

# CITY OF ROHNERT PARK

SONOMA COUNTY, CALIFORNIA



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## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2014

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**CITY OF ROHNERT PARK, CALIFORNIA**

Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2014

Prepared by  
Finance Department



**CITY OF ROHNERT PARK**  
**2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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## **City Council**

Amy O. Ahanotu  
*Mayor*

Gina Belforte  
*Vice Mayor*

Joseph T. Callinan  
Jake Mackenzie  
Pam Stafford  
*Councilmembers*

---

Darrin Jenkins  
*City Manager*

Don Schwartz  
*Assistant City Manager*

Michelle Marchetta Kenyon  
*City Attorney*

Alexandra M. Barnhill  
*Assistant City Attorney*

JoAnne Buerger  
*City Clerk*

Betsy Howze  
*Finance Director*

Brian Masterson  
*Director of Public Safety*

John McArthur  
*Director of Public Works and  
Community Services*

Victoria Perrault  
*Human Resources Director*

Marilyn Ponton  
*Director of Development  
Services*

December 30, 2014

Members of the City Council:

The Comprehensive Annual Financial Report (CAFR) of the City of Rohnert Park for the fiscal year 2013-14 is hereby submitted. This report was prepared by the Finance Department, which is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures. We believe the data, as presented, is accurate in all material aspects and presented in a manner designed to fairly set forth the financial position and changes in financial position of the City as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

This is the thirteenth year that the City has prepared the CAFR using the financial reporting requirements as prescribed by the Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments. This GASB Statement 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 MD&A can be found immediately following the report of the independent auditors.

## **THE REPORTING ENTITY**

The CAFR includes the funds and account groups of the primary government, which includes several enterprise activities, as well as all of its component units. Component units include legally separate entities for which the primary government is financially accountable and that have substantially the same board as the City or provide services entirely to the City. Accordingly, the Rohnert Park Financing Authority's financial information is blended with the City's information in this report. The City was incorporated in August 1962. The City has a council-manager form of government. Five persons are elected by popular vote to serve four-year terms on the City Council. Elections are held every two years. The Mayor is separately elected to a one-year term by members of the City Council from among the City Council members. The Mayor acts as the presiding officer of the City Council. Policies established by the City Council are implemented through the office of the City Manager.

## **Economic Condition and Outlook**

The City is located in beautiful Sonoma County, approximately forty-five miles north of San Francisco on US Highway 101. It is home to approximately 41,000 people, Sonoma State University, the Green Music Center and the award winning Foxtail Golf Course. A neighboring government, the Federated Indians of the Graton Rancheria (Tribe) opened a newly constructed casino in November 2013. As one of the first planned communities, Rohnert Park enjoys the benefits of a coordinated

system of bike trails and paths, schools and parks, in every neighborhood. More than 50 restaurants including all the best national chains offer diners the flavors they crave. Residents enjoy sweeping views of Sonoma and Taylor Mountains, preserved from development forever. Rohnert Park is just minutes from popular tourism venues including hundreds of local wineries, the Pacific Ocean, and giant redwoods.

Sonoma County is an attractive international destination and outdoor recreational mecca, with wine related products, specialty foods, wellness programs and spa experiences; which adds further long-term potential. The close proximity to major Bay Area attractions will continue to support tourist traffic.

Sonoma County's economy is recovering. All of the primary sectors are expected to experience modest growth. The unemployment rate fell to 5.0 percent compared to a year ago at 6.7 percent; sales tax revenues are up; hotel occupancy and room rates have increased; and property tax revenue continues to grow. Future growth will be attributable to Sonoma County being an attractive international destination, with close proximity to major Bay Area attractions that are a draw for many tourists.

## ***MAJOR INITIATIVES***

### ***For the Current Year***

In response to the current economic conditions, the City has taken a more proactive approach and has developed a Strategic Plan for the City of Rohnert Park for 2014-2018. The strategic plan provides a comprehensive framework which includes vision, mission, values, accomplishments, best practices and a detailed Action Plan.

The Measure E half-cent sales tax approved by 55.4% of voters in the June 2010 election authorized the City to collect the tax for five years unless an extension was approved by the City Council and voters.

Rohnert Park citizens approved an extension of the half-cent tax collection with a 67.3% "yes" vote for Measure A in the November 2013 election. Measure A removed the five-year sunset provision of Measure E, and allows collection of the additional sales tax unless its expiration date is changed by unanimous vote of the City Council.

The City adopted a balanced budget where total sources exceeded total uses without spending down General Fund balance. This is an important milestone on the City's journey toward improved financial sustainability.

Labor contracts were modified and the City agreed to fund Retiree Health Savings Accounts for some employees in exchange for them agreeing to a reduced future benefit. These changes are expected to reduce unfunded retiree medical liabilities and reduce future pay-go for retiree medical premiums.

The City places a high importance on technology and information systems. The City network serves five primary facilities: City Hall, Public Safety, Public Works, Senior Center and the Community Center Complex. These primary sites are linked using leased fiber-optic services. Data and voice information is run over these links and the appropriate firewalls, routers and switches are in place. All internet traffic is routed through a data center at the City of Rohnert Park Annex, increasing network security. The City leases servers, desktops, and notebooks so there is very little cost in keeping the equipment up to date and removing outdated hardware.

The City continues to research and implement technologies that reduce operating costs, such as the server virtualization program that obviates the need for numerous and expensive physical servers. Future plans are to continue to consolidate resources in an effort to control costs and maintain a high level of service.

The Rohnert Park Department of Public Safety serves the citizens of Rohnert Park by performing both Police and Fire functions. The Officers are trained as both police officers and firefighters as an effective way to provide a quick response to either structure fires or a crime event. Upgrades to public safety response systems are continuing in FY 14-15, and link Rohnert Parks' safety resources with neighboring public safety response agencies throughout Sonoma County.

The Public Works and Community Services Department is a full-service department that is responsible for the construction, operation, maintenance, and repair of most of the City's infrastructure, facilities and community programs. In addition to performing regularly assigned duties, staff responds to over 5,000 citizen requests each year and responds to a variety of system problems and emergencies 24 hours per day, 7 days per week. The Department is organized by function into three distinct divisions: Utilities, General Services, and Community Services.

The Utilities Division consists of potable water, sewer, and drainage systems. Most utility system functions are heavily regulated where many day-to-day functions are mandated. This division is staffed at a minimum of five days a week but is also monitored 24-7 through the City's computer-controlled wireless network.

The General Services Division consists of streets, buildings, fleet, and parks maintenance. This division is also responsible for the implementation of components of the City's Greenhouse Gas Action Plan and the administration of the Foxtail Golf Course lease agreement.

The Community Services Division operates several major City facilities including: Callinan Sports & Fitness Center, four community centers, Senior Center, pottery studio as well as several parks, community gardens, dog parks, athletic fields, tennis courts, and three swimming pools. Community Services staff also either runs or oversee several youth and adult programs, sports leagues, classes, and community events.

In addition, the staff at the Spreckels Performing Arts Center is taking innovative steps toward making the City owned and operated facility not only a valuable community asset but a financial asset as well. The new theater performances have been well received by the community and have also recovered all production costs.

The City has also upgraded its freeway signage by installing a state-of-the-art message center through a ground lease agreement with a private advertising firm. This provides advertising opportunities for local business and earns the City a modest amount of rental income.

The Development Services Department manages land and building development from concept to completion; maintains and implements the City's General Plan and Zoning Code; plans and builds Rohnert Park's infrastructure; plans for Rohnert Park's physical and resource needs by working with local, regional and state agencies to ensure that there is enough water supply and sewer treatment for Rohnert Park citizens and businesses now and in the future; and ensures safe structures and physically attractive neighborhoods by enforcing the California Building Standards Code. In FY 13-14 automation efforts included extension of web services by offering online permitting services to developers and the public, and increased utility payment possibilities. The Department has worked diligently to process land use entitlements and permits for significant land developments this year (University District Specific Plan), and as a result of this work construction is underway at this time.

Despite the reduction in staffing due to budgetary constraints, all City employees are committed to keeping our City safe and providing the highest quality of public service to our community.

### ***For the Future***

Rohnert Park is home to some of the region's most affordable, high-quality commercial space. The downsizing of the telecommunication industry in the early 2000's has left Rohnert Park with a surplus of commercial units. Economic development efforts are focused on stimulating interest in locating to Rohnert Park. Recently, several companies have moved to the former Agilent site, now known as Sonoma Mountain Village.

Tourism is a key industry in Rohnert Park, contributing significantly to the tax base. The City partners with the Chamber of Commerce and the Sonoma County Tourism Bureau to promote Rohnert Park as a destination. Rohnert Park has seven hotels/motels which provide almost 1,000 rooms, and plan to attract more hotels in the near future. The largest property is the Doubletree Hotel, which offers convention and meeting facilities. The Hampton Inn captures a previously un-met segment of the tourism market.

Rohnert Park offers a number of amenities for the traveler, including two 18-hole golf courses, a Performing Arts Center, and a strong base of dining experiences. The Green Music Center at Sonoma State University includes a world-class concert hall to showcase music and provides education programs year-round. The music center attracts visitors from within the region and nationwide, due to the quality of the concert experience.

The City is committed to realizing new development anticipated in its General Plan (GP). The GP articulates a vision for the City that includes an urban growth boundary correlated with a growth management program. It describes a framework of targeted growth areas, including the creation of a City Center area, the development of a mixed use area north of the Sonoma State University to integrate with the Green Music Center, the development of balanced neighborhoods with a variety of housing types, the expansion of commercial uses to the northwest, and the continued expansion of the City's network of parks and open space.

The GP provides for an average growth rate of 1% with an ultimate build-out of approximately 20,000 housing units, 405 acres of commercial, office and industrial uses, 60 acres of mixed use, and 190 acres of open space over the next twenty years. Construction is underway on the University District Specific Plan at this time.

## ***FINANCIAL INFORMATION***

Management of the City is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled timely and accurately to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The City's internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

***Budgetary Controls.*** The objective of budgetary controls is to assure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, and certain Special Revenue and Enterprise Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. All unencumbered appropriations lapse at the end of the fiscal year.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

**Cash Management.** The City's goals for cash investing are prioritized to protect the principal invested, make cash available as needed for operations, and earn a return on investment; in that order. Cash is held primarily by the State and County Investment pools, with some operating cash kept in local banking institutions that provide efficient operating opportunities at very-low risk.

The following table illustrates the cash and investments of the City as of June 30, 2014:

Cash and Investments - June 30, 2014

Sonoma County Investment Pool	\$ 1,942,916
Money Market Mutual Funds	23,938,275
U.S. Government Agencies Securities	2,254,340
State Treasurer LAIF	38,286,214
Cash and deposits	10,783,328
Total Cash & Investments	<u>\$ 77,205,073</u>

Cash temporarily idle during the year was invested in the State of California Local Agency Investment Fund (LAIF), Sonoma County Investment Pool and money market mutual funds. These investments are allowed under an investment policy adopted by the City Council. All cash and deposits are FDIC secured and the City works with two brokerage firms to find attractive investment opportunities.

**Risk Management.** The City is a member of Redwood Empire Municipal Insurance Fund (REMIF), a joint powers authority composed of cities located in Northern California. The City maintains coverage for property, liability and workers' compensation through REMIF. REMIF currently contracts with Anthem Blue Cross for some active employees and retirees under the age of 65 and with Hartford Insurance for retirees over 65. The City contracts directly with Kaiser for other employees and retirees. The City presently contracts with Delta Dental for dental benefits and V.S.P. for vision benefits.

### **OTHER INFORMATION**


**Independent Audit.** Management considers an annual audit by independent certified public accountants a sound and prudent business practice. The accounting firm of Macias Gini & O'Connell, LLP performed the annual audit for the City for the fiscal year ended June 30, 2014. The independent auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

**Awards.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the thirty-second consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

**Acknowledgments.** The preparation of the comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Finance Department. Most notably, Ana Kwong, Accounting Supervisor, worked diligently to prepare reports, reconciliations and supporting schedules to facilitate audit completion. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

Respectfully submitted,

  
\_\_\_\_\_  
Darrin Jenkins  
City Manager

  
\_\_\_\_\_  
Betsy Howze  
Finance Director



Government Finance Officers Association

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

Presented to

**City of Rohnert Park  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

A handwritten signature in black ink, reading "Jeffrey R. Egan". The signature is fluid and cursive.

Executive Director/CEO

## **CITY OFFICIALS**

### **City Council:**

Joseph T. Callinan, Mayor  
Amy O. Ahanotu, Vice Mayor  
Gina Belforte  
Jake Mackenzie  
Pam Stafford

### **City Staff:**

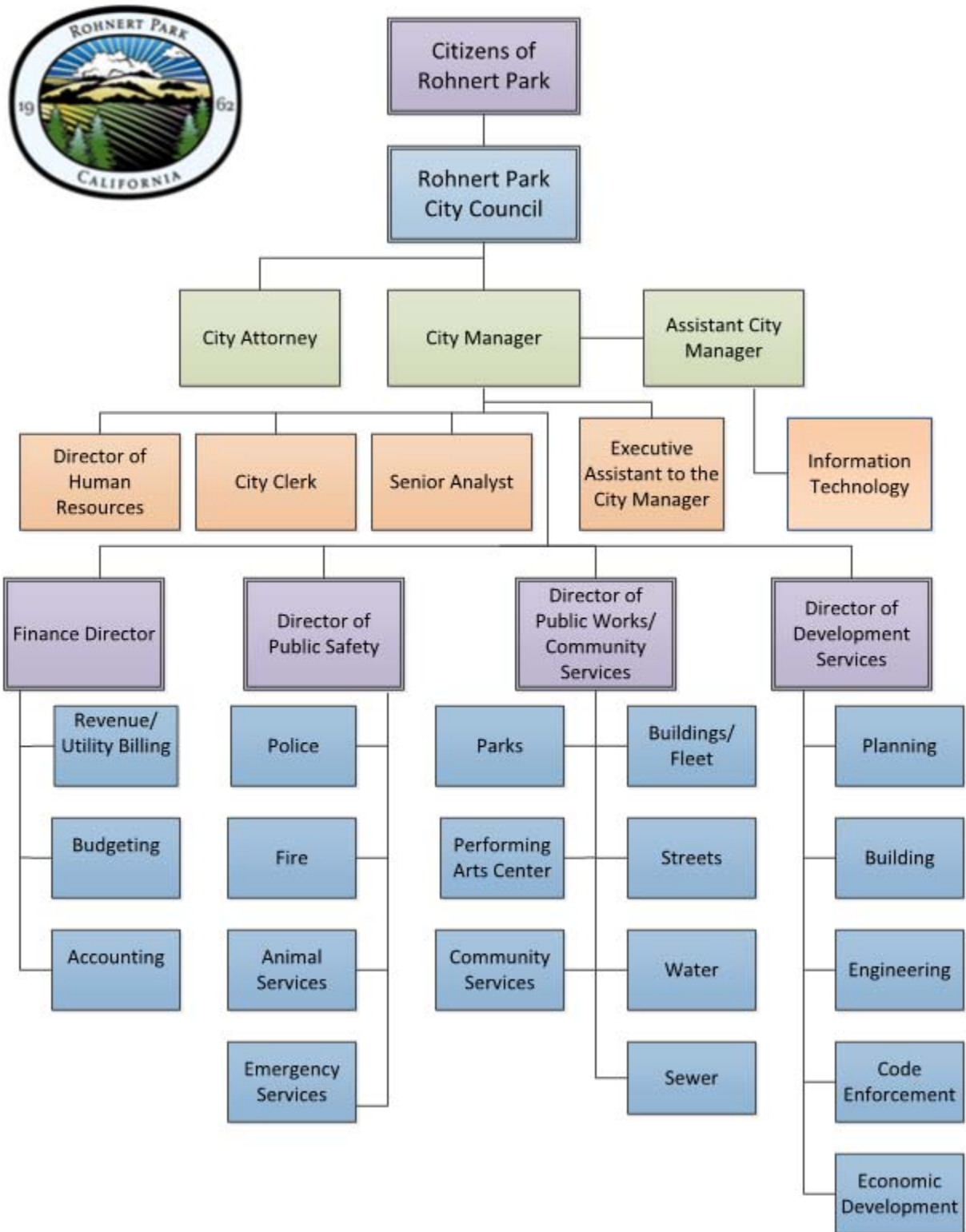
City Manager ..... Darrin Jenkins  
Assistant City Manager..... Don Schwartz  
City Attorney ..... Michelle Marchetta Kenyon  
Burke, Williams & Sorensen, LLP  
City Clerk..... JoAnne Buergler  
Director of Finance ..... Betsy Howze  
Director of Human Resources..... Victoria Perrault  
Director of Development Services..... Marilyn Ponton  
Director of Public Safety ..... Brian Masterson  
Director of Public Works  
and Community Services..... John McArthur

### **Advisory Commissions or Committees:**

Parks & Recreation Commission  
Planning Commission  
Mobile Home Parks Rent Appeals Board  
Senior Citizens Advisory Commission  
Sister City(s) Relations Committee  
Bicycle Advisory Committee  
Cultural Arts Commission



## ORGANIZATIONAL CHART



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## **Independent Auditor's Report**

Honorable Mayor and Members  
of the City Council  
City of Rohnert Park, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rohnert Park, California (City), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

### ***Change in Accounting Principles***

As discussed in Note 1(Q) to the financial statements, as of July 1, 2013, the City adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*; GASB Statement No. 66, *Technical Corrections – 2012 – An Amendment of GASB Statements No. 10 and No. 62*; and GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the General Fund, Housing Projects Special Revenue Fund, and Public Facility Finance Fee Special Revenue Fund, and schedules of funding progress as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2014 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Walnut Creek, California  
December 30, 2014

## CITY OF ROHNERT PARK

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014 (Unaudited)

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As management of the City of Rohnert Park (City) we offer readers of the City's financial statements this overview and analysis of the City's financial activities for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's basic financial statements, which follow this section.

#### FINANCIAL HIGHLIGHTS

- The assets of the City exceeded liabilities by \$148.9 million (net position) at June 30, 2014, an increase of \$20.3 million over the prior fiscal year. Of this amount, \$20.4 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors, \$32.4 million is restricted for specific purposes (restricted net position), and \$96.1 million is the net investment in capital assets.
- For fiscal year 13-14 (FY 13-14), the increase in net position for governmental activities and business-type activities was \$9.7 million and \$10.7 million, respectively. The primary cause of the change is due to the increase in capital assets related to the construction for the Golf Course Drive / Wilfred Avenue improvements projects funded by revenues from the Tribe for governmental activities and the Eastside Sewer Trunk Project for business-type activities funded by Public Facility Financing fees.
- Capital assets increased by \$19.8 million during FY 13-14, caused primarily by the construction of the Golf Course Drive / Wilfred Avenue improvements projects.
- At June 30, 2014, the City's governmental funds reported combined ending fund balances of \$42.1 million, a decrease of \$1.2 million from June 30, 2013.
- The general fund reported fund balance of \$12.6 million at June 30, 2014; and reports fund balance in these respective categories:
  - (1) \$2.4 million is "non-spendable" because money is not going to come in soon enough to support current spending, like the long-term portion of advances receivable, or the current asset will never be cash, like prepaid items.
  - (2) \$0.2 million is restricted fund balance, representing amounts provided by external parties that are obligated for specific purposes by contract or legislation.
  - (3) \$9.8 million is assigned by the City Council, City Manager or Finance Director in accordance with policy and/or budgetary directives.
  - (4) \$0.2 million is unassigned balance, which represents the residual of total fund balance less the aforementioned categories. It is available for consideration in the budget process.

Overall, the increase in net position reported in the citywide financial statements, the increase in capital assets, and the increase in general fund balance all indicate relative financial success for the year. The causes of these positive indicators are explained in the analysis section of this discussion.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components 1) **Government-wide** financial statements; 2) **Fund** financial statements and 3) **Notes** to the basic financial statements. This report also contains required and other **supplementary information** in addition to the basic financial statements themselves.

**CITY OF ROHNERT PARK**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**  
**(Unaudited)**

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**Government-wide Financial Statements**

The Government-wide Financial Statement are designed to provide readers with a broad overview of City finances, in a manner similar to a private-sector business. These financial statements provide both long-term and short-term information about the City's overall financial status.

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

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

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, parks and recreation, cultural center. The business-type activities of the City include water operations, sewer operations and refuse collection operations.

The government-wide financial statements include the City itself (known as the primary government), and legally separate entities reported as component units, the Rohnert Park Financing Authority (the Financing Authority), for which the City is financially accountable.

**Fund Financial Statements**

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

## CITY OF ROHNERT PARK

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014 (Unaudited)

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The City maintains several individual governmental funds organized according to their type (special revenue, debt service, capital projects and permanent funds). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund; Housing Projects Special Revenue Fund; Financing Authority Debt Service Fund; the City Capital Projects Fund; and Public Facility Finance Fee Special Revenue Fund; all of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation entitled "other governmental funds". Individual and combining fund data for each of these non-major governmental funds is provided as supplementary information in this report.

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

- *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for the water, sewer, and refuse collection operations.
- *Internal service funds* are used to report activities that provide supplies and services for certain City programs and activities. The City uses an internal service fund to account for information systems services, vehicle replacement and fleet management. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

**Fiduciary funds** are used to account for resources held for the benefit of parties outside the City. The City's private-purpose trust funds are reported as fiduciary funds. Since the resources of this fund are not available to support the City's own programs, it is not reflected in the government-wide financial statements. The accounting used for the private-purpose trust fund is similar to that used for proprietary funds.

