments to classify amounts consistently, regardless of fund type in which they are presented. The fund balance disclosures gives users information necessary to understand the processes under which constraints are imposed upon the use of resources and how those constraints may be modified or eliminated.

The unassigned fund equity balances serve as a useful measure of the available resources when analyzing the City's governmental funds. "Assigned" funds are set aside by City Management for anticipated purposes. "Committed" funds are those set aside by Council action for specific purposes. The Council may, at any time, change the commitment of the funds if it so chooses. "Restricted" funds, on the other hand, are so categorized because authority to reassign the funds to other uses does not lie with the Council.

As of the fiscal year ended June 30, 2016, the City's governmental fund types (see pages 20 and 21) included combined ending fund balances of \$22,630,791 (\$25,396,128 in FY 2014/15). Of this balance, \$13,322,144 (\$17,424,073 in FY 2014/15) of these funds are "restricted", which means that they have been conditionally committed to specific programs by their sources. \$104,427 of the ending fund balance is made up of prepaid items and deposits and categorized as "nonspendable". In the General Fund \$9,204,680 is unassigned (although it includes the funds set aside per the City's Reserve Policy and funds dedicated by Council through budget appropriation for road repairs) and may be committed at the discretion of the City Council or assigned by Management for specific use. The City Capital Projects Fund is restricted for the City's Drainage Master Plan project. The Community Facilities Maintenance Fund Balance and the CCTA Fund Balance are restricted for special projects.

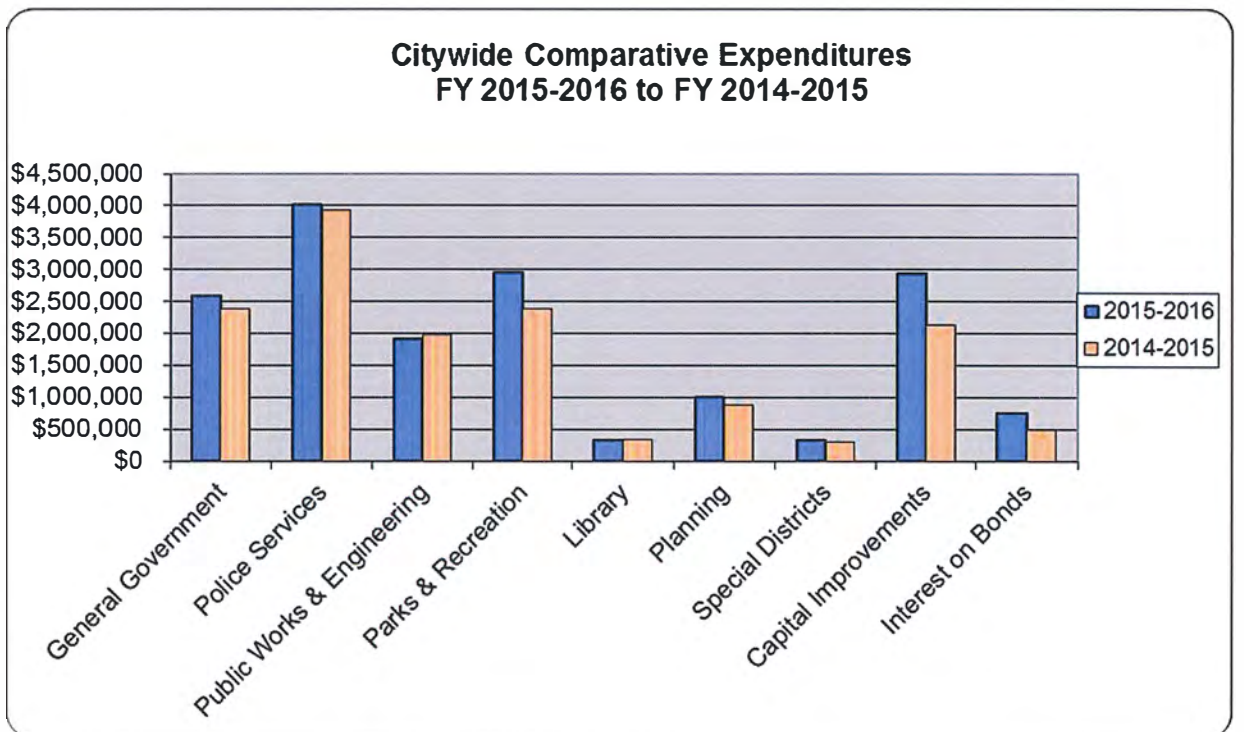
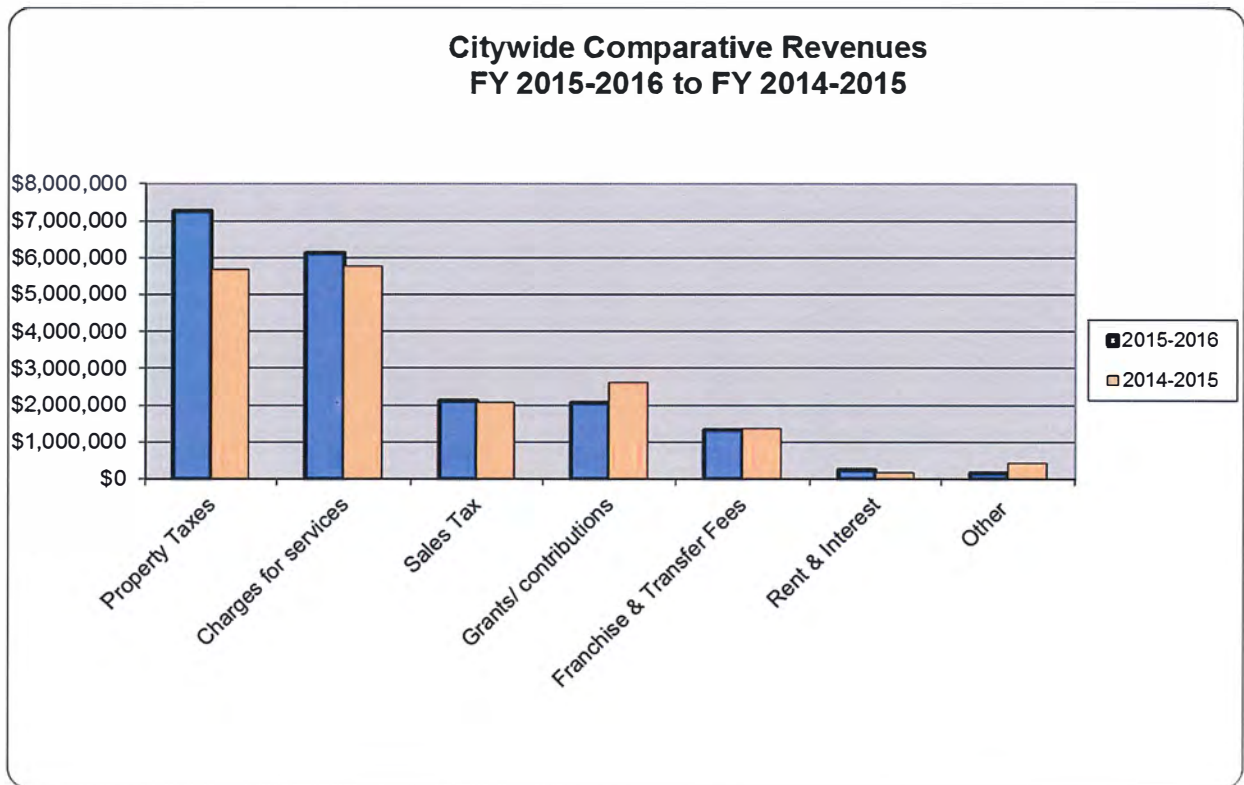
Capital Assets

The City's capital assets as of June 30, 2016, totaled \$54,986,222 (\$49,624,937 in FY 2014/15), net of accumulated depreciation of \$69,789,507 (\$66,384,108 in FY 2014/15). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, and bridges. The capital assets summary can be found on page 50 of the notes to the financial statements.

Major capital asset additions during FY 2015/16 included:

- Manzanita Bridge Rehabilitation \$3,318,200;
- Wilder Field Scoreboard \$49,813;
- Three police vehicles \$129,156.

Graphic presentations of selected data from the summary tables follow to assist in the analysis of the City's activities for FY 2015/16.



SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds. Some funds are required to be established by State law. However, the City Council establishes other funds to help control and manage money for particular purposes (e.g. Capital Project Funds) or to meet the legal responsibilities for using certain taxes and federal or state grants.

1. *Governmental funds*: The governmental fund statements on pages 20 through 25 provide a detailed short-term view of the City's general operations and the basic services it provides. Governmental fund information helps determine what financial resources are available in the near future to finance the City's programs. The relationship between the *Statement of Net Position* and the *Statement of Activities* and governmental funds statement is reconciled on the far right of pages 17 through 19.
2. *Internal Service funds*: These funds make up the internal services part of primary governmental activities. Summary financial detail is provided on pages 27 through 29, as well as additional, more detailed information on page 106 through 111.

In order to smooth demands on the General Fund from year to year, the City has chosen to use internal service funds to record purchases and related depreciation if applicable. The following are the current funds being used:

- a. *Information Systems*: On a planned basis, capital outlays are required to keep the City current with industry technology. The City operates five servers and approximately forty desktops. The City leases this equipment. The net position at FY 2015/16 year-end was \$130,164 (\$136,610 in FY 2014/15).
- b. *Building Maintenance*: Individual departments contribute to the maintenance, repair, and capital replacement of City facilities through annual contributions based on their square foot usage. The net position at FY 2015/16 year-end was \$220,476 (\$226,291 in FY 2014/15).
- c. *Vehicle Replacement*: The Police, Public Works and Engineering, Parks and Recreation, and Planning departments operate a number of vehicles to provide services to the residents of Orinda. Vehicles have varied life spans, depending on their use, and require replacement based on the specified useful life. Individual departments contribute to the fund annually based on estimated vehicle replacement costs. The net position at FY 2015/16 year-end was \$721,152 (\$675,271 in FY 2014/15).
- d. *Risk Management*: This fund was established to mitigate the effect of unfunded claims and litigation losses that would otherwise be paid from the General Fund, with \$512,000 as the desired fund reserve to be maintained. The Municipal Pooling Authority, a Joint Powers Authority that provides insurance for City operations (Police Services covered by Contra Costa County), does not cover all aspects of this risk and settlements can potentially be high per occurrence. The Council authorizes transfers from the General Fund to the Risk Management Fund as needed. The net position at FY 2015/16 year-end was \$382,073 (\$546,688 in FY 2014/15).
- e. *Slope Emergency Stabilization Fund*: Orinda has within its boundaries many unstable slopes, any of which can unexpectedly give way through erosion and other earth-moving events. Due to the uncertainty of any given slope showing indications of

failing, accurate annual budgeting in the General Fund for such occurrences is not possible. The Slope Emergency Stabilization fund exists to mitigate the effect of unpredictable demands on funds to stabilize failing slopes. The net position at FY 2015/16 year-end was \$710,734 (\$572,206 in FY 2014/15). This fund, per the adopted budget, received a transfer of \$150,000 from the General Fund in FY 2015/16.

f. General Plan Update Fund: The City's General Plan was adopted on May 20, 1987. In anticipation of an update, the City Council has put aside money in past years. The General Plan Update net position at FY 2015/16 year-end was \$307,627 (\$264,311 in FY 2014/15). This fund, per the adopted budget, received a transfer of \$50,000 from the General Fund in FY 2015/16 and incurred expenses in FY 2015/16 totaling \$8,404.

3. *Fiduciary Funds:* The City is the trustee, or fiduciary, for the bond funds for the Oaksprings Assessment District 2003-1, and for performance bonds associated with development applications. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position on page 30. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used only for their intended purposes.

STRENGTHS AND RISKS

Over the years, the City has strived to improve the condition of its roads system by repairing streets most traveled (ie. arterials and collectors). In order to maintain this investment, the City utilizes revenues from gas tax, Contra Costa Transportation Authority sales tax, transportation impact fees, the City's General Fund (through the solid waste franchise fees) and Federal and State grants when available. This effort has brought the arterials to an average Pavement Condition Index (PCI) of 81, which reflects they are in "good" condition. The collectors have an average current PCI of 75, which reflects they are in "fair" condition. The residential roads have an average current PCI of 48, which indicates they are in "poor" condition.

To address this issue, the City Council created a Council Roads Subcommittee in May 2011 to serve as a preliminary fact finding group working with the City's Citizens Infrastructure Oversight Commission (CIOC), the Finance Advisory Committee (FAC) and members of the public to gather options, develop facts and bring issues back to the Council for discussion and direction. The Roads Subcommittee working with staff, the CIOC, the FAC and the public, gathered information and community feedback related to roads expenditure history over 10 years, identified revenue options, developed a working timeline, communications plan and recommended alternatives. Based on this input, the City Council approved placing a sales tax measure on the November 2012 ballot, a \$20 million bond measure on the June 2014 ballot, and a \$25 million bond measure on the June 2016 ballot. The sales tax measure was passed with 69% approval by the residents and has a 10 year sunset. The City began receiving funds from the new tax measure in April 2013. At the Council's direction, 100% of the new revenue will be appropriated annually through the budget process to fund improvements to the City's road and drainage infrastructure. The June 2014 bond measure was passed with 75% approval by the residents. The measure authorizes the sale of \$20 million in General Obligation bonds to fund additional improvements to the City's road and drainage infrastructure. In March 2015 the first

bond series totaling \$10 million was issued (refer to Note 3.F. Long-Term Debt on page 52.) It is anticipated that the second bond series for the remaining \$10 million will be issued in March 2017. The June 2016 bond measure was passed with 67% approval by the residents. It is anticipated that these bonds will be issued in 2017.

Budget

A budget analysis of the General Fund, including original budget, amended budget, actual, and variance from amended budget is presented on page 58.

Direct revenues of \$13,585,483 reflect a favorable variance of 2.9% (3.2% favorable in FY 2014/15) when compared to the amended budget. Direct expenses, not including one time COP refunding costs of \$8,168,001, are \$12,116,919. This reflects a favorable variance of 4.5% (11.9% favorable in FY 2014/15) when compared to the amended budget. The favorable expense variance is due mainly to savings in police services due to salary savings from vacant positions.

Economic Factors and Next Year's Budget

The City of Orinda has recovered from the 2008 economic downturn. Property values are now 35% above their pre-recession levels and are expected to increase over 4% in FY 2016/2017. Revenue from development activity is expected to remain steady in FY 2016/2017 as new home building continues in the Wilder project area. The City maintains a conservative approach to budgeting revenues and expenditures. Management takes an active role in monitoring the application of the budget during the fiscal year to propose any necessary change to projected revenues as well as appropriated expenditures.

The City Council began adopting a biennial budget beginning with FY's ending 2010 and 2011 to promote a longer-term view for spending issues and revenue projections. The biennial budget for FY 2016/17 is comprised of General Fund revenue of \$12.7 million (not including Measure L Sales Tax revenue). Based on the increased property tax revenue received in FY 2015/2016, General Fund revenues in FY 2016/2017 are expected to exceed budget projections. General Fund expenses for FY 2016/2017 are expected to be on target with budget projections. A mid-year budget review reflecting updated projections for FY 2016/2017 will be presented to Council in February 2017 in order to maintain a positive budget balance at year end.

The revenue and expenses for other governmental funds remains essentially the same as last fiscal year except for spending on road and drainage projects. The City sold \$10 million of the \$20 million voter approved general obligation bonds in March 2015 and in FY 2015/2016 spent almost \$5 million of the bond proceeds on road and drainage projects. The remaining bond proceeds will be spent in FY 2016/2017. It is anticipated that the \$25 million voter approved general obligation bonds approved in June 2016 will be used for road and drainage projects beginning in FY 2018.

Request for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any information provided in this report or request for addition financial information should be directed to:

City of Orinda Finance Department
22 Orinda Way
Orinda, CA 94563
(925) 253-4220

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Basic Financial Statements

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CITY OF ORINDA
Statement of Net Position
June 30, 2016

	Primary Government Governmental Activities
<u>ASSETS</u>	
Current Assets:	
Cash, cash equivalents and investments (Note 3A)	\$17,722,097
Restricted cash (Note 3A)	7,015,277
Accounts receivable (Note 3B)	2,332,306
Accrued interest receivable	38,977
Prepaid items and deposits	111,910
Due from other agencies	457,333
Total current assets	27,677,900
Noncurrent Assets:	
Capital assets not being depreciated (Note 3C):	
Land	1,453,434
Parkland and improvements	1,295,205
Work in progress	12,146,059
Capital assets, net of accumulated depreciation (note 3C):	
Buildings, grounds and improvements	18,346,112
Furniture and equipment	557,194
Infrastructure	21,188,218
Total noncurrent assets	54,986,222
Total assets	82,664,122
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts payable and accrued liabilities (Note 3D)	2,773,005
Interest payable	344,228
Unearned revenue	313,008
Current portion of long-term debt (Note 3F)	1,387,421
Current portion of accrued compensated absences (Note 3G)	61,263
Planning and engineering deposits	41,725
Total current liabilities	4,920,650
Noncurrent Liabilities:	
Long-term debt (Note 3F)	
COP payable	7,862,382
GO Bonds	8,939,244
Accrued compensated absences (Note 3G)	245,054
Total noncurrent liabilities	17,046,680
Total liabilities	21,967,330
<u>NET POSITION</u>	
Net investment in capital assets	42,026,180
Restricted for:	
Capital projects	20,696
Special purpose projects	7,733,094
Unrestricted	10,916,822
Total net position	\$60,696,792

See accompanying notes to financial statements

CITY OF ORINDA
Statement of Activities
For the Year Ended June 30, 2016

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues	
			Charges for Services	Operating Grants and Contributions
<u>Primary Government</u>				
<i>Governmental Activities:</i>				
General government	\$2,593,399	(\$141,901)		
Police services	4,027,414	31,149	\$163,897	\$92,549
Public works and engineering	1,919,178	24,227	448,155	
Parks and recreation	2,962,868	44,993	2,115,214	
Library operations	341,982		310,791	
Planning	1,011,480	41,532	1,318,350	
Special districts	334,201		610,608	
Streets, highways, and storm drains	2,933,878		1,156,875	1,162,266
Interest on bonds payable	767,185			
 Total primary government	 <u>\$16,891,585</u>	 <u>(\$141,901)</u>	 <u>\$6,123,890</u>	 <u>\$1,254,815</u>

General revenues:
Property taxes
Sales taxes
Franchise taxes
Transfer tax
Interest income
Miscellaneous

Change in net position

Net position - beginning

Net position - ending

Program Revenues	Net Revenue (Expense) and Changes in Net Position
Capital Grants and Contributions	Governmental Activities
	(\$2,451,498)
	(3,802,117)
	(1,495,250)
	(892,647)
	(31,191)
	265,338
	276,407
795,526	180,789
	(767,185)
<u>\$795,526</u>	<u>(\$8,717,354)</u>

\$7,256,358
2,121,297
1,082,218
250,992
252,627
162,004
<u>11,125,496</u>
2,408,142
<u>58,288,650</u>
<u>\$60,696,792</u>

CITY OF ORINDA
Balance Sheet
Governmental Funds
June 30, 2016

	Major Funds			
	General Fund	City Capital Projects Fund	Federal Grants Fund	Community Facilities Maintenance
<u>ASSETS</u>				
Cash, cash equivalents and investments (Note 3A)	\$9,416,890	\$144,377	-	\$1,538,298
Restricted cash (Note 3A)	-	-	-	-
Accounts receivable (Note 3B)	1,013,411	-	\$427,644	-
Accrued interest receivable	25,600	-	-	1,342
Prepaid items and deposits	99,088	-	-	-
Due from other agencies	-	-	457,333	-
Due from other funds	581,076	-	-	-
Total assets	<u>\$11,136,065</u>	<u>\$144,377</u>	<u>\$884,977</u>	<u>\$1,539,640</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Accounts payable and accrued liabilities (Note 3D)	\$1,171,247	-	\$422,505	\$22,000
Accrued administrative leave (Note 3G)	306,317	-	-	-
Unearned revenue	313,008	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	462,472	-
Planning and engineering deposits	41,725	-	-	-
Total Liabilities	<u>1,832,297</u>	<u>-</u>	<u>884,977</u>	<u>22,000</u>
Fund balances:				
Nonspendable	99,088	-	-	-
Restricted	-	\$144,377	-	1,517,640
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned*	9,204,680	-	-	-
Total fund balances	<u>9,303,768</u>	<u>144,377</u>	<u>-</u>	<u>1,517,640</u>
Total liabilities and fund balance	<u>\$11,136,065</u>	<u>\$144,377</u>	<u>\$884,977</u>	<u>\$1,539,640</u>

*- Includes \$5,560,472 General Fund Reserve and \$1,366,917 Measure L Fund Balance

See accompanying notes to financial statements

Major Funds

<u>CCTA</u>	<u>Road Bonds 2014</u>	<u>Other Governmental Funds</u>	<u>Total</u>
\$531,871	-	\$4,132,602	\$15,764,038
-	\$5,573,233	1,442,044	7,015,277
315,449		575,070	2,331,574
463	4,862	4,998	37,265
-	-	5,339	104,427
-	-	-	457,333
-	-	-	581,076
<u>\$847,783</u>	<u>\$5,578,095</u>	<u>\$6,160,053</u>	<u>\$26,290,990</u>
\$74,593	\$514,461	\$213,267	\$2,418,073
-	-	-	306,317
-	-	-	313,008
-	-	-	-
88,258	-	30,346	581,076
-	-	-	41,725
<u>162,851</u>	<u>514,461</u>	<u>243,613</u>	<u>3,660,199</u>
-	-	5,339	104,427
684,932	5,063,634	5,911,561	13,322,144
-	-	-	-
-	-	-	-
-	-	(460)	9,204,220
<u>684,932</u>	<u>5,063,634</u>	<u>5,916,440</u>	<u>22,630,791</u>
<u>\$847,783</u>	<u>\$5,578,095</u>	<u>\$6,160,053</u>	<u>\$26,290,990</u>

CITY OF ORINDA
 Reconciliation of the
 GOVERNMENTAL FUNDS - BALANCE SHEET
 with the
 STATEMENT OF NET POSITION
 JUNE 30, 2016

Fund balances of governmental funds	\$22,630,791
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets have not been included in as financial resources in governmental fund activity:	
Capital assets, non depreciable	14,894,698
Capital assets, depreciated, net	39,538,669
Long term debt and compensated absences that have not been included in governmental fund activity	
Bonds payable	(18,189,047)
Compensated absences	(306,317)
Internal service funds are used by management to charge the costs of certain activities, such as equipment management, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.	
	<u>2,472,226</u>
Net position of governmental activities	<u><u>\$60,696,792</u></u>

See accompanying notes to financial statements

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CITY OF ORINDA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2016

	Major Funds			
	General Fund	City Capital Projects Fund	Federal Grants Fund	Community Facilities Maintenance
Revenues				
Taxes				
Property tax and assessments	\$6,123,408	-	-	-
Sales tax	2,121,297	-	-	-
Franchise tax	1,082,218	-	-	-
Property transfer tax	250,992	-	-	-
Rent and interest	157,267	-	-	\$8,757
Recreation fees				
Recreation class fees	1,079,847	-	-	-
OYA sports fees	327,006	-	-	-
Wagner Ranch sports fees	444,606	-	-	-
Other	263,755	-	-	-
Service fees				
Vehicle fees and parking fines	92,549	-	-	-
NPDES	-	-	-	-
Building inspection	609,895	-	-	-
Planning	708,455	-	-	-
Public works and engineering	124,827	-	-	-
Police	29,744	-	-	-
Other agencies				
Federal	-	-	\$1,057,895	-
State and local	-	-	-	-
Gasoline taxes	-	-	-	-
Homeowners tax reimbursement	33,589	-	-	-
CCTA return to source	-	-	-	-
Development impact fees	-	-	-	-
Miscellaneous	136,028	-	-	-
Total Revenues	<u>13,585,483</u>	<u>-</u>	<u>1,057,895</u>	<u>8,757</u>
Expenditures				
Current:				
City management	517,396	-	-	-
City attorney	390,800	-	-	-
City clerk	245,716	-	-	-
Administrative services	860,805	-	-	-
Parks and recreation	2,557,929	-	-	-
Public works and engineering	2,503,302	-	-	86,148
Police services	4,033,935	-	-	-
Planning	1,007,036	-	-	-
Capital improvements	-	\$17,242	-	-
Lighting and landscaping district	-	-	-	-
Library operations	-	-	-	-
Supplies and materials	-	-	-	-
Capital Outlay:				
Transportation infrastructure improvements	-	-	1,057,895	-
Debt Service:				
Interest	138,001	-	-	-
Principal payments on bonds	8,030,000	-	-	-
Total Expenditures	<u>20,284,920</u>	<u>17,242</u>	<u>1,057,895</u>	<u>86,148</u>
Excess (deficiency) of revenues over expenditures	<u>(6,699,437)</u>	<u>(17,242)</u>	<u>-</u>	<u>(77,391)</u>
Other financing sources (uses):				
Bonds issued (Note 3E)	7,945,000	-	-	-
Premium on bonds issued (Note 3E)	223,001	-	-	-
Transfers in (Note 3E)	239,753	100,000	-	-
Transfers out (Note 3E)	(376,604)	-	-	-
Total other financing sources (uses)	<u>8,031,150</u>	<u>100,000</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	1,331,713	82,758	-	(77,391)
Fund balance - beginning of year	7,972,055	61,619	-	1,595,031
Fund balance - end of year	<u>\$9,303,768</u>	<u>\$144,377</u>	<u>-</u>	<u>\$1,517,640</u>

See accompanying notes to financial statements

<u>Major Funds</u>			
<u>CCTA</u>	<u>Road Bonds 2014</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
-	-	\$2,054,349	\$8,177,757
-	-	-	2,121,297
-	-	-	1,082,218
-	-	-	250,992
\$3,450	\$43,739	27,931	241,144
-	-	-	1,079,847
-	-	-	327,006
-	-	-	444,606
-	-	-	263,755
-	-	-	92,549
-	-	323,328	323,328
-	-	-	609,895
-	-	-	708,455
-	-	-	124,827
-	-	134,153	163,897
-	-	-	1,057,895
-	-	104,371	104,371
-	-	391,213	391,213
-	-	-	33,589
761,937	-	-	761,937
-	-	765,662	765,662
-	-	25,976	162,004
<u>765,387</u>	<u>43,739</u>	<u>3,826,983</u>	<u>19,288,244</u>
-	-	-	517,396
-	-	-	390,800
-	-	-	245,716
-	-	-	860,805
-	-	-	2,557,929
-	-	324,280	2,913,730
-	-	-	4,033,935
-	-	-	1,007,036
-	-	160,412	177,654
-	-	334,201	334,201
-	-	341,982	341,982
-	-	32,846	32,846
1,028,563	4,993,124	743,211	7,822,793
-	-	301,758	439,759
-	-	315,000	8,345,000
<u>1,028,563</u>	<u>4,993,124</u>	<u>2,553,690</u>	<u>30,021,582</u>
<u>(263,176)</u>	<u>(4,949,385)</u>	<u>1,273,293</u>	<u>(10,733,338)</u>
-	-	-	7,945,000
-	-	-	223,001
-	-	76,604	416,357
-	-	(239,753)	(616,357)
-	-	(163,149)	7,968,001
(263,176)	(4,949,385)	1,110,144	(2,765,337)
948,108	10,013,019	4,806,296	25,396,128
<u>\$684,932</u>	<u>\$5,063,634</u>	<u>\$5,916,440</u>	<u>\$22,630,791</u>

CITY OF ORINDA
 Reconciliation of the
 NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
 with the
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2016

Changes in fund balances of governmental funds (\$2,765,337)

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

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expenses, whereas net position decrease by the amount of depreciation expense charged for the year.

Capital asset additions	8,966,162
Depreciation expense	(3,662,132)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Bonds issued	(7,945,000)
Premium on bonds issued	(223,001)
Repayment of debt principal	8,345,000
Amortization of bond premium	16,802
Interest payable	(344,228)

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

Compensated absences	(30,973)
----------------------	----------

Internal service funds are used by management to charge the costs of certain activities, such as equipment management, to individual funds. The net revenues (expenses) of the internal services funds is reported with governmental activities.

50,849

Changes in net position of governmental activities

\$2,408,142

See accompanying notes to financial statements

CITY OF ORINDA
Statement of Net Position
Proprietary Funds
For the Year Ended June 30, 2016

<u>ASSETS</u>	<u>Total Internal Service Funds</u>
Current Assets:	
Cash, cash equivalents and investments (Note 3A)	\$1,958,059
Accounts receivable	\$732
Accrued interest receivable	1,712
Prepaid items and deposits	7,483
Non-Current Assets	
Property and equipment net of accumulated depreciation (Note 3C)	<u>552,855</u>
Total assets	<u><u>\$2,520,841</u></u>
<u>LIABILITIES AND NET POSITION</u>	
Current Liabilities:	
Accounts payable (Note 3D)	\$44,582
Accrued payroll	<u>4,033</u>
Total Liabilities	<u>48,615</u>
Net Position:	
Investments in capital assets	552,855
Unrestricted	<u>1,919,371</u>
Total Net Position	<u><u>\$2,472,226</u></u>

See accompanying notes to financial statements

CITY OF ORINDA
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the year ended June 30, 2016

	Total Internal Service Funds
Operating revenues	
Charges for services	\$396,528
Total operating revenues	396,528
Operating expenses	
Salaries and wages	292,464
Contract services	174,556
Services and supplies	955
Insurance expense	1,533
Depreciation	101,420
Total operating expenses	570,928
Operating income (loss)	(174,400)
Non-operating revenues (expenses)	
Investment income	11,483
Gain on disposal of capital asset	13,766
Total non-operating revenues	25,249
Other financing sources (uses)	
Transfers in (Note 3E)	200,000
Change in net position	50,849
Net position at beginning of year	2,421,377
Net position at end of year	\$2,472,226

See accompanying notes to financial statements

CITY OF ORINDA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2016

	Total Internal Service Funds
Cash flows from operating activities:	
Cash received from department users	\$396,528
Cash payments to suppliers of goods and services	(190,579)
Cash payments to employees for services	(290,549)
Net cash provided by (used for) operating activities	(84,600)
Cash flows from noncapital financing activities	
Transfer in	200,000
Net cash provided by noncapital and related financing activities	200,000
Cash flows from capital and related financing activities:	
(Acquisition) of capital assets	(158,675)
Proceeds from sale of capital assets	13,766
Net cash (used for) capital and related financing activities	(144,909)
Cash flows from investing activities:	
Interest received on investments	11,620
Net cash provided by investing activities	11,620
Net (decrease) in cash and cash equivalents	(17,889)
Cash and cash equivalents at beginning of year	1,975,948
Cash and cash equivalents at end of year	\$1,958,059
Reconciliation of operating income to net cash flows provided by operating activities:	
Operating income (loss)	(\$174,400)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	101,420
(Decrease) in account receivable	(732)
(Increase) in prepaid items	(7,422)
(Decrease) in accounts payable	(5,381)
Increase in accrued expenses	1,143
Increase in accrued payroll	772
Net cash provided by (used for) operating activities	(\$84,600)

See accompanying notes to financial statements

CITY OF ORINDA
Fiduciary Fund
Statement of Net Position
June 30, 2016

ASSETS

Cash, cash equivalents and investments (Note 3A)	\$3,178,713
Accounts receivable (Note 3B)	259,762
Accrued interest receivable	<u>487</u>
Total assets	<u><u>\$3,438,962</u></u>

LIABILITIES AND FUND BALANCES

Accounts payable and accrued expenses	\$64,402
Due to bondholders	553,153
Deposits	<u>2,821,407</u>
Total Liabilities	<u><u>\$3,438,962</u></u>

See accompanying notes to financial statements

CITY OF ORINDA
Notes to Basic Financial Statements
June 30, 2016
Index

- NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**
- A. Financial Reporting Entity**
 - B. Basis of Presentation**
 - C. Measurement Focus and Basis of Accounting**
 - D. Assets, Liabilities, and Equity**
 - E. Revenues, Expenditures, and Expenses**
 - F. Budgetary Accounting**
- NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**
- A. Fund Accounting Requirements**
 - B. Deposits and Investments Laws and Regulations**
 - C. Revenue Restrictions**
 - D. Debt Restrictions and Covenants**
- NOTE 3. DETAIL NOTES ON TRANSACTIONS CLASSES/ACCOUNTS**
- A. Cash and Investments**
 - B. Accounts Receivable**
 - C. Capital Assets**
 - D. Accounts Payable**
 - E. Interfund Transfers**
 - F. Long-Term Debt**
 - G. Accrued Compensated Absences**
- NOTE 4. OTHER NOTES**
- A. Retirement Plans**
 - B. Risk Management**
 - C. Commitments and Contingencies**
 - D. Wilder Project**
 - E. New Accounting Pronouncements**

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CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Orinda have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as it applies to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

1. A. Financial Reporting Entity

The financial statements of the City of Orinda (the "City") include all the City's financial activities over which the City Council exercises oversight responsibility. Oversight responsibility is determined on the basis of budget adoption, taxing authority, funding and appointment of the governing board (i.e., - all funds and entities for which the City Council is financially accountable).

1. B. Basis of Presentation

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, debt issuance and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for services. The City has no business-type activities as of June 30, 2016.

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund balance, revenues, and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary (business type), and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered *major* if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or proprietary fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or proprietary fund are at least 5 percent of the corresponding total for all governmental and proprietary funds combined.

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

The funds of the financial reporting entity are described below:

Governmental funds

General Fund

The General Fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes. Most Special Revenue Funds of the City are categorized as "Nonmajor Special Revenue Funds" since they do not meet the criteria individually as a major fund. For the fiscal year ended June 30, 2016, the Federal Grants, Community Facilities Maintenance and CCTA (Contra Costa Transportation Authority) Special Revenue Funds are considered major funds.

Capital Project Funds

Capital Project Funds are used to account for resources restricted for the acquisition or construction of specific capital projects or items. The reporting entity includes four Capital Project Funds which are used to account for the acquisition of capital assets with transfers made from the General Fund and other fund sources. The City Capital Projects and Road Bonds 2014 Capital Projects Funds considered a major fund for the fiscal year ended June 30, 2016.

Proprietary funds

Enterprise (Business-Type) Fund

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The City has no enterprise funds.

Internal Service Fund

The internal service funds are used to account for the financing of goods or services provided by one department to other departments of the City, on a cost reimbursement basis. Under GASB 34 these funds are now rolled into the governmental activities for the government-wide statements of net position and activities. The City uses these funds to account for the costs associated with information systems, building maintenance, vehicle replacement, risk management, slope emergency stabilization, and the general plan update.

**CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016**

Fiduciary funds (not included in government-wide statements)

Agency Funds

Agency funds account for assets held by the City in a purely custodial capacity. Since agency funds are custodial in nature, they do not involve the measurement of the results of operations. The City includes two agency funds as follows:

- Planning and Engineering Deposits – to account for deposits from developers and held until completion of the project.
- Oaksprings Assessment District - The Oaksprings Assessment District was established to collect assessments and pay the holders of the debt instruments as payments become due. The Oaksprings AD bonds were refinanced in 2004. These bonds are not the debt of the City. As such, the amounts are not included in the governmental funds of the City.

Major and non-major funds

The funds are further classified as major or non-major as shown on pages 20 - 26 as follows:

<u>Fund</u>	<u>Brief Description</u>
<i>Major:</i>	
General Fund	Primary operating fund of the City
City Capital Projects Fund	Accounts for transfers from the General Fund and Expenditures related to infrastructure improvements
Federal Grants Fund	Accounts for grant revenues received and the expenditures of Federal grant monies
Community Facilities Maintenance	Accounts for investment earnings and the costs associated with the operations and maintenance of the Wilder Community Facilities
CCTA (Contra Costa Transportation Authority)	Accounts for the voter approved transportation sales tax used for voter approved transportation programs and projects as administered by the Contra Costa Transportation Authority
2014 Road Bonds Capital Projects	Accounts for costs associated with repair, restore, and upgrade of the City's roads and drains.
<i>Non-Major:</i>	
Special Revenue Funds:	Used to account for proceeds of specific sources that are restricted for expenditures for specific purposes
Debt Service Fund	Used to pay debt service commitments
Capital Projects Funds	Used to account for specific capital improvements

1. C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

Measurement focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the current financial resources measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a *current financial resources* measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund (business-type utilize) an economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position. *The City has six internal service funds which are included in the Government-wide Statements. The City has no enterprise funds.*
- c. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of accounting

Government-Wide Financial Statements

These basic financial statements are presented on an economic resources measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, 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 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 would not be eliminated. The following interfund activities have been eliminated:

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

- ❖ Due to/from other funds
- ❖ Advances to/from other funds
- ❖ Transfers in/out

The City applies all applicable GASB pronouncements for certain accounting and financial reporting guidance.

Governmental Fund Financial Statements

Governmental fund financial statements included 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 fund balance 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 for accounting. Accordingly, only current assets and current liabilities 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 fund balance. 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 modified accrual are recognized when due. The primary revenue sources accrued by the City are property tax, sales tax, franchise taxes, special assessments, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Deferred revenues arise when potential revenues do not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the deferred revenue is removed and revenue is recognized.

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.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset is used.