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

**Other Required Supplementary Information (RSI)** is presented in addition to the basic financial statements and accompanying notes. This required information includes the Schedules of Funding Progress for the Miscellaneous Employee's Retirement Plan and the Post Employment Health Care Benefits Plan, and Budgetary Comparison Schedules for the City's General Fund, Housing Projects Special Revenue Fund, and Public Facility Finance Fee Special Revenue Fund. The City adopts an annual appropriated budget for its General Fund, Housing Projects Special Revenue Fund, and Public Facility Finance Fee Special Revenue Fund and a budgetary comparison schedule has been provided to demonstrate compliance with this budget.

**CITY OF ROHNERT PARK****MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Unaudited)****GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve as a useful indicator of a government's financial position. The following table represents a comparative analysis of the net position of governmental and business-type activities as of June 30, 2014 and June 30, 2013:

**Summary of Net Position  
As of June 30, 2014 and 2013**

	Governmental Activities		Business-type Activities		Total	
	2014	2013 *	2014	2013 *	2014	2013 *
Assets:						
Current and other assets	\$ 59,405,500	\$ 64,569,288	\$ 25,166,303	\$ 22,423,157	\$ 84,571,803	\$ 86,992,445
Capital assets, net	70,356,289	60,067,049	45,493,641	36,000,347	115,849,930	96,067,396
Total assets	129,761,789	124,636,337	70,659,944	58,423,504	200,421,733	183,059,841
Liabilities:						
Current and other liabilities	15,952,114	20,411,718	3,908,975	1,385,333	19,861,089	21,797,051
Long-term liabilities	15,684,475	15,750,046	15,929,922	16,882,282	31,614,397	32,632,328
Total liabilities	31,636,589	36,161,764	19,838,897	18,267,615	51,475,486	54,429,379
Net position:						
Net investment in						
capital assets	66,373,255	55,910,106	29,762,623	19,118,065	96,135,878	75,028,171
Restricted net position	32,362,423	31,003,013	-	-	32,362,423	31,003,013
Unrestricted net position	(610,478)	1,561,454	21,058,424	21,037,824	20,447,946	22,599,278
Total net position	\$ 98,125,200	\$ 88,474,573	\$ 50,821,047	\$ 40,155,889	\$ 148,946,247	\$ 128,630,462

\* The 2013 balances have been restated. See Note 16 in the Notes to the Basic Financials Statements for further information.



## **CITY OF ROHNERT PARK**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014 (Unaudited)**

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**Analysis of Net Position** – Net position may serve as a useful indicator of a government's financial position.

The City's combined net position (government and business-type activities) totaled \$148.9 million at June 30, 2014. This is comprised of total assets of \$200.4 million, less total liabilities of \$51.5 million. At the end of the current fiscal year, the City reported positive balances in all three categories of net position for the City as a whole.

Combined net position increased by \$20.3 million or 15.8% during the year, with assets increased by \$17.3 million or 9.5% and liabilities decreased by \$3.0 million or 5.4%.

Total assets increased by \$17.3 million mainly due to the increase of capital assets related to the construction for the Golf Course Drive / Wilfred Avenue improvements funded by revenues from the Federated Indians of the Graton Rancheria (Tribe) for governmental activities and the Eastside Sewer Trunk Project for business-type activities funded by Public Facility Financing fees.

Total liabilities decreased by \$3.0 million during the year, primarily due to the repayment of long-term debt in the amount of \$0.2 million and \$0.6 million, respectively for governmental and business-type activities; as well as the decrease of \$2.1 million of developer deposits payable received in the prior year for construction of the Wilfred Avenue improvements projects.

The net investment in capital assets of \$96.1 million represents the largest portion of net position (64.6%). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Net investments in capital assets increased \$ 21.1 million or 28.1% mainly due to the increase in capital assets due to the construction of capital projects during the year.

Restricted net position of \$32.4 million comprised 21.7% of the City's net position and represents resources that are subject to external restrictions on how they may be used. This category increased \$1.4 million or 4.4% mainly due to the receipt of restricted revenues from the Tribe during the year.

Unrestricted net position of \$20.4 million comprised 13.7% of the City's net position and represents amounts which may be used to meet the City's ongoing obligations to citizens and creditors. The majority of unrestricted net position resides in the Enterprise Funds.

# CITY OF ROHNERT PARK

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014 (Unaudited)

The following table indicates the comparative changes in net position for governmental and business-type activities for fiscal year June 30, 2014 and 2013:

Changes in Net Position For the Fiscal Years Ended June 30, 2014 and 2013						
	Governmental Activities		Business-type Activities		Total	
	2014	2013 *	2014	2013 *	2014	2013 *
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 5,472,817	\$ 3,993,413	\$ 20,437,744	\$ 22,642,636	\$ 25,910,561	\$ 26,636,049
Operating grants and contributions	5,784,503	2,015,510	-	-	5,784,503	2,015,510
Capital grants and contributions	13,745,990	17,436,417	270,063	769,406	14,016,053	18,205,823
General revenues:						
Property taxes	3,875,521	3,517,309	-	-	3,875,521	3,517,309
Sales taxes	10,541,059	9,555,854	-	-	10,541,059	9,555,854
Franchise taxes	1,981,803	1,682,427	-	-	1,981,803	1,682,427
Other taxes	2,945,367	2,329,689	-	-	2,945,367	2,329,689
Grants/contributions not restricted to specific programs:						
Motor vehicle license fees	2,747,818	2,630,122	-	-	2,747,818	2,630,122
Investment income	246,098	38,876	52,305	71,242	298,403	110,118
Other	1,296,275	4,348,120	-	-	1,296,275	4,348,120
Total revenues	48,637,251	47,547,737	20,760,112	23,483,284	69,397,363	71,031,021
<b>Expenses:</b>						
General government	9,202,607	10,772,401	-	-	9,202,607	10,772,401
Public safety	14,888,571	14,347,850	-	-	14,888,571	14,347,850
Public works	2,840,825	2,840,555	-	-	2,840,825	2,840,555
Parks and recreation	3,342,205	3,085,681	-	-	3,342,205	3,085,681
Cultural Arts Center	648,630	704,021	-	-	648,630	704,021
Interest on long-term debt	153,921	499,028	-	-	153,921	499,028
Water	-	-	6,036,836	5,929,852	6,036,836	5,929,852
Sewer	-	-	11,963,155	11,768,056	11,963,155	11,768,056
Refuse collection	-	-	4,828	3,039,046	4,828	3,039,046
Total expenses	31,076,759	32,249,536	18,004,819	20,736,954	49,081,578	52,986,490
<b>Increase in net position before transfers</b>	17,560,492	15,298,201	2,755,293	2,746,330	20,315,785	18,044,531
Transfers	(7,909,865)	(171,499)	7,909,865	171,499	-	-
<b>Change in net position</b>	9,650,627	15,126,702	10,665,158	2,917,829	20,315,785	18,044,531
<b>Net position, beginning, as restated</b>	88,474,573	73,347,871	40,155,889	37,238,060	128,630,462	110,585,931
<b>Net position, end of year</b>	\$ 98,125,200	\$ 88,474,573	\$ 50,821,047	\$ 40,155,889	\$ 148,946,247	\$ 128,630,462

\* The 2013 balances have been restated. See Note 16 in the Notes to the Basic Financials Statements for further information.

## CITY OF ROHNERT PARK

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014 (Unaudited)

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**Governmental Activities.** Governmental activities increased the City's net position by \$9.7 million or 10.9%.

Key elements of the change in net position are as follows:

- Total governmental activities revenues remained relatively stable with a small overall increase of \$1.1 million (2.3%) during FY 13-14. Operating grants and contribution increased by \$3.8 million mainly due to the receipt of \$2.5 million recurring contributions from the Tribe for law enforcements, public services, and other mitigation activities during FY 13-14. The decrease in capital grants and contributions was mainly due to the receipt of a one-time development fee from the Tribe of \$2.6 million during FY 12-13. FY 12-13 balance is also comprised of contributions of \$12.8 million from the Tribe for the Eastside Sewer Trunk Project, while FY 13-14 balance is mainly comprised of non-recurring contribution of \$11.8 million from the Tribe for the Golf Course Drive / Wilfred Avenue improvements projects.
- All categories of general revenues, except for other revenue, increased from prior years mainly due to improving economy which lead to the increased tax revenues. Other revenues decreased by \$3.0 million which is mainly due to the receipt of various one-time revenues in the prior fiscal year.
- Total expenses decreased by \$1.2 million. Operating expenses decrease primarily in the areas of General Government by \$1.6 million, offset by minimal increases in Public Safety and Parks and Recreation. The decrease in expenses for General Government was primarily due to a decrease in depreciation expenses by \$0.6 million and decrease in noncapitalizable capital cost in the amount of \$0.8 million.

**Business-Type Activities.** Business-type activities increased the City's net position by \$10.7 million. Key factors of this increase are as follows:

- Net position for the Water Fund decreased by \$0.1 million primarily due to the drought in California as water sales revenue decreased \$0.4 million while purchases of water only decreased \$0.2 million and other expenses increased slightly.
- Net position for the Sewer Fund increased by \$10.7 million primarily due to the receipt of funds from the City's Public Facility Finance Fee Fund of \$8.1 million for the funding of capital projects during the year.
- Net position for the Refuse Collection Fund decreased by approximately \$14,000 and has minimal activities during the year primarily due to the shifting of refuse billings back to Rohnert Park Disposal, a non-governmental entity that provides refuse collection services.

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

**Governmental Funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of resources that are available for spending. Such information is useful in assessing the City's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the City include the general fund, special revenue funds, debt service funds, capital projects funds and the permanent fund.

## CITY OF ROHNERT PARK

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014 (Unaudited)

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As of the end of the current fiscal year, the City's governmental funds reported combined fund balances of \$42.1 million, a decrease of \$1.2 million in comparison with the prior year. The fund balance total is categorized as follows: \$4.7 million is *non-spendable*, representing prepaid items, assets held in permanent fund, and advances to the successor agency trust fund; \$29.3 million is restricted by external funding sources; \$13.0 million is assigned in accordance with policy and budgetary directives, and unassigned fund deficit of \$4.9 million. The restricted fund balance is limited to the following purposes: a) capital and street projects (\$4.6 million); b) housing development projects (\$22.5 million); c) debt service (\$0.3 million); d) general government (\$0.9 million); and e) Public Safety Projects (1.0 million).

For FY 13-14, revenues for governmental funds totaled \$48.3 million, while expenditures totaled \$41.6 million. Revenues from governmental funds exceeded expenditures by \$6.7 million.

The General Fund is the chief operating fund of the City. At June 30, 2014, the fund reports fund balances as follows: \$2.4 million is non-spendable, representing prepaid items and long-term receivables; \$0.2 million is restricted for general government; \$9.8 is assigned to purposes designated in accordance with policy and budgetary directives; and \$0.2 million is unassigned fund balance.

General Fund's fund balance increased \$1.4 million due to increased tax revenues and expenditure control. Property taxes increased \$0.9 million, sales and use tax increased by \$1.0 million, and transient occupancy tax increase by \$0.6 million, as the economic recovery continues. Ongoing operating expenditures were flat, reflecting the Council's budgetary directives.

The Public Facility Finance Fee Special Revenue Fund's fund balanced decreased by \$6.8 million as \$9.1 million was transferred to fund Sewer improvements while only \$2.0 million in fee revenue was received during the year.

The Housing Projects Special Revenue Fund and Financing Authority Debt Service Fund both increased minimally by \$0.2 million during the year due to their normal operations.

The City Capital Projects Fund's fund balance increased by \$0.1 million. During FY 13-14, non-recurring contribution of \$11.8 million was received from the Tribe for the Golf Course Drive / Wilfred Avenue Wilfred Avenue improvement projects while capital outlay of \$12.7 million was incurred for various capital projects.

**Proprietary Funds.** At the end of the fiscal year, the unrestricted net position for the Water Fund, Sewer Fund, and Refuse Collection Funds were \$6.5 million, \$13.9 million, and \$0.7 million, respectively. The total increase in net position for proprietary funds was \$10.7 million from prior year. Factors concerning the activities of these funds have been addressed previously in the discussion of the City's business-type activities.

**Fiduciary funds.** The City's fiduciary funds consist of two private purpose trust funds: the Redevelopment Successor Agency and the Special Enforcement Unit – South. The Redevelopment Successor Agency accounts for debt repayment and related tax receipts for the former redevelopment agency that was dissolved in FY 11-12. The Special Enforcement Unit – South accounts for seized assets held for other governments. The net position of fiduciary funds decreased by \$2.2 million during the year primarily due to the usage of existing resources to pay off former redevelopment agency debt as part of the wind down of the agencies activities.

## **CITY OF ROHNERT PARK**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014 (Unaudited)**

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#### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The FY 13-14 budget highlights are:

- The City's final budget revenues and expenditures for FY 13-14 were \$2.0 million and \$1.1 million higher than the original budget adopted by the City Council. Differences between the original and final budgets represent supplemental changes approved by the City Council for various revenues received by the City or to pay for increased service level that was not expected when the original budget was approved.
- Total operating revenue was budgeted at \$25.8 million, a 17% increase over the FY 12-13 budget. Actual revenue exceeded budget by \$2.2 million. Property tax revenue was \$0.7 million over budget primarily due to a \$663,000 increase in the residual tax distributions related to the dissolution of the redevelopment agency. Sales tax was \$0.2 million over budget and \$1.0 million higher than fiscal year 2012/13, as the economy continues to recover from the recession. Transient occupancy tax was \$0.3 million over budget and \$0.6 million higher than the prior fiscal year, a positive sign of tourism rebounding.
- Total expenditures were budgeted at \$28.7 million, an increase of \$2.4 million or 9.2% over the previous year's amended budget. Total expenditures were under budget by \$0.3 million for the fiscal year, primarily due to unfilled and vacant positions, and tighter controls on materials, supplies and equipment spending.

#### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

##### **Capital Assets**

The City's capital assets for its governmental and business-type activities as of June 30, 2014, amounted to \$115,849,930 (net of accumulated depreciation). Reported capital assets categories include land; construction in progress; infrastructure, structures and improvements; and equipment. Major capital asset events during the current fiscal year included the following:

- For government activities, construction in progress decreased by a net of \$6.8 million and the ending balance was \$4.5 million. Projects in progress include:
  - Specific Plan Project (\$1.5 million);
  - Public Safety Main Roof Replacement/Exterior Improvement (\$1.1 million);
  - Water Supply Assessment Project (\$1.3 million);
  - All other miscellaneous projects (\$0.6 million)

During FY 13-14, \$19.6 million of projects were completed and were transferred to structures and improvements.

- For business-type activities, construction in progress increased by a net of \$9.4 million. Projects in progress include: Water fund's projects of \$1.9 million and Sewer Fund's projects of \$11.1 million.

During FY 13-14, \$1.6 million of projects were completed and were transferred to structures and improvements.

For the government-wide financial statement presentation, all depreciable capital assets were depreciated from the acquisition date to the end of the current fiscal year. Governmental fund financial statements record capital asset purchases as expenditures.

# CITY OF ROHNERT PARK

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014 (Unaudited)

Capital assets for the governmental and business-type activities are presented below to illustrate changes from the prior year:

### Capital Assets (net of depreciation) As of June 30, 2014 and 2013

	Governmental activities		Business-type activities		Total		Percent of Change
	2014	2013	2014	2013	2014	2013	
Land	\$ 6,906,156	\$ 6,906,156	\$ -	\$ -	\$ 6,906,156	6,906,156	0.0%
Construction in progress	4,480,480	11,315,142	12,996,488	3,627,096	17,476,968	14,942,238	17.0%
Infrastructure, structures and improvements	125,049,591	105,419,217	52,668,346	51,032,157	177,717,937	156,451,374	13.6%
Equipment	14,079,946	13,348,368	3,668,701	3,448,387	17,748,647	16,796,755	5.7%
Accumulated depreciation	(80,159,884)	(76,921,834)	(23,839,894)	(22,107,293)	(103,999,778)	(99,029,127)	5.0%
Total	\$ 70,356,289	\$ 60,067,049	\$ 45,493,641	\$ 36,000,347	\$ 115,849,930	\$ 96,067,396	20.6%

Additional information about the City's capital assets can be found in Note 6 to the financial statements.

### Debt Administration

At June 30, 2014, the City's governmental activities had total outstanding long-term debt of \$4.0 million. The balance was comprised of \$2.9 million of certificates of participation, \$0.5 million of lease revenue refunding bonds, \$0.5 million of capital leases; and \$0.1 million of loan payable. Long-term debt decreased by \$0.2 million during the year due to scheduled principal payments made of \$0.4 million offset by the issuance of loans for \$0.2 million.

At June 30, 2014, the City's business-type activities had outstanding long term debt outstanding of \$15.9 million, which was comprised of \$10.9 million of certificates of participation, \$4.9 million of water revenue bonds and original issue premium/discount of \$0.1 million.

The City's Ordinance imposes a limit on the amount of general obligation bonds the City can have outstanding at any given time. As of June 30, 2014, the City's debt limit (15% of assessed valuation) was \$562.2 million. At June 30, 2014, the City did not have any debt applicable to the limit outstanding.

### Long-Term Liabilities As of June 30, 2014 and 2013

	Governmental activities		Business-type activities		Total		Percent of Change
	2014	2013	2014	2013	2014	2013	
Certificates of participation	\$2,895,000	\$3,090,000	\$10,915,000	\$11,210,000	\$13,810,000	\$14,300,000	-3.43%
Lease revenue refunding bonds	446,500	474,500	-	-	446,500	474,500	-5.90%
Water revenue bonds	-	-	4,890,000	5,145,000	4,890,000	5,145,000	-4.96%
Bond premium/discount	-	(1,405)	124,922	129,680	124,922	128,275	-2.61%
Capital leases	514,494	593,848	-	-	514,494	593,848	-13.36%
Loan payable	127,040	-	-	-	127,040	-	100.00%
Total	\$ 3,983,034	\$ 4,156,943	\$ 15,929,922	\$ 16,484,680	\$ 19,912,956	\$ 20,641,623	-3.53%

Additional information about the City's long-term obligations can be found in Note 7 to the financial statements.

## **CITY OF ROHNERT PARK**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014 (Unaudited)**

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#### **Economic Factors and Next Year's Budget and Rates**

The City continues to build and strengthen its local economy not only by expanding and helping the existing businesses, but also by working to attract new businesses to Rohnert Park. The primary goal is to assist businesses both small and large in developing and enhancing working relationships within our economic development frame work throughout the City.

- The City of Rohnert Park unemployment rate as of June 30, 2014 is 5.9 percent, an improvement of 0.7 percent from the City's unemployment rate of 6.6 percent in 2013.
- General fund revenues are expected to increase modestly over the next year. Although unemployment remains above pre-recession levels, Sonoma County has seen its unemployment rate cut in half over the past 2 years. Major construction projects such as the Sonoma Marin Area Rail Transit (SMART) and the Sonoma County Airport expansion are expected to help the ailing construction sector and increase tourism.
- The City has made concerted efforts to attract visitors, create jobs, and provided recreational activities, as evidenced by projects like the Donald & Maureen Green Music Center and the Graton Resort and Casino which opened during FY 13-14 and are drawing large crowds. These attractions along with the improved economy have contributed to a 27.7 percent increase in Transient Occupancy Tax, which is projected to maintain that pace in FY 14-15.
- Sales tax revenue in Rohnert Park increased by \$1.0 million, or 10.3% over the prior year, mainly due to the recovering economy and the half-cent Measure A sales tax. As sales tax is the largest source of revenue for the City's General Fund (37.5%), the City has developed an economic development plan and focused on implementing facets of the plan during FY 14-15, which include continuing work on the new development in the specific plan areas, coordinating efforts to complete existing infill projects and working with the local business community to assist and retain local businesses.
- The City has been able to eliminate the structural deficit that has existed over the last decade with a balanced budget for the General Fund in FY 14-15. However, with the need to pay for unfunded pension and retiree healthcare liabilities the City will need to continue to find ways to maintain a balanced budget while still delivering the core essential services.
- All of these factors were considered in preparing the City's budget for FY 14-15.

#### **Request for Information**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, P.O. Box 1489, Rohnert Park, CA 94927-1489.

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**CITY OF ROHNERT PARK**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2014**

	Primary Government		
	Governmental Activities	Business- type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 29,290,647	\$ 20,609,389	\$ 49,900,036
Receivables	3,562,215	3,135,527	6,697,742
Prepaid items and other assets	232,286	3,381	235,667
Restricted cash and investments	15,742,415	198,904	15,941,319
Internal balances	(1,219,102)	1,219,102	-
Loans and notes receivable, net of allowance	9,576,982	-	9,576,982
Advances to the Successor Agency	2,220,057	-	2,220,057
Capital assets:			
Nondepreciable assets	11,386,636	12,996,488	24,383,124
Depreciable assets, net	58,969,653	32,497,153	91,466,806
Total assets	129,761,789	70,659,944	200,421,733
<b>LIABILITIES</b>			
Accounts payable	1,823,843	2,538,089	4,361,932
Accrued liabilities	1,837,010	125,772	1,962,782
Interest payable	82,123	95,123	177,246
Deposits	1,595,944	1,149,991	2,745,935
Unearned revenue	268,969	-	268,969
Advances from the Successor Agency	10,344,225	-	10,344,225
Long-term liabilities:			
Due within one year	1,539,692	574,758	2,114,450
Due in more than one year	14,144,783	15,355,164	29,499,947
Total liabilities	31,636,589	19,838,897	51,475,486
<b>NET POSITION</b>			
Net investment in capital assets	66,373,255	29,762,623	96,135,878
Restricted for:			
Housing projects	23,517,612	-	23,517,612
Capital and street projects	5,573,706	-	5,573,706
General government programs	851,102	-	851,102
Public safety programs	987,614	-	987,614
Debt service	234,001	-	234,001
Performing arts center endowment	1,198,388	-	1,198,388
Unrestricted	(610,478)	21,058,424	20,447,946
Total net position	\$ 98,125,200	\$ 50,821,047	\$ 148,946,247

See accompanying notes to the basic financial statements.