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

1. D. Assets, Liabilities, and Equity

Cash and investments

For the purpose of the Statement of Net Position, cash and cash equivalents includes all cash accounts, savings accounts, certificates of deposits of the City, and the investment in the State of California fund called the Local Agency Investment Fund (LAIF) which is available for immediate withdrawal. For the purpose of the proprietary fund Statement of Cash Flows, cash and cash equivalents include all demand and savings accounts, investment in LAIF, and certificates of deposit or short-term investments with an original maturity of three months or less. Restricted cash is not considered a cash equivalent.

Investments are carried at fair value except for short-term U.S. Treasury obligations with a remaining maturity at the time of purchase of one year or less. Those investments are reported at amortized cost. Additional cash and investment disclosures are presented in Notes 2.B. and 3.A.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as due to/from other funds. Short-term interfund loans are reported as interfund receivables and payables. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. See Note 3.E for details of interfund transactions, including receivables and payables at year-end. All interfund receivables, payables or due to/from amounts netted to zero at June 30, 2016.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances in the government-wide and fund receivable balances in the fund financial statements are substantially the same for the City.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, transfer tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

Government-wide Statements

Capital assets

All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to value the majority of the assets for which cost was not available.

Prior to July 1, 2002, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

**CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016**

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

The range of estimated useful lives by type of asset is as follows:

Type	Useful Life (years)
Land, easements, and right of way	N/A
Building, grounds and improvements	10-39
Infrastructure	15-80
Equipment and furniture	3-15

The City policy has set the capitalization threshold for reporting capital assets at \$5,000 and estimated useful lives in excess of three years, for general capital assets.

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Restricted assets

Restricted assets include cash and investments that are *legally restricted* as to their use.

At June 30, 2016, the City held \$7,015,277 in restricted cash and investment representing unspent bond proceeds from the issuance of the 2014 General Obligation Bonds (\$5,573,233) and tax proceeds set aside for debt service (\$1,442,044). The use of these proceeds are restricted as described in the official statements of the Bonds. Additional disclosures of the Bonds are presented in Notes 2.D. and 3.F.

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the governmental-wide fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of a Certificate of Participation payable (COP) and a General Obligation bond.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principle and interest reported as expenditures. The accounting for a proprietary fund is the same in the fund statements as it is in the government-wide statements.

Compensated absences

The City's policies regarding paid time off permit employees to accumulate earned but unused general leave. The liability for these compensated absences is recorded as noncurrent liabilities in the government-wide statements.

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

Equity classifications

Government-wide Statements

Equity is classified as net position and displayed in three components:

- a. *Net Investment in Capital Assets* - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. *Restricted net position* - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. *Unrestricted net position* - All other portions of net position that do not meet the definition of "restricted" or "net investment in capital assets."

Fund Balance Reporting

Under GASB Statement No. 54, Fund Balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The City Council, as the highest level of decision-making authority of the City, has the power to commit and rescind the commitment of fund balances through resolutions. The Council has designated certain members of management staff to assign fund balances. Those staff members can assign fund balances when the City intends to use those funds for specific projects/purposes. These captions apply only to Fund Balance classifications:

- *Nonspendable fund balances* are those amounts that cannot be spent because they are either not in spendable form, or are legally or contractually required to be maintained intact.
- *Restricted fund balances* are those amounts that should be reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balances* are those amounts that cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- *Assigned fund balances* are those amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, except for stabilization arrangements.
- *Unassigned fund balances* are those residual funds that have not been assigned to other funds, are not nonspendable, restricted, committed, or assigned to specific purposes. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

It is the policy of the City to spend funds in order from restricted to unassigned, as listed above.

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

Reserve Policy

Under the City's Policy, the City shall retain and undesignated General Fund reserve equal to five million dollars (\$5,000,000) plus twenty percent (20%) of the amount of budgeted General Fund revenues in excess of ten million (\$10,000,000), not including Measure L revenue. This reserve may only be used for funding an emergency, such as a natural or man-made disaster, which threatens the health, safety, and welfare of the City's residents businesses or visitors, as determined by the City Council. Amounts in excess of the reserve requirement may be used for capital improvements, unanticipated expenditures or one-time expenditures. At June 30, 2016, the amount of this reserve amounted to \$5,560,472.

Fairvalue measurements

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

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

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

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

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

Use of Estimates

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

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

1. E. Revenues, Expenditures, and Expenses

Property tax and assessments

State of California ("State") Constitution Article XIII provides for a maximum general property tax rate statewide of \$1.00 per \$100 of assessed value. Assessed value is calculated at 100% of market value as defined by Article XIII. The State Legislature has determined the method of distribution of receipts from the \$1.00 levy among the counties, cities, school districts and other districts. Counties, cities and school districts may levy such additional tax rate as is necessary to provide for voter approved debt service. The county uses the following calendar to assess properties, and to bill for, collect, and distribute property taxes.

	Secured	Unsecured
Lien dates	January 1	January 1
Levy dates	July 1	July 1
Due dates	50% on November 1 50% on February 1	July 1
Delinquent as of	December 10 April 10	August 31

The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. Secured taxes are secured by liens on the property being taxed.

The City is part of the Teeter Plan. The Teeter Plan allows California counties to finance property tax receipts for local agencies by borrowing money to advance cash to each taxing jurisdiction (including the city) in an amount equal to the current year's delinquent property taxes. In exchange, the counties receive the penalties and interest on the delinquent taxes when collected.

Sales tax

The State presently levies a 9.25% sales tax (as of April 1, 2013) on taxable sales within the City of which 1.5% is allocated to the City. The sales tax is collected by the State and remitted to the City in the month following receipt. The State makes advances based on estimates with quarterly settlements since the City receives the sales tax approximately one to three months after collection by vendors. Sales taxes collected by the State in June and July (which represent sales for May and June) and received by the City in July and August have been accrued and are included under the caption "Accounts Receivable". The 9.25% sales tax includes some transportation funds which are allocated to the City pursuant to street/pavement needs as approved by the Contra Costa Transportation Authority (CCTA). It also includes a 0.50% add-on tax approved by the Orinda voters in November 2012. The add-on tax sunsets in 2023.

Proprietary Funds

Proprietary funds recognize operating revenues and expenses separately from nonoperating items. The internal service funds are the City's only proprietary funds, and include charges to the City's other funds for services as operating revenue. Operating expenses include items such as depreciation on capital assets, administrative expenses, and insurance as operating expenses. All other revenues and expenses not meeting these definitions are reported as nonoperating items.

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

Other revenues

Other revenues as realized by the City include recreation fees, planning fees, public works/engineering fees, franchise taxes, property transfer taxes, vehicle license fees and vehicle and parking fines.

Expenditures / expenses

In the government-wide financial statements, expenses are classified by function for governmental activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds-By Character:	Current (further classified by function)
	Debt Service
	Capital Outlay

In the fund financial statements, governmental funds report expenditures of financial resources.

Interfund transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, which consists of consolidated governmental funds, all interfund transfers between individual governmental funds have been eliminated.

1. F. Budgetary Accounting

In accordance with the state code, the City of Orinda prepares a biennial budget for City government operations that begins with a July 1 fiscal year. This budget is prepared on a modified accrual basis. In developing the biennial budget, City departments analyzed existing service levels and potential services in light of the strategic priorities and financial constraints and modified their proposed budgets accordingly. The City's operating budget summarizes planned expenditures and revenues for all City departments and programs. The detail is structured to summarize each department's costs by type, division and funding sources.

The biennial budget process sets forth planned expenditures and revenues for two consecutive fiscal years. Year 1 and 2 expenditure and revenue plans are presented to Council in a single document. At the conclusion of the biennial budget review and deliberation process, Year 1 of the biennial budget is approved and appropriated by Council, which sets the level of authorized funding for the fiscal year. The Year 2 budget is also approved but is subject to mid-cycle review and appropriation action in the following year. Funds not expended in Year 1 do not automatically roll into Year 2. During the mid-cycle review, staff proposes changes (if any). At that time, Council will consider the proposed changes and recommendations. At the conclusion of the deliberations, the Council will approve and appropriate funds for Year 2 of the budget.

In addition to the annual budget process, the Council reviews expenditures and revenues at the mid-year and makes changes as needed.

**CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

2. A. Fund Accounting Requirements

The legally required funds used by the City include the following:

<u>Fund</u>	<u>Required By</u>
Gas tax	State law – included in Special Revenue
Transportation impact	Local ordinance – included in Special Revenue
Drainage impact	Local ordinance – included in Special Revenue
Library	Local ordinance – included in Special Revenue
Park dedication	Local ordinance – included in Special Revenue
Tree mitigation	Local ordinance – included in Special Revenue
Recycling	State law – included in Special Revenue
SLESF (AB 3229)	State law – included in Special Revenue
Light and landscaping districts	Local ordinance - included in Special Revenue
Wilder Community Facilities District	Local ordinance – included in Special Revenue
Stormwater (NPDES)	State law – included in Special Revenue
Affordable Housing	State law – included in in Special Revenue
CCTA (Contra Costa Transportation Authority)	County proposition – included in Special Revenue

2. B. Deposits and Investments Laws and Regulations

The City's policy, as well as the California Government Code, requires that a financial institution secure deposits by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law requires financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits, and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105% of the secured deposits. The City may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (the "FDIC"). It is the City's practice not to waive the collateral requirements.

2. C. Revenue Restrictions

The City has various restrictions placed over certain revenue sources by state or local agencies. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Gasoline tax	Street purposes
CCTA tax (part of sales tax)	Street purposes
Assessment districts	Lighting, landscaping, and community facilities
Development impact fees	Transportation, drainage and park capital projects
Library assessment	Library service supplement
Supplemental law enforcement	Police
Tree mitigation	Tree replacement
Stormwater	Pollution control
Grants	Federal or State projects
Recycling	Recycle efforts

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

2. D. Debt Restrictions and Covenants

Certificates of Participation

In September 2005 Certificates of Participation relating to the City Offices Project totaling \$9,800,000 were issued pursuant to Resolution No. 50-05 which approved lease financing of the new city offices.

Lease payments are to be paid pursuant to a site lease between the City and the Orinda Facilities Financing Corporation (Corporation), which was formed under laws of the State of California for the purpose of providing financial assistance to the City in financing the acquisition, construction and improvement of public buildings, equipment and facilities.

The City entered into a lease with the Corporation (site lease) and agreed to leaseback the new City offices site (facilities lease) after the completion of the City offices. At the end of the lease in 2035, the offices will belong to the City, thus, the offices are assets of the City as a "lease-purchase". Payments are made from the General Fund.

In July 2015, the City issued \$7,945,000 in 2015 Refunding Certificates of Participation with interest rates ranging from 2% to 5%. The proceeds were used to repay \$8,030,000 of the City's outstanding 2005 Certificates of Participation. The reacquisition price of the 2015 Bonds was less than the net carrying amount of the old debt by \$85,000. As result, total debt service payments over 20 years was reduced by \$1,135,690 and will obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$833,769.

General Obligation Bonds

In June 2014, Orinda voters approved the issuance of \$20,000,000 in general obligation bonds to provide funds to repair, restore, and upgrade the City's roads and storm drains. The first series of bonds totaling \$10,000,000 were issued in March 2015. It is estimated that the second series of bonds for the remaining \$10,000,000 will be issued in March 2017. Principal and interest payments on the Bonds are payable from the proceeds of an ad valorem tax assessed upon all property subject to taxation by the City.

Additional information can be found at 3. F. Long-Term Debt.

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

NOTE 3. DETAIL NOTES ON TRANSACTION CLASSES I ACCOUNTS

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues, and expenditures/expenses.

3. A. Cash and Investments

The City had the following cash and investments at June 30, 2016:

Reconciliation to Financial Statements:

Governmental Funds Balance Sheet:

Cash and cash equivalents and investments	\$15,764,038
Restricted cash	7,015,277
Subtotal	22,779,315

Internal Service Funds:

Cash and cash equivalents	1,958,059
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Fiduciary Funds:

Cash and cash equivalents	3,178,713
Total cash and investments	\$27,916,087

Statement of Net Position:

Cash, cash equivalents and investments	\$17,722,097
Restricted cash	7,015,277

Statement of Fiduciary Net Position:

Fiduciary Funds - cash and equivalents	3,178,713
	\$27,916,087

The City is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance is available for withdrawal on demand, and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, United States Treasury Notes and Bills, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations. At June 30, 2016, these investments matured in an average of 165 days.

At June 30, 2016, the book amount of the City's deposits were \$1,524,336. Bank balances were \$1,762,933 at that date, which was collateralized or insured with securities held by the pledging financial institutions in the City's name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated on a quarterly basis to the various funds based on average daily cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

**CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016**

The City maintains a cash deposit and investment pool that is available for use by all funds. It is not used for the deferred compensation plans.

The City is authorized to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, commercial paper with certain minimum ratings, certificates of deposit, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool (Local Agency Investment Fund).

City Investment Policy

The City is authorized by State statutes and in accordance with the City's investment Policy to invest in the following:

	Maximum Limit of Pool
Securities of the U.S. Government, or its agencies	100%
Certificates of Deposit (of Time Deposits) placed with commercial banks and/or savings and loan companies not to exceed maximum allowed by FDIC per institution.	100%
Local Agency Investment Fund (State Pool) Demand Deposits	100%
Passbook Savings Account Demand Deposits not to exceed the maximum allowed by FDIC per institution.	100%
Shares of beneficial interest issued by Diversified Management Companies (Mutual funds). No more than 10% in any one mutual fund.	20%
Money Market Demand Accounts	100%
Bankers Acceptances, maximum of 180 days (maximum 30% of pool with 1 agency).	40%
Commercial Paper, maximum 270 days of Prime Quality (not more than 10% of outstanding paper of an issuing corporation)	25%
Medium-term corporate notes, maximum of 5 years	30%

California Government Code also allows investments in the following:

	Maximum Maturity	Minimum Credit Quality	Maximum Limit of Pool	Maximum per Issuer
Repurchase Agreements	1 year	none	none	none
Reverse Repurchase Agreements	92 days	none	20%	none
Negotiable Certificates of Deposit	5 years	none	30%	none
Bonds issued by local agencies	5 years	none	none	none
State Warrants, treasury notes, and bonds	5 years	none	none	none
Mortgage securities	5 years	Aa2/AA	20%	none

The City's criteria for selecting investments are, in order of priority: (1) Safety, (2) Liquidity, and (3) Yield. All applicable investments are required to have an AA rating or higher. The City's investments comply with established policy.

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

Interest Rate Risk

Interest rate risk is the risk that changes in economic markets will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investments (including investments held with fiscal agents) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	12 Months or less	13 to 24 Months	25 to 36 Months	36 to 60 Months	Total
U.S. Treasury Notes	-	\$724,827	\$322,511	\$364,321	\$ 1,411,659
U.S. Government Agency Securities	\$1,204,691	1,937,082	163,659	857,212	4,162,644
Medium-Term Corporate Notes	-	-	1,820,347	-	1,820,347
Money Market	193,246	-	-	-	193,246
Certificates of Deposit	-	1,252,400	-	-	1,252,400
Commercial Paper	159,615	-	-	-	159,615
Local Agency Investment Fund	17,042,339	-	-	-	17,042,339
Asset Backed Securities	-	65,066	158,029	125,769	348,864
Total Investments	<u>\$18,599,891</u>	<u>\$3,979,375</u>	<u>\$2,464,546</u>	<u>\$ 1,347,302</u>	26,391,114
Cash on Hand and Cash in Bank					1,524,973
Total Cash and Investments					<u>\$ 27,916,087</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the City of Orinda's actual Standard and Poor's rating as of June 30, 2016 for each investment type:

	Fair Value	AAA/AAAm	AA+	AA	AA-	A+	A	A-1	Not Rated
U.S. Treasury Notes	\$1,411,659	-	\$1,411,659	-	-	-	-	-	-
U.S. Government Agency Securities	4,162,644	-	4,162,644	-	-	-	-	-	-
Medium-Term Corporate Notes	1,820,347	-	329,350	\$35,747	\$644,414	\$302,034	\$508,802	-	-
Money Market	193,246	\$193,246	-	-	-	-	-	-	-
Certificates of Deposit	1,252,400	-	-	-	-	-	-	-	\$1,252,400
Commercial Paper	159,615	-	-	-	-	-	-	\$159,615	-
Local Agency Investment Fund	17,042,339	-	-	-	-	-	-	-	17,042,339
Asset Backed Securities	348,864	145,478	-	-	-	-	-	-	203,386
Total Investments	<u>26,391,114</u>	<u>\$338,724</u>	<u>\$5,903,653</u>	<u>\$35,747</u>	<u>\$644,414</u>	<u>\$302,034</u>	<u>\$508,802</u>	<u>\$159,615</u>	<u>\$18,498,125</u>
Cash on Hand and Cash in Bank	1,524,973								
Total Cash and Investments	<u>\$27,916,087</u>								

Investment income shall accrue solely to the General Fund except where required by law, in which case interest shall accrue to other funds based upon the fund's proportionate ratio of balances to total pooled cash. Investment income shall not be credited to individual reserve accounts, except where required by law.

The City portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates have risen, the portfolio value will have declined. If interest rates have fallen, the portfolio value will have risen.

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

In accordance with GASB Statement No. 31, the portfolio for year-end reporting purposes is treated as if it were all sold. Therefore, fund balance must reflect the portfolio's change in value. These portfolio value changes are unrealized unless sold. The City's policy is to buy and hold investments until their maturity dates.

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of June 30, 2016:

Investments By Fair Value Level:	Level 2	Valuation Method
U.S. Treasury Notes	\$1,411,659	Electronic fixed income trade platform feeds and broker feeds
U.S. Government Agency Securities	\$4,162,644	Multi-dimensional relational model OAS (bonds with early redemption option)
Medium-Term Corporate Notes	1,820,347	Multi-dimensional relational model OAS (bonds with early redemption option)
Certificates of Deposit	1,252,400	Multi-dimensional relational model OAS (bonds with early redemption option)
Commercial Paper	159,615	Series of matrices
Local Agency Investment Fund	17,042,339	Fair value factor, provided by the Treasurer of the State of California, which is calculated as fair value divided by the amortized cost of the investment pool
Asset Backed Securities	348,864	Multi-dimensional, collateral specific spread/price/prepayment speed tables
Total By Fair Value Level	26,197,868	
 Investments Measured at Amortized Cost:		
Money Market	193,246	
Total Investments	\$26,391,114	

Fair value is defined as the quoted market value on the last trading day of the period. These above prices are obtained from various pricing sources by the City's custodian bank.

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

3. B. Accounts Receivable

Accounts receivable for the governmental activities consist of various reimbursements, taxes and fees dated June 30 and prior received subsequent to June 30, 2016. They include:

CCTA	\$315,369
State of California	1,586,972
Franchise fees	97,517
Municipal Pooling Authority	210,676
Miscellaneous	273,189
Allowance	<u>(151,417)</u>
Total	<u>\$2,332,306</u>

3. C. Capital Assets

Capital asset activity for the year ended June 30, 2016, was as follows:

	Balance June 30, 2015	Additions	Disposals	Transfers	Balance June 30, 2016
<u>Capital assets not being depreciated</u>					
Land	\$1,453,434	-	-	-	\$1,453,434
Parkland and improvements	1,295,205	-	-	-	1,295,205
Work in progress	6,547,908	\$8,916,351	-	(\$3,318,200)	12,146,059
Total capital assets not being depreciated	<u>9,296,547</u>	<u>8,916,351</u>	<u>-</u>	<u>(3,318,200)</u>	<u>14,894,698</u>
<u>Capital assets being depreciated</u>					
Buildings, grounds & improvements	27,632,812	49,813	-	-	27,682,625
Furniture and equipment	2,156,522	158,673	(\$358,153)	-	1,957,042
Infrastructure	76,923,164	-	-	3,318,200	80,241,364
Total capital assets being depreciated	<u>106,712,498</u>	<u>208,486</u>	<u>(358,153)</u>	<u>3,318,200</u>	<u>109,881,031</u>
<u>Accumulated depreciation</u>					
Buildings, grounds & improvements	8,613,294	723,219	-	-	9,336,513
Furniture and equipment	1,651,547	106,454	(358,153)	-	1,399,848
Infrastructure	56,119,267	2,933,879	-	-	59,053,146
Total accumulated depreciation	<u>66,384,108</u>	<u>3,763,552</u>	<u>(358,153)</u>	<u>-</u>	<u>69,789,507</u>
Net capital assets being depreciated	<u>40,328,390</u>	<u>(3,555,066)</u>	<u>-</u>	<u>3,318,200</u>	<u>40,091,524</u>
Total net capital assets	<u>\$49,624,937</u>	<u>\$5,361,285</u>	<u>-</u>	<u>-</u>	<u>\$54,986,222</u>

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

Depreciation expense was charged to the functions/programs of the governmental activities of the primary government as follows:

Governmental Activities:	
General government	\$321,230
Public safety	3,237
Highway and streets	2,933,878
Culture and recreation	403,787
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	101,420
Total depreciation expense - governmental activities	\$3,763,552

3. D. Accounts Payable

Accounts payable in the governmental funds are composed of payables to various vendors during the normal course of business. At June 30, 2016, the most significant general fund payable was the payable to the Contra Costa County Sheriff totaling \$514,713. The most significant non-major fund payable at June 30, 2016 was a \$55,284 payable to Bay Cities Paving & Grading from the Drainage Impact Fees Fund for services performed on the North Lane Strom Water Mitigation project for the year ended June 30, 2016.

3. E. Interfund Transfers

Fund Making Transfer	Fund Receiving Transfers	Amount
Major Governmental Funds	Capital Projects Funds	
General Fund	City Capital Projects Fund	\$100,000 B
	Special Revenue Funds	
	Special Assessment District M-11 Special Revenue Fund	52,533 A
	Library Special Revenue Fund	24,071 A
	Internal Service Funds	
	Slope Emergency Stabilization Internal	150,000 A
	Green Plan Update Internal Service Fund	50,000 A
Non-Major Governmental Funds		
Supplemental Law Enforcement Special Revenue Fund	General Fund	120,000 C
Wilder Community Facilities District Special Revenue Fund	General Fund	119,753 D
		\$616,357

- A To finance program.
- B To fund Capital Projects
- C To cover costs of .5 full time equivalent police officer
- D To cover costs of 1.02 full time equivalent employee

Transfers are used to (a) move revenues from the fund that statute or budget requires for recording purposes to the project fund for expenditure and (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

3. F. Long-Term Debt

The City's long-term debt consists of a Certificate of Participation (COP) in the original amount of \$7,945,000 issued in fiscal year 2015 and General Obligation Bonds (GO Bonds) in the original amount of 10,000,000 issued in fiscal year 2014. The City's debt issues and transactions are summarized below and discussed in detail thereafter.

Type of Obligation	Original Issue Amount	Balance June 30, 2015	Additions	Retirements	Balance June 30, 2016	Current Portion
2005 Certificates of Participation, 3.5 to 5.0%	\$9,800,000	\$8,030,000	-	(\$8,030,000)	-	-
2015 Refunding Certificates of Participation, 2.0 to 4.0%, due 7/1/2035	7,945,000	-	\$7,945,000	-	\$7,945,000	\$295,000
Add: Unamortized Bond Premium		-	223,001	-	223,001	10,619
2014 General Obligation Bonds, 2.0 to 4.0%, due 9/1/35	10,000,000	10,000,000	-	(315,000)	9,685,000	1,065,000
Add: Unamortized Bond Premium		352,848	-	(16,802)	336,046	16,802
Total		<u>\$18,382,848</u>	<u>\$8,168,001</u>	<u>(\$8,361,802)</u>	<u>\$18,189,047</u>	<u>\$1,387,421</u>

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

2015 Refunding Certificates of Participation

In September 2005 Certificates of Participation relating to the City Offices Project totaling \$9,800,000 were issued pursuant to Resolution No. 50-05 which approved lease financing of the new city offices. In July 2015, the City issued 2015 Refunding Certificates of Participation in the amount of \$7,945,000 to repay the City's outstanding 2005 Certificates of Participation.

2015 Refunding Certificate of Participation

	Principal	Interest
2017	\$295,000	\$264,994
2018	300,000	259,044
2019	310,000	252,944
2020	315,000	245,119
2021	325,000	235,519
2022-2026	1,790,000	1,011,620
2027-2031	2,090,000	689,585
2032-2036	2,520,000	260,200
Total	<u>\$7,945,000</u>	<u>\$3,219,025</u>

**CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016**

2014 General Obligation Bonds

In March of 2015, the City issued General Obligation Bonds, Series 2014, in the amount of \$10,000,000. The Bonds are the first series of bonds to be issued from an aggregate authorized amount of \$20,000,000 duly approved by at least two-thirds of the voters voting on Measure J at an election held on June 3, 2014 to provide funds to repair failing roads and storm drains, restore and upgrade other roadways and storm drains, fix potholes, and improve safety on the City's public streets. The Bonds bear interest at 2.0% - 4.0% and are due semi-annually on March 1 and September 1 commencing September 2, 2015. Principal payments are due annually on September 1 through 2035.

	Principal	Interest
2017	\$1,065,000	\$300,062
2018	920,000	260,362
2019	250,000	239,462
2020	260,000	234,362
2021	275,000	229,012
2022-2026	1,665,000	997,710
2027-2031	2,275,000	654,485
2032-2036	2,975,000	254,824
Total	9,685,000	\$3,170,279
Premium, net of amortization	336,046	
	\$10,021,046	

3. G. Accrued Compensated Absences

The accrued liability for compensated absences for the fiscal year ending June 30, 2016 was \$306,317 of this, \$61,263 or 20%, is considered a current liability, and the remaining \$245,054 is noncurrent.

Balance June 30, 2015	Additional	Reductions	Balance June 30, 2016	Estimated Current Portion
\$275,344	\$350,794	\$381,821	\$306,317	\$61,263

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

NOTE 4. OTHER NOTES

4. A. Retirement Plans

Defined contribution plans (Internal Revenue Code Section 401 (a) Plans)

The employees of the City accumulate retirement benefits through three defined contribution plans with the ICMA Retirement Corporation. The City makes bi-weekly contributions to a 401(a) plan for each regular employee and part time regular employees working a minimum of 20 hours per week. All contributions are by the City and are based on a percentage of base salary (7.5 – 13%), with vesting over a three year period, with the exception of those employees over 50 years old who are fully vested from the month of employment. The benefit terms are established by the City Council in accordance with the most current memorandum of understanding between the City and the General Employees bargaining unit. The Plans are administered and held in trust for the exclusive benefit of participants and are not assets of the City.

Balance at June 30, 2015	\$5,125,439
Contributions	420,016
Loans, net	23,380
Disbursements, net	(161,262)
Earnings	<u>(71,811)</u>
Balance at June 30, 2016	<u><u>\$5,335,762</u></u>

Deferred compensation plan (Internal Revenue Code Section 457)

For the fiscal year ended June 30, 2016, employees had an option of participating in a deferred compensation plan where contributions are from employee earnings at a maximum of 25% of earnings with the City matching up to 3% and with the total contributions not to exceed the IRS limit. The Plan provides for the deferral of a portion of the employee's compensation until retirement, termination, or certain other events. Under Internal Revenue Code 457, the amounts deferred under a deferred compensation plan maintained by a state or local government must be held in a trust (or custodial account or annuity contract) for the exclusive benefit of plan participants and their beneficiaries. The assets are not considered assets of the City, thus have been excluded from these financial statements.

Balance at June 30, 2015	\$4,100,622
Contributions	206,374
Disbursements, net	(374,860)
Earnings (Loss)	<u>(41,427)</u>
Balance at June 30, 2016	<u><u>\$3,890,709</u></u>

**CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016**

4. B. Risk Management

Insurance coverage

The City purchases its insurance through the Municipal Pooling Authority (MPA) of Northern California of which the City is a member.

The following is a summary of coverage as of June 30, 2016:

	Participating Cities' Total Coverage	Deductible (City Portion)
All risk fire and property	\$1,000,000,000	\$25,000
Cyber Liability	2,000,000	50,000
Boiler and machinery	100,000,000	5,000
Public Entity Pollution Liability	1,000,000	100,000
Liability	29,000,000	5,000
Employment Liability	2,000,000	50,000
Auto-physical damage (Police Dept.)	250,000	3,000
Auto-physical damage (other)	250,000	2,000
Workers' compensation	Statutory Limit	

The total coverage includes the City's deductible, the portion underwritten by MPA and the portion underwritten by other insurance companies.

Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

4. C. Commitments and Contingencies

Claims involving the City of Orinda

The City is a defendant in lawsuits arising in the normal course of business. The MPA is providing coverage for litigation against the City; however some litigation costs are covered by the City's insurance fund, where the City has provided additional reserves. As of June 30, 2016, the risk management fund had net position of \$382,073.

In September 2005, a suit was filed against the City related to drainage affecting several parcels. While the City entered into a conditional settlement in 2012, there is still a possibility of that settlement failing. In the event of the settlement failing, the outcome would be unfavorable to the City. At this time it is not possible to estimate the potential loss, and the City's coverage through the MPA has nearly been exhausted.

CITY OF ORINDA
NOTES TO FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016

Grant programs

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

4. D. Wilder Project

In February 2007, the City approved Resolution 08-07 entering into an agreement with and becoming a member of the California Statewide Communities Development Authority (CSCDA), a joint powers authority formed under the Mello-Roos Community Facilities Act of 1982. At the same meeting, Resolutions 09-07 was approved authorizing CSCDA to form a Community Facilities District (CFD). The district was formed in May 2007, for the purpose of financing the construction of public improvements and provision of public services necessary to meet increased demands placed on the City as a result of the Wilder Project.

The improvements to be constructed include facilities such as the storm drain system, sanitary sewer system, water distribution system, maintenance facility, Community Facilities, ball fields, street improvements, landscaping and utilities. These improvements will be financed through the sale of Special Tax Bonds, the issuance of \$30 million occurred in December 2007. At the completion of each improvement, the improvement will be turned over to the City or major utility. At that time the developer will be reimbursed from the proceeds of the bonds, which are held in trust, for the costs related to that improvement. All costs are the responsibility of the developer, with the City having no responsibility for any costs. The repayment of the bonds will be through a special tax lien to be paid in full at close of escrow of the sale of each lot to the initial homebuyer.

Since the JPA is administering the CFD and the City has no responsibility for the bonds, the Wilder Project is not included in the City's Agency Funds.

4. E. New Accounting Pronouncements

Management adopted the provisions of the following Governmental Accounting Standards Board (GASB) Statements, which became effective during the year ended June 30, 2016.

GASB Statement No. 72 – *Fair Value Measurement and Application*. The intention of this Statement is to enhance the comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. It also enhances fair value application guidance and related disclosures.

GASB Statement No. 76 – *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this statement is to reduce the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55. The statement is effective for the periods beginning after June 15, 2015.

GASB Statement No. 79 – *Certain External Investment Pools and Pool Participants*. The objective of this Statement is to address for certain external investment pool and their participants the accounting and financial reporting implications that result from changes in the regulatory provisions referenced by previous accounting and financial reporting standards. This statement is effective for the periods beginning after December 15, 2015.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
General Fund
For the year ended June 30, 2016

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Taxes				
Property tax and assessments	\$4,085,903	\$4,349,620	\$4,347,586	(\$2,034)
Property tax in lieu of VLF	1,714,380	1,714,380	1,775,822	61,442
Sales tax	2,106,280	2,106,280	2,121,297	15,017
Franchise tax	1,010,000	1,010,000	1,082,218	72,218
Property transfer tax	220,000	220,000	250,992	30,992
Rent and interest	125,000	125,000	157,267	32,267
Unrealized gain on investments	-	-	-	-
Recreation fees				
Recreation class fees	1,300,000	1,300,000	1,079,847	(220,153)
OYA sports fees	350,000	350,000	327,006	(22,994)
Sports field rentals	450,000	450,000	444,606	(5,394)
Wagner Ranch sports	-	-	-	-
Other	190,000	190,000	263,755	73,755
Service fees				
Vehicle and parking fines	115,000	115,000	92,549	(22,451)
Building inspection	475,000	475,000	609,895	134,895
Planning	505,000	505,000	708,455	203,455
Public works and engineering	122,000	122,000	124,827	2,827
Police	30,000	30,000	29,744	(256)
Other agencies				
Homeowners tax reimbursement	36,000	36,000	33,589	(2,411)
Miscellaneous	105,000	105,000	136,028	31,028
Total revenues	12,939,563	13,203,280	13,585,483	382,203
Expenditures				
City management/ policy and legal	1,213,535	1,216,035	1,153,912	62,123
Finance/ administrative services	831,065	856,065	860,805	(4,740)
Police services	4,544,134	4,550,634	4,033,935	516,699
Public works/ engineering	2,492,683	2,492,683	2,503,302	(10,619)
Parks and recreation	2,510,991	2,510,991	2,557,929	(46,938)
Planning	1,051,879	1,058,879	1,007,036	51,843
Interest	-	-	138,001	(138,001)
Principal payments on bonds	-	-	8,030,000	(8,030,000)
Total expenditures	12,644,287	12,685,287	20,284,920	(7,599,633)
Excess (deficiency) of revenues over expenditures	295,276	517,993	(6,699,437)	(7,217,430)
Other financing sources (uses)				
Bonds issued			7,945,000	7,945,000
Premium on bonds issued			223,001	223,001
Transfers in	219,753	219,753	239,753	20,000
Transfers out	(348,182)	(348,182)	(376,604)	(28,422)
Total other financing sources (uses)	(128,429)	(128,429)	8,031,150	8,159,579
Net changes in fund balance	\$166,847	\$389,564	1,331,713	\$942,149
Fund equity - beginning of year			7,972,055	
Fund equity - end of year			\$9,303,768	

CITY OF ORINDA
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
 Federal Grants Special Revenue Fund
 For the year ended June 30, 2016

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Grants	<u>\$2,679,876</u>	<u>\$2,679,876</u>	<u>\$1,057,895</u>	<u>(\$1,621,981)</u>
Total revenues	<u>2,679,876</u>	<u>2,679,876</u>	<u>1,057,895</u>	<u>(1,621,981)</u>
Expenditures				
Public works	<u>2,679,876</u>	<u>2,679,876</u>	<u>1,057,895</u>	<u>1,621,981</u>
Total expenditures	<u>2,679,876</u>	<u>2,679,876</u>	<u>1,057,895</u>	<u>1,621,981</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund equity - beginning of year			<u>-</u>	
Fund equity - end of year			<u>-</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Community Facilities Maintenance Special Revenue Fund
For the year ended June 30, 2016

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Interest	\$4,200	\$4,200	\$8,757	\$4,557
Total revenues	<u>4,200</u>	<u>4,200</u>	<u>8,757</u>	<u>4,557</u>
Expenditures				
Parks and recreation	85,000	85,000	86,148	(1,148)
Total expenditures	<u>85,000</u>	<u>85,000</u>	<u>86,148</u>	<u>(1,148)</u>
Excess (deficiency) of revenues over expenditures	<u>(80,800)</u>	<u>(80,800)</u>	<u>(77,391)</u>	<u>3,409</u>
Other financing sources (uses)				
Transfer out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>(\$80,800)</u>	<u>(\$80,800)</u>	(77,391)	<u>\$3,409</u>
Fund equity - beginning of year			<u>1,595,031</u>	
Fund equity - end of year			<u>\$1,517,640</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
CCTA Special Revenue Fund
For the year ended June 30, 2016

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Rent and interest	-	-	\$3,450	\$3,450
State and local	-	-	-	-
CCTA Return to Source	<u>\$880,760</u>	<u>\$880,760</u>	<u>761,937</u>	<u>(118,823)</u>
Total revenues	<u>880,760</u>	<u>880,760</u>	<u>765,387</u>	<u>(115,373)</u>
Expenditures				
Public works and engineering	<u>1,731,709</u>	<u>1,731,709</u>	<u>1,028,563</u>	<u>703,146</u>
Total expenditures	<u>1,731,709</u>	<u>1,731,709</u>	<u>1,028,563</u>	<u>703,146</u>
Net changes in fund balance	<u><u>(\$850,949)</u></u>	<u><u>(\$850,949)</u></u>	<u>(263,176)</u>	<u><u>\$587,773</u></u>
Fund equity - beginning of year			<u>948,108</u>	
Fund equity - end of year			<u><u>\$684,932</u></u>	

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OTHER SUPPLEMENTARY INFORMATION

CITY OF ORINDA
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
 City Capital Projects Capital Project Fund
 For the year ended June 30, 2016

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures				
Capital improvement	\$50,000	\$50,000	\$17,242	\$32,758
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>17,242</u>	<u>32,758</u>
Excess (deficiency) of revenues over expenditures	<u>(50,000)</u>	<u>(50,000)</u>	<u>(17,242)</u>	<u>32,758</u>
Other financing sources (uses)				
Transfer in	-	-	100,000	100,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Net changes in fund balance	<u><u>(\$50,000)</u></u>	<u><u>(\$50,000)</u></u>	82,758	<u><u>\$132,758</u></u>
Fund equity - beginning of year			<u>61,619</u>	
Fund equity - end of year			<u><u>\$144,377</u></u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Road Bonds 2014 Capital Projects Fund
For the year ended June 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	<u>\$950</u>	<u>\$950</u>	<u>\$43,739</u>	<u>\$42,789</u>
Total revenues	<u>950</u>	<u>950</u>	<u>43,739</u>	<u>42,789</u>
Expenditures:				
Capital projects	<u>5,000,000</u>	<u>5,000,000</u>	<u>4,993,124</u>	<u>(\$6,876)</u>
Total expenditures	<u>5,000,000</u>	<u>5,000,000</u>	<u>4,993,124</u>	<u>(6,876)</u>
Excess of revenues over expenditures	<u>(4,999,050)</u>	<u>(4,999,050)</u>	<u>(4,949,385)</u>	<u>49,665</u>
Net changes in fund balance	<u>(4,999,050)</u>	<u>(4,999,050)</u>	<u>(4,949,385)</u>	<u>\$49,665</u>
Fund balance at beginning of year			<u>10,013,019</u>	
Fund balance at end of year			<u>\$5,063,634</u>	

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Combining and Individual Fund Financial Statements and Schedules

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CITY OF ORINDA, CALIFORNIA
COMBINING FUNDS
FISCAL YEAR ENDED JUNE 30, 2016

Fund	Description
<p>The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General Fund is comprised of the following:</p>	
General Purpose	Accounts for most discretionary resources except those that require separate accounting for local, state or federal reporting and accountability purposes. Primary sources of General Purpose Fund revenue include property tax, sales tax, franchise fees, parks and recreation fees, as well as transfers in from other funds for eligible uses.
Measure L Sales Tax	Accounts for all revenue received from the add-on sales tax (Measure L) and the expenses as appropriated through the budget process.