**CITY OF ROHNERT PARK**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2014**

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Grants and	Grants and
			Contributions	Contributions
FUNCTION/PROGRAM ACTIVITIES:				
Primary government:				
Governmental activities:				
General government	\$ 9,202,607	\$ 1,423,854	\$ 2,137,913	\$ 11,771,829
Public safety	14,888,571	1,196,933	1,406,183	-
Public works	2,840,825	1,114,354	2,240,407	1,974,161
Parks and recreation	3,342,205	1,406,770	-	-
Cultural arts center	648,630	330,906	-	-
Interest on long-term debt	153,921	-	-	-
Total governmental activities	31,076,759	5,472,817	5,784,503	13,745,990
Business-type activities:				
Water	6,036,836	7,020,887	-	-
Sewer	11,963,155	13,416,857	-	270,063
Refuse Collection	4,828	-	-	-
Total business-type activities	18,004,819	20,437,744	-	270,063
Total primary government	\$ 49,081,578	\$ 25,910,561	\$ 5,784,503	\$ 14,016,053
General revenues:				
Property taxes				
Sales taxes				
Franchise taxes				
Transient occupancy taxes				
Real property transfer taxes				
Grants/contributions not restricted to specific programs:				
Motor vehicle license fees				
Investment income				
Gain on sale of capital assets				
Other				
Transfers				
Total general revenues and transfers				
Change in net position				
NET POSITION, BEGINNING OF YEAR,				
AS PREVIOUSLY REPORTED				
PRIOR PERIOD ADJUSTMENTS				
NET POSITION, BEGINNING OF YEAR, AS RESTATED				
NET POSITION, END OF YEAR				

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business- type Activities	Total	
			FUNCTION/PROGRAM ACTIVITIES:
			Primary government:
			Governmental activities:
\$ 6,130,989	\$ -	\$ 6,130,989	General government
(12,285,455)	-	(12,285,455)	Public safety
2,488,097	-	2,488,097	Public works
(1,935,435)	-	(1,935,435)	Parks and recreation
(317,724)	-	(317,724)	Cultural arts center
(153,921)	-	(153,921)	Interest on long-term debt
(6,073,449)	-	(6,073,449)	Total governmental activities
			Business-type activities:
-	984,051	984,051	Water
-	1,723,765	1,723,765	Sewer
-	(4,828)	(4,828)	Refuse Collection
-	2,702,988	2,702,988	Total business-type activities
(6,073,449)	2,702,988	(3,370,461)	Total primary government
			General revenues:
3,875,521	-	3,875,521	Property taxes
10,541,059	-	10,541,059	Sales taxes
1,981,803	-	1,981,803	Franchise taxes
2,814,059	-	2,814,059	Transient occupancy taxes
131,308	-	131,308	Real property transfer taxes
			Grants/contributions not restricted to specific programs:
2,747,818	-	2,747,818	Motor vehicle license fees
246,098	52,305	298,403	Investment income
4,000	-	4,000	Gain on sale of capital assets
1,292,275	-	1,292,275	Other
(7,909,865)	7,909,865	-	Transfers
15,724,076	7,962,170	23,686,246	Total general revenues and transfers
9,650,627	10,665,158	20,315,785	Change in net position
100,532,852	29,482,946	130,015,798	NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED
(12,058,279)	10,672,943	(1,385,336)	PRIOR PERIOD ADJUSTMENTS
88,474,573	40,155,889	128,630,462	NET POSITION, BEGINNING OF YEAR, AS RESTATED
\$ 98,125,200	\$ 50,821,047	\$ 148,946,247	NET POSITION, END OF YEAR

See accompanying notes to the basic financial statements.

**CITY OF ROHNERT PARK**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2014**

	<b>General</b>	<b>Housing Projects Special Revenue</b>	<b>Financing Authority Debt Service</b>	<b>City Capital Projects</b>
<b>ASSETS</b>				
Cash and investments	\$ 11,775,477	\$ 157,201	\$ -	\$ -
Receivables:				
Taxes	1,980,675	-	-	-
Accounts	848,169	-	-	509,688
Accrued interest	6,187	-	-	-
Due from other funds	373,360	-	-	-
Prepaid items and other assets	221,602	-	-	1,020
Restricted cash and investments	-	13,756,719	316,124	1,669,572
Loans and notes receivable, net of allowance	49,741	9,527,241	-	-
Advances to other funds	-	-	-	-
Advances to the successor agency trust fund	2,220,057	-	-	-
Total assets	<u>\$ 17,475,268</u>	<u>\$ 23,441,161</u>	<u>\$ 316,124</u>	<u>\$ 2,180,280</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 680,068	\$ 3,745	\$ -	\$ 1,074,170
Accrued liabilities	1,815,046	-	-	-
Due to other funds	1,709	-	-	373,360
Deposits	506,951	-	-	1,088,993
Unearned revenue	268,969	-	-	-
Advances from other funds	1,003,898	-	-	-
Advances from the successor agency trust fund	288,500	-	-	-
Total liabilities	<u>4,565,141</u>	<u>3,745</u>	<u>-</u>	<u>2,536,523</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	<u>287,893</u>	<u>897,129</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable	2,441,659	-	-	1,020
Restricted	186,413	22,540,287	316,124	-
Assigned	9,786,317	-	-	-
Unassigned	207,845	-	-	(357,263)
Total fund balances (deficits)	<u>12,622,234</u>	<u>22,540,287</u>	<u>316,124</u>	<u>(356,243)</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 17,475,268</u>	<u>\$ 23,441,161</u>	<u>\$ 316,124</u>	<u>\$ 2,180,280</u>

See accompanying notes to the basic financial statements.

<b>Public Facility Finance Fee Special Revenue</b>	<b>Other Governmental Funds</b>	<b>Total</b>	
\$ 6,467,186	\$ 10,541,918	\$ 28,941,782	<b>ASSETS</b>
-	14,678	1,995,353	Cash and investments
-	194,094	1,551,951	Receivables:
3,781	4,765	14,733	Taxes
-	19,047	392,407	Accounts
-	9,664	232,286	Accrued interest
-	-	15,742,415	Due from other funds
-	-	9,576,982	Prepaid items and other assets
-	1,003,898	1,003,898	Restricted cash and investments
-	-	2,220,057	Loans and notes receivable, net of allowance
\$ 6,470,967	\$ 11,788,064	\$ 61,671,864	Advances to other funds
			Advances to the successor agency trust fund
			Total assets
			<b>LIABILITIES</b>
\$ -	\$ 11,798	\$ 1,769,781	Accounts payable
-	3,987	1,819,033	Accrued liabilities
1,219,102	17,338	1,611,509	Due to other funds
-	-	1,595,944	Deposits
-	-	268,969	Unearned revenue
-	-	1,003,898	Advances from other funds
10,055,725	-	10,344,225	Advances from the successor agency trust fund
11,274,827	33,123	18,413,359	Total liabilities
			<b>DEFERRED INFLOWS OF RESOURCES</b>
-	-	1,185,022	Unavailable revenues
			<b>FUND BALANCES (DEFICITS)</b>
-	2,211,950	4,654,629	Nonspendable
-	6,292,643	29,335,467	Restricted
-	3,267,686	13,054,003	Assigned
(4,803,860)	(17,338)	(4,970,616)	Unassigned
(4,803,860)	11,754,941	42,073,483	Total fund balances (deficits)
\$ 6,470,967	\$ 11,788,064	\$ 61,671,864	Total liabilities, deferred inflows of resources and fund balances (deficits)

See accompanying notes to the basic financial statements.

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**CITY OF ROHNERT PARK**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE**  
**GOVERNMENT WIDE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES**  
**JUNE 30, 2014**

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

Fund balances - total governmental funds		\$ 42,073,483
Capital assets net of depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.		70,356,289
Internal service funds are used to charge the costs of management of centralized data processing services, vehicle replacement, and fleet management and related billings to other City departments and individual funds. The assets and liabilities are included in governmental activities in the statement of net position.		277,004
Long-term receivables and interest on loans are not available to pay for current period expenditures and, therefore, are considered unavailable on the modified accrual basis of accounting.		1,185,022
Interest payable on long-term debt does not require the use of current financial resources and, therefore, interest payable is not accrued as a liability in the balance sheet of governmental funds.		(82,123)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Unfunded OPEB liability	\$ (10,296,000)	
Certificates of participation	(2,895,000)	
Lease revenue refunding bonds	(446,500)	
Loans payable	(127,040)	
Capital leases	(514,494)	
Compensated absences	(1,405,441)	(15,684,475)
Net position of governmental activities		<u>\$ 98,125,200</u>

See accompanying notes to the basic financial statements.

**CITY OF ROHNERT PARK**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>General</b>	<b>Housing Projects Special Revenue</b>	<b>Financing Authority Debt Service</b>	<b>City Capital Projects</b>
<b>REVENUES</b>				
Taxes	\$ 19,343,750	\$ -	\$ -	\$ -
Intergovernmental	3,410,019	-	-	-
Interest and rentals	597,472	33,026	4	-
Charges for current services	1,975,106	-	-	-
Licenses, permits and fees	1,250,920	-	-	-
Fines, forfeitures and penalties	45,600	-	-	-
Donations and miscellaneous	1,475,435	159,690	-	11,771,829
Total revenues	28,098,302	192,716	4	11,771,829
<b>EXPENDITURES</b>				
Current:				
General government	7,998,966	31,969	-	-
Public safety	14,724,998	-	-	-
Public works	1,353,085	-	-	-
Parks and recreation	2,598,935	-	-	-
Cultural arts center	643,463	-	-	-
Capital outlay	885,164	-	-	12,737,905
Debt service:				
Principal	102,314	-	223,000	-
Interest and fiscal charges	31,788	-	169,150	-
Total expenditures	28,338,713	31,969	392,150	12,737,905
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(240,411)	160,747	(392,146)	(966,076)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from the sale of capital assets	4,000	-	-	-
Issuance of loans	150,000	-	-	-
Transfers in	4,615,473	-	593,245	2,285,948
Transfers out	(3,159,929)	-	(30,208)	(1,215,731)
Total other financing sources (uses)	1,609,544	-	563,037	1,070,217
<b>NET CHANGE IN FUND BALANCES</b>	1,369,133	160,747	170,891	104,141
<b>FUND BALANCES (DEFICITS), BEGINNING OF YEAR AS PREVIOUSLY REPORTED</b>	11,253,101	21,350,528	493,314	(460,384)
<b>PRIOR PERIOD ADJUSTMENTS</b>	-	1,029,012	(348,081)	-
<b>FUND BALANCES (DEFICITS), BEGINNING OF YEAR AS RESTATED</b>	11,253,101	22,379,540	145,233	(460,384)
<b>FUND BALANCES (DEFICITS), END OF YEAR</b>	\$ 12,622,234	\$ 22,540,287	\$ 316,124	\$ (356,243)

See accompanying notes to the basic financial statements.



<b>Public Facility Finance Fee Special Revenue</b>	<b>Other Governmental Funds</b>	<b>Total</b>	
\$ -	\$ 587,524	\$ 19,931,274	<b>REVENUES</b>
-	1,658,030	5,068,049	Taxes
23,984	24,604	679,090	Intergovernmental
-	382,522	2,357,628	Interest and rentals
1,961,661	642,949	3,855,530	Charges for current services
-	129,037	174,637	Licenses, permits and fees
-	2,799,214	16,206,168	Fines, forfeitures and penalties
1,985,645	6,223,880	48,272,376	Donations and miscellaneous
			Total revenues
			<b>EXPENDITURES</b>
-	68,520	8,099,455	Current:
-	-	14,724,998	General government
-	-	1,353,085	Public safety
-	-	2,598,935	Public works
-	-	643,463	Parks and recreation
-	-	13,623,069	Cultural arts center
-	-	325,314	Capital outlay
-	-	200,938	Debt service:
-	-		Principal
-	-		Interest and fiscal charges
-	68,520	41,569,257	Total expenditures
1,985,645	6,155,360	6,703,119	<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>
-	-	4,000	<b>OTHER FINANCING SOURCES (USES)</b>
-	-	150,000	Proceeds from the sale of capital assets
613,326	2,134,340	10,242,332	Issuance of loans
(9,415,401)	(4,445,538)	(18,266,807)	Transfers in
(8,802,075)	(2,311,198)	(7,870,475)	Transfers out
(6,816,430)	3,844,162	(1,167,356)	Total other financing sources (uses)
			<b>NET CHANGE IN FUND BALANCES</b>
13,083,115	7,720,260	53,439,934	<b>FUND BALANCES (DEFICITS), BEGINNING OF YEAR AS PREVIOUSLY REPORTED</b>
(11,070,545)	190,519	(10,199,095)	<b>PRIOR PERIOD ADJUSTMENTS</b>
2,012,570	7,910,779	43,240,839	<b>FUND BALANCES (DEFICITS), BEGINNING OF YEAR AS RESTATED</b>
\$ (4,803,860)	\$ 11,754,941	\$ 42,073,483	<b>FUND BALANCES (DEFICITS), END OF YEAR</b>

See accompanying notes to the basic financial statements.

**CITY OF ROHNERT PARK**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2014**

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

Net change in fund balances - total governmental funds	\$ (1,167,356)
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Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital asset additions	\$ 13,766,726	
Receipt of capital assets transferred from business-type activities	60,735	
Depreciation	<u>(3,538,221)</u>	10,289,240

Revenues recognized in the governmental funds that were earned and recognized in previous years are reported as beginning net position in the statement of activities. Revenues earned in the current year that did not meet the revenue recognition criteria for governmental funds are reported as revenues in the statement of activities.

336,607

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Proceeds from loans issuance		(150,000)
Principal repayments:		
Certificates of participation	\$ 195,000	
Lease revenue refunding bonds	28,000	
Loans payable	22,960	
Capital leases	<u>79,354</u>	325,314

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in net OPEB obligations	\$ (152,000)	
Change in accrued interest payable	48,422	
Amortization of original issue discount	(1,405)	
Change in compensated absences	<u>43,662</u>	(61,321)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.

78,143

Change in net position of governmental activities

\$ 9,650,627

See accompanying notes to the basic financial statements.

**CITY OF ROHNERT PARK**  
**STATEMENT OF FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2014**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities</b>
	<b>Water</b>	<b>Sewer</b>	<b>Refuse Collection</b>	<b>Total</b>	<b>Internal Service</b>
<b>ASSETS</b>					
Current assets:					
Cash and investments	\$ 6,510,590	\$ 13,416,067	\$ 682,732	\$ 20,609,389	\$ 348,865
Receivables:					
Accounts	1,040,401	2,077,942	8,796	3,127,139	-
Accrued interest	3,023	5,017	348	8,388	178
Due from other funds	-	1,283,231	-	1,283,231	-
Prepaid expenses	1,352	2,029	-	3,381	-
Restricted cash and investments	198,904	-	-	198,904	-
Total current assets	7,754,270	16,784,286	691,876	25,230,432	349,043
Noncurrent assets:					
Capital assets:					
Nondepreciable assets	1,878,278	11,118,210	-	12,996,488	-
Depreciable assets, net	8,006,196	24,490,957	-	32,497,153	-
Total noncurrent assets	9,884,474	35,609,167	-	45,493,641	-
Total assets	17,638,744	52,393,453	691,876	70,724,073	349,043
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	639,491	1,898,598	-	2,538,089	54,062
Accrued liabilities	75,619	50,153	-	125,772	17,977
Interest payable	52,497	42,626	-	95,123	-
Due to other funds	64,129	-	-	64,129	-
Deposits	266,636	883,355	-	1,149,991	-
Bonds payable	262,146	312,612	-	574,758	-
Total current liabilities	1,360,518	3,187,344	-	4,547,862	72,039
Noncurrent liabilities:					
Bonds payable	4,585,952	10,769,212	-	15,355,164	-
Total liabilities	5,946,470	13,956,556	-	19,903,026	72,039
<b>NET POSITION</b>					
Net investment in capital assets	5,235,280	24,527,343	-	29,762,623	-
Unrestricted	6,456,994	13,909,554	691,876	21,058,424	277,004
Total net position	\$ 11,692,274	\$ 38,436,897	\$ 691,876	\$ 50,821,047	\$ 277,004

See accompanying notes to the basic financial statements.

**CITY OF ROHNERT PARK**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activity</b>
	<b>Water</b>	<b>Sewer</b>	<b>Refuse Collection</b>	<b>Total</b>	<b>Internal Service</b>
<b>OPERATING REVENUES:</b>					
Utility service charges	\$ 6,546,819	\$ 13,398,208	\$ -	\$ 19,945,027	\$ -
Charges for services	-	-	-	-	940,716
Penalties and other	474,068	18,649	-	492,717	5,380
Total operating revenues	7,020,887	13,416,857	-	20,437,744	946,096
<b>OPERATING EXPENSES:</b>					
Purchase of water	2,433,168	-	-	2,433,168	-
Wastewater treatment	-	8,686,293	-	8,686,293	-
Contractual services	228,714	233,644	-	462,358	47,407
Rent and leases	10,006	3,462	-	13,468	62,668
Payroll and related costs	1,658,534	1,124,237	-	2,782,771	389,213
Heat, light and power	265,651	69,227	-	334,878	-
Other	22,292	26,604	3,739	52,635	56,934
Repairs, operations and maintenance	284,420	194,534	-	478,954	346,492
Professional services	126,535	4,747	-	131,282	-
Supplies	120,034	40,014	-	160,048	19,889
Depreciation	672,433	1,059,079	1,089	1,732,601	-
Total operating expenses	5,821,787	11,441,841	4,828	17,268,456	922,603
OPERATING INCOME (LOSS)	1,199,100	1,975,016	(4,828)	3,169,288	23,493
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment income	19,055	32,827	423	52,305	775
Interest expense	(215,049)	(521,314)	-	(736,363)	-
Others	(60,735)	-	-	(60,735)	-
Total nonoperating revenues (expenses)	(256,729)	(488,487)	423	(744,793)	775
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	942,371	1,486,529	(4,405)	2,424,495	24,268
Capital contributions	-	270,063	-	270,063	-
Transfers in	-	9,551,945	44	9,551,989	53,875
Transfers out	(999,768)	(571,621)	(10,000)	(1,581,389)	-
CHANGE IN NET POSITION	(57,397)	10,736,916	(14,361)	10,665,158	78,143
<b>NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED</b>	11,887,625	16,889,084	706,237	29,482,946	198,861
<b>PRIOR PERIOD ADJUSTMENTS</b>	(137,954)	10,810,897	-	10,672,943	-
<b>NET POSITION, BEGINNING OF YEAR, AS RESTATED</b>	11,749,671	27,699,981	706,237	40,155,889	198,861
<b>NET POSITION, END OF YEAR</b>	<u>\$ 11,692,274</u>	<u>\$ 38,436,897</u>	<u>\$ 691,876</u>	<u>\$ 50,821,047</u>	<u>\$ 277,004</u>

See accompanying notes to the basic financial statements.

**CITY OF ROHNERT PARK**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activity</b>
	<b>Water</b>	<b>Sewer</b>	<b>Refuse Collection</b>	<b>Total</b>	<b>Internal Service</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash receipts from customers	\$ 7,860,303	\$ 14,436,200	\$ 3,636	\$ 22,300,139	\$ -
Cash receipts from interfund services provided	-	-	-	-	946,096
Cash paid to suppliers for goods and services	(3,451,308)	(7,680,273)	(5,879)	(11,137,460)	(461,351)
Cash paid to employees for services	(1,582,915)	(1,074,084)	-	(2,656,999)	(389,213)
Net cash provided by (used in) operating activities	2,826,080	5,681,843	(2,243)	8,505,680	95,532
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Transfers in	-	9,551,945	44	9,551,989	53,875
Transfers out	(999,768)	(571,621)	(10,000)	(1,581,389)	-
Receipts from other funds	(61,001)	(268,411)	-	(329,412)	-
Net cash provided by (used in) noncapital financing activities	(1,060,769)	8,711,913	(9,956)	7,641,188	53,875
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Payment on capital debt	(255,000)	(295,000)	-	(550,000)	-
Interest paid on capital debt	(214,401)	(529,817)	-	(744,218)	-
Acquisition of capital assets	(1,393,120)	(9,893,510)	-	(11,286,630)	-
Contributions from developers and other agencies	-	270,063	-	270,063	-
Net cash provided by capital and related financing activities	(1,862,521)	(10,448,264)	-	(12,310,785)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Interest received	16,032	27,810	75	43,917	597
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(81,178)	3,973,302	(12,124)	3,880,000	150,004
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	6,790,672	9,442,765	694,856	16,928,293	198,861
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 6,709,494</u>	<u>\$ 13,416,067</u>	<u>\$ 682,732</u>	<u>\$ 20,808,293</u>	<u>\$ 348,865</u>
<b>CASH AND CASH EQUIVALENTS:</b>					
Cash and investments	\$ 6,510,590	\$ 13,416,067	\$ 682,732	\$ 20,609,389	\$ 348,865
Restricted cash and investments	198,904	-	-	198,904	-
	<u>\$ 6,709,494</u>	<u>\$ 13,416,067</u>	<u>\$ 682,732</u>	<u>\$ 20,808,293</u>	<u>\$ 348,865</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>					
Operating income (loss)	\$ 1,199,100	\$ 1,975,016	\$ (4,828)	\$ 3,169,288	\$ 23,493
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	672,433	1,059,079	1,089	1,732,601	-
Changes in assets and liabilities:					
Decrease in accounts receivable	832,538	238,734	3,636	1,074,908	-
(Increase) decrease in prepaid expenses	4,173	(2,029)	-	2,144	-
Increase (decrease) in accounts payable	35,339	1,580,281	(2,140)	1,613,480	54,062
Increase in accrued liabilities	75,619	50,153	-	125,772	17,977
Increase in deposits	6,878	780,609	-	787,487	-
Net cash provided by (used in) operating activities	<u>\$ 2,826,080</u>	<u>\$ 5,681,843</u>	<u>\$ (2,243)</u>	<u>\$ 8,505,680</u>	<u>\$ 95,532</u>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Transfer of capital assets to governmental activities	\$ 60,735	\$ -	\$ -	\$ 60,735	\$ -

See accompanying notes to the basic financial statements.