CITY OF ORINDA
Combining Balance Sheet
General Fund
June 30, 2016

	General Purpose	Measure L Sales Tax	Total
<u>ASSETS</u>			
Cash, cash equivalents and investments	\$8,206,698	\$1,210,192	\$9,416,890
Accounts receivable	849,411	164,000	1,013,411
Accrued interest receivable	24,544	1,056	25,600
Prepaid items and deposits	99,088	-	99,088
Due from other funds	581,076	-	581,076
 Total assets	 <u>\$9,760,817</u>	 <u>\$1,375,248</u>	 <u>\$11,136,065</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Accounts payable and accrued liabilities	\$1,162,916	\$8,331	\$1,171,247
Accrued administrative leave	306,317	-	306,317
Unearned revenue	313,008	-	313,008
Planning and engineering deposits	41,725	-	41,725
 Total Liabilities	 <u>1,823,966</u>	 <u>8,331</u>	 <u>1,832,297</u>
 Fund balances:			
Nonspendable	99,088		99,088
Unassigned*	7,837,763	1,366,917	9,204,680
 Total fund balances	 <u>7,936,851</u>	 <u>1,366,917</u>	 <u>9,303,768</u>
 Total liabilities and fund balance	 <u>\$9,760,817</u>	 <u>\$1,375,248</u>	 <u>\$11,136,065</u>

*- Includes \$5,560,472 General Fund Reserve and \$1,366,917 Measure L Fund Balance

CITY OF ORINDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
General Fund
For the year ended June 30, 2016

	General Purpose	Measure L Sales Tax	Total
Revenues			
Taxes			
Property tax and assessments	\$6,123,408	-	\$6,123,408
Sales tax	1,105,512	\$1,015,785	2,121,297
Franchise tax	1,082,218	-	1,082,218
Property transfer tax	250,992	-	250,992
Rent and interest	150,177	7,090	157,267
Recreation fees			
Recreation class fees	1,079,847	-	1,079,847
OYA sports fees	327,006	-	327,006
Sports field rentals	444,606	-	444,606
Other	263,755	-	263,755
Service fees			
Vehicle fees and parking fines	92,549	-	92,549
Building inspection	609,895	-	609,895
Planning	708,455	-	708,455
Public works and engineering	124,827	-	124,827
Police	12,327	-	12,327
Other agencies			
Homeowners tax reimbursement	33,589	-	33,589
Vehicle licenses fees	7,510	-	7,510
Vehicle abatement	9,907	-	9,907
Miscellaneous	136,028	-	136,028
Total Revenues	12,562,608	1,022,875	13,585,483
Expenditures			
Current:			
City management	517,396	-	517,396
City attorney	390,800	-	390,800
City clerk	245,716	-	245,716
Administrative services	860,805	-	860,805
Parks and recreation	2,557,929	-	2,557,929
Public works and engineering	1,544,832	958,470	2,503,302
Police services	4,033,935	-	4,033,935
Planning	1,007,036	-	1,007,036
Debt Service:			
Interest	138,001	-	138,001
Principal payments on bonds	8,030,000	-	8,030,000
Total Expenditures	19,326,450	958,470	20,284,920
Excess (deficiency) of revenues over expenditures	(6,763,842)	64,405	(6,699,437)
Other financing sources (uses):			
Bonds issued	7,945,000	-	7,945,000
Premium on bonds issued	223,001	-	223,001
Transfers in	239,753	-	239,753
Transfers out	(376,604)	-	(376,604)
Total other financing sources (uses)	8,031,150	-	8,031,150
Net changes in fund balance	1,267,308	64,405	1,331,713
Fund balance - beginning of year	6,669,543	1,302,512	7,972,055
Fund balance - end of year	<u>\$7,936,851</u>	<u>\$1,366,917</u>	<u>\$9,303,768</u>

CITY OF ORINDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
General Fund
For the year ended June 30, 2016

	General Purpose			
	Original Budget	Amended Budget	Actual	Variance
Revenues				
Taxes				
Property tax and assessments	\$4,085,903	\$4,349,620	\$4,347,586	(\$2,034)
Property tax in lieu of VLF	1,714,380	1,714,380	1,775,822	61,442
Sales tax	1,087,705	1,087,705	1,105,512	17,807
Franchise tax	1,010,000	1,010,000	1,082,218	72,218
Property transfer tax	220,000	220,000	250,992	30,992
Rent and interest	125,000	125,000	150,177	25,177
Unrealized gain on investments	-	-	-	-
Recreation fees				
Recreation class fees	1,300,000	1,300,000	1,079,847	(220,153)
OYA sports fees	350,000	350,000	327,006	(22,994)
Sports field rentals	450,000	450,000	444,606	(5,394)
Wagner Ranch sports			-	
Other	190,000	190,000	263,755	\$73,755
Service fees				
Vehicle and parking fines	115,000	115,000	92,549	(22,451)
Building inspection	475,000	475,000	609,895	134,895
Planning	505,000	505,000	708,455	203,455
Public works and engineering	122,000	122,000	124,827	2,827
Police	-	-	29,744	29,744
Other agencies				
Homeowners tax reimbursement	36,000	36,000	33,589	(2,411)
Miscellaneous	135,000	135,000	136,028	1,028
Total revenues	11,920,988	12,184,705	12,562,608	377,903
Expenditures				
City management/ policy and legal	1,213,535	1,216,035	1,153,912	62,123
Finance/ administrative services	831,065	856,065	860,805	(4,740)
Police services	4,544,134	4,550,634	4,033,935	516,699
Public works/ engineering	1,590,683	1,590,683	1,544,832	45,851
Parks and recreation	2,510,991	2,510,991	2,557,929	(46,938)
Planning	1,051,879	1,058,879	1,007,036	51,843
Interest	-	-	138,001	(138,001)
Principal payments on bonds	-	-	8,030,000	(8,030,000)
Total expenditures	11,742,287	11,783,287	19,326,450	(7,543,163)
Excess (deficiency) of revenues over expenditures	178,701	401,418	(6,763,842)	(7,165,260)
Other financing sources (uses)				
Bonds issued	-	-	7,945,000	7,945,000
Premium on bonds issued	-	-	223,001	223,001
Transfers in	219,753	219,753	239,753	20,000
Transfers out	(348,182)	(348,182)	(376,604)	(28,422)
Total Other Financing Sources (Uses)	(128,429)	(128,429)	8,031,150	8,159,579
Net changes in fund balance	\$50,272	\$272,989	1,267,308	\$994,319
Fund equity - beginning of year			6,669,543	
Fund equity - end of year			\$7,936,851	

Measure L Sales Tax				Total			
Original Budget	Amended Budget	Actual	Variance	Original Budget	Amended Budget	Actual	Variance
-	-	-	-	\$4,085,903	\$4,349,620	\$4,347,586	(\$2,034)
-	-	-	-	1,714,380	1,714,380	1,775,822	61,442
\$1,018,575	\$1,018,575	\$1,015,785	(\$2,790)	2,106,280	2,106,280	2,121,297	15,017
-	-	-	-	1,010,000	1,010,000	1,082,218	72,218
-	-	-	-	220,000	220,000	250,992	30,992
-	-	7,090	7,090	125,000	125,000	157,267	32,267
-	-	-	-	-	-	-	-
-	-	-	-	1,300,000	1,300,000	1,079,847	(220,153)
-	-	-	-	350,000	350,000	327,006	(22,994)
-	-	-	-	450,000	450,000	444,606	(5,394)
-	-	-	-	-	-	-	-
-	-	-	-	190,000	190,000	263,755	73,755
-	-	-	-	-	-	-	-
-	-	-	-	115,000	115,000	92,549	(22,451)
-	-	-	-	475,000	475,000	609,895	134,895
-	-	-	-	505,000	505,000	708,455	203,455
-	-	-	-	122,000	122,000	124,827	2,827
-	-	-	-	-	-	29,744	29,744
-	-	-	-	36,000	36,000	33,589	(2,411)
-	-	-	-	135,000	135,000	136,028	1,028
<u>1,018,575</u>	<u>1,018,575</u>	<u>1,022,875</u>	<u>4,300</u>	<u>12,939,563</u>	<u>13,203,280</u>	<u>13,585,483</u>	<u>382,203</u>
-	-	-	-	1,213,535	1,216,035	1,153,912	62,123
-	-	-	-	831,065	856,065	860,805	(4,740)
-	-	-	-	4,544,134	4,550,634	4,033,935	516,699
902,000	902,000	958,470	(56,470)	2,492,683	2,492,683	2,503,302	(10,619)
-	-	-	-	2,510,991	2,510,991	2,557,929	(46,938)
-	-	-	-	1,051,879	1,058,879	1,007,036	51,843
-	-	-	-	-	-	138,001	(138,001)
-	-	-	-	-	-	8,030,000	(8,030,000)
<u>902,000</u>	<u>902,000</u>	<u>958,470</u>	<u>(56,470)</u>	<u>12,644,287</u>	<u>12,685,287</u>	<u>20,284,920</u>	<u>(7,599,633)</u>
<u>116,575</u>	<u>116,575</u>	<u>64,405</u>	<u>(52,170)</u>	<u>295,276</u>	<u>517,993</u>	<u>(6,699,437)</u>	<u>(7,217,430)</u>
-	-	-	-	-	-	7,945,000	7,945,000
-	-	-	-	-	-	223,001	223,001
-	-	-	-	219,753	219,753	239,753	20,000
-	-	-	-	(348,182)	(348,182)	(376,604)	(28,422)
-	-	-	-	(128,429)	(128,429)	8,031,150	8,159,579
<u>\$116,575</u>	<u>\$116,575</u>	<u>64,405</u>	<u>(\$52,170)</u>	<u>\$166,847</u>	<u>\$389,564</u>	<u>1,331,713</u>	<u>\$942,149</u>
		<u>1,302,512</u>				<u>7,972,055</u>	
		<u>\$1,366,917</u>				<u>\$9,303,768</u>	

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CITY OF ORINDA, CALIFORNIA
NON-MAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2016

Fund	Description
SPECIAL REVENUE FUNDS:	
Gas Tax	Accounts for the excise tax used for street maintenance and related capital projects.
Transportation Impact	Accounts for the fee imposed on new development to help fund construction of expansion of roads, bikeways, sidewalks, and traffic signals.
Drainage Impact	Accounts for the fee imposed on new development to help pay for the drainage master plan and improvements recommended in the plan.
Library	Accounts for the voter approved special library parcel tax revenue used to provide additional hours of operation at the Orinda library.
Park Dedication	Accounts for the fee imposed on new development to provide funding for new parklands, facilities, and rehabilitation of existing parks and facilities.
Tree Mitigation	Accounts for fees charged to developers when construction related activity may remove or destroy a protected tree.
Recycling	Accounts for the California Recycle and Recovery grant used to promote recycling of beverage containers.
Supplemental Law Enforcement (SLES)	Accounts for funds received from the State's COPS program for front-line municipal police services.
Assessment Districts L-42, M-9, M-11	These funds account for the revenue received from benefited properties and the associated expenses to operate and maintain street lights and common areas.

CITY OF ORINDA, CALIFORNIA
NON-MAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2016

Fund	Description
Wilder Community Facilities District (CFD)	Accounts for the revenue received from parcels in the District and expenses associated with maintenance of public playfields and police service.
Stormwater	Accounts for fees collected by the County and passed through to the City for activities necessary to comply with stormwater program elements.
Affordable Housing	Accounts for costs associated with monitoring the City's affordable housing.
DEBT SERVICE FUNDS:	
Road Bonds 2014 Debt Service	Accounts for the collection of tax proceeds and the payment of debt service for the 2014 General Obligation Bonds.
CAPITAL PROJECTS FUNDS	
Oaksprings Assessment District Improvements	Accounts for activities related to the Oaksprings Assessment District improvements.
State Grants	Accounts for grant revenues made available by the State of California to support the planning and development of projects that promote sustainable communities.
Other Grants	Accounts for the grant revenue received from BART for improving access ramps.

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CITY OF ORINDA
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2016

	<u>Special Revenue Funds</u>			
	<u>Gas Tax</u>	<u>Transportation Impact</u>	<u>Drainage Impact</u>	<u>Library</u>
<u>ASSETS</u>				
Cash, cash equivalents and investments	\$526,036	\$1,009,814	\$873,024	\$259,054
Restricted cash	-	-	-	-
Accounts receivable	31,859	193,542	2,910	-
Accrued interest receivable	459	\$877	761	216
Prepaid items	-	-	-	-
Total assets	<u>\$558,354</u>	<u>\$1,204,233</u>	<u>\$876,695</u>	<u>\$259,270</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Accounts payable and accrued liabilities	\$5,721	\$19,854	60,358	\$55,739
Due to other funds	-	-	-	-
Total liabilities	<u>5,721</u>	<u>19,854</u>	<u>60,358</u>	<u>55,739</u>
Fund balance				
Nonspendable	-	-	-	-
Restricted	552,633	1,184,379	\$816,337	203,531
Unassigned	-	-	-	-
Total fund balance	<u>552,633</u>	<u>1,184,379</u>	<u>816,337</u>	<u>203,531</u>
Total liabilities and fund equity	<u>\$558,354</u>	<u>\$1,204,233</u>	<u>\$876,695</u>	<u>\$259,270</u>

Special Revenue Funds

Park Dedication	Tree Mitigation	Recycling	Supplemental Law Enforcement (S.L.E.S.)	District L-42	District M-9
\$710,255	\$20,474	\$15,057	\$10,816	\$489	\$1,428
-	-	-	-	-	-
-	-	-	29,324	-	-
625	18	76	-	-	-
-	-	-	-	-	-
<u>\$710,880</u>	<u>\$20,492</u>	<u>\$15,133</u>	<u>\$40,140</u>	<u>\$489</u>	<u>\$1,428</u>
\$4,367	\$3,104	-	-	\$489	\$1,428
-	-	-	-	-	-
<u>4,367</u>	<u>3,104</u>	<u>-</u>	<u>-</u>	<u>489</u>	<u>1,428</u>
-	-	-	-	-	-
706,513	17,388	\$15,133	\$40,140	-	-
-	-	-	-	-	-
<u>706,513</u>	<u>17,388</u>	<u>15,133</u>	<u>40,140</u>	<u>-</u>	<u>-</u>
<u>\$710,880</u>	<u>\$20,492</u>	<u>\$15,133</u>	<u>\$40,140</u>	<u>\$489</u>	<u>\$1,428</u>

(Continued)

CITY OF ORINDA
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2016

	<u>Special Revenue Funds</u>			
	<u>District M-11</u>	<u>Wilder CFD</u>	<u>Stormwater</u>	<u>Affordable Housing</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$4,576	-	\$176,844	\$139,154
Restricted cash	-	-	-	-
Accounts receivable	-	\$309,435	8,000	-
Accrued interest receivable	-	93	155	122
Prepaid items	460	815	4,064	-
Total assets	<u>\$5,036</u>	<u>\$310,343</u>	<u>\$189,063</u>	<u>\$139,276</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Accounts payable and accrued liabilities	\$5,036	\$41,747	\$13,644	\$1,780
Due to other funds	-	30,346	-	-
Total liabilities	<u>5,036</u>	<u>72,093</u>	<u>13,644</u>	<u>1,780</u>
Fund balance				
Nonspendable	460	815	4,064	-
Restricted	-	237,435	171,355	\$137,496
Unassigned	(460)	-	-	-
Total fund balance	<u>-</u>	<u>238,250</u>	<u>175,419</u>	<u>137,496</u>
Total liabilities and fund equity	<u>\$5,036</u>	<u>\$310,343</u>	<u>\$189,063</u>	<u>139,276</u>

Debt Service Fund	Capital Projects Funds			
Road Bonds 2014 Debt Service	Oaksprings Assessments District Improvements	State Grants	Other Grants	Total
-	\$141,681	-	\$243,900	\$4,132,602
\$1,442,044	-	-	-	1,442,044
-	-	-	-	575,070
1,259	124	-	213	4,998
-	-	-	-	5,339
<u>\$1,443,303</u>	<u>\$141,805</u>	<u>-</u>	<u>\$244,113</u>	<u>\$6,160,053</u>
-	-	-	-	\$213,267
-	-	-	-	30,346
-	-	-	-	243,613
-	-	-	-	5,339
\$1,443,303	\$141,805	-	\$244,113	5,911,561
-	-	-	-	(460)
<u>1,443,303</u>	<u>141,805</u>	<u>-</u>	<u>244,113</u>	<u>5,916,440</u>
<u>\$1,443,303</u>	<u>\$141,805</u>	<u>-</u>	<u>\$244,113</u>	<u>\$6,160,053</u>

CITY OF ORINDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the year ended June 30, 2016