**CITY OF ROHNERT PARK**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**PRIVATE PURPOSE TRUST FUNDS**  
**JUNE 30, 2014**

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	<b>Total Private Purpose Trust Funds</b>
<b>ASSETS</b>	
Cash and investments	\$ 1,697,189
Receivables - Accrued interest	232
Prepaid expenses	3,238
Restricted cash & investments	9,666,529
Advances to other City funds	10,344,225
Capital assets:	
Nondepreciable assets	4,934,146
Depreciable assets, net	13,555,750
Total assets	<u>40,201,309</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Unamortized loss on refunding	<u>40,957</u>
<b>LIABILITIES</b>	
Accounts payable	236,387
Interest payable	888,205
Advances from other City funds	2,220,057
Long-term debt:	
Due in one year	1,586,811
Due in more than one year	61,182,065
Total liabilities	<u>66,113,525</u>
<b>NET POSITION</b>	
Total net position (deficit) held in trust	<u><u>\$ (25,871,259)</u></u>

See accompanying notes to the basic financial statements.

**CITY OF ROHNERT PARK**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Total Private Purpose Trust Funds</b>
<b>ADDITIONS</b>	
Taxes	\$ 1,811,608
Interest and rentals	26,447
	<hr/>
Total additions	1,838,055
	<hr/>
<b>DEDUCTIONS</b>	
Current:	
Redevelopment expenses	262,738
Law enforcement costs	2,308
Depreciation	1,090,896
Interest and fiscal charges	2,724,889
	<hr/>
Total deductions	4,080,831
	<hr/>
<b>CHANGE IN NET POSITION</b>	(2,242,776)
<b>NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED</b>	(22,706,616)
<b>PRIOR PERIOD ADJUSTMENTS</b>	(921,867)
	<hr/>
<b>NET POSITION, BEGINNING OF YEAR, AS RESTATED</b>	(23,628,483)
	<hr/>
<b>NET POSITION, END OF YEAR</b>	\$ (25,871,259)
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See accompanying notes to the basic financial statements.

## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Rohnert Park, California (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities. 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.

##### **A. Reporting Entity**

The City was incorporated on August 28, 1962. The City has a council-manager form of government and provides a wide range of municipal services. Component units are legally separate organizations for which the City is financially accountable or other organizations whose nature and significant relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. As required by GAAP, these basic financial statements present the City and its component units. The City's component units, which are described below, are either blended or fiduciary in nature.

*Rohnert Park Financing Authority (Financing Authority)* - The Financing Authority is a joint powers authority, organized pursuant to a joint exercise of powers agreement dated as of January 1, 1999 between the City and the Former Community Development Commission of the City of Rohnert Park (Commission). The Financing Authority was formed for the public purpose of assisting in financing activities for the benefit of the City and the Commission. The Financing Authority's governing board is the same as the City Council and the Authority's transactions are blended into the City's basic financial statements. Separately issued financial statements for the Financing Authority are available at the City's Finance Department at 130 Avram Avenue, Rohnert Park, CA 94928.

*Successor Agency to the Community Development Commission of the City of Rohnert Park (Successor Agency)* - A separate governmental entity established on February 1, 2012 for the purpose of serving as a custodian of the assets of the Commission and winding down the Commission's activities subject to the direction of a seven-member Oversight Board. Based upon the nature of the City's custodial role for the Successor Agency, the Successor Agency is reported as a private purpose trust fund of the City. Separate financial statements are not issued for the Successor Agency. Information of the Successor Agency can be found in the fiduciary fund financial statements.

##### **B. Basis of Presentation**

###### Government-wide Financial Statements

The statement of net position and statement of activities display information about the primary government and its component unit. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities, which normally are supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.



## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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#### Fund Financial Statements

The fund financial statements provide information about the City's funds, including blended component units and fiduciary funds. Separate statements for each fund category, including governmental, proprietary and fiduciary, are presented. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows of resources, deferred outflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

The City reports the following major governmental funds:

- 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 any other funds.
- Housing Projects Special Revenue Fund accounts for the housing assets and functions related to the Low and Moderate Income Housing Program retained by the City following the dissolution of the Commission effective February 1, 2012. It is used to account for the restricted or committed revenue and expenditures of the City's low and moderate income housing activities.
- Financing Authority Debt Service Fund accounts for accumulation and disbursement of financial resources that are used to make principal and interest payments on long-term debt of the City.
- City Capital Projects Fund accounts for resources used for the acquisition and construction of capital facilities except for those facilities financed by enterprise funds.
- Public Facility Finance Fee Special Revenue Fund accounts for the revenues and expenditures of public facility finance fee imposed per City's Resolution 2008-126 related to the approved Public Facilities Finance Plan (Facilities Plan). The Facilities Plan's purpose is to manage the costs of capital facilities, maintenance and services that are impacted by the City's new development.

The City reports the following major enterprise funds:

- Water Fund accounts for water services provided to the residents of the City. The activities necessary to provide such service are accounted for in the fund, including, but not limited to, water purchase, operations, maintenance, financing and related debt service, and billing and collection.
- Sewer Fund accounts for sewage disposal services provided to the residents of the City. The activities necessary to provide such service are accounted for in the fund, including, but not limited to, sewer operations, maintenance, financing and related debt service, and billing and collection.
- Refuse Collection Fund accounts for the remaining assets held in the refuse collection fund upon the adoption of Ordinance No. 851 adopted by the City Council on November 27, 2012 in which the City transferred refuse billing and rate setting responsibilities from the City to an independent contractor in accordance with the Second Amended and Restated Agreement. Prior to the adoption of Ordinance No. 851, the fund was used to account for the refuse billing and collection services performed by the City.

## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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The City reports the following additional fund types:

- Internal Service Funds account for the services provided to the other city departments, on a cost reimbursement basis, in the following area: centralized data processing services (information technology), vehicle replacement, and fleet management.
- Private Purpose Trust Funds are a fiduciary fund type used to account for resources held and administered under trust or similar arrangement for the benefits of individuals, private organizations, or other governments. The City reports the following private purpose trust funds:
  - *Special Enforcement Unit - South Fund* accounts for assets held by the City in a trustee capacity for the benefit of law enforcement agencies in the region.
  - *Redevelopment Successor Agency Fund* was created to serve as a custodian for the assets and to wind down the affairs of the Commission. This fund accounts for the receipt of property tax revenues pursuant to the Redevelopment Dissolution Act and the assets transferred from the Commission. The Successor Agency's assets can only be used to pay enforceable obligations in existence at the date of dissolution pursuant to the Recognized Obligation Payment Schedules approved by the California Department of Finance (DOF) under the Redevelopment Dissolution Act.

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

Similarly, activities involving the transfers of resources between funds are reported as transfers in/out. Certain eliminations are made in the preparation of the government-wide financial statements. Transfers between funds are eliminated so that only the net amount is included as transfers in the governmental and business-type activities columns.

#### **C. Measurement Focus and Basis of Accounting**

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

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

The governmental fund financial statements are presented on an economic resources measurement focus and the modified accrual basis of accounting. 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. Property tax revenues are recognized in the current year if they are collected within 60 days of year-end.

## **CITY OF ROHNERT PARK**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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All other revenues are recorded when received in cash, except that revenues subject to accrual (generally received within 60 days after year-end) are recognized when due. The primary revenue sources that have been treated as susceptible to accrual by the City are taxes, licenses, intergovernmental, interest and rental, donations, and certain charges for services. All other revenues are not susceptible to accrual because they are usually not measurable until received in cash. Expenditures are recorded when the related fund liability is incurred, except that principal and interest on long-term debt, compensated absences and claims are recognized when due.

Proprietary funds and the private-purpose trust fund are presented on an economic resources measurement focus and the accrual basis of accounting. Revenues, including unbilled revenues, are recognized in the period in which they are earned and expenses are recognized in the period in which the liability is incurred, regardless of the timing of the related cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges for customer services including: water, sewer and refuse collection, and service support charges to other funds. Operating expenses for enterprise funds and internal service funds include the cost of services, related expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### **D. Cash, Cash Equivalents, and Investments**

The City pools cash resources from all funds in order to facilitate and maximize the management of cash. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other fixed income investments with varying terms. Interest earned on investments is allocated monthly to all funds on the basis of daily cash and investment balances.

For purposes of the statement of cash flows, the City considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. The proprietary funds "deposits" in the City cash and investments pool are, in substance, demand deposits and are therefore considered cash equivalents.

Investments are presented at fair value except as noted below. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Money market investments (such as short-term, highly liquid debt instruments including bankers' acceptances) and securities (notes, bills, and obligations of the U.S. government and its agencies), and participating interest-earning investment contracts (such as negotiable certificates of deposit and repurchase agreements) that have a remaining maturity at the time of purchase of one year or less, are reported at amortized cost, which approximates fair value.

Certain restricted cash and investments are held by a fiscal agent or the City for the redemption of bonded debt and for acquisition and construction of certain capital projects.

#### **E. Capital Assets**

Capital assets are valued at historical cost or estimated historical cost if actual cost is not available. Donated assets are recorded at their estimated fair value on the date donated. The City defines capital assets as assets with an estimated useful life in excess of one year and an individual cost of \$5,000 or more. Capital assets are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of their estimated useful lives or the capital lease period in the government-wide and proprietary fund financial statements. The estimated useful lives are as follows:

Infrastructure, structure and improvements	30 – 35 years
Furniture, fixtures and equipment	3 – 35 years

## **CITY OF ROHNERT PARK**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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#### **F. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

#### **G. Long Term Debt and Other Long Term Obligations**

In the government-wide, proprietary fund, and fiduciary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Deferred amounts on refunding are reported as deferred inflows/outflows of resources and amortized over the life of the bonds.

In the governmental fund financial statements, bond premiums, discounts and costs of issuance are recognized during the period the bonds are issued. The par value of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources, while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### **H. Compensated Absences**

In accordance with negotiated labor agreements, employees accumulate earned but unused paid time off (PTO) and other compensated leave. There is no liability for unpaid accumulated sick leave because the City does not pay any amounts when employees separate from service with the City. All PTO and other compensated leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds when due and payable only if it is expected to be settled with current financial resources.

#### **I. Unearned Revenue**

Unearned revenues arise when the City receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures or when monies are received before the related services are performed. In subsequent periods, when both revenue recognition criteria are met or when the City has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

#### **J. Claims Payable**

The City records a liability to reflect an actuarial estimate of ultimate uninsured losses for both general liability claims and workers' compensation claims. The estimated liability for general liability claims and workers' compensation claims includes incurred but not reported (IBNR) claims and related loss adjustment expenses.

#### **K. Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has nothing to report in this category for the current year.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenues, is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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#### **L. NET POSITION AND FUND BALANCE**

##### Net Position Classifications

In the government-wide financial statements, net position is reported in one of three categories:

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

*Restricted Net Position* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. The City's restricted net position for Performing Arts Center Endowment are permanently restricted and the remaining restricted net position are temporality restricted.

*Unrestricted Net Position* – represents net position of the City that are not restricted for any project or purpose.

##### Fund Balances Classifications

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2014, fund balances for government funds are reported in the following categories:

*Nonspendable Fund Balance* – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, prepaid items and advances.

*Restricted Fund Balance* – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

*Committed Fund Balance* – includes amounts that can only be used for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance, commit fund balances. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally.

*Assigned Fund Balance* – comprises amounts intended to be used by the City for specific purposes through budgetary actions or delegation of authority by the City Council. Intent is expressed by the City Council or an official to whom the City Council has delegated the authority (generally, the City Manager) to assign amounts to be used for specific purposes.

*Unassigned Fund Balance* – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. The amount also includes negative fund balances for other governmental funds.

#### **M. USE OF RESTRICTED/UNRESTRICTED NET POSITION AND FUND BALANCES**

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

With respect to fund balance, the City considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance are available. Additionally, the

## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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City considers committed amounts to have been spent first, assigned amounts to have been spent second, and unassigned amounts to have been spent last when an expenditure is incurred for purposes for which committed, assigned, and unassigned fund balance is available.

#### **N. Program Revenues**

The types of transactions reported as program revenues for the City are reported in three categories: (1) charges for services, (2) operating grants and contributions, and (3) capital grants and contributions. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

#### **O. Interfund Transactions**

During the normal course of operations, the City has numerous transactions among funds. The significant interfund transactions that occurred during the year can be classified into two types:

- Transfers – Transactions to allocate resources or the occurrence of specific expenditures to the receiving fund. These transactions are recorded as transfers in and out in the year in which they are approved.
- Loans Between Funds – Transactions to loan resources from one fund to another. Short-term loans are recorded as “due from other funds” in the disbursing fund and “due to other funds” in the receiving fund. Long-term loans are recorded as “advance to other funds” in the disbursing fund and “advance from other funds” in the receiving fund.

#### **P. Property Tax**

Under California law, property taxes are assessed and collected by the counties at a rate of up to 1% of assessed value, plus other increases approved by the voters. Property taxes go into a pool and are then allocated to cities based on complex formulas. Property taxes are collected by the Auditor-Controller-Treasurer-Tax Collector of the County of Sonoma (County) and are remitted upon collection to the various taxing entities, including the City. Accordingly, the City accrues only those taxes that are received from the County within sixty days after year-end.

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

Valuation of secured property and establishment of a statutory tax lien occur as of January 1 prior to the tax year (the tax year is the July 1 – June 30 fiscal year of the State) of the related tax levy, and the secured and unsecured tax rolls are certified on or before July 31 of the tax year by the County Assessor.

The County assesses property values, levies bills, and collects taxes as follows:

	<u>Secured</u>	<u>Unsecured</u>
Lien Dates	January 1	January 1
Levy Dates	January 1	January 1
Due Dates	50% on November 1 50% on February 1	July 1
Delinquent after	December 10 (for November) April 10 (for February)	August 31

## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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

#### **Q. Effects of New Pronouncements**

The City implemented the following GASB Statements during the year:

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which is intended to clarify the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The statement also recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The City adopted this statement as of July 1, 2013 and restated the beginning net position to write off the unamortized bond issuance costs previously reported as an asset. In addition, the City reclassified the deferred revenue liability balances for unavailable governmental revenues to deferred inflows of resources. Refer to Note 16, Prior Period Adjustments and Restatements, for this statement's impact to the City's beginning net position.

In March 2012, the GASB issued Statement No. 66, *Technical Corrections – 2012 - An Amendment of GASB Statements No. 10 and No. 62*, to resolve conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting. This statement amends Statement No. 10, *Codification of Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of a state or local government's risk financing activities to the general fund and the internal service fund type. This statement also amends Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current servicing fee rate. The City adopted this statement as of July 1, 2013, which did not have a significant impact to its financial statements.

In April 2013, the GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. This statement is intended to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This statement also requires a government that has issued an obligation guaranteed in a nonexchange transaction to recognize revenue to the extent of the reduction in its guaranteed liabilities and requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation or legally assuming the guaranteed obligation to continue to recognize a liability until legally released as an obligor. This statement also provides additional guidance for intra-entity nonexchange financial guarantees involving blended component units. The City adopted this statement as of July 1, 2013, which did not have a significant impact to its financial statements.

The City is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In June 2012, the GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, to improve the guidance for accounting and reporting on the pensions that governments provide to their employees.

## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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Key changes include the following:

- Separating the determination of accounting and financial reporting from how pensions are funded.
- Employers with defined benefit pension plans will recognize a net pension liability, as defined by the standard, in their government-wide, proprietary and fiduciary fund financial statements.
- Incorporating ad hoc cost-of-living adjustments and other ad hoc postemployment benefit changes into projections of benefit payments, if an employer's past practice and future expectations of granting them indicate they are essentially automatic.
- Using a discount rate that applies (a) the expected long-term rate of return on pension plan investments for which plan assets are expected to be available to make projected benefit payments, and (b) the yield or index rate on tax-exempt 20-year general obligation municipal bonds with an average rating of AA/Aa or higher to projected benefit payments for which plan assets are not expected to be available for long-term investment in a qualified trust.
- Adopting a single actuarial cost allocation method – entry age normal – rather than the current choice among six actuarial cost methods.
- Requiring more extensive note disclosures and required supplementary information.

The statement relates to accounting and financial reporting and does not apply to a government's approach to the funding of its pension plan. At present, there generally is a close connection between the ways many governments fund pensions and how they account for and report information about them in financial statements. Statement No. 68 would separate how the accounting and financial reporting is determined from how pensions are funded. Application of this statement is effective for the City's fiscal year ended June 30, 2015.

In January 2013, the GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*, which is intended to improve accounting and financial reporting for U.S. state and local governments' combinations and disposals of government operations. This statement provides guidance for determining whether a specific government combination is a government merger, a government acquisition, or a transfer of operations; using carrying values (generally, the amounts recognized in the pre-combination financial statements of the combining governments or operations) to measure the assets, deferred outflows of resources, liabilities, and deferred inflows of resources combined in a government merger or transfer of operations; measuring acquired assets, deferred outflows of resources, liabilities, and deferred inflows of resources based upon their acquisition values in a government acquisition; and reporting the disposal of government operations that have been transferred or sold. Application of this statement is effective for the City's fiscal year ended June 30, 2015.

In November 2013, the GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. This statement is intended to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issues related to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. Application of this statement is effective for the City's fiscal year ended June 30, 2015.

#### **R. Use of Estimates**

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



## **CITY OF ROHNERT PARK**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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#### **2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

##### **Fund Deficits**

At June 30, 2014, the following City funds had deficit fund balances:

The City Capital Projects Fund had a deficit fund balance of \$356,243. The deficit is due to the timing of receipt of revenues to fund its capital expenditures. The deficit is expected to be funded by future developer fees, public facility finance fee, and State and Federal Grants.

The Public Facility Finance Fee Special Revenue Fund had a deficit fund balance of \$4,803,860. The deficit is due to the timing of receipt of revenues to fund its capital expenditures related to the Facilities Plan. The deficit is expected to be funded by future public facility finance fee.

The Graton Mitigation Public Safety Building nonmajor special revenue fund had a deficit fund balance of \$17,338. The deficit is due to the timing of receipt of revenues to fund its expenditures related to the public safety building preconstruction costs. The deficit is expected to be funded by future contributions for public safety buildings.

##### **Excess Expenditures Over Appropriations**

For the fiscal year ended June 30, 2014, the Housing Projects major special revenue fund and Graton Mitigation Development Fee nonmajor special revenue fund had excess expenditures over appropriations of \$31,969 and \$7, respectively, which is expected to be covered with existing fund balance.

#### **3. CASH AND INVESTMENTS**

##### **A. Authorized Investments**

Under the provisions of the City's investment policy, the City may invest in the following types of investments:

- State of California Local Agency Investment Fund (LAIF);
- Sonoma County Investment Pool;
- Securities of the United States Government or its agencies;
- Certificates of deposits with commercial banks, savings & loan companies or credit unions;
- Negotiable certificates of deposits;
- Bankers' acceptances; and
- Money market mutual funds invested in United States government securities.

In accordance with Section 53651 of the California Government Code, the City cannot invest in inverse floaters, range notes, or interest-only strips that are derived from a pool of mortgages, or in any security that could result in zero interest accrual if held to maturity. The limitation does not apply to investments in shares of beneficial interest issued under the Investment Company Act of 1940 that are authorized investments under Section 53601 of the California Government Code.

A five-year maximum maturity for each investment is allowed unless approved by the City Council.

The provisions of the bond indentures shall govern investments of restricted cash and investment held in the bond fiscal accounts.

## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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#### B. Summary of Cash and Investments

The following is a summary of cash and investments at June 30, 2014:

	Governmental Activities	Business-Type Activities	Fiduciary Funds	Totals
Cash and investments	\$ 29,290,647	\$ 20,609,389	\$ 1,697,189	\$ 51,597,225
Restricted cash and investments	15,742,415	198,904	9,666,529	25,607,848
Total cash and investments	45,033,062	20,808,293	11,363,718	77,205,073
Less: cash and deposits not meeting the definition of investments				(10,783,328)
Total investments				\$ 66,421,745

#### C. Risk Disclosures

##### Custodial Credit Risk - Deposits

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover the deposits that are in the possession of an outside party. At June 30, 2014, the carrying and bank amounts of the City's cash and deposits were \$10,783,328 and \$11,115,416, respectively. The City is not exposed to such risks as all deposits are insured or collateralized. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). 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 also allows financial institutions to secure City's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

##### Custodial Credit Risk - Investments

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. To mitigate this risk, all of the City's investments in securities are held in the name of the City.

##### Credit risk - Investments

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The City's investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and in general avoid speculative investments. The City's investment policy is to follow the investments permitted by Section 53651 of the California Government Code.

##### Concentration of Credit Risk - Investments

Concentration of credit risk is the risk of loss attributed to the magnitude of an investor's holdings in a single issuer. The City's investment policy is to follow the investments permitted by Section 53651 of the California Government Code. At June 30, 2014, the City did not have investments in any individual issuers that represented 5 percent or more of the total City portfolio.

# CITY OF ROHNERT PARK

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

### Interest rate risk - Investments

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The City has an investment policy of lengthening its maturities when rates are falling and shortening its maturities when rates are rising as a means of managing its exposure to fair value losses and to take advantage of advantageous interest rates.

As of June 30, 2014, the City's investments consisted of the following:

	Maturities (in years)			Totals	S & P
	1 year or less	1 to 3 years	3 to 5 years		Credit Ratings
Pooled Investments:					
Federal Farm Credit Bank Bonds	\$ -	\$ -	\$ 1,002,040	\$ 1,002,040	AAA
Federal Home Loan Mortgage Corporation Bonds	-	-	1,001,620	1,001,620	AAA
Federal Home Loan Bank Bonds	-	-	250,680	250,680	AAA
Local Agency Investment Fund (LAIF)	38,286,214	-	-	38,286,214	Not Rated
Sonoma County Investment Pool	-	1,942,916	-	1,942,916	Not Rated
Total Pooled Investments	38,286,214	1,942,916	2,254,340	42,483,470	
Investments Held with Fiscal Agents:					
Money Market Mutual Funds	23,938,275	-	-	23,938,275	AAAm
Total Investments	\$ 62,224,489	\$ 1,942,916	\$ 2,254,340	\$ 66,421,745	

### **D. External Investment Pools**

As of June 30, 2014, the City's investment in the California Local Agency Investment Fund (LAIF), a State of California external investment pool has a weighted average maturity of 232 days and is not rated. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available, and on amortized cost or best estimate for those securities where market value is not readily available. At June 30, 2014, the total amount reported by all public agencies in LAIF was approximately \$21.1 billion.

LAIF is part of the Pooled Money Investment Account (PMIA). PMIA oversight is provided by the Pooled Money Investment Board (PMIB) and an in-house Investment Committee. PMIB members are the State Treasurer, State Director of Finance, and State Controller. The Local Investment Advisory Board (LIAB) provides oversight for LAIF. The Board consists of five members as designated by statute. The Chairman is the State Treasurer or his designated representative. Two members are qualified by training and experience in the field of investment or finance, and the State Treasurer appoints two members who are treasurers, finance or fiscal officers, or business managers employed by any county, city or local district or municipal corporation of this state. At June 30, 2014, PMIA had a total portfolio of approximately \$64.8 billion and of that amount, 98.14% was invested in non-derivative financial products and 1.86% was invested in structured notes and asset-backed securities.

As of June 30, 2014, the City's investment in the Sonoma County Investment Pool (County Pool), an external investment pool has a weighted average maturity of 791 days and is not rated. The County's Pool is subject to regulatory oversight by the County's Treasury Oversight Committee. The County determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available, and on amortized cost or best estimate for those securities where market value is not readily available. The value of the pool shares in the Sonoma County Investment Pool that may be withdrawn is determined on an amortized cost basis, which is different from the fair value of the City's position in the pool. At June 30, 2014, the total amount invested by all public agencies in the County Pool was approximately \$1.5 billion.

# CITY OF ROHNERT PARK

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

### 4. LOANS AND NOTES RECEIVABLE

The following is a summary of loans and notes receivable at June 30, 2014:

Fund Name	Gross Amount	Allowance Amount	Net Amount	Unavailable Revenue
<b>Governmental Activities</b>				
General Fund	\$ 49,741	\$ -	\$ 49,741	\$ -
Housing Projects Special Revenue Fund	11,483,784	(1,956,543)	9,527,241	897,129
<b>Total governmental activities</b>	<u>\$ 11,533,525</u>	<u>\$ (1,956,543)</u>	<u>\$ 9,576,982</u>	<u>\$ 897,129</u>
<b>Fiduciary Fund</b>				
Redevelopment Successor Agency Fund	<u>\$ 500,000</u>	<u>\$ (500,000)</u>	<u>\$ -</u>	<u>\$ -</u>

#### General Fund

In August 2003, the City entered into an amendment to a ground lease dated May 29, 2001 with Rohnert Park Golf, L.P. (Tenant), whereby the tenant leases certain property and improvements from the City. The City made a one-time advance totaling \$355,000 to the Tenant for the purpose of making improvements to the golf course, and on-going capital contributions to the Tenant as defined in the agreement. At June 30, 2014, the outstanding balance owed to the City was \$49,741, and principal payments of the advance are paid in equal monthly installments over 10 years. Interest is earned by the City on the unpaid principal portion at a rate of 5% per annum.

#### Housing Projects Special Revenue Fund

The Commission extended various developer loans, first-time homebuyer loans, and rehabilitation loans to property owners for the rehabilitation and improvements of commercial buildings and residential homes, and other loans for families and individuals of low/moderate income. The following loans and notes receivable were transferred from the Commission to the City's Housing Projects Special Revenue Fund on February 1, 2012, when all redevelopment agencies in California ceased to exist:

On August 23, 1991, the Commission entered into a non-recourse promissory note in the amount of \$390,000 with Burbank Housing Development Corp. for the construction of 50 low income rental housing units at 781 East Cotati Avenue. The note bears interest at 8% simple interest per annum and is due on or before August 23, 2021. During the term of this note, Burbank Housing Development may request and the Commission, at its option, may cancel or extend the terms of the note. At June 30, 2014, principal and accrued interest related to this loan totaled to \$1,093,054 and an allowance of \$703,054 was recorded against the accrued interest portion of the loan.

On July 1, 1995, the Commission and Burbank Housing Development Corp. executed a loan agreement in the amount of \$260,000. The loan was for pre-development costs for the property at 120 Santa Alicia Drive for residential low income housing. The note accrues 3% per annum simple interest and is to be paid concurrently with principal on or before September 1, 2023. During the term of this loan, Burbank Housing Development may request and the Commission, at its option, may cancel or extend the terms of the note. At June 30, 2014, principal and accrued interest related to this loan totaled to \$422,500 and an allowance of \$162,500 was recorded against the accrued interest portion of the loan.

## **CITY OF ROHNERT PARK**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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On January 27, 1998, the Commission entered into a note agreement with Muirfield Apartments for supportive housing for persons with disabilities and low income persons. The note represents an advance of funds by the Commission to Muirfield Apartments for the pre-development and development expenses in the amount of \$611,000 accruing 6% per annum, simple interest. Interest shall accrue and be paid concurrently with principal on or before June 30, 2039. During the term of this note, Muirfield Apartments may request and the Commission, at its option, to cancel or extend the terms of the note. At June 30, 2014, principal and accrued interest related to this note totaled to \$1,197,560 and an allowance of \$586,560 was recorded against the accrued interest portion of the note.

On September 13, 2005, the Commission entered into an Affordable Housing and Loan Agreement with Burbank Housing to develop a 56-unit affordable housing project on a City-owned City Hall Drive site. The term of the loan agreement is a non-recourse loan in the amount of \$4,015,000, which accrues interest at the rate of 2% per annum and is deferred for 55 years. At June 30, 2014, principal and accrued interest related to this loan totaled to \$4,711,320, of which the City determined the accrued interest of \$696,320 to be unavailable.

On May 23, 2006, the Commission entered into an Affordable Housing and Loan Agreement with Vida Nueva Partners for the development of the Vida Nueva Affordable Housing Project, which includes twenty-four (24) very-low income permanent supportive housing units (carrying 55-year affordability restrictions), a community building, laundry facilities, a management office and activity and counseling rooms. The loan agreement provided for the Commission to loan \$1,675,000 to Vida Nueva Partners at an accrued interest rate of 2% per annum, with the principal and accrued interest deferred for 55 years. At June 30, 2014, principal and accrued interest related to this loan totaled to \$1,797,201, of which the City determined the accrued interest of \$122,201 to be unavailable.

In April 2007, the Commission was awarded \$600,000 of grant funding for an owner occupied rehabilitation loan program through the CalHome program administered by California Department of Housing and Community Development. The Sonoma County Community Development Commission ("SCCDC") is responsible to administer the CalHome program on behalf of the City. These rehabilitation loans are deferred payment loans that have a 30 year term with 3% simple interest. At June 30, 2014, principal and accrued interest related to this loan totaled to \$479,112.

On December 12, 2007, the Commission executed a loan agreement to Rainbow-Copeland Creek LLC for improvements to Copeland Creek Apartments (an all senior affordable housing complex) for \$1,200,000. The funds were primarily used for energy efficient improvements at the complex. The loan accrues interest at a rate of 1% per annum, with the principal and accrued interest deferred for 55 years, as defined in the loan agreement. At June 30, 2014, principal and accrued interest related to this loan totaled to \$1,278,608, of which the City determined the accrued interest of \$78,608 to be unavailable.

At June 30, 2014, the Housing Projects Special Revenue Fund also reported first-time homebuyers loans of \$35,000 and Sonoma County rehabilitation loans of \$469,429, in which the City has recorded an allowance of \$35,000 and \$469,429, respectively, against the full amount of the loans.

## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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#### Successor Agency

The following loan was transferred from the Commission to the Successor Agency on February 1, 2012, when all redevelopment agencies in California ceased to exist:

In December 2007, the Commission loaned \$500,000, with interest accruing at 3% simple interest per annum, to the Sonoma Mountain Business Cluster (Incubator) to pay a portion of the cost for tenant improvements at the former Agilent site. The loan terms called for continued operation of the incubator, increased occupancy and eventually job creation. The loan provides that as long as the improvements are made as specified in the agreement and continues to operate the Incubator, and is not in default of any terms of the loan, the loan and accrued interest will be forgiven ten years from the date business incubator is open for business. As of June 30, 2014, the Incubator was not in default of any terms of the loan. At June 30, 2014, the outstanding loan balance was \$500,000 in which the City has recorded an allowance of \$500,000 against the full amount of the loan.

## 5. INTERFUND BALANCES

#### Due To/From Other Funds

The composition of due to/from other funds at June 30, 2014 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	City Capital Projects Fund	\$ 373,360
Sewer Fund	Public Facility Finance Fee	1,219,102
	Special Revenue Fund	
Sewer Fund	Water Fund	64,129
Graton Mitigation Development	General Fund	1,709
Nonmajor Special Revenue Fund		
Graton Mitigation Development	Graton Mitigation Fire and Public Safety	17,338
Nonmajor Special Revenue Fund		
		<u>\$ 1,675,638</u>

The balances between Public Facility Finance Fee Special Revenue Fund and the Sewer Fund represents the cumulative borrowing for the debt service payments of the 2005 Sewer System Revenue Certificates of Participation as of June 30, 2014 and is expected to be repaid during fiscal year ended June 30, 2015. The other balances were due to 1) cash flow needs to cover negative cash position at year-end or 2) time lag between the dates that interfund goods and services are provided and the payments between funds are made.

#### Advances To/From Other Funds and Successor Agency

The composition of advances to/from other funds and the Successor Agency at June 30, 2014 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Traffic Signal Nonmajor	General Fund	\$ 1,003,898
Special Revenue Fund		
General Fund	Redevelopment Successor Agency Fund	2,220,057
Redevelopment Successor Agency Fund	General Fund	288,500
Redevelopment Successor Agency Fund	Public Facility Finance Fee Fund	10,055,725
		<u>\$ 13,568,180</u>

## **CITY OF ROHNERT PARK**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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During the fiscal year ended June 30, 2013, the City Council adopted Resolution No. 2013-066 to authorize the Traffic Signal nonmajor special revenue fund to loan the General Fund an amount not to exceed \$1,300,000 to provide funds to pay for the Public Safety Building Roof Replacement and Exterior Improvements Project 2012-12. The loan accrues interest daily at the LAIF per annum interest rate on the unpaid principal balance of the loan. Repayment will commence on July 1, 2015 in annual installments. At June 30, 2014, the advance balance was \$1,003,898.

The City's General Fund advanced funds to the Commission in order to construct a performing arts center. The loan is being repaid annually through installments payments of principal plus interest from property tax increment. As of June 30, 2011, the advance balance was \$2,075,000 and no interest was accrued to the balance since June 30, 2011. The advance was transferred from the Commission to the Successor Agency on February 1, 2012, when all redevelopment agencies in California ceased to exist. On September 16, 2013, the Oversight Board to the Successor Agency determined that the loan was for a legitimate redevelopment purpose and adopted Resolution No. OSB 2013-05 to support the loan repayment. The City recalculated the accrued interest for the period from July 1, 2011 to September 30, 2013 based on LAIF monthly interest rates for March, June, September, and December during the period. For the period from October 1, 2013 to June 30, 2014, interest was accrued based on LAIF monthly interest rate for September 2013. Total recalculated accrued interest from June 30, 2011 to June 30, 2014 totaled \$25,382 and was added to the advance balance. At June 30, 2014, the advance balance was \$2,095,382.

Furthermore, the City advanced \$124,675 to the Successor Agency for other expenses and the City expected to be repaid by the Successor Agency from the County's Redevelopment Property Tax Trust Fund (RPTTF). No interest is accrued for the outstanding advance balance. At June 30, 2014, the advance balance was \$124,675.

On February 1, 2012, the Successor Agency purchased the Hazel Wetland Preserve for \$288,500, which is to be repaid by the General Fund upon the sale of the stadium lands. No interest is accrued for the outstanding advance balance. At June 30, 2014, the advance balance was \$288,500.

On May 22, 2007, the Commission entered into a reimbursement agreement (as amended on August 26, 2008) with the City whereby the Commission would fund 88% of the project cost of the Eastside Sewer Main Phase 1 Improvement, which is the portion of the project that lies within the project area, in advance of the City receiving the money through public facilities finance fees recorded in the Public Facility Finance Fee Special Revenue Fund. The project funded by this advance is recorded in the Sewer Enterprise Fund. The Commission funded this project from the 2007R Tax Allocation Bond proceeds. The advance was transferred from the Commission to the Successor Agency on February 1, 2012, when all redevelopment agencies in California ceased to exist. No interest is accrued for the outstanding advance balance. At June 30, 2014, the advance balance was \$10,055,725.

# CITY OF ROHNERT PARK

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

### Interfund Transfers

The composition of interfund transfers during the fiscal year ended June 30, 2014 was as follows:

<u>Funds Receiving Transfers</u>	<u>Funds Making Transfers</u>	<u>Amount Transferred</u>	<u>Funding Purpose</u>
General Fund	Public Facility Financing Fee Special Revenue Fund	\$ 2,572	Reimbursement of administrative assistance costs
	Water Enterprise Fund	653,000	Employee other postemployment benefit payments
	Sewer Enterprise Fund	410,000	Employee other postemployment benefit payments
	Refuse Enterprise Fund	10,000	Reimbursement of code enforcement officer assistance costs
	Nonmajor Governmental Funds	3,539,901	Reimbursement of various operating activities
		<u>4,615,473</u>	
Financing Authority Debt Service Fund	General Fund	<u>593,245</u>	Debt service payments
City Capital Projects Fund	General Fund	1,261,462	Capital projects costs
	Financing Authority Debt Service Fund	30,208	Capital projects costs
	Public Facility Financing Fee Special Revenue Fund	147,435	Capital projects costs
	Nonmajor Governmental Funds	846,843	Capital projects costs
		<u>2,285,948</u>	
Public Facility Financing Fee Special Revenue Fund	City Capital Projects Fund	391,532	Return of overfunding of capital projects costs
	Water Enterprise Fund	60,217	Return of overfunding of capital projects costs
	Sewer Enterprise Fund	161,577	Return of overfunding of capital projects costs
		<u>613,326</u>	
Sewer Enterprise Fund	Public Facility Financing Fee Special Revenue Fund	9,061,112	Capital projects costs
	Public Facility Financing Fee Special Revenue Fund	204,282	Debt service payments
	Water Enterprise Fund	286,551	Reimbursement of various operating activities
		<u>9,551,945</u>	
Refuse Enterprise Fund	Sewer Enterprise Fund	44	Reimbursement of various operating activities
Nonmajor Governmental Funds	City Capital Projects Fund	824,199	Return of overfunding of capital projects costs
	Nonmajor Governmental Funds	4,919	Reimbursement of various operating activities
	General Fund	250,000	Reimbursement of various operating activities
	General Fund	1,055,222	Establish nonmajor governmental funds previously accounted for in the General Fund
		<u>2,134,340</u>	
Internal Service Funds	Nonmajor Governmental Funds	<u>53,875</u>	Reimbursement of various operating activities
	Total Interfund Transfers	<u>\$ 19,848,196</u>	



# CITY OF ROHNERT PARK

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

### 6. CAPITAL ASSETS

Capital asset activities for governmental activities for fiscal year ended June 30, 2014 were as follows:

	Balance 7/1/2013	Additions	Retirements	Transfers	Balance 6/30/2014
<b><i>Nondepreciable assets:</i></b>					
Land	\$ 6,906,156	\$ -	\$ -	\$ -	\$ 6,906,156
Construction in progress	11,315,142	12,734,977	-	(19,569,639)	4,480,480
Total nondepreciable assets	18,221,298	12,734,977	-	(19,569,639)	11,386,636
<b><i>Depreciable assets</i></b>					
Infrastructure, structures and improvements	105,419,217	-	-	19,630,374	125,049,591
Equipment	13,348,368	1,031,749	(300,171)	-	14,079,946
Total depreciable assets	118,767,585	1,031,749	(300,171)	19,630,374	139,129,537
<b><i>Accumulated depreciation:</i></b>					
Infrastructure, structures and improvements	(64,319,073)	(3,100,667)	-	-	(67,419,740)
Equipment	(12,602,761)	(437,554)	300,171	-	(12,740,144)
Total accumulated depreciation	(76,921,834)	(3,538,221)	300,171	-	(80,159,884)
Total depreciable assets, net	41,845,751	(2,506,472)	-	19,630,374	58,969,653
<b>Total capital assets, net</b>	<b>\$ 60,067,049</b>	<b>\$ 10,228,505</b>	<b>\$ -</b>	<b>\$ 60,735</b>	<b>\$ 70,356,289</b>

Construction in progress for governmental activities at June 30, 2014 is comprised of the following:

Program Name	Expended to June 30, 2014
Specific Plan Developments	\$ 1,502,850
Water Supply Assessment Project	1,309,647
PS Main Roof Replacement/Ext Improvement	1,138,335
Dowdell Ave Construction/Improvement	107,142
Snyder Land/Bridge Widening	53,199
Traffic Signal Battery Backup	80,989
RPX Sidewalk Ramps ADA Upgrade	70,105
RPX Rehabilitation	65,095
Various Other Projects	153,118
Total construction in progress	<u>\$ 4,480,480</u>

During the fiscal year ended June 30, 2014, the City completed governmental activities projects totaling \$19,630,374 that were transferred from construction in progress to infrastructure, structures and improvements. Also, the City's governmental activities also received construction in progress of \$60,735 transferred from business-type activities.

# CITY OF ROHNERT PARK

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Capital asset activities for business-type activities for fiscal year ended June 30, 2014 were as follows:

	Balance 7/1/2013	Additions	Retirements	Transfers	Balance 6/30/2014
<b>Nondepreciable assets:</b>					
Construction in progress	\$ 3,627,096	\$ 11,066,316	\$ -	\$ (1,696,924)	\$ 12,996,488
<b>Depreciable assets</b>					
Infrastructure, structures and improvements	51,032,157	-	-	1,636,189	52,668,346
Equipment	3,448,387	220,314	-	-	3,668,701
Total depreciable assets	54,480,544	220,314	-	1,636,189	56,337,047
<b>Accumulated depreciation:</b>					
Infrastructure, structures and improvements	(19,932,580)	(1,538,608)	-	-	(21,471,188)
Equipment	(2,174,713)	(193,993)	-	-	(2,368,706)
Total accumulated depreciation	(22,107,293)	(1,732,601)	-	-	(23,839,894)
Total depreciable assets, net	32,373,251	(1,512,287)	-	1,636,189	32,497,153
<b>Total capital assets, net</b>	<b>\$ 36,000,347</b>	<b>\$ 9,554,029</b>	<b>\$ -</b>	<b>\$ (60,735)</b>	<b>\$ 45,493,641</b>

Construction in progress for business-type activities at June 30, 2014 is comprised of the following:

Program Name	Expended to June 30, 2014
Water System Distribution Improvement	\$ 251,984
Water Tank 2 & 8 Projects	310,733
Sewer Interceptor Phase II	658,634
Eastside Trunk Sewer Phase II	8,604,544
Adrian Water/Sewer Rehab	2,512,179
Casino Waste Water	488,001
Various Other Projects	170,413
Total construction in progress	<u>\$ 12,996,488</u>

During the fiscal year ended June 30, 2014, the City completed business-type activities projects totaling \$1,636,189 that were transferred from construction in progress to infrastructure, structures and improvements. Also, the City transferred construction in progress of \$60,735 from business-type activities to governmental activities.