	Special Revenue Funds			
	Gas Tax	Transportation Impact	Drainage Impact	Library
Revenues				
Property tax and assessments	-	-	-	\$310,791
Interest	\$2,664	\$5,792	\$4,421	1,251
Gasoline tax	391,213	-	-	-
State grant	-	-	-	-
Development impact fees	-	249,656	355,739	-
C.O.P.S. - State AB 3229	-	-	-	-
NPDES revenue	-	-	-	-
Miscellaneous	8,883	-	-	-
Total revenue	402,760	255,448	360,160	312,042
Expenditures				
Public works and engineering	-	-	-	-
Landscaping and street maintenance	-	-	-	-
Library services	-	-	-	341,982
Transportation infrastructure. improvements	432,747	220,902	89,562	-
Capital projects	-	-	-	-
Supplies and materials	-	-	-	-
Debt service:				
Principal Payment	-	-	-	-
Interest Payment	-	-	-	-
Total expenditures	432,747	220,902	89,562	341,982
Excess (deficiency) of revenues over expenditures	(29,987)	34,546	270,598	(29,940)
Transfers in	-	-	-	24,071
Transfer out	-	-	-	-
Net transfers in (out)	-	-	-	24,071
Net changes in fund balance	(29,987)	34,546	270,598	(5,869)
Fund balances at beginning of year	582,620	1,149,833	545,739	209,400
Fund balances at end of year	\$552,633	\$1,184,379	\$816,337	\$203,531

Special Revenue Funds

Park Dedication	Tree Mitigation	Recycling	Supplemental Law Enforcement (S.L.E.S.)	District L-42	District M-9
-	-	-	-	\$5,888	\$9,588
\$3,912	\$189	\$189	-	3	-
-	-	-	-	-	-
-	-	5,045	-	-	-
155,392	4,875	-	-	-	-
-	-	-	\$134,153	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>159,304</u>	<u>5,064</u>	<u>5,234</u>	<u>134,153</u>	<u>5,891</u>	<u>9,588</u>
-	-	-	-	-	-
-	11,696	-	-	7,692	10,147
-	-	-	-	-	-
-	-	-	-	-	-
79,805	26,598	7,419	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>79,805</u>	<u>38,294</u>	<u>7,419</u>	<u>-</u>	<u>7,692</u>	<u>10,147</u>
79,499	(33,230)	(2,185)	134,153	(1,801)	(559)
-	-	-	-	-	-
-	-	-	(120,000)	-	-
-	-	-	(120,000)	-	-
79,499	(33,230)	(2,185)	14,153	(1,801)	(559)
<u>627,014</u>	<u>50,618</u>	<u>17,318</u>	<u>25,987</u>	<u>1,801</u>	<u>559</u>
<u>\$706,513</u>	<u>\$17,388</u>	<u>\$15,133</u>	<u>\$40,140</u>	<u>-</u>	<u>-</u>

(Continued)

CITY OF ORINDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the year ended June 30, 2016

	Special Revenue Funds			
	District M-11	Wilder CFD	Stormwater	Affordable Housing
Revenues				
Property tax and assessments	\$37,829	\$557,303	-	-
Interest	-	229	\$587	\$798
Gasoline tax	-	-	-	-
State grant	-	-	-	-
Development impact fees	-	-	-	-
C.O.P.S. - State AB 3229	-	-	-	-
NPDES revenue	-	-	323,328	-
Miscellaneous	-	14,593	-	2,500
Total revenue	<u>37,829</u>	<u>572,125</u>	<u>323,915</u>	<u>3,298</u>
Expenditures				
Public works and engineering	-	-	324,280	-
Landscaping and street maintenance	90,362	214,304	-	-
Library services	-	-	-	-
Transportation infrastructure improvements	-	-	-	-
Capital projects	-	-	-	-
Supplies and Materials	-	-	-	1,830
Debt service:				
Principal Payment	-	-	-	-
Interest Payment	-	-	-	-
Total expenditures	<u>90,362</u>	<u>214,304</u>	<u>324,280</u>	<u>1,830</u>
Excess (deficiency) of revenues over expenditures	(52,533)	357,821	(365)	1,468
Transfers in	52,533	-	-	-
Transfer out	-	(119,753)	-	-
Net transfers in (out)	<u>52,533</u>	<u>(119,753)</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	-	238,068	(365)	1,468
Fund balances at beginning of year	-	182	175,784	136,028
Fund balances at end of year	<u>-</u>	<u>\$238,250</u>	<u>\$175,419</u>	<u>\$137,496</u>

Debt Service Funds	Capital Projects Funds			
Road Bonds 2014 Debt Service	Oaksprings Assessments District Improvements	State Grants	Other Grants	Total
\$1,132,950	-	-	-	\$2,054,349
5,906	\$801	-	\$1,189	27,931
-	-	-	-	391,213
-	-	\$23,326	76,000	104,371
-	-	-	-	765,662
-	-	-	-	134,153
-	-	-	-	323,328
-	-	-	-	25,976
<u>1,138,856</u>	<u>801</u>	<u>23,326</u>	<u>77,189</u>	<u>3,826,983</u>
-	-	-	-	324,280
-	-	-	-	334,201
-	-	-	-	341,982
-	-	-	-	743,211
-	-	23,326	23,264	160,412
31,016	-	-	-	32,846
315,000	-	-	-	315,000
301,758	-	-	-	301,758
<u>647,774</u>	<u>-</u>	<u>23,326</u>	<u>23,264</u>	<u>2,229,410</u>
491,082	801	-	53,925	1,273,293
-	-	-	-	76,604
-	-	-	-	(239,753)
-	-	-	-	(163,149)
491,082	801	-	53,925	1,110,144
952,221	141,004	-	190,188	4,806,296
<u>\$1,443,303</u>	<u>\$141,805</u>	<u>-</u>	<u>\$244,113</u>	<u>\$5,916,440</u>

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Gas Tax Special Revenue Fund
For the year ended June 30, 2016

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Gas tax	\$397,175	\$397,175	\$391,213	(\$5,962)
Interest	-	-	2,664	2,664
Miscellaneous	-	-	8,883	8,883
Total revenue	<u>397,175</u>	<u>397,175</u>	<u>402,760</u>	<u>5,585</u>
Expenditures				
Public works	<u>886,074</u>	<u>886,074</u>	<u>432,747</u>	<u>453,327</u>
Total expenditures	<u>886,074</u>	<u>886,074</u>	<u>432,747</u>	<u>453,327</u>
Excess (deficiency) of revenues over expenditures	<u>(488,899)</u>	<u>(488,899)</u>	<u>(29,987)</u>	<u>458,912</u>
Net changes in fund balance	<u><u>(\$488,899)</u></u>	<u><u>(\$488,899)</u></u>	<u>(29,987)</u>	<u><u>\$458,912</u></u>
Fund balance at beginning of year			<u>582,620</u>	
Fund balance at end of year			<u><u>\$552,633</u></u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Transportation Impact Special Revenue Fund
For the year ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Development impact fees	\$50,000	\$50,000	\$249,656	\$199,656
Interest	-	-	5,792	5,792
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>255,448</u>	<u>205,448</u>
Expenditures:				
Transportation infrastructure improvement	410,899	410,899	220,902	189,997
Total expenditures	<u>410,899</u>	<u>410,899</u>	<u>220,902</u>	<u>189,997</u>
Net changes in fund balance	<u>(\$360,899)</u>	<u>(\$360,899)</u>	34,546	<u>\$395,445</u>
Fund balance at beginning of year			<u>1,149,833</u>	
Fund balance at end of year			<u>\$1,184,379</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Drainage Impact Special Revenue Fund
For the year ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Development impact fees	\$125,000	\$125,000	\$355,739	\$230,739
Interest	-	-	4,421	4,421
Total revenues	<u>125,000</u>	<u>125,000</u>	<u>360,160</u>	<u>235,160</u>
Expenditures:				
Transportation infrastructure improvement	<u>370,749</u>	<u>370,749</u>	<u>89,562</u>	<u>281,187</u>
Total expenditures	<u>370,749</u>	<u>370,749</u>	<u>89,562</u>	<u>281,187</u>
Net changes in fund balance	<u>(\$245,749)</u>	<u>(\$245,749)</u>	270,598	<u>\$516,347</u>
Fund balance at beginning of year			<u>545,739</u>	
Fund balance at end of year			<u>\$816,337</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Library Special Revenue Fund
For the year ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$315,500	\$315,500	\$310,791	(\$4,709)
Interest	-	-	1,251	1,251
Total revenues	<u>315,500</u>	<u>315,500</u>	<u>312,042</u>	<u>(3,458)</u>
Expenditures:				
Library services	<u>425,355</u>	<u>425,355</u>	<u>341,982</u>	<u>83,373</u>
Total expenditures	<u>425,355</u>	<u>425,355</u>	<u>341,982</u>	<u>83,373</u>
Excess (deficiency) of revenues over expenditures	<u>(\$109,855)</u>	<u>(\$109,855)</u>	<u>(29,940)</u>	<u>\$79,915</u>
Other financing sources:				
Transfers in	-	-	<u>24,071</u>	<u>24,071</u>
Total other financing sources	-	-	<u>24,071</u>	<u>24,071</u>
Net changes in fund balance	<u>(109,855)</u>	<u>(\$109,855)</u>	<u>(5,869)</u>	<u>\$103,986</u>
Fund balance at beginning of year			<u>209,400</u>	
Fund balance at end of year			<u>\$203,531</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Park Dedication Special Revenue Fund
For the year ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	-	-	\$3,912	\$3,912
Development impact fees	\$69,000	\$69,000	155,392	86,392
Total revenues	69,000	69,000	159,304	90,304
Expenditures:				
Capital projects	219,912	219,912	79,805	140,107
Total expenditures	219,912	219,912	79,805	140,107
Excess (deficiency) of revenues over expenditures	(150,912)	(150,912)	79,499	230,411
Net changes in fund balance	(\$150,912)	(\$150,912)	79,499	\$230,411
Fund balance at beginning of year			627,014	
Fund balance at end of year			\$706,513	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Tree Mitigation Special Revenue Fund
For the year ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	-	-	\$189	\$189
Fees	\$130	\$130	4,875	4,745
Total revenues	130	130	5,064	4,934
Expenditures:				
Landscaping and street maintenance	34,000	34,000	38,294	(4,294)
Total expenditures	34,000	34,000	38,294	(4,294)
Net changes in fund balance	(<u>\$33,870</u>)	(<u>\$33,870</u>)	(33,230)	<u>\$640</u>
Fund balance at beginning of year			50,618	
Fund balance at end of year			<u>\$17,388</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Recycling Special Revenue Fund
For the year ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
State and local	-	-	\$5,045	\$5,045
Interest	-	-	189	189
Total revenues	-	-	5,234	5,234
Expenditures:				
Landscaping and street maintenance	-	-	7,419	(7,419)
Total expenditures	-	-	7,419	(7,419)
Net changes in fund balance	-	-	(2,185)	(\$2,185)
Fund balance at beginning of year			17,318	
Fund balance at end of year			\$15,133	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
State Supplemental Law Enforcement (S.L.E.S.F.) Special Revenue Fund
For the year ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
C.O.P.S. - State AB 3229	\$100,000	\$100,000	\$134,153	\$34,153
Total revenues	100,000	100,000	134,153	34,153
Other financing sources (uses):				
Transfers (out)	(100,000)	(100,000)	(120,000)	(20,000)
Total other financing sources (uses)	(100,000)	(100,000)	(120,000)	(20,000)
Net changes in fund balance	<u> </u>	<u> -</u>	14,153	<u> \$14,153</u>
Fund balance at beginning of year			<u>25,987</u>	
Fund balance at end of year			<u><u>\$40,140</u></u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Assessment District L-42 Special Revenue Fund
For the year ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$6,188	\$6,188	\$5,888	(\$300)
Interest	-	-	3	3
Total revenues	<u>6,188</u>	<u>6,188</u>	<u>5,891</u>	<u>(297)</u>
Expenditures:				
Landscaping and street maintenance	<u>6,182</u>	<u>6,182</u>	<u>7,692</u>	<u>(1,510)</u>
Total expenditures	<u>6,182</u>	<u>6,182</u>	<u>7,692</u>	<u>(1,510)</u>
Net changes in fund balance	<u>\$6</u>	<u>\$6</u>	(1,801)	<u>(\$1,807)</u>
Fund balance at beginning of year			<u>1,801</u>	
Fund balance at end of year			<u>-</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Assessment District M-9 Special Revenue Fund
For the year ended June 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$9,588	\$9,588	\$9,588	-
Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>9,588</u>	<u>9,588</u>	<u>9,588</u>	<u>-</u>
Expenditures:				
Landscaping and street maintenance	<u>9,582</u>	<u>9,582</u>	<u>10,147</u>	<u>(\$565)</u>
Total expenditures	<u>9,582</u>	<u>9,582</u>	<u>10,147</u>	<u>(565)</u>
Net changes in fund balance	<u>\$6</u>	<u>\$6</u>	<u>(559)</u>	<u>(\$565)</u>
Fund balance at beginning of year			<u>559</u>	
Fund balance at end of year			<u>-</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Assessment District M-11 Special Revenue Fund
For the year ended June 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Property tax and assessments	\$36,623	\$36,623	\$37,829	\$1,206
Total revenues	<u>36,623</u>	<u>36,623</u>	<u>37,829</u>	<u>1,206</u>
Expenditures:				
Landscaping and street maintenance	84,805	84,805	90,362	(5,557)
Total expenditures	<u>84,805</u>	<u>84,805</u>	<u>90,362</u>	<u>(5,557)</u>
Excess of revenues over expenditures	<u>(48,182)</u>	<u>(48,182)</u>	<u>(52,533)</u>	<u>(4,351)</u>
Other financing sources:				
Transfers in	48,182	48,182	52,533	4,351
Total other financing sources	<u>48,182</u>	<u>48,182</u>	<u>52,533</u>	<u>4,351</u>
Net changes in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at beginning of year			-	
Fund balance at end of year			<u>-</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Wilder CFD Special Revenue Fund
For the year ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$309,721	\$309,721	\$557,303	\$247,582
Interest	-	-	229	229
Miscellaneous	-	-	14,593	14,593
Total revenues	<u>309,721</u>	<u>309,721</u>	<u>572,125</u>	<u>262,404</u>
Expenditures:				
Landscaping and street maintenance	309,435	309,435	214,304	95,131
Total expenditures	<u>309,435</u>	<u>309,435</u>	<u>214,304</u>	<u>95,131</u>
Excess of revenues over expenditures	<u>286</u>	<u>286</u>	<u>357,821</u>	<u>357,535</u>
Other financing sources:				
Transfers in	-	-	-	-
Transfers out	-	-	(119,753)	(119,753)
Total other financing sources	<u>-</u>	<u>-</u>	<u>(119,753)</u>	<u>(119,753)</u>
Net changes in fund balance	<u>\$286</u>	<u>\$286</u>	238,068	<u>\$237,782</u>
Fund balance at beginning of year			<u>182</u>	
Fund balance at end of year			<u>\$238,250</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Stormwater Special Revenue Fund
For the year ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	-	-	\$587	\$587
NPEDES revenue	\$322,500	\$322,500	323,328	828
Total revenues	<u>322,500</u>	<u>322,500</u>	<u>323,915</u>	<u>1,415</u>
Expenditures:				
Public works and engineering	360,381	360,381	324,280	36,101
Total expenditures	<u>360,381</u>	<u>360,381</u>	<u>324,280</u>	<u>36,101</u>
Net changes in fund balance	<u>(\$37,881)</u>	<u>(\$37,881)</u>	(365)	<u>\$37,516</u>
Fund balance at beginning of year			<u>175,784</u>	
Fund balance at end of year			<u>\$175,419</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Affordable Housing Special Revenue Fund
For the year ended June 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	-	-	\$798	\$798
Miscellaneous charges	\$5,000	\$5,000	2,500	(2,500)
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>3,298</u>	<u>(1,702)</u>
Expenditures:				
Supplies and materials	2,000	2,000	1,830	170
Total expenditures	<u>2,000</u>	<u>2,000</u>	<u>1,830</u>	<u>170</u>
Excess of revenues over expenditures	<u>3,000</u>	<u>3,000</u>	<u>1,468</u>	<u>(1,532)</u>
Other financing sources:				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balance	<u>3,000</u>	<u>3,000</u>	1,468	<u>(\$1,532)</u>
Fund balance at beginning of year			<u>136,028</u>	
Fund balance at end of year			<u>\$137,496</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Oaksprings Assessments District Improvements Capital Projects Fund
For the year ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$400	\$400	\$801	\$401
Total Revenues	400	400	801	401
Expenditures:				
Debt Service:				
Interest	70,000	70,000	-	70,000
Total expenditures	70,000	70,000	-	70,000
Excess of revenues over expenditures	(69,600)	(69,600)	801	70,401
Net changes in fund balance	<u>(69,600)</u>	<u>(\$69,600)</u>	801	<u>\$70,401</u>
Fund balance at beginning of year			141,004	
Fund balance at end of year			<u>\$141,805</u>	

CITY OF ORINDA
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
 State Grants Capital Projects Fund
 For the year ended June 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
State grant	<u>\$64,000</u>	<u>\$64,000</u>	<u>\$23,326</u>	<u>(\$40,674)</u>
Total Revenues	<u>64,000</u>	<u>64,000</u>	<u>23,326</u>	<u>(40,674)</u>
Expenditures:				
Capital projects	<u>64,000</u>	<u>64,000</u>	<u>23,326</u>	<u>40,674</u>
Total expenditures	<u>64,000</u>	<u>64,000</u>	<u>23,326</u>	<u>40,674</u>
Net changes in fund balance	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Fund balance at beginning of year			<u>-</u>	
Fund balance at end of year			<u><u>-</u></u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Road Bonds 2014 Debt Service Fund
For the year ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	-	-	\$1,132,950	\$1,132,950
Interest	-	-	5,906	5,906
Total revenues	-	-	1,138,856	1,138,856
Expenditures:				
Supplies and materials	-	-	31,016	(31,016)
Debt Service:				
Principal	-	-	315,000	(315,000)
Interest	-	-	301,758	(301,758)
Total expenditures	-	-	647,774	(647,774)
Excess of revenues over expenditures	-	-	491,082	491,082
Net changes in fund balance	-	-	491,082	\$491,082
Fund balance at beginning of year			952,221	
Fund balance at end of year			\$1,443,303	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Other Grants Capital Projects Fund
For the year ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	-	-	\$1,189	\$1,189
Grants	\$755,000	\$755,000	76,000	(679,000)
Total revenues	755,000	755,000	77,189	(677,811)
Expenditures:				
Capital projects	755,000	755,000	23,264	731,736
Total expenditures	755,000	755,000	23,264	731,736
Net changes in fund balance	-	-	53,925	\$53,925
Fund balance at beginning of year			190,188	
Fund balance at end of year			\$244,113	

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CITY OF ORINDA, CALIFORNIA
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED JUNE 30, 2016

Fund	Description
Information Systems	Accounts for activities related to the City's computer system and related software.
Building Maintenance	Accounts for activities related to the maintenance and capital outlays required to maintain the City facilities.
Vehicle Replacement	Accounts for activities related to the City's replacement of vehicles and motorized equipment.
Risk Management	Accounts for activities related to unfunded claims and litigation losses.
Slope Emergency Stabilization	Accounts for activities related to unpredictable slope failures due to erosion or other earth-moving events.
General Plan Update	Accounts for activities related to maintaining an updated General Plan.