# CITY OF ROHNERT PARK

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Depreciation expenses for governmental activities and business-type activities for the fiscal year ended June 30, 2014 were charged to the following functions:

Governmental Activities:	
General government	\$ 1,006,197
Public safety	190,376
Public works	1,595,833
Parks and recreation	745,815
Total governmental activities	<u>\$ 3,538,221</u>
Business-Type Activities:	
Water	\$ 672,433
Sewer	1,059,079
Refuse Collection	1,089
Total business-type activities	<u>\$ 1,732,601</u>

Capital asset activities for the Successor Agency for fiscal year ended June 30, 2014 were as follows:

	Balance 7/1/2013	Additions	Retirements	Transfers	Balance 6/30/2014
<b>Nondepreciable assets:</b>					
Land	\$ 4,934,146	\$ -	\$ -	\$ -	\$ 4,934,146
<b>Depreciable assets</b>					
Infrastructure, structures and improvements	29,702,695	-	-	-	29,702,695
Equipment	805,264	-	-	-	805,264
Total depreciable assets	<u>30,507,959</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,507,959</u>
<b>Accumulated depreciation:</b>					
Infrastructure, structures and improvements	(15,056,049)	(1,090,896)	-	-	(16,146,945)
Equipment	(805,264)	-	-	-	(805,264)
Total accumulated depreciation	<u>(15,861,313)</u>	<u>(1,090,896)</u>	<u>-</u>	<u>-</u>	<u>(16,952,209)</u>
Total depreciable assets, net	<u>14,646,646</u>	<u>(1,090,896)</u>	<u>-</u>	<u>-</u>	<u>13,555,750</u>
<b>Total capital assets, net</b>	<u>\$ 19,580,792</u>	<u>\$ (1,090,896)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,489,896</u>

# CITY OF ROHNERT PARK

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

### 7. LONG-TERM LIABILITIES

The City's long-term debt payable for the governmental activities, business-type activities, and Successor Agency at June 30, 2014 are as follows:

	Final Maturity	Interest Rate	Principal Installments	Issue Amounts	Outstanding at June 30, 2014
<b>Governmental Activities</b>					
1999 Certificates of Participation	2025	4.60% - 5.00%	\$205,000 - \$330,000	\$ 5,055,000	\$ 2,895,000
2003 Lease Revenue Refunding Bonds	2026	3.88% - 4.75%	\$29,000 - \$47,000	695,000	446,500
Capital Leases	2020	4.43%	\$19,583 - \$114,839	1,175,965	514,494
Loan Payable	2019	5.25%	\$4,880 - \$33,017	150,000	127,040
Total Governmental Activities				<u>\$ 7,075,965</u>	<u>\$ 3,983,034</u>
<b>Business-Type Activities</b>					
2002 Water Revenue Bonds	2023	3.60% - 4.50%	\$105,000 - \$145,000	\$ 2,090,000	\$ 1,110,000
2005 Water Revenue Bonds	2031	3.65% - 4.50%	\$160,000 - \$305,000	5,000,000	3,780,000
2005 Sewer Revenue Certificates of Participation	2036	3.50% - 5.00%	\$305,000 - \$775,000	13,000,000	10,915,000
Total Business-Type Activities				<u>\$ 20,090,000</u>	<u>\$ 15,805,000</u>
<b>Successor Agency</b>					
2003 Lease Revenue Refunding Bonds	2026	3.88% - 4.75%	\$261,000 - \$423,000	\$ 6,255,000	\$ 4,018,500
1999 Tax Allocation Bonds, including accreted interest	2036	5.00% - 5.30%	\$395,000 - \$1,755,000	11,936,651	16,614,071
2001 Tax Allocation Bonds	2021	4.50% - 5.25%	\$710,000 - \$810,000	8,200,000	5,260,000
2007H Housing Tax Allocation Bonds	2038	4.00% - 5.00%	\$20,000 - \$1,385,000	26,760,000	15,705,000
2007R Redevelopment Tax Allocation Bonds	2038	4.00% - 5.00%	\$550,000 - \$2,455,000	34,680,000	20,395,000
Total Successor Agency				<u>\$ 87,831,651</u>	<u>\$ 61,992,571</u>

The following is a summary of changes to long-term liabilities for the governmental activities, business-type activities, and Successor Agency for the fiscal year ended June 30, 2014:

	Balance July 1, 2013 (As Restated)	Additions	Retirements	Balance June 30, 2014	Amount due Within One Year
<b>Governmental activities</b>					
Certificates of participation	\$ 3,090,000	\$ -	\$ (195,000)	\$ 2,895,000	\$ 205,000
Lease revenue refunding bonds	474,500	-	(28,000)	446,500	29,000
Capital leases	593,848	-	(79,354)	514,494	83,989
Loan payable	-	150,000	(22,960)	127,040	28,155
Original issue discount	(1,405)	-	1,405	-	-
Subtotal long-term obligations	4,156,943	150,000	(323,909)	3,983,034	346,144
Net OPEB obligations	10,144,000	3,360,000	(3,208,000)	10,296,000	-
Compensated absences	1,449,103	1,149,886	(1,193,548)	1,405,441	1,193,548
Total government activities	<u>\$ 15,750,046</u>	<u>\$ 4,659,886</u>	<u>\$ (4,725,457)</u>	<u>\$ 15,684,475</u>	<u>\$ 1,539,692</u>

# CITY OF ROHNERT PARK

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Balance July 1, 2013 (As Restated)	Additions	Retirements	Balance June 30, 2014	Amount due Within One Year
<b><i>Business-type activities</i></b>					
Water revenue bonds	\$ 5,145,000	\$ -	\$ (255,000)	\$ 4,890,000	\$ 265,000
Sewer revenue certificates of participation	11,210,000	-	(295,000)	10,915,000	305,000
Original issue premium	174,438	-	(7,614)	166,824	7,612
Original issue discount	(44,758)	-	2,856	(41,902)	(2,854)
Total business-type activities	<u>\$ 16,484,680</u>	<u>\$ -</u>	<u>\$ (554,758)</u>	<u>\$ 15,929,922</u>	<u>\$ 574,758</u>
<b><i>Successor Agency</i></b>					
Lease revenue refunding bonds	\$ 4,270,500	\$ -	\$ (252,000)	\$ 4,018,500	\$ 261,000
Tax allocation bonds	49,922,546	-	(1,051,007)	48,871,539	1,073,944
Accreted interest on capital appreciation bonds	8,589,477	712,048	(198,993)	9,102,532	211,056
Original issue premium	1,151,281	-	(58,568)	1,092,713	54,568
Original issue discount	(330,165)	-	13,757	(316,408)	(13,757)
Total Successor Agency	<u>\$ 63,603,639</u>	<u>\$ 712,048</u>	<u>\$ (1,546,811)</u>	<u>\$ 62,768,876</u>	<u>\$ 1,586,811</u>

### **Governmental Activities**

#### ***1999 Certificates of Participation***

On January 15, 1999, the Financing Authority issued the 1999 Certificates of Participation (1999 COPs) in the amount of \$5,055,000. The 1999 COPs were issued to provide funding for the acquisition by the Financing Authority of the site and improvements for the community center complex. The General Fund provides for the repayment of the 1999 COPS, per the agreement between the Financing Authority and the City. These revenues have been pledged until the fiscal year ended June 30, 2025, the final maturity of the 1999 COPs. The total principal and interest remaining on the 1999 COPs is \$3,759,465. The revenue pledged during the year fiscal ended June 30, 2014 was \$343,318 which equaled to the total debt service payment.

#### ***2003 Lease Revenue Refunding Bonds***

On July 1, 2003, the Financing Authority issued the Rohnert Park Financing Authority Lease Revenue Refunding Bonds, Series 2003 (2003 LRBs) to refinance the outstanding Rohnert Park Public Safety Facility Project-the Series 1994 Certificates of Participations (1994 COPs) of \$5,780,000 and the outstanding Master Equipment Lease Program Series 1999 Certificates of Participations (1999 COPs) of \$785,000, and to provide for deposit of a surety bond in a reserve fund and to pay certain costs of issuance. The 2003 LRBs are payable from and secured by base rental payments to be made by the City under the lease between the City and the Financing Authority for the lease of the Department of Public Safety Main Station, which houses the City's Department of Safety which provides police and fire services in the City. The General Fund provides 10% of the 2003 LRBs repayments, per the agreement between the Financing Authority and the City. The remaining 90% of the repayment is made by the Successor Agency. These revenues have been pledged until the fiscal year ended June 30, 2026, the final maturity of the 2003 LRBs. The total principal and interest remaining for the 10% governmental activities' share of the 2003 LRBs COPs is \$583,105. The revenue pledged during the fiscal year ended June 30, 2014 was \$48,833 which equaled to the total debt service payment.

#### ***Capital Leases***

On June 22, 2005, the City has entered into a long-term capital lease agreement with a financing agency to lease public safety patrol and fire protection vehicles and other equipment. Payment for the capital lease obligations are made from various revenue sources recorded in the General Fund.

## **CITY OF ROHNERT PARK**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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#### ***Loans Payable***

On August 1, 2013, the City entered into a loan with Exchange Bank in the amount of \$150,000. Proceeds of the loan were used to purchase various new cardio exercise equipment for the Sports Center, including 10 treadmills, 2 stair steps, 4 reclining bikes, 4 regular bikes and 2 crossover machines. The loan is repayable over 5 years from the City's General Fund and has a final maturity of August 1, 2018.

#### ***Other Long Term Obligations***

Compensated absences and net OPEB obligations are generally liquidated by the General Fund.

#### **Business-Type Activities**

##### ***2002 and 2005 California Statewide Communities Development Authority Water Revenue Bonds***

In October 2002, the City became a program participant in the California Statewide Communities Development Authority Water and Wastewater Pooled Financing Program (Program). As a participant in the Program, the City was able to issue California Statewide Communities Development Authority (CSCDA) Water Revenue Bonds. During October 2002, the CSCDA issued the 2002 CSCDA Water Revenue Bonds (2002 Water Revenue Bonds) on behalf of the City in the amount of \$2,090,000. The proceeds are to be used for water improvement projects. System net revenues, as defined in the agreement, and all amounts on deposit in the System Revenue Fund, are irrevocably pledged to the payment of the Installment Payments and the System Net Revenues will not be used for any other purpose while any of the Installment Payments remain unpaid.

On May 1, 2005, the CSCDA issued the 2005A CSCDA Water Revenue Bonds (2005A Water Revenue Bonds) on behalf of the City in the amount of \$5,000,000 under the Program. Proceeds of the Bonds were used to finance the acquisition and construction of water public capital improvements System Net Revenues, as defined in the agreement, and all amounts on deposit in the System Revenue Fund, are irrevocably pledged to the payment of the Installment Payments and the System Net Revenues will not be used for any other purpose while any of the Installment Payments remain unpaid.

System Net Revenues have been pledged until the fiscal year ended June 30, 2031, the final maturity of the 2005 Water Revenue Bonds. The total principal and interest remaining on the 2002 and 2005A Water Revenue Bonds is \$6,706,815. The System Net Revenues for the fiscal year ended June 30, 2014 was \$1,871,533 while the total debt service payment was \$469,401.

##### ***2005 Sewer System Revenue Certificates of Participation***

On May 27, 2005, the City entered into an installment sale agreement with the Financing Authority for the issuances of Sewer System Revenue Certificates of Participation, Series 2005 (2005 Sewer COPs) in the amount of \$13,000,000. Proceeds of the 2005 Sewer COPs are being used for: a) financing certain improvements, betterments, renovations and expansions of facilities within the Sewer System of the City; b) paying capitalized interest with respect to the 2005 Sewer COPs to June 1, 2006; c) providing for the deposit of a reserve fund surety bond and; d) paying costs of delivery of the 2005 Sewer COPs. Pursuant to the Installment Purchase Agreement, all Net Revenues and all amounts on deposit in the Revenue Fund (other than amounts on deposit therein required to pay Operations and Maintenance Costs) are irrevocably pledged to the payment of the Installment Payments as provided therein and the Sewer Net Revenues shall not be used for any other purpose while any of the Installment Payments remain unpaid; provided, that out of the Sewer Net Revenues there may be apportioned such sums for such purposes as are expressly permitted by the Installment Purchase Agreement. In addition, the Public Facilities Finance Fee Special Revenue Fund is required to repay its portion of the Installment Payments that represent improvements constructed with these bond proceeds that were used to expand facility capacity.

## **CITY OF ROHNERT PARK**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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Sewer Net Revenues have been pledged until the fiscal year ended June 30, 2036, the final maturity of the 2005 Sewer COPs. The total principal and interest remaining on the 2005 Sewer COPs is \$17,924,950. The Sewer Net Revenues for the fiscal year ended June 30, 2014 was \$3,034,095 and total public facilities finance fee was \$1,961,661 while the total debt service payment was \$817,205.

#### **Successor Agency**

The following long term obligations were transferred from the Commission to the Successor Agency on February 1, 2012, when all redevelopment agencies in California ceased to exist:

#### ***1999 Tax Allocation Bonds***

On January 15, 1999, the Commission issued Capital Appreciation Tax Allocation Bonds, Series 1999 (1999 TABs) in the amount of \$11,936,651. The 1999 TABs were issued for the purpose of funding certain capital improvements, to fund a reserve fund and to pay the costs of issuing the Series 1999 Bonds. The 1999 TABs will mature during the fiscal year ended June 30, 2036, are limited obligations of the Successor Agency payable and secured by tax revenues to be derived from the project area.

#### ***2001 Tax Allocation Bonds***

On September 25, 2001, the Commission issued the Rohnert Park Redevelopment Project Tax Allocation Refunding Bonds, Series 2001 (2001 TABs) for the purpose of refunding a portion of the Commission's outstanding Series 1991 Bonds, funding certain capital improvements, funding a reserve fund and paying the issuance costs. The 2001 TABs will mature during the fiscal year ended June 30, 2021, are limited obligations of the Successor Agency payable and secured by tax revenues to be derived from the project area.

#### ***2007R and 2007H Tax Allocation Bonds***

On March 28, 2007 the Commission issued the Rohnert Park Redevelopment Project Tax Allocation Bonds, Series 2007R (2007R TABs) in the amount of \$34,680,000, and the Rohnert Park Redevelopment Project Housing Tax Allocation Bonds (2007H TABs) in the amount of \$26,760,000, for the purpose of financing certain public improvements, including certain housing projects, purchasing municipal bond debt service reserve fund policies in order to satisfy the reserve requirements for the respective reserve accounts, and paying the costs of issuing the bonds. The 2007R and 2007H TABs, which will mature during the fiscal year ended June 30, 2038, are limited obligations of the Successor Agency payable and secured by tax revenues to be derived from the project area.

With the dissolution of the Redevelopment Agency, tax increment is no longer distributed, and instead the Successor Agency receives payments from the RPTTF that are to be used to fund the debt service on the bonds. The total principal and interest remaining on the 1999, 2001, 2007R and 2007H TABs is \$95,091,433 and total debt service payment for the year ended June 30, 2014 was \$3,179,728.

#### ***2003 Lease Revenue Refunding Bonds***

As discussed in the governmental activities section, 2003 LRBs were issued to refinance the 1994 COPs and 1999 COPs. The General Fund provides 10% of the 2003 LRBs repayments, per the agreement between the Financing Authority and the City. The remaining 90% of the repayment is made by the Successor Agency. The 2003 LRBs will mature during the fiscal year ended June 30, 2026. With the dissolution of the Redevelopment Agency, tax increment is no longer distributed, and instead the Successor Agency receives payments from the RPTTF that are to be used to fund 90% of the debt service on the 2003 LRBs. The total principal and interest remaining for the 90% Successor Agency's share of the 2003 LRBs is \$5,247,939 and total debt service payment for the fiscal year ended June 30, 2014 was \$439,499.

# CITY OF ROHNERT PARK

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Future debt service requirements (principal and interest) for governmental activities are as follows:

Fiscal Year Ending June 30:	Certificates of Participation		Lease Revenue Bonds (10% City portion )	
	Principal	Interest	Principal	Interest
2015	\$ 205,000	\$ 139,215	\$ 29,000	\$ 19,753
2016	215,000	129,125	30,500	18,582
2017	225,000	118,125	31,500	17,326
2018	235,000	106,625	33,000	15,999
2019	250,000	94,500	34,000	14,511
2020-2024	1,435,000	268,625	196,500	46,016
2025-2026	330,000	8,250	92,000	4,418
	<u>\$ 2,895,000</u>	<u>\$ 864,465</u>	<u>\$ 446,500</u>	<u>\$ 136,605</u>

Fiscal year Ending June 30:	Capital Leases		Loan Payable	
	Principal	Interest	Principal	Interest
2015	\$ 83,989	\$ 21,106	\$ 28,155	\$ 6,083
2016	88,876	17,287	29,679	4,559
2017	98,502	13,205	31,309	2,929
2018	108,705	8,588	33,017	1,221
2019	114,839	3,649	4,880	31
2020	19,583	108	-	-
	<u>\$ 514,494</u>	<u>\$ 63,943</u>	<u>\$ 127,040</u>	<u>\$ 14,823</u>

Future debt service requirements (principal and interest) for business-type activities are as follows:

Fiscal year Ending June 30:	Water Revenue Bonds		Sewer Revenue Certificates of Participation	
	Principal	Interest	Principal	Interest
2015	\$ 265,000	\$ 205,179	\$ 305,000	\$ 511,518
2016	275,000	195,034	315,000	500,143
2017	285,000	183,999	325,000	487,888
2018	290,000	172,499	340,000	475,138
2019	305,000	160,183	355,000	461,463
2020-2024	1,585,000	588,565	2,015,000	2,067,875
2025-2029	1,285,000	284,131	2,530,000	1,537,750
2030-2034	600,000	27,225	3,215,000	856,275
2035-2036	-	-	1,515,000	111,900
	<u>\$ 4,890,000</u>	<u>\$ 1,816,815</u>	<u>\$ 10,915,000</u>	<u>\$ 7,009,950</u>



## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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Future debt service requirements (principal, interest, and accreted interest) for the Successor Agency are as follows:

Fiscal Year Ending June 30:	Lease Revenue Bonds (90% Successor Agency Portion)		Tax Allocation Bonds		
	Principal	Interest	Principal	Interest	Accretion
2015	\$ 261,000	\$ 177,780	\$ 1,073,944	\$ 1,892,712	\$ 211,056
2016	274,500	167,234	1,988,682	1,831,150	221,318
2017	283,500	155,932	2,163,831	1,747,225	231,169
2018	297,000	143,994	2,439,386	1,650,325	240,614
2019	306,000	130,601	2,330,467	1,548,306	584,533
2020-2024	1,768,500	414,141	11,089,504	6,476,996	4,915,496
2025-2029	828,000	39,757	11,337,058	4,576,701	6,652,942
2030-2034	-	-	8,838,901	2,469,767	7,151,099
2035-2038	-	-	7,609,766	843,251	2,975,234
	<u>\$ 4,018,500</u>	<u>\$ 1,229,439</u>	<u>\$ 48,871,539</u>	<u>\$ 23,036,433</u>	<u>\$ 23,183,461</u>

#### Legal Debt Limit

As of June 30, 2014, the City's legal debt limit (15% of valuation subject to taxation) was \$562,206,000 and the City has no debt subject to the legal debt limit.

#### Arbitrage Liability

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years. At June 30, 2014, the City has no arbitrage liability.

#### Conduit Debt

The City had issued four Mobile Home Park Revenue Bonds, including Las Casitas De Sonoma Mobile Home Park Revenue Bonds Series 2001A and 2001B, and Rancho Feliz Mobile Home Park Revenue Bonds Series 2003A and 2003B (collectively, Mobile Home Bonds), to provide funds to builders for the construction of two mobile park projects. The Mobile Home Bonds are payable solely from the revenue collected from the builders of the projects. The City is not obligated in any manner for the repayment of the indebtedness. Accordingly, the liabilities are not reported in the City's basic financial statements. During October 2012, the Independent Cities Finance Authority issued Mobile Home Park Revenue Refunding Bonds Series 2012 and refunded all of the Mobile Home Bonds.

## 8. EMPLOYEES' RETIREMENT PLAN

#### Plan Description

The City's defined benefit pension plans, City of Rohnert Park Miscellaneous Plan (Miscellaneous Plan) and City of Rohnert Park Safety Plan (Safety Plan), provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries through CalPERS. All permanent employees are eligible to participate in CalPERS. Employees vest after five years of service and may receive retirement benefits at age fifty. CalPERS also provides death and disability benefits. These benefit provisions and all other requirements are established by State statute and City ordinance. The Miscellaneous Plan is an agent multiple-employer defined benefit pension plan and the Safety Plan is part of a cost sharing plan. CalPERS acts as a common investment and administrative agent for participating public employers within the State of California. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Offices, Lincoln Plaza East, 400 Q Street, Sacramento, California 95814.

## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

The City has four tiers for Miscellaneous Plan and four tiers for Safety Plan. Benefit formulas for each tier are as follows:

Description	Employees who are hired or joined CalPERS on before	Benefit Formula
Miscellaneous Tier 1	7/1/1965	2.7% @ 55 with 5% Cost of Living Adjustments (COLA)
Miscellaneous Tier 2	7/1/2008	2.7% @ 55
Miscellaneous Tier 3	7/1/2011	2.0% @ 55
Miscellaneous Tier 4	1/1/2013	2.0% @ 62
Safety Tier 1	7/1/1965	3.0% @ 50 with 5% COLA
Safety Tier 2	7/1/2008	3.0% @ 50
Safety Tier 3	6/18/2012	3.0% @ 55
Safety Tier 4	1/1/2013	2.7% @ 57

#### Funding Policy

The contribution requirements of the plan members are established by State statute, and the employer contribution rate is actuarially established and may be amended by CalPERS. The City is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration, and are summarized in the following section. Effective August 1, 2011, the employees contribute 100% of the required employees contribution. The required employer and employee contribution rates for the fiscal year ended June 30, 2014 are as follows:

Description	Employer Annual Required Contribution Rate	Employee Annual Required Contribution Rate
Miscellaneous Tier 1	24.404%	8.000%
Miscellaneous Tier 2	24.404%	8.000%
Miscellaneous Tier 3	24.404%	7.000%
Miscellaneous Tier 4	24.404%	6.250%
Safety Tier 1	47.645%	9.000%
Safety Tier 2	26.149%	9.000%
Safety Tier 3	20.774%	9.000%
Safety Tier 4	11.500%	11.500%

#### Annual Pension Cost

The City's annual pension cost for the Miscellaneous Plan and the Safety Plan were equal to the City's annual required and actual contributions, which were determined as part of the June 30, 2011 actuarial valuation.