CITY OF ORINDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2016

	<u>Information Systems</u>	<u>Buildings Maintenance</u>	<u>Vehicle Replacement</u>
Assets			
Current Assets:			
Cash, cash equivalents and investments	\$148,858	\$206,233	\$183,795
Accounts receivable	732	-	-
Interest receivable	135	180	160
Prepays and deposits	<u>6,433</u>	<u>1,050</u>	<u>-</u>
Total Current Assets	<u>156,158</u>	<u>207,463</u>	<u>183,955</u>
Non-current assets:			
Capital assets, net of Accumulated depreciation	<u>-</u>	<u>15,658</u>	<u>537,197</u>
Total Assets	<u>156,158</u>	<u>223,121</u>	<u>721,152</u>
Liabilities			
Current Liabilities:			
Accounts payable	24,599	7	-
Accrued payroll	<u>1,395</u>	<u>2,638</u>	<u>-</u>
Total Liabilities	<u>25,994</u>	<u>2,645</u>	<u>-</u>
Net Position			
Net position:			
Investments in capital assets	-	15,658	537,197
Unrestricted	<u>130,164</u>	<u>204,818</u>	<u>183,955</u>
Total net position	<u>\$130,164</u>	<u>\$220,476</u>	<u>\$721,152</u>

<u>Risk Management</u>	<u>Slope Emergency Stabilization</u>	<u>General Plan Update</u>	<u>Total</u>
\$382,427	\$725,561	\$311,185	\$1,958,059
-	-	-	732
333	633	271	1,712
-	-	-	7,483
<u>382,760</u>	<u>726,194</u>	<u>311,456</u>	<u>1,967,986</u>
-	-	-	552,855
<u>382,760</u>	<u>726,194</u>	<u>311,456</u>	<u>2,520,841</u>
687	15,460	3,829	44,582
-	-	-	4,033
<u>687</u>	<u>15,460</u>	<u>3,829</u>	<u>48,615</u>
-	-	-	552,855
<u>382,073</u>	<u>710,734</u>	<u>307,627</u>	<u>1,919,371</u>
<u>\$382,073</u>	<u>\$710,734</u>	<u>\$307,627</u>	<u>\$2,472,226</u>

CITY OF ORINDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2016

	Information Systems	Buildings Maintenance	Vehicle Replacement
Operating revenues:			
Charges for services	\$186,895	\$95,632	\$114,001
Total operating revenues	<u>186,895</u>	<u>95,632</u>	<u>114,001</u>
Operating expenses:			
Salaries and wages	179,763	97,241	-
Contract services	-	-	-
Services and supplies	-	-	-
Insurance expense	-	1,533	-
Depreciation	14,492	3,914	83,014
Total operating expenses	<u>194,255</u>	<u>102,688</u>	<u>83,014</u>
Operating income (loss)	<u>(7,360)</u>	<u>(7,056)</u>	<u>30,987</u>
Non-operating revenues (expenses):			
Investment income	914	1,241	1,128
Gain on disposal of capital asset	-	-	13,766
Total non-operating revenues	<u>914</u>	<u>1,241</u>	<u>14,894</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Change in net position	(6,446)	(5,815)	45,881
Net position at beginning of year	<u>136,610</u>	<u>226,291</u>	<u>675,271</u>
Net position at end of year	<u><u>\$130,164</u></u>	<u><u>\$220,476</u></u>	<u><u>\$721,152</u></u>

<u>Risk Management</u>	<u>Slope Emergency Stabilization</u>	<u>General Plan Update</u>	<u>Total</u>
-	-	-	\$396,528
-	-	-	396,528
-	\$15,460	-	292,464
\$167,107	-	\$7,449	174,556
-	-	955	955
-	-	-	1,533
-	-	-	101,420
167,107	15,460	8,404	570,928
(167,107)	(15,460)	(8,404)	(174,400)
2,492	3,988	1,720	11,483
-	-	-	13,766
2,492	3,988	1,720	25,249
-	150,000	50,000	200,000
(164,615)	138,528	43,316	50,849
546,688	572,206	264,311	2,421,377
<u>\$382,073</u>	<u>\$710,734</u>	<u>\$307,627</u>	<u>\$2,472,226</u>

CITY OF ORINDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016

	Equipment and Information Systems	Buildings Maintenance	Vehicle Replacement
Cash flows from operating activities:			
Cash received from department users	\$186,895	\$95,632	\$114,001
Cash payments to suppliers of goods and services	17,402	(2,530)	-
Cash payments to employees for services	(178,620)	(96,469)	-
Net cash provided by (used for) operating activities	<u>25,677</u>	<u>(3,367)</u>	<u>114,001</u>
Cash flows from noncapital financing activities			
Transfer in	-	-	-
Net cash provided by noncapital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:			
(Acquisition) of capital assets	-	-	(158,675)
Proceeds from sale of capital assets	-	-	13,766
Net cash (used for) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(144,909)</u>
Cash flows from investing activities:			
Interest received on investments	891	1,257	1,189
Net cash provided by investing activities	<u>891</u>	<u>1,257</u>	<u>1,189</u>
Net increase (decreased) in cash and cash equivalents	26,568	(2,110)	(29,719)
Cash and cash equivalents at beginning of year	<u>122,290</u>	<u>208,343</u>	<u>213,514</u>
Cash and cash equivalents at end of year	<u>\$148,858</u>	<u>\$206,233</u>	<u>\$183,795</u>
Reconciliation of operating income to net cash flows provided by operating activities:			
Operating income (loss)	(\$7,360)	(\$7,056)	\$30,987
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	14,492	3,914	83,014
Increase in account receivable	(732)	-	-
Decrease in prepaid items	(6,433)	(989)	-
Increase (decreased) in accounts payable	24,567	(8)	-
Increase in accrued expenses	1,143	-	-
Increase in accrued payroll	-	772	-
Net cash provided by (used for) operating activities	<u>\$25,677</u>	<u>(\$3,367)</u>	<u>\$114,001</u>

<u>Risk Management</u>	<u>Slope Emergency Stabilization</u>	<u>General Plan Update</u>	<u>Total</u>
-	-	-	\$396,528
(\$181,297)	\$15,460	(\$39,614)	(190,579)
-	(15,460)	-	(290,549)
<u>(181,297)</u>	<u>-</u>	<u>(39,614)</u>	<u>(84,600)</u>
<u>-</u>	<u>150,000</u>	<u>50,000</u>	<u>200,000</u>
<u>-</u>	<u>150,000</u>	<u>50,000</u>	<u>200,000</u>
-	-	-	(158,675)
-	-	-	13,766
<u>-</u>	<u>-</u>	<u>-</u>	<u>(144,909)</u>
<u>2,677</u>	<u>3,881</u>	<u>1,725</u>	<u>11,620</u>
<u>2,677</u>	<u>3,881</u>	<u>1,725</u>	<u>11,620</u>
(178,620)	153,881	12,111	(17,889)
<u>561,047</u>	<u>571,680</u>	<u>299,074</u>	<u>1,975,948</u>
<u>\$382,427</u>	<u>\$725,561</u>	<u>\$311,185</u>	<u>\$1,958,059</u>
(\$167,107)	(15,460)	(\$8,404)	(\$174,400)
-	-	-	101,420
-	-	-	(732)
-	-	-	(7,422)
(14,190)	15,460	(31,210)	(5,381)
-	-	-	1,143
-	-	-	772
<u>(\$181,297)</u>	<u>-</u>	<u>(\$39,614)</u>	<u>(\$84,600)</u>

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CITY OF ORINDA, CALIFORNIA
AGENCY FUNDS
FISCAL YEAR ENDED JUNE 30, 2016

Fund	Description
Planning and Engineering Deposits	Accounts for deposits collected from developers and held until completion of the project.
Oaksprings Assessment District Debt Service and Oaksprings Assessment District Reserve	Account for activities related to the Oaksprings Assessment District debt, reserve, and expenses.

CITY OF ORINDA
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2016

<u>Oaksprings Debt Service</u>				
	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
Assets				
Cash and cash equivalents	\$269,670	\$348,556	\$298,556	\$319,670
Interest Receivable	243	283	243	283
Total Assets	<u>\$269,913</u>	<u>\$348,839</u>	<u>\$298,799</u>	<u>\$319,953</u>
Liabilities				
Due to bond holders	\$269,913	\$348,839	\$298,799	\$319,953
Total Liabilities	<u>\$269,913</u>	<u>\$348,839</u>	<u>\$298,799</u>	<u>\$319,953</u>

<u>Oaksprings Reserve</u>				
	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
Assets				
Cash and cash equivalents	\$319,992	\$232,996	\$319,992	\$232,996
Interest Receivable	296	204	296	204
Total Assets	<u>\$320,288</u>	<u>\$233,200</u>	<u>\$320,288</u>	<u>\$233,200</u>
Liabilities				
Due to bond holders	\$320,288	\$233,200	\$320,288	\$233,200
Total Liabilities	<u>\$320,288</u>	<u>\$233,200</u>	<u>\$320,288</u>	<u>\$233,200</u>

Planning and Engineering Deposits

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
Assets				
Cash and cash equivalents	\$2,574,928	\$2,626,047	\$2,574,928	\$2,626,047
Accounts Receivable	324,122	259,762	324,122	259,762
Total Assets	<u><u>\$2,899,050</u></u>	<u><u>\$2,885,809</u></u>	<u><u>\$2,899,050</u></u>	<u><u>\$2,885,809</u></u>
Liabilities				
Accounts payable and accrued expenses	\$81,853	\$64,402	\$81,853	\$64,402
Deposits	2,817,197	2,821,407	2,817,197	2,821,407
Total Liabilities	<u><u>\$2,899,050</u></u>	<u><u>\$2,885,809</u></u>	<u><u>\$2,899,050</u></u>	<u><u>\$2,885,809</u></u>

Total

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
Assets				
Cash and cash equivalents	\$3,164,590	\$3,207,599	\$3,193,476	\$3,178,713
Accounts receivable	324,122	259,762	324,122	259,762
Interest receivable	539	487	539	487
Total Assets	<u><u>\$3,489,251</u></u>	<u><u>\$3,467,848</u></u>	<u><u>\$3,518,137</u></u>	<u><u>\$3,438,962</u></u>
Liabilities				
Accounts payable and accrued expenses	\$81,853	\$64,402	\$81,853	\$64,402
Due to bondholders	590,201	582,039	619,087	553,153
Deposits	2,817,197	2,821,407	2,817,197	2,821,407
Total Liabilities	<u><u>\$3,489,251</u></u>	<u><u>\$3,467,848</u></u>	<u><u>\$3,518,137</u></u>	<u><u>\$3,438,962</u></u>

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STATISTICAL SECTION

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CITY OF ORINDA, CALIFORNIA
STATISTICAL SECTION
FISCAL YEAR ENDED JUNE 30, 2016

This part of the City of Orinda's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, footnotes, and required supplementary information says about the City's overall financial health.

Contents	Page(s)
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Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	121-124
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Revenue Capacity

These schedules contain information to help the reader assess the City's ability to generate revenues. Property taxes, sales and use taxes, charges for services, licenses, permits and fees and intergovernmental revenue are the City's most significant revenue sources.	125-129
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Debt Capacity

These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	130-135
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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	136
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Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	137-140
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The fiscal year 2013 report was the City's first Comprehensive Annual Financial Report, therefore information is available beginning with the year ended June 30, 2013 for the financial trend schedules.

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City of Orinda
Net Position By Component
Four Fiscal Years*
Fiscal year ended June 30, 2016
(Accrual basis of accounting)

	2013	2014	2015	2016
Governmental activities				
Invested in capital assets	\$ 39,082,158	\$ 40,022,920	\$ 31,242,089	\$ 36,452,947
Restricted	5,005,803	6,693,791	14,880,934	13,327,023
Unrestricted	8,119,847	8,394,982	12,165,627	10,916,822
Total governmental activities net assets	\$ 52,207,808	\$ 55,111,693	\$ 58,288,650	\$ 60,696,792
Business-type activities				
Invested in capital assets				
Restricted				
Unrestricted				
Total business-type activities net assets	The City of Orinda has no business-type activities			
Primary government				
Invested in capital assets	\$ 39,082,158	\$ 40,022,920	\$ 31,242,089	\$ 42,026,180
Restricted	5,005,803	6,693,791	14,880,934	7,753,790
Unrestricted	8,119,847	8,394,982	12,165,627	10,916,822
Total primary government net assets	\$ 52,207,808	\$ 55,111,693	\$ 58,288,650	\$ 60,696,792

*The City of Orinda prepared its first CAFR for the fiscal year ended June 30, 2013

City of Orinda
Changes in Net Position
Four Fiscal Years*
Fiscal year ended June 30, 2016
(Accrual basis of accounting)

	2013	2014	2015	2016
Expenses				
Governmental Activities				
General Government	\$ 1,848,816	\$ 2,125,066	\$ 2,709,476	\$ 2,593,399
Police Services	3,894,363	3,777,584	3,938,840	4,027,414
Public works and engineering	1,327,714	1,367,960	1,275,103	1,919,178
Parks and recreation	2,278,091	2,140,303	2,785,664	2,962,868
Planning	681,671	746,236	894,001	1,011,480
Special districts	133,309	278,506	314,941	334,201
Library operations	342,208	324,230	350,263	341,982
Capital improvements	2,467,232	2,629,533	2,126,069	2,933,878
Interest on bonds payable	397,959	379,260	496,430	767,185
Total governmental activities expenses	<u>13,371,363</u>	<u>13,768,678</u>	<u>14,890,787</u>	<u>16,891,585</u>
Business-type activities				
Total business-type activities	-	-	-	-
Total primary government expenses	<u>13,371,363</u>	<u>13,768,678</u>	<u>14,890,787</u>	<u>16,891,585</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	42,302	42,302	724,694	-
Police Services	194,153	136,247	127,821	163,897
Public works and engineering	655,472	449,026	442,937	448,155
Parks and recreation	1,756,948	1,782,394	1,964,749	2,115,214
Planning	842,645	980,002	980,448	1,318,350
Special districts	213,269	277,554	274,140	610,608
Library operations	300,861	306,735	307,866	310,791
Capital improvements	1,120,351	1,283,644	954,959	1,156,875
Operating grants and contributions	268,194	936,273	431,776	1,254,815
Capital grants and contributions	1,630,723	1,615,848	2,171,109	795,526
Total governmental activities program revenues	<u>7,024,918</u>	<u>7,810,025</u>	<u>8,380,499</u>	<u>8,174,231</u>
Business-type activities:				
Charges for services:				
Total business-type activities program revenues	-	-	-	-
Total primary governmental program revenues	<u>7,024,918</u>	<u>7,810,025</u>	<u>8,380,499</u>	<u>8,174,231</u>
Continued from previous page				
Net (Expense)/Revenue				
Governmental activities	(6,346,445)	(5,958,653)	(6,510,288)	(8,717,354)
Business-type activities	-	-	-	-
Total primary government net expense	<u>(6,346,445)</u>	<u>(5,958,653)</u>	<u>(6,510,288)</u>	<u>(8,717,354)</u>
General Revenues and Other Changes in Net Assets:				
Governmental activities:				
Taxes:				
Property taxes	4,869,694	5,227,355	5,686,724	7,256,658
Sales taxes	1,021,274	2,071,438	2,067,331	2,121,297
Franchise taxes	986,349	1,009,114	1,034,647	1,082,218
Transfer taxes	200,663	235,119	316,208	250,992
Shared intergovernmental revenues	9,158	7,605	7,994	7,510
Interest income	160,612	117,578	168,378	225,216
Unrealized gain (loss) on sale of assets	(10,766)	(10,345)	(10,550)	27,411
Miscellaneous	214,751	411,858	416,513	154,494
Total governmental activities	<u>7,451,735</u>	<u>9,069,722</u>	<u>9,687,245</u>	<u>11,125,796</u>
Business-type activities:				
Charges for services:				
Total business-type activities	-	-	-	-
Total primary government	<u>7,451,735</u>	<u>9,069,722</u>	<u>9,687,245</u>	<u>11,125,796</u>
Changes in Net Assets				
Governmental activities	1,105,290	3,111,069	3,176,957	2,408,442
Business-type activities	-	-	-	-
Total primary government	<u>\$ 1,105,290</u>	<u>\$ 3,111,069</u>	<u>\$ 3,176,957</u>	<u>\$ 2,408,442</u>

*The City of Orinda prepared its first CAFR for the fiscal year ended June 30, 2013

City of Orinda
Fund Balances, Governmental Funds
Four Fiscal Years*
Fiscal year ended June 30, 2016
(Modified accrual basis of accounting)

	2013	2014	2015	2016
General Fund:				
Nonspendable				\$ 99,088
Restricted	\$ 201,145	\$ 119,037	\$ -	
Committed	-	-	-	-
Unassigned	-	-	-	-
Unassigned	7,309,966	7,590,562	7,972,055	9,204,680
Total general fund	7,511,111	7,709,599	7,972,055	9,303,768
All Other Governmental Funds:				
Nonspendable				5,339
Restricted	3,939,719	5,554,221	17,424,073	13,322,144
Committed	-	155,594	-	-
Unassigned	-	-	-	-
Unassigned	-	-	-	(460)
Total all other governmental funds	3,939,719	5,709,815	17,424,073	13,327,023
Total all governmental funds	\$ 11,450,830	\$ 13,419,414	\$ 25,396,128	\$ 22,630,791

*The City of Orinda prepared its first CAFR for the fiscal year ended June 30, 2013

City of Orinda
Changes in Fund Balances, Governmental Funds
Four Fiscal Years*
Fiscal year ended June 30, 2016
(Modified accrual basis of accounting)

	2013	2014	2015	2016
Revenues:				
Taxes and assessments	\$ 7,556,931	\$ 9,092,586	\$ 10,411,611	\$ 11,665,853
Licenses, permits and fees	982,885	1,043,059	920,153	1,375,557
Fines and forfeitures	169,975	111,785	127,821	92,549
Intergovernmental	2,398,705	3,153,262	3,438,680	2,638,744
Use of money and property	189,497	150,931	149,198	241,144
Charges for services	2,965,192	2,917,662	2,587,144	3,112,393
Other revenues	187,196	390,722	424,507	162,004
Total revenues	14,450,381	16,860,007	18,059,114	19,288,244
Expenditures:				
General Government	1,838,147	1,907,113	1,834,515	2,047,563
Police Services	3,892,706	3,783,388	3,959,757	4,033,935
Public works and engineering	1,361,059	1,402,895	2,808,965	2,913,730
Parks and recreation	2,120,747	2,156,909	2,386,392	2,557,929
Planning	681,600	795,674	903,543	1,007,036
Special districts	133,309	378,606	-	-
Library operations	342,208	324,230	350,263	341,982
Capital improvements	5,335,159	3,511,348	2,845,381	8,334,648
Bond Issuance	-	-	136,770	-
Debt Service:				
Interest on bonds payable	388,660	379,260	369,660	439,759
Principle payment on bonds	235,000	240,000	250,000	8,345,000
Total expenditures	16,328,595	14,879,423	15,845,246	30,021,582
Reconciliation of Governmental Revenues				
Less Expenditures to Fund Equity:				
Revenues over (under) expenditures	(1,878,214)	1,980,584	2,213,868	(10,733,338)
Other financing sources (uses):				
Transfers in	1,966,275	1,667,208	571,703	416,357
Transfers out	(1,966,275)	(1,679,208)	(1,171,703)	(616,357)
Proceeds from long-term debt	-	-	10,000,000	7,945,000
Premium on bonds issued	-	-	362,848	223,001
Total other financing sources (uses)	-	(12,000)	9,762,848	7,968,001
Net change in fund balances	\$ (1,878,214)	\$ 1,968,584	\$ 11,976,716	\$ (2,765,337)
Debt service as a percentage of noncapital expenditures	6.01%	5.76%	4.77%	4.79%

*The City of Orinda prepared its first CAFR for the fiscal year ended June 30, 2013

Source: City Finance Department

City of Orinda
 Assessed Value and Actual Value of Taxable Property
 For the last ten fiscal years
 Fiscal year ended June 30, 2016

	<u>Secured</u>	<u>Unsecured</u>	<u>Less:</u> <u>Exemptions</u>	<u>Taxable</u> <u>Assessed Value</u>	<u>Total Direct</u> <u>Tax Rate</u>
FY 2006-07	4,072,187,872	32,691,215	62,313,761	4,042,565,326	0.0739%
FY 2007-08	4,345,080,504	37,376,456	63,232,676	4,319,224,284	0.0739%
FY 2008-09	4,552,914,811	40,004,855	63,423,035	4,529,496,631	0.0739%
FY 2009-10	4,800,028,431	40,507,516	63,720,828	4,776,815,119	0.0739%
FY 2010-11	4,790,245,512	44,493,532	74,744,008	4,759,995,036	0.0739%
FY 2011-12	4,643,266,577	44,003,251	74,055,238	4,613,214,590	0.0739%
FY 2012-13	4,685,090,422	51,140,896	73,427,772	4,662,803,546	0.0739%
FY 2013-14	4,973,624,380	43,870,136	75,486,075	4,942,008,441	0.0739%
FY 2014-15	5,451,859,224	31,430,055	96,238,114	5,387,051,165	0.0739%
FY 2015-16	5,904,386,501	28,225,803	97,482,835	5,835,129,469	0.0739%

Note: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: Contra Costa County Assessor 2005/06 - 2015/16 Combined Tax Rolls

City of Orinda
Direct and Overlapping Debt
Current Year
Fiscal year ended June 30, 2016

City Assessed Valuation		\$ 5,835,129,469	
	Percentage Applicable (1)	Outstanding Debt 6/30/2016	Estimated Share of Overlapping Debt
<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Bay Area Rapid Transit District	0.969%	\$ 527,065,000	5,107,260
Contra Costa Community College District	3.398%	432,135,000	14,683,947
Acalanes Union High School District	19.729%	202,357,117	39,923,036
Lafayette School District	0.183%	11,285,000	20,652
Moraga School District	0.022%	4,775,000	1,051
Orinda Union School District	99.352%	8,160,000	8,107,123
East Bay Regional Park District	1.484%	149,945,000	2,225,184
City of Orinda General Obligation Bonds	100.000%	9,685,000	9,685,000
City of Orinda 1915 Act Bonds	100.000%	805,000	805,000
California Statewide Communities Development Authority Orinda Wilder Project Assessment District	100.000%	33,015,000	33,015,000
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			113,573,252
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Contra Costa County General Fund Obligations	3.385%	253,715,570	8,588,272
Contra Costa County Pension Obligation Bonds	3.385%	212,765,000	7,202,095
Contra Costa Community College District	3.398%	525,000	17,840
Orinda Union School District Certificates of Participation	99.352%	2,905,000	2,886,176
Moraga Orinda Fire Pension Obligation Bonds	61.006%	18,565,000	11,325,764
City of Orinda Certificates of Participation	100.000%	7,945,000	7,945,000
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			37,965,146
Less: contra Costa County supported obligations			(2,323,499)
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			35,641,647
TOTAL DIRECT DEBT			17,630,000
TOTAL GROSS OVERLAPPING DEBT			133,908,398
TOTAL NET OVERLAPPING DEBT			131,584,899
GROSS COMBINED TOTAL DEBT			151,538,398
NET COMBINED TOTAL DEBT			149,214,899

(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.

Source: HdL Coren & Cone, Contra Cost County Assessor and Auditor

City of Orinda
 Top Ten Principal Property Tax Payers
 Current Year and Nine Years Ago
 Fiscal year ended June 30, 2016

Assessed Valuation Level	FY 2015-16			FY 2006-07		
	Number of Payers	Rank	% of Total	Number of Payers	Rank	% of Total
\$50,000,000 and above	1	1	2.37%	0	n/a	n/a
\$25,000,000 - 49,999,999	1	2	0.48%	1	1	0.69%
\$10,000,000 - 24,999,999	5	3-7	1.30%	2	2-3	0.80%
\$5,000,000 - 9,999,999	3	8-10	0.35%	4	4-7	0.65%
\$3,000,000 - 4,999,1000				3	8-10	0.33%
Total	10		<u>4.50%</u>	10		<u>2.47%</u>

Note: Due to confidentiality issues, the names of the individual payers are not provided. The categories presented are intended to provide alternative information regarding the sources of the City's property taxes.

Source: Contra Costa County Assessor 2013/14 and 2004/05 Combined Tax Rolls

City of Orinda
 Schedule of Top 25 Principal Sales Tax Remitters
 Current year and Three Years Ago
 Fiscal year ended June 30, 2016
 (listed in alphabetical order)

2016 (represents 77.32% of total sales tax)	2013 (represents 79.31% of total sales tax)
Barbacoa Restaurant	Barbacoa Restaurant
Beverages & More	Beverages & More
Casa Orinda Restaurant	Casa Orinda Restaurant
Chevron Service Station	Chevron Service Station
CVS Pharmacy	CVS Pharmacy
Energy Comm	Energy Comm
Europa Hofbrau, Deli & Pub	Europa Hofbrau, Deli & Pub
F'Real Foods	Insight Resource Group
Insight Resource Group (1)	Juvenon
La Piazza Restaurant	La Piazza Restaurant
McCaulou's Department Store	Maria Tenaglia Architecture
McDonnell Moraga Nursery	McCaulou's Department Store
Morrison's Jewelers	McDonnell Moraga Nursery
Nations Giant Hamburgers	Nations Giant Hamburgers
Orinda Country Club	Orinda Country Club
Orinda Hardware	Orinda Hardware
Orinda Motors	Orinda Motors
P & M Window Company	P & M Window Company
Rite Aid Drug Store	Rite Aid Drug Store
Safeway Stores	Safeway Stores
Shell Service Stations	Shell Service Stations
Siam Orchid Thai Restaurant	Siam Orchid Thai Restaurant
Table 24 Restaurant	Table 24
Union 76 Service Station	Union 76 Service Station
Village Inn Café	Village Inn Café

Note: The lists above includes both public and private entities and therefore the dollar values have been omitted because the information is not public information.

Source: Muni Services, State Board of Equalization

City of Orinda
Property Tax Levies and Collections
For the last ten fiscal years
Fiscal year ended June 30, 2016

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	4,527,424	4,527,424	100%	-	4,527,424	100%
2008	3,520,493	3,520,493	100%	-	3,520,493	100%
2009	3,134,745	3,134,745	100%	-	3,134,745	100%
2010	3,472,332	3,472,332	100%	-	3,472,332	100%
2011	3,495,089	3,495,089	100%	-	3,495,089	100%
2012	3,385,663	3,085,663	100%	-	3,085,663	100%
2013	3,442,461	3,442,461	100%	-	3,442,461	100%
2014	3,748,789	3,748,789	100%	-	3,748,789	100%
2015	4,082,388	4,082,388	100%	-	4,082,388	100%
2016	4,424,432	4,424,432	100%	-	4,424,432	100%

Note: Amounts are reported and collected under the Teeter Plan in which all taxes are distributed to the City in the year of the levy with the County retaining any interest or penalties on uncollected balances.

Source: Contra Costa County Auditor-Controller's Office

City of Orinda
 Direct and Overlapping Tax Rates
 For the last ten fiscal years
 Fiscal year ended June 30, 2016
 (Rate per \$1,000 of assessed value)

	Direct Rates		Overlapping Rates			
	Basic Rate	Total Direct	Acalanes Union	Bart Bond	CCC Community College	East Bay Regional Park Bond
FY 2006-07	1.00000	1.00000	0.02920	0.00500	0.00430	0.00850
FY 2007-08	1.00000	1.00000	0.02590	0.00760	0.01080	0.00800
FY 2008-09	1.00000	1.00000	0.02890	0.00900	0.00660	0.01000
FY 2009-10	1.00000	1.00000	0.02980	0.00570	0.01260	0.01080
FY 2010-11	1.00000	1.00000	0.03110	0.00310	0.01330	0.00840
FY 2011-12	1.00000	1.00000	0.03330	0.00410	0.01440	0.00710
FY 2012-13	1.00000	1.00000	0.03330	0.00430	0.00870	0.00510
FY 2013-14	1.00000	1.00000	0.03610	0.00750	0.01330	0.00780
FY 2014-15	1.00000	1.00000	0.03500	0.00450	0.02520	0.00850
FY 2015-16	1.00000	1.00000	0.03320	0.00260	0.02200	0.00670

Note: In 1978, California voters passed Proposition 13, which sets the property tax rate at a 1.00% fixed amount. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of Acalanes Union, Bart Bond, Contra Costa Community College, East Bay Regional Park Bond, Lafayette Elementary Bond, Moraga Elementary Bond, Orinda Elementary Bond, and beginning in FY 2015 the Orinda Roads Bond.

Source: Contra Costa County Assessor 2005/06 - 2015/16 Combined Tax Rolls

Overlapping Rates

Lafayette Elementary <u>Bond</u>	Moraga Elementary <u>Bond</u>	Orinda Elementary <u>Bond</u>	Orinda Roads <u>Bond</u>	Total Tax <u>Rate</u>	City's Share of 1% Levy Per Prop 13
0.03770	0.03280	0.02590		1.14340	0.07411
0.03400	0.03130	0.02370		1.14130	0.07411
0.03300	0.03090	0.02470		1.14310	0.07411
0.03260	0.03020	0.02360		1.14530	0.07411
0.03260	0.03110	0.02440		1.14400	0.07411
0.02790	0.03120	0.02740		1.14540	0.07411
0.02840	0.02790	0.02730		1.13500	0.07393
0.02670	0.02640	0.02550		1.14330	0.07393
0.02410	0.02430	0.02320	0.01300	1.15780	0.07391
0.02090	0.02290	0.01900	0.01850	1.14580	0.07391

City of Orinda
 Outstanding Debt
 For the last ten years
 Calendar year ended 2015

Calendar Year	ROAD BONDS		CERTIFICATES OF PARTICIPATION		Percentage of Personal Income
	Debt Outstanding	Debt Per Capita	Debt Outstanding	Debt Per Capita	
2006	-	-	\$ 9,800,000	\$ 561	0.8%
2007	-	-	9,800,000	562	0.7%
2008	-	-	9,605,000	548	0.7%
2009	-	-	9,405,000	532	0.7%
2010	-	-	9,195,000	515	0.6%
2011	-	-	8,980,000	504	0.7%
2012	-	-	8,755,000	488	0.6%
2013	-	-	8,520,000	471	0.6%
2014	-	-	8,280,000	457	0.6%
2015 (1)	\$ 10,000,000	\$ 533	8,030,000	428	1.2%

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements

(1) In March 2015, the City issued General Obligation Bonds in the amount of \$10,000,000. The bonds are the first series of bonds to be issued from an aggregate authorized amount of \$20,000,000

Source: Contra Costa County Assessor 2005/06 - 2014/15 Combined Tax Rolls

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City of Orinda
 Legal Debt Margin Information
 For the last ten fiscal years
 Fiscal year ended June 30, 2016

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Assessed Value Secured	\$ 4,072,187,872	\$ 4,321,548,584	\$ 4,528,868,045	\$ 4,775,376,797
Conversion Percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted Assessed Value	1,018,046,968	1,080,387,146	1,132,217,011	1,193,844,199
Debt Limit Percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt Limit	152,707,045	162,058,072	169,832,552	179,076,630
Total net debt applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 152,707,045</u>	<u>\$ 162,058,072</u>	<u>\$ 169,832,552</u>	<u>\$ 179,076,630</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%

Note: The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time the legal debt margin was enacted by the State of California for local governments.

Source: City Finance Department

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$ 4,762,300,926	\$ 4,615,128,899	\$ 4,656,504,710	\$ 4,942,008,441	\$ 5,387,051,165	\$ 5,835,129,469
<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
1,190,575,232	1,153,782,225	1,164,126,178	1,235,502,110	1,346,762,791	1,458,782,367
<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
178,586,285	173,067,334	174,618,927	185,325,317	202,014,419	218,817,355
-	-	-	-	10,000,000	9,685,000
<u>\$ 178,586,285</u>	<u>\$ 173,067,334</u>	<u>\$ 174,618,927</u>	<u>\$ 185,325,317</u>	<u>\$ 192,014,419</u>	<u>\$ 209,132,355</u>
0%	0%	0%	0%	4.95%	4.43%

City of Orinda
Demographic and Economic Statistics
For the last ten years
Fiscal year ended June 30, 2016

<u>Year</u>	<u>Population</u>	<u>Personal Income</u> City of Orinda (in thousands)	<u>Per Capita</u> Personal Income	<u>Unemployment</u> Rate City of Orinda	<u>Median</u> Age	<u>% of Pop</u> 25+ with High School Degree	<u>% of Pop</u> 25+ with Bachelor's Degree
2006	17,472	1,282,730	73,416	1.6%			
2007	17,427	1,308,088	75,061	1.7%			
2008	17,531	1,322,560	75,441	2.3%			
2009	17,687	1,313,255	74,250	4.0%	48.3	98.1%	77.8%
2010	17,866	1,471,069	82,339	4.3%	46.4	99.0%	78.5%
2011	17,819	1,357,148	76,163	4.0%	46.1	98.3%	77.2%
2012	17,925	1,352,119	75,432	2.6%	46.3	98.5%	77.4%
2013	18,089	1,399,166	77,349	2.3%	46.1	98.1%	78.4%
2014	18,109	1,403,900	77,525	3.0%	46.3	97.8%	77.9%
2015	18,749	1,562,879	83,357	2.4%	46.4	98.0%	78.2%

Sources: Population: California State Department of Finance
Unemployment Data: California Employment Development Department
2000-2009 Income, Age, and Education Data: Demographic estimates are based on the last available census. Projections are developed by incorporating all of the prior census data released to date.
2010 and later Income, Age and Education Data: - US Census Bureau, most recent American Community Survey

City of Orinda
 Capital Asset Statistics by Function
 Last Six Years
 Fiscal year ended June 30, 2016

<u>Function</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Police*							
Stations	1	1	1	1	1	1	1
Fire**							
Stations	3	3	3	3	3	3	3
Public works							
Streets (miles)	92.50	92.70	92.70	92.70	92.70	92.70	92.70
Streetlights***							
Parks and recreation							
Parks	4	4	5	5	5	5	5
Community centers	1	1	1	1	1	1	1
Ball fields	5	5	7	7	7	7	7
Public Tennis Courts	3	3	3	3	3	3	3
Water**							
Sewer**							

* Police services are provided by Contra Costa County

** Fire, water, and sewer services are provided by Special Districts which are separate from the City.

*** Streetlights in the City are owned and maintained by PG&E

Source: City of Orinda Finance Department

City of Orinda
 Operating Indicators by Function
 Last Fiscal Five Years
 Fiscal year ended June 30, 2016

<u>Function</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Police*					
Arrests	98	113	204	215	154
Parking citations issued	2,230	1,578	405	1,161	1,561
Public works					
Street resurfacing (miles)	1.90	1.50	0	2.87	10.09
Encroachment permits	270	285	322	335	411
Parks and recreation					
Recreation classes (enrollment)	7,752	7,712	8,523	9,056	9,590
Facility rental hours	2,296	2,788	2,414	4,873	5,022
Sports field rental hours	3,701	3,120	6,852	8,270	9,870
Building Valuations					
Commercial/Industrial Construction	6,927,012	3,893,591	2,186,520	2,346,691	3,548,400
Residential Construction	20,663,274	46,624,040	49,855,541	40,589,805	46,297,341
Total building actions	27,590,286	50,517,631	52,042,061	42,936,496	49,845,741
Fire, Water, Sewer**					

* Police services are provided by Contra Costa County

** Fire, water, and sewer services are provided by Special Districts which are separate from the City.

Source: City of Orinda Finance Department

City of Orinda
 Full-time and Part-time City Employees by Function
 Last Five Fiscal Years
 Fiscal year ended June 30, 2016

<u>Function</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General government	8.10	8.10	8.10	8.10	8.35
Public Safety Non-Sworn	2.00	2.00	2.00	2.00	2.00
Public Safety Sworn*	-	-	-	-	-
Public works	11.00	11.00	11.00	11.00	11.00
Community development	3.50	4.50	5.50	5.50	6.00
Parks and recreation	11.00	11.00	11.00	11.00	10.50
 Total	 35.60	 36.60	 37.60	 37.60	 37.85

Note: Police services are provided by Contra Costa County

Source: City of Orinda Finance Department

City of Orinda
Principal Employers
Current Year and Two Years Ago

Employer	FY 2015-2016			FY 2013-2014		
	Employees	Rank	Percentage of Top 10 Employment	Employees	Rank	Percentage of Top 10 Employment
Orinda Union School District	304	1	32.07%	300	1	34.13%
Orinda Country Club	135	2	14.24%	110	2	12.51%
Miramonte High School	108	4	11.39%	103	3	11.72%
Safeway	90	3	9.49%	86	4	9.78%
Moraga-Orinda Fire District	73	5	7.70%	73	5	8.30%
Orinda Convalescent Hospital	70	6	7.38%	37	8	4.21%
Sleepy Hollow Swim & Tennis	60	7	6.33%	60	6	6.83%
City of Orinda	40	8	4.22%	35	9	3.98%
Casa Orinda	38	9	4.01%			
East Bay Municipal Utility District	30	10	3.16%			
Litman Gregory Asset Mgmt				47	7	5.35%
Orinda Academy				28	10	3.19%
Total	948		100.00%	879		100.00%

Source: San Francisco Center for Economic Development