The following is three-year trend information for the Miscellaneous Plan (dollars in thousands):

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2012	\$ 1,356	100%	\$ -
June 30, 2013	1,498	100%	-
June 30, 2014	1,637	100%	-

# CITY OF ROHNERT PARK

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

The following is three-year trend information for the Safety Plan (dollars in thousands):

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2012	\$ 2,192	100%	\$ -
June 30, 2013	2,216	100%	-
June 30, 2014	2,366	100%	-

### Actuarial Methods and Assumptions

The actuarial methods and significant assumptions used in the June 30, 2011 actuarial valuation for the City's annual required contributions for the fiscal year ended June 30, 2014, as well as the actuarial methods and significant assumptions used in the June 30, 2013 actuarial valuation, the most recent actuarial valuation for the Miscellaneous Plan is as follows:

Valuation Date	June 30, 2011	June 30, 2013
Actuarial Cost Method	Entry age normal cost	Entry age normal cost
Amortization Method	Level percent of payroll	Level percent of payroll
Average Remaining Amortization Period	21 years as of the valuation date. Closed for initial unfunded liabilities and subsequent plan amendments. Rolling for gains and losses.	Remaining amortization period not available. Closed for initial unfunded liabilities and subsequent plan amendments. Rolling for gains and losses.
Asset Valuation Method	15 year smoothed market	Market value
Discount Rate	7.50% (net of administrative expenses)	7.50% (net of administrative expenses)
Project Salary Increases	3.30% to 14.20% depending on age, service and type of employment	3.30% to 14.20% depending on age, service and type of employment
Inflation	2.75%	2.75%
Payroll Growth	3.00%	3.00%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%

### Funded Status and Funding Progress

The funding status and progress were determined as part of the June 30, 2013 actuarial valuation (the most recent valuation available). The schedule of funding progress for the Miscellaneous Plan below shows the actuarial assets value, actuarial accrued liability, their relationship, and the relationship of the unfunded actuarial accrued liability to payroll.

Actuarial Valuation Date	Actuarial Accrued Liability - Entry Age	Actuarial Assets Value	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as Percentage of Covered Payroll
6/30/2013	\$ 70,817,669	\$ 52,360,015	\$ 18,457,654	73.9%	\$ 6,788,079	271.9%

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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#### 9. POST EMPLOYMENT HEALTH CARE BENEFITS

##### Plan Description

The City sponsors a single-employer defined benefit plan providing other postemployment benefits (OPEB) including medical, dental and vision to eligible retirees and their dependents in accordance with various labor agreements. Employees are eligible for OPEB benefits if they were hired before July 1, 2007, work continuously for the City for 10 or 15 years dependent on hire date (unless disabled), and are eligible for the CalPERS pension plan. Employees hired on or after July 1, 2007 participate in a defined contribution plan that is funded monthly and are not eligible for the defined benefit OPEB plan and thus benefits provided are not included in the OPEB actuarial valuation. The City participates in the California Employers' Retiree Benefit Trust (CERBT) Fund. CERBT is administered by CalPERS and is an agent multiple-employer trust. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Offices, Lincoln Plaza East, 400 Q Street, Sacramento, California 95814.

##### Funding Policy

During the fiscal year ended June 30, 2011, the City Council adopted a 20-year phase-in plan to set aside monies in the General Fund for contributions to the OPEB plan. The City started contributing to the CERBT during the fiscal year ended June 30, 2011 and plans to continue to fund more than the pay-as-you-go amount annually.

##### Annual Other Postemployment Benefit Cost and Net Obligation

The City's annual OPEB cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial accrued liabilities (UAAL) over a period not to exceed thirty years. Annual OPEB Cost (AOC) equals the plan's ARC, adjusted for historical differences between the ARC and amounts actually contributed. Based on the July 1, 2011 actuarial valuation, the City's annual required contribution for the fiscal year ended June 30, 2014 is the sum of (a) normal cost of \$760,000, and (b) level dollar amortization of the UAAL of \$3,049,000. The City's contribution amount for the fiscal year ended June 30, 2014 included (a) deposits into the CERBT of \$1,529,000, (b) implicit subsidy of \$48,000, and (c) benefit payments for retirees of \$1,631,000.

The following table shows the components of the City's annual OPEB cost for the fiscal year ended June 30, 2014, and the changes in the net OPEB obligation:

Annual required contribution	\$ 3,809,000
Interest on OPEB obligation	367,000
Adjustment to annual required contribution	(816,000)
Annual OPEB cost (expense)	3,360,000
Contributions made	(3,208,000)
Increase in net OPEB obligation	152,000
Net OPEB obligation, beginning of year, as restated	10,144,000
Net OPEB obligation, end of year	<u>\$ 10,296,000</u>

# CITY OF ROHNERT PARK

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Three-year historical trend information for the annual OPEB cost, percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows (in thousands):

<b>Fiscal Year Ended</b>	<b>Annual OPEB Cost (AOC)</b>	<b>Percentage of AOC Contributed</b>	<b>Net OPEB Obligation</b>
6/30/2012	\$ 2,492	87.2%	\$ 8,247
6/30/2013	3,433	44.7%	10,144
6/30/2014	3,360	95.5%	10,296

### Actuarial Methods and Assumptions

The actuarial methods and significant assumptions used in the July 1, 2011 actuarial valuation for the City's annual required contributions for the fiscal year ended June 30, 2014, as well as the actuarial methods and significant assumptions used in the July 1, 2013 actuarial valuation, the most recent valuation for the OPEB plan is as follows:

Valuation Date	July 1, 2011	July 1, 2013
Actuarial Cost Method	Entry age normal cost	Entry age normal cost
Amortization Method	Level percent of payroll	Level percent of payroll
UAAL Remaining Amortization Period	Closed 25 years as of the valuation date	Closed 23 years as of the valuation date
Asset Valuation Method	Market value	Market value
Discount Rate	6.5% for prefunding, 4.0% for no prefunding, grading from 4.0% to 6.5% over 20 years for phase-in prefunding	6.5% for prefunding, 4.0% for no prefunding, grading from 4.0% to 6.5% over 20 years for phase-in prefunding
Project Salary Increases	3.25%	3.25%
Inflation	3.00%	3.00%
Medical Cost Trend Growth	5.25% for Medicare Part B premium, 5.25% for dental costs, 3.25% for vision costs, and other medical premiums grading from 8.50% to an ultimate rate of 5.25% over a 8-year period	5.25% for Medicare Part B premium, 5.25% for dental costs, 3.25% for vision costs, and other medical premiums grading from 8.25% to an ultimate rate of 5.25% over a 7-year period

### Funded Status and Funding Progress

The funding status and progress were determined as part of the July 1, 2013 actuarial valuation (the most recent valuation available). The schedule of funding progress for the OPEB plan below shows the actuarial assets value, actuarial accrued liability, their relationship, and the relationship of the unfunded actuarial accrued liability to payroll.

Actuarial Valuation Date	Actuarial Accrued Liability - Entry Age	Actuarial Assets Value	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as Percentage of Covered Payroll
7/1/2013	\$ 49,130,000	\$ 2,487,000	\$ 46,643,000	5.1%	\$ 14,498,000	321.7%

# CITY OF ROHNERT PARK

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits are based on the types of benefits provided under the substantive plan at the time of each valuation and on the pattern of sharing of benefit costs between the employer and plan members to that point, and, if applicable, the disclosure that the projections of benefits for financial reporting purposes do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

### 10. FUND BALANCE / NET POSITION

Portions of unassigned fund balance may be assigned to indicate tentative plans for financial resource utilization in a future period, such as for special purpose or capital projects. Such plans or intent are subject to change, have not been legally authorized and may not result in expenditures. As of June 30, 2014, nonspendable, restricted, committed and assigned fund balances were as follows:

	General	Housing Projects Special Revenue	Financing Authority Debt Service	City Capital Projects	Public Facility Finance Fee Special Revenue	Other Governmental	Total Governmental Funds
Nonspendable:							
Prepaid and other assets	\$ 221,602	\$ -	\$ -	\$ 1,020	\$ -	\$ 9,664	\$ 232,286
Advance to other funds	2,220,057	-	-	-	-	1,003,898	3,223,955
Performing Arts Center Endowment	-	-	-	-	-	1,198,388	1,198,388
Total nonspendable	<u>2,441,659</u>	<u>-</u>	<u>-</u>	<u>1,020</u>	<u>-</u>	<u>2,211,950</u>	<u>4,654,629</u>
Restricted for:							
General Government	106,217	-	-	-	-	744,885	851,102
Public Safety	-	-	-	-	-	987,614	987,614
Capital and Street Projects	-	-	-	-	-	4,560,144	4,560,144
Housing Development	80,196	22,540,287	-	-	-	-	22,620,483
Debt Services	-	-	316,124	-	-	-	316,124
Total restricted for	<u>186,413</u>	<u>22,540,287</u>	<u>316,124</u>	<u>-</u>	<u>-</u>	<u>6,292,643</u>	<u>29,335,467</u>
Assigned to:							
General Government	-	-	-	-	-	3,088,024	3,088,024
Public Safety	-	-	-	-	-	167,159	167,159
Capital and Street Projects	-	-	-	-	-	12,503	12,503
Operating Reserve	2,488,214	-	-	-	-	-	2,488,214
Contingency Reserve	1,244,107	-	-	-	-	-	1,244,107
Infrastructure Reserve	616,000	-	-	-	-	-	616,000
Self-Insured Losses Reserve	1,099,371	-	-	-	-	-	1,099,371
Retired Employee Medical							
Insurance Reserve	2,578,992	-	-	-	-	-	2,578,992
Retirement Reserve	1,255,983	-	-	-	-	-	1,255,983
Encumbrances	503,650	-	-	-	-	-	503,650
Total assigned to	<u>9,786,317</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,267,686</u>	<u>13,054,003</u>
Unassigned	207,845	-	-	(357,263)	(4,803,860)	(17,338)	(4,970,616)
Total fund balance	<u>\$ 12,622,234</u>	<u>\$ 22,540,287</u>	<u>\$ 316,124</u>	<u>\$ (356,243)</u>	<u>\$ (4,803,860)</u>	<u>\$ 11,754,941</u>	<u>\$ 42,073,483</u>

## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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#### City's Reserve Policy

The City adopted budget and fiscal policies to maintain various reserve balances as follows:

- Operating Reserve – The City shall maintain a reserve balance of 10% of total operating expenditures. The purpose of this reserve is to adequately provide for: 1) economic uncertainties and financial hardships or downturns in the local or national economy; 2) cash flow requirements; 3) future debt or capital obligations, and 4) legal requirements.
- Contingency Reserve – The City shall maintain a reserve of 5% of total operating expenditures to provide adequate capital in the event of a local disaster or unanticipated fiscal crisis.
- Infrastructure Reserve – The City shall maintain a reserve with a target balance equivalent to the annual depreciation of the existing infrastructure and a minimum balance of 100% of the first year Capital Improvement Plan funding requirements.
- Self-Insured Losses Reserve – The City shall maintain a reserve equal to 50% of the annual premium plus the average deductible. All insurance refunds will be transferred back to this reserve.
- Retired Employee Medical Insurance Reserve – The City shall maintain a reserve balance sufficient to fund future retiree medical per the retiree medical actuarial study. The City shall pay for all retiree medical costs out of the annual operating budget as a “pay-as-you-go” until the reserve is fully funded.
- Retirement Reserve – The City shall maintain a reserve equal to 25% of the annual pension costs to offset fluctuations in pension contribution rates.

The City adopted resolution for the fiscal policies on the usage of the reserve and intends to use the reserve for the specific purpose as stated in the budget and fiscal policies. At June 30, 2014, the City reported these reserve balances as part of the General Fund's assigned fund balance.

## 11. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City reports all of its risk management activities in its General Fund. The City participates in the Redwood Empire Municipal Insurance Fund (REMIF), a joint powers agency established in May 1976 to provide an independently managed risk sharing self-insurance program for member cities. The purpose of REMIF is to spread the adverse effect of losses among the member agencies and to purchase excess insurance as a group, thereby reducing its costs.

As of June 30, 2014, the City's deductibles and maximum coverage through its participation in REMIF is as follows:

Coverage:	Deductible	REMIF Coverage	Excess Coverage
General liability	\$ 5,000	\$ 500,000	\$ 39,500,000
Workers' compensation	5,000	1,000,000	Statutory
Property damage	5,000	25,000	290,000,000
Automobile liability	5,000	10,000	9,990,000
Earthquake and flood	100,000 or 5% of value of building	100,000	19,900,000
Fidelity	5,000	25,000	1,990,000

## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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A summary of audited financial information of REMIF as of and for year ended June 30, 2013, the most current available audited financial information, is as follows (amounts in thousands).

Total assets	\$ 18,510
Total liabilities	<u>15,283</u>
Net position	<u>\$ 3,227</u>
Total revenues	\$ 8,840
Total expenses	<u>10,792</u>
Change in net position	<u>\$ (1,952)</u>

The City contributes its pro-rata share of anticipated losses to a pool administered by REMIF. Should actual losses among participants be greater than the anticipated losses, the City will be assessed its pro-rata share of the deficit. Conversely, if the actual losses are less than anticipated, the City will be refunded its pro-rata share of the excess. The City paid insurance premiums and deductibles of \$1,203,102 and received REMIF refunds of \$46,156 during the fiscal year ended June 30, 2014. Settled claims have not exceeded commercial excess liability coverage in any of the past three fiscal years.

Claims expenditures and liabilities are reported for self-insured deductibles when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported (IBNR). At June 30, 2014 the amount of these IBNR liabilities was \$44,044. This liability is the City's best estimate based on available information.

Changes in the claims liability (reported in accrued liabilities of General Fund) during the past two fiscal years ended June 30, 2013 and 2014, are as follows:

Claims liability at June 30, 2012	\$ 61,969
Current year claim deductibles and changes in estimates	119,131
Net payments	<u>(63,458)</u>
Claims liability at June 30, 2013	117,642
Current year claim deductibles and changes in estimates	110,029
Net payments	<u>(101,171)</u>
Claims liability at June 30, 2014	<u>\$ 126,500</u>

At June 30, 2014, the City assigned \$1,099,371 of General Fund's fund balance for future claims liabilities.

## 12. JOINT VENTURES

### Sonoma County Waste Management Agency

The City participates in the Sonoma County Waste Management Agency (SCWMA), a joint power authority of nine incorporated cities and the County formed in April 1992. Each member of the joint venture has a representative on the Board of Directors of SCWMA. The SCWMA Board of Directors is responsible for governing the joint power authority as a separate entity. The SCWMA Board of Directors, or a designee, is responsible for the preparation of an annual budget, assessing fees, and entering into contracts and is authorized to sue and become obligated when sued. The purpose of SCWMA is to conduct a yard waste composting, wood



## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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waste recovery system, household hazardous material recovery program, and a public education program in the County.

The expenditures of SCWMA are primarily funded by dumping fees collected when reusable resources are disposed of at the County landfill site. Funding for SCWMA also comes from the sale of composted and recycled products. No direct funding is required from the participants to the joint power authority.

A summary of audited financial information of SCWMA as of and for fiscal year ended June 30, 2013, the most current available audited financial information, is as follows (amounts in thousands).

Total assets	\$ 9,541
Total liabilities	<u>847</u>
Net position	<u>\$ 8,694</u>
Total revenues	\$ 5,702
Total expenses	<u>5,196</u>
Change in net position	<u>\$ 506</u>

Complete financial statements for SCWMA can be obtained from SCWMA office at 2300 County Center Drive, Suite B 100, Santa Rosa, CA 95403.

#### Sonoma County Public Safety Consortium

The Sonoma County Public Safety Consortium (SCPSC) was formed by a joint powers agreement on July 1, 2008 to efficiently and effectively operate, maintain and improve a public safety communication and data management system in the County. SCPSC members are the City, the cities of Cotati, Petaluma, Santa Rosa, Sonoma, Town of Windsor, Redwood Empire Dispatch Communications Authority, the Santa Rosa Junior College, and the County. In addition to the SCPSC members, other public safety entities have limited access to system as non-affiliated agencies. As a member, the City pays its proportionate share percentage of the total costs incurred by the SCPSC. For the fiscal year ended June 30, 2014, the City paid \$257,331 to the SCPSC.

A summary of audited financial information of SCPSC as of and for fiscal year ended June 30, 2013, the most current available audited financial information, is as follows (amounts in thousands).

Total assets	\$ 4,600
Total liabilities	<u>340</u>
Net position	<u>\$ 4,260</u>
Total revenues	\$ 4,240
Total expenses	<u>4,055</u>
Change in net position	<u>\$ 185</u>

Complete financial statements for SCPSC can be obtained from SCPSC office at 100 Sonoma Avenue, Santa Rosa, CA 95404.

## CITY OF ROHNERT PARK

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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#### 13. COMMITMENTS AND CONTINGENCIES

##### Claims and Litigations

The City is directly and indirectly involved in various suits relating principally to claims arising from construction contracts, personal injury, and property damage. In the opinion of the City Attorney and City's management, potential claims against the City resulting from such litigation, not covered by insurance, would not materially affect the basic financial statements of the City. As a result, no liability has been accrued by the City relating to these matters as of June 30, 2014.

##### Long Range Property Management Plan

On April 26, 2013, the DOF granted a Finding of Completion for the Successor Agency. On September 23, 2013, the Successor Agency submitted a Long Range Property Management Plan (LRPMP) addressing the disposition and use of real properties held by the Successor Agency to the DOF for approval. The Successor Agency submitted a revised LRPMP to DOF on April 10, 2014. The DOF approved the LRPMP on June 19, 2014. As of June 30, 2014, the City has not transferred or disposed any of the Successor Agency's capital assets.

#### 14. MEMORANDUM OF UNDERSTANDING WITH FEDERATED INDIANS OF GRATON RANCHERIA

During the fiscal year ended June 30, 2013, the City entered into a Memorandum of Understanding (MOU) with the Federated Indians of Graton Rancheria (Tribe) relating to their establishment and operation of a casino just outside the City limits boundary. The MOU provides for contributions from the Tribe to the City to fund mitigation efforts to lessen the impact of the casino on the community. The MOU provided for initial, one-time contributions to cover mitigation costs before the opening of the casino, and then ongoing, quarterly contribution distributions through the State of California's Graton Mitigation Fund.

During the fiscal year ended June 30, 2014, the City received four quarterly nonrecurring contributions of \$125,000, totaling \$500,000 for Special Enforcement Activities, as defined in the MOU. The City also received \$2,011,000 of recurring contributions for five contribution areas as described in the MOU. The MOU sections, descriptions, and amounts received are as follows:

MOU Section	Description	Amount	Notation
2.2	Law Enforcement Contribution Prior to Opening	\$ 500,000	A
3.1	Law Enforcement Recurring Contribution	125,000	B
3.2	Problem Gambling Recurring Contribution	31,250	C
3.3	Waterway Recurring Contribution	12,500	D
3.4.1	Supplemental Recurring Contribution	1,250,000	E
3.4.2	Recurring Public Services Contribution	592,250	F

- A. In accordance with MOU Section 2.2, Law Enforcement Contribution Prior To Opening - To mitigate impacts of the Project on law enforcement resources, the Tribe shall make a non-recurring cash contribution to the City of five hundred thousand dollars (\$500,000) for Special Enforcement Activities in the City. The Tribe shall make the nonrecurring law enforcement payment to the City in four (4) successive, quarterly installments of equal amounts of one hundred twenty five thousand dollars (\$125,000) on July 10, 2013, October 10, 2013, January 10, 2014 and April 10, 2014.

## **CITY OF ROHNERT PARK**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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- B. In accordance with MOU Section 3.1, Law Enforcement Recurring Contribution - Following the Opening Date, the Tribe shall make a recurring cash contribution to the City of five hundred thousand dollars (\$500,000) per annum for Special Enforcement Activities to mitigate the ongoing impacts of the Project on public safety in the City. The above-referenced contribution shall be made by the Tribe in four (4) successive, equal, quarterly installments commencing on the first business day of the third (3rd) Quarter after the Opening Date and on the first business day of every Quarter thereafter. The City received the first quarterly payment of \$125,000 during fiscal year ended June 30, 2014.
- C. In accordance with MOU Section 3.2, Problem Gambling Recurring Contribution - Following the Opening Date, the Tribe shall make a recurring cash contribution to the City of one hundred twenty five thousand dollars (\$125,000) per annum to mitigate the social impacts of the Project on the City. The City shall grant such payment to an organization dedicated to the treatment and prevention of problem gambling or pathological gambling disorders. The recipient organization shall be determined by the City, with approval by the Tribe, which approval shall not be unreasonably withheld. The above-referenced contribution shall be made by the Tribe in four (4) successive, equal, quarterly installments commencing on the first business day of the third (3rd) Quarter after the Opening Date and on the first business day of every Quarter thereafter. The City received the first quarterly payment of \$31,250 during fiscal year ended June 30, 2014.
- D. In accordance with MOU Section 3.3, Waterway Recurring Contribution - Following the Opening Date, the Tribe shall make a recurring cash contribution to the City of fifty thousand dollars (\$50,000) per annum to be used solely to address storm water drainage matters to mitigate potential impacts of the Project on storm water drainage. The above referenced contribution shall be made by the Tribe in four (4) successive, equal, quarterly installments commencing on the first business day of the third (3rd) Quarter after the Opening Date and on the first business day of every Quarter thereafter. The City received the first quarterly payment of \$12,500 during fiscal year ended June 30, 2014.
- E. In accordance with MOU Section 3.4.1, Supplemental Recurring Contribution - Following the Opening Date, the Tribe shall make a recurring cash contribution to the City of five million dollars (\$5,000,000) per annum to mitigate potential impacts of the Project on the City. The above-referenced contribution shall be made by the Tribe in four (4) successive, equal, quarterly installments commencing on the first business day of the third (3rd) Quarter after the Opening Date and on the first business day of every Quarter thereafter. These payments shall be paid from the Graton Mitigation Fund which is expected to include deposits made by the Tribe within thirty (30) days of the close of the prior calendar quarter. The City received the first quarterly payment of \$1,250,000 during fiscal year ended June 30, 2014.
- F. In accordance with MOU Section 3.4.2, Recurring Public Services Contribution - Following the Opening Date, the Tribe shall make a recurring cash contribution to the City of two million three hundred sixty nine thousand dollars (\$2,369,000) per annum to mitigate potential impacts of the Project on City services. It is the intent of the City to use these funds in part to provide for additional staffing levels to mitigate the potential impacts on public safety and/or other City services. The above-referenced contribution shall be made by the Tribe in four (4) successive, equal, quarterly installments commencing on the first business day of the third (3rd) Quarter after the Opening Date and on the first business day of every Quarter thereafter. These payments shall be paid from the Graton Mitigation Fund. The City received the first quarterly payment of \$592,250 during fiscal year ended June 30, 2014.

# CITY OF ROHNERT PARK

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

### 15. OPERATING LEASES

The City has entered into an operating lease contract whereby the City leases golf courses to a third party. The lease commenced July 1, 2012. The term of the lease is for twenty years, with an optional extension of ten additional years.

The future minimum rentals to be received from the aforementioned operating lease as of June 30, 2014 are as follows:

<u>Fiscal Year Ending</u>	<u>Amount</u>
2015	\$ 81,012
2016	82,430
2017	54,903
2018	87,450
2019	91,180
2020-2024	498,608
2025-2029	578,023
2030-2032	390,115
	<u>\$ 1,863,721</u>

During the year ended June 30, 2014, the City received operating lease revenue of \$79,573.

### 16. PRIOR PERIOD ADJUSTMENTS AND RESTATEMENTS

Effective July 1, 2013, the City corrected accounting errors and implemented new accounting standards by recording the following prior period adjustments and restatements:

<u>Adjustment Description</u>	<u>Beginning Fund Balance/ Net Position</u>		
	<u>As Previously Reported</u>	<u>Prior Period Adjustments and Restatements</u>	<u>As Restated</u>
<b>Housing Projects Special Revenue Fund</b>			
Overstatement of unavailable revenues related to loans receivables	<u>\$ 21,350,528</u>	<u>\$ 1,029,012</u>	<u>\$ 22,379,540</u>
<b>Financing Authority Debt Service Fund</b>			
Overstatement of cash and investments related to debt service payments for Lease Revenue Refunding Bonds, Series 2003	<u>\$ 493,314</u>	<u>\$ (348,081)</u>	<u>\$ 145,233</u>
<b>Public Facility Finance Special Revenue Fund</b>			
Recording of an advance to the Successor Agency previously recorded by the Sewer Fund		\$ (10,055,725)	
Recording of due to the Sewer Fund related to unpaid debt service payments for the 2005 Sewer COPs	<u>\$ 13,083,115</u>	<u>(1,014,820)</u>	
		<u>\$ (11,070,545)</u>	<u>\$ 2,012,570</u>

# CITY OF ROHNERT PARK

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Adjustment Description	Beginning Fund Balance/ Net Position		
	As Previously Reported	Prior Period Adjustments and Restatements	As Restated
<b>Nonmajor Governmental Fund</b>			
Understatement of cash and investment of the Refuse Road Impact Fee Nonmajor Special Revenue Fund	\$ 7,720,260	\$ 190,519	\$ 7,910,779
<b>Governmental Activities</b>			
Fund level adjustments above carried forward to government-wide financial statements		\$ (11,228,107)	
Understatement of net OPEB obligation due to overstatement of contributions made		(480,000)	
Understatement of liabilities due to mischaracterization of unearned revenues as unavailable revenues that are recognized on the government-wide financial statements		(350,172)	
	\$ 100,532,852	\$ (12,058,279)	\$ 88,474,573
<b>Water Fund</b>			
Implementation of GASB Statement No. 65 - Write off unamortized bond issuance costs	\$ 11,887,625	\$ (137,954)	\$ 11,749,671
<b>Sewer Fund</b>			
Removal of an advance to the Successor Agency that should be recorded by the Public Facility Finance Special Revenue Fund		10,055,725	
Recording of due from the Public Facility Finance Special Revenue Fund related to debt service payments for the 2005 Sewer COPs		1,014,820	
Implementation of GASB Statement No. 65 - Write off unamortized bond issuance costs		(259,648)	
	\$ 16,889,084	\$ 10,810,897	\$ 27,699,981
<b>Business-Type Activities</b>			
Fund level adjustments above carried forward to government-wide financial statements	\$ 29,482,946	\$ 10,672,943	\$ 40,155,889
<b>Redevelopment Successor Agency Fund</b>			
Implementation of GASB Statement No. 65 - Write off unamortized bond issuance costs		\$ (1,269,948)	
Understatement of cash and investments related to debt service payments for Lease Revenue Refunding Bonds, Series 2003		348,081	
	\$ (22,855,092)	\$ (921,867)	\$ (23,776,959)

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## REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF ROHNERT PARK**  
**REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)**  
**SCHEDULES OF FUNDING PROGRESS**  
(Dollar amount in thousands)

**Schedule of Funding Progress - Employee's Retirement Plan - Miscellaneous Plan**

<b>Actuarial valuation date</b>	<b>Actuarial value of assets (a)</b>	<b>Actuarial accrued liability (AAL) entry age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded ratio (a/b)</b>	<b>Covered payroll (c)</b>	<b>UAAL as a % of covered payroll ((b-a)/c)</b>
6/30/2011	\$ 55,347	\$ 67,818	\$ 12,471	81.6%	\$ 6,895	180.9%
6/30/2012	56,812	69,160	12,348	82.1%	6,420	192.3%
6/30/2013	52,360	70,818	18,458	73.9%	6,788	271.9%

See Note 8 in the financial statements for actuarial assumptions and other information related to the schedule of funding progress.

**Schedule of Funding Progress - Post Employment Health Care Benefits**

<b>Actuarial valuation date</b>	<b>Actuarial value of assets (a)</b>	<b>Actuarial accrued liability (AAL) entry age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded ratio (a/b)</b>	<b>Covered payroll (c)</b>	<b>UAAL as a % of covered payroll ((b-a)/c)</b>
7/1/2011	\$ 1,200	\$ 40,741	\$ 39,541	2.9%	\$ 13,740	287.8%
7/1/2012	1,654	41,857	40,203	4.0%	14,299	281.2%
7/1/2013	2,487	49,130	46,643	5.1%	14,498	321.7%

See Note 9 to the basic financial statements for actuarial assumptions and other information related to the schedule of funding progress.



**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Taxes:				
Property	\$ 3,365,640	\$ 3,198,599	\$ 3,875,521	\$ 676,922
Real property transfer	75,000	130,000	131,308	1,308
Transient occupancy	2,000,000	2,530,000	2,814,059	284,059
Sales and use	9,493,701	10,318,389	10,541,059	222,670
Franchises	1,712,000	1,712,000	1,981,803	269,803
Subtotal	16,646,341	17,888,988	19,343,750	1,454,762
Licenses, permits and fees:				
Business licenses	455,000	455,000	481,880	26,880
Animal licenses	44,625	44,625	52,581	7,956
Building permits	220,500	220,500	314,876	94,376
Plan check	292,000	342,000	401,583	59,583
Subtotal	1,012,125	1,062,125	1,250,920	188,795
Fines, forfeitures and penalties:				
Vehicle code	95,000	95,000	-	(95,000)
Parking fines	50,000	50,000	42,412	(7,588)
Impound fees	12,000	12,000	-	(12,000)
Other court	4,200	4,200	3,188	(1,012)
Subtotal	161,200	161,200	45,600	(115,600)
Interest and rentals:				
Investment earnings	50,000	50,000	53,307	3,307
Rent - golf courses	50,000	50,000	79,573	29,573
Rent - other	244,988	244,988	464,592	219,604
Subtotal	344,988	344,988	597,472	252,484
Intergovernmental:				
State motor vehicle in-lieu tax	2,622,250	2,751,656	2,747,818	(3,838)
Public Safety Augmentation Fund	202,500	202,500	227,658	25,158
Grants	427,156	714,741	408,283	(306,458)
Reimbursements	36,980	36,980	26,260	(10,720)
Subtotal	3,288,886	3,705,877	3,410,019	(295,858)
Charges for current services:				
Zoning and subdivision fees	70,000	137,200	184,811	47,611
General plan maintenance fee	67,550	67,550	16,115	(51,435)
Sales of maps and lists	1,000	1,000	19	(981)
Special public safety services	25,000	25,000	31,930	6,930
Vehicle abatement revenue	97,000	97,000	-	(97,000)
Animal shelter fees	70,000	70,000	106,132	36,132
Alcohol education fee	31,550	31,550	-	(31,550)
Engineering fees	110,000	230,000	300,532	70,532
Library ground maintenance	8,370	8,370	8,370	-
Recreation:				
Recreation centers	948,840	1,026,300	1,043,161	16,861
Swimming pools	162,600	162,600	171,427	8,827
Contract classes and other	51,500	51,500	112,609	61,109
Subtotal	1,643,410	1,908,070	1,975,106	67,036

(continued)

See note to required supplementary information.

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>(Continued)</b>				
<b>REVENUES (Continued)</b>				
Donations and miscellaneous:				
Performing Arts Center	\$ 398,600	\$ 398,600	\$ 330,906	\$ (67,694)
Donations	8,630	8,630	65,822	57,192
Miscellaneous	370,214	370,214	1,078,707	708,493
Subtotal	777,444	777,444	1,475,435	697,991
Total revenues	23,874,394	25,848,692	28,098,302	2,249,610
<b>EXPENDITURES</b>				
Current:				
General government:				
City Council	110,516	110,516	103,993	6,523
City Manager	955,569	993,309	806,535	186,774
Finance and accounting	577,383	571,773	559,858	11,915
Legal services	425,150	425,150	595,748	(170,598)
Development services	868,590	1,137,414	968,675	168,739
Development services programs	387,466	387,466	210,329	177,137
Human Resources	396,858	355,000	355,166	(166)
City office building	188,094	188,094	203,022	(14,928)
City office annex	19,500	19,500	19,787	(287)
Casino mitigation activity	917,483	876,212	859,742	16,470
Property tax administration fee	-	-	42,562	(42,562)
General government-nondepartmental	119,000	119,000	1,642,507	(1,523,507)
Nondepartmental-employee benefits	1,715,253	1,600,000	1,631,042	(31,042)
Subtotal	6,680,862	6,783,434	7,998,966	(1,215,532)
Public safety:				
Personnel	12,213,915	12,225,915	11,288,222	937,693
Police protection	1,991,336	1,995,495	1,754,185	241,310
Fire protection	332,590	332,590	217,908	114,682
Animal control	420,308	420,308	420,931	(623)
Animal shelter	30,800	30,800	31,244	(444)
Main station	220,280	220,280	181,982	38,298
North station	21,461	21,461	19,608	1,853
South station	12,223	12,223	20,255	(8,032)
Civil defense	5,000	5,000	2,083	2,917
Special enforcement activity	388,340	445,840	488,178	(42,338)
Public safety programs	154,503	387,352	300,402	86,950
Subtotal	15,790,756	16,097,264	14,724,998	1,372,266
Public works:				
General	251,489	257,971	247,735	10,236
Maintenance of streets/bikepaths	937,554	979,711	926,884	52,827
Storm drains and drainage	101,127	108,940	120,889	(11,949)
Wilfred maintenance	285,914	280,914	57,577	223,337
Subtotal	1,576,084	1,627,536	1,353,085	274,451

(continued)

See note to required supplementary information.

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>(Continued)</b>				
<b>EXPENDITURES (Continued)</b>				
Parks and recreation:				
Parks maintenance-general	\$ 752,981	\$ 755,629	\$ 744,207	\$ 11,422
Recreation centers	1,269,718	1,336,080	1,328,332	7,748
Swimming pools	387,081	387,081	368,007	19,074
Recreation administration and programs	92,918	155,868	127,571	28,297
Golf courses	15,465	15,465	17,099	(1,634)
Library	10,794	14,368	13,719	649
Subtotal	<u>2,528,957</u>	<u>2,664,491</u>	<u>2,598,935</u>	<u>65,556</u>
Cultural Arts Center:				
Performing Arts Center	563,059	563,059	618,293	(55,234)
Performing Arts Center Programs	-	32,500	25,170	7,330
Subtotal	<u>563,059</u>	<u>595,559</u>	<u>643,463</u>	<u>(47,904)</u>
Capital outlay	372,235	796,230	885,164	(88,934)
Debt services				
Principal	102,314	102,314	102,314	-
Interest and fiscal charges	30,287	30,287	31,788	(1,501)
Subtotal expenditures	<u>27,644,554</u>	<u>28,697,115</u>	<u>28,338,713</u>	<u>358,402</u>
DEFICIENCY OF REVENUES				
UNDER EXPENDITURES	<u>(3,770,160)</u>	<u>(2,848,423)</u>	<u>(240,411)</u>	<u>2,608,012</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from the sale of capital assets	-	-	4,000	4,000
Proceeds from loan issuance	-	-	150,000	150,000
Transfers in	2,597,543	3,300,043	4,615,473	1,315,430
Transfers out	(392,151)	(1,312,151)	(3,159,929)	(1,847,778)
Total other financing sources (uses)	<u>2,205,392</u>	<u>1,987,892</u>	<u>1,609,544</u>	<u>(378,348)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,564,768)</u>	<u>\$ (860,531)</u>	1,369,133	<u>\$ 2,229,664</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			11,253,101	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 12,622,234</u>	

See note to required supplementary information.

**CITY OF ROHNERT PARK  
BUDGETARY COMPARISON SCHEDULE  
HOUSING PROJECTS SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 33,026	\$ 33,026
Donations and miscellaneous	-	-	159,690	159,690
Total revenues	-	-	192,716	192,716
<b>EXPENDITURES</b>				
Current:				
General government	-	-	31,969	(31,969)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	160,747	<u>\$ 160,747</u>
<b>FUND BALANCES, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED</b>			21,350,528	
<b>PRIOR PERIOD ADJUSTMENTS</b>			<u>1,029,012</u>	
<b>FUND BALANCE, BEGINNING OF YEAR, AS RESTATED</b>			<u>22,379,540</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 22,540,287</u>	

See note to required supplementary information.

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**PUBLIC FACILITY FINANCE FEE SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 23,984	\$ 23,984
Licenses, permits and fees	-	-	1,961,661	1,961,661
Total revenues	-	-	1,985,645	1,985,645
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	-	-	1,985,645	1,985,645
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	613,326	613,326
Transfers out	-	(13,377,488)	(9,415,401)	3,962,087
Total other financing sources (uses)	-	(13,377,488)	(8,802,075)	4,575,413
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ (13,377,488)</u>	(6,816,430)	<u>\$ 6,561,058</u>
<b>FUND BALANCES, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED</b>			13,083,115	
<b>PRIOR PERIOD ADJUSTMENTS</b>			<u>(11,070,545)</u>	
<b>FUND BALANCE, BEGINNING OF YEAR, AS RESTATED</b>			<u>2,012,570</u>	
<b>FUND BALANCE (DEFICIT), END OF YEAR</b>			<u>\$ (4,803,860)</u>	

See note to required supplementary information.

## **CITY OF ROHNERT PARK**

### **NOTE TO REQUIRED SUPPLEMENTAL INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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#### **Budgets and Budgetary Accounting**

The City operates under the general laws of the State of California and annually adopts a budget for its General Fund to be effective July 1 for the ensuing fiscal year. From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein as proposed expenditures become appropriations to the various City departments. The City Council may amend the budget by resolution during the fiscal year. The legal level of budgetary control is the fund level. The City Manager may authorize transfers from one account to another within the same department. All unencumbered appropriations lapse at year-end.

Annual budgets for all of the City's major funds and nonmajor special revenue funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America, with the exception of proceeds from the sale of capital assets, which is treated as revenues on the budgetary basis. The City prefers to leave its original budget unaltered during the year, unless there are substantial changes to budget forecasts, so that the effectiveness of individual departments in meeting budget objectives can be evaluated and the adequacy of the budget itself can be judged. Expenditures in excess of budgeted amounts are allowed by law but must be approved individually by the City Manager and are required to be disclosed per GAAP.

Encumbrance accounting, under which purchase orders, contracts, and other commitments of expenditures are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the budgetary process. At June 30, 2014, encumbrances of \$503,650 was outstanding for the General Fund.

## OTHER SUPPLEMENTARY INFORMATION

## **CITY OF ROHNERT PARK**

### **OTHER SUPPLEMENTAL INFORMATION**

#### **DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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##### **SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The following summarizes the City's Special Revenue Funds:

**Alcoholic Beverage Service Ordinance (ABSO) Fund** - From revenues received from all businesses which pay the annual permit fee that sell alcohol in the City pursuant to City's Ordinance No. 780. The permit from the ordinance requires the business owner to comply with operational standards and training requirements and creates conditions and requirements upon the local alcohol sales licenses for the purpose of law enforcement compliance checks, police services necessary to monitor and enforce operational stands established with the license.

**Vehicle Abatement Fund** - From revenues received from the Sonoma County Abandoned Vehicle Abatement Program, pursuant to the terms of an agreement with the Service Authority authorized by City Council Resolution No. 95-16, providing for the abatement of abandoned vehicles in the City.

**Traffic Safety Fund** - From revenues received pursuant to Vehicle Code Section 42200 for the purpose of maintenance of traffic control devices and traffic law enforcement and traffic accident prevention.

**General Plan Maintenance Fund** - From revenues received from a surcharge pursuant to City's Resolution No. 2008-03 on certain building permits and based on a percentage of project valuation, for the purpose of updating and maintaining the Rohnert Park General Plan.

**Spay and Neuter Fund** - From revenues received from \$2 of each animal license, pursuant to City's Resolution 2008-03, for the purpose of supplementing the costs of spay and neuter activities.

**Refuse Road Impact Fee Fund** - From revenues received from Rohnert Park Disposal pursuant to the Second Amended and Restated Agreement between the City and Rohnert Park Disposal, Inc. for expenses incurred by the City for repairing and maintaining the City's public streets cause by normal and ongoing use of Rohnert Park Disposal's collection vehicles.

**State Gasoline Tax Fund** - From revenues received pursuant to Street and Highway Code Sections 2105, 2106, 2107, and 2107.5 and other funds for the purpose of maintenance and construction of the City streets.

**Measure M Traffic Fund** - From revenues received from County of Sonoma on one quarter cent sales tax for street improvements.

**Proposition 1B Fund** - From revenues received from the States issued general obligation bond proceeds to City for maintenance and improvements of local transportation facilities.

**Traffic Signals Fee Fund** - From revenues received from fees imposed on developers for the purpose of constructing traffic signals.

**Capital Outlay Fee Fund** - From revenues received from fees imposed on developers for the purpose of park development, open space, and community facilities such as fire stations, libraries, auditoriums, stadiums, etc.

**Supplemental Law Enforcement Services Fund** - From revenues received from the State of California pursuant to AB 3229 for the purpose of ensuring public safety.

**DIVCA PEG Fee (AB 2987) Fund** - Accounts for activities related to public, educational and governmental access channels, as mandated by Assembly Bill 2987.



## **CITY OF ROHNERT PARK**

### **OTHER SUPPLEMENTAL INFORMATION**

#### **DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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**Traffic Congestion Relief (AB 2928) Fund** - From revenues received pursuant to Assembly Bill 2928 for the purpose of maintenance and reconstruction of streets and roads.

**Graton Mitigation Development Fee Fund** – Accounts for nonrecurring development fee contributions and related activities pursuant to Section 2.1 of the memorandum of understanding (MOU) between the Federated Indians of the Graton Rancheria (Tribe) and the City.

**Graton Mitigation Law Enforcement Fund** - Accounts for contributions and related activities for special law enforcement pursuant to Section 2.2 and Section 3.1 of the MOU between the Tribe and the City.

**Graton Mitigation Public Safety Building Fund** - Accounts for contributions and related activities for the construction of a new public safety building and purchase of public safety equipment and vehicles pursuant to Section 2.3 of the MOU between the Tribe and the City.

**Graton Mitigation Traffic Impact Fund** - Accounts for contributions and related activities for mitigation of traffic impacts pursuant to Section 2.4 of the MOU between the Tribe and the City.

**Graton Mitigation Problem Gambling Fund** - Accounts for contributions and related activities for mitigation of social impacts pursuant to Section 3.2 of the MOU between the Tribe and the City. The City shall grant such payment to an organization dedicated to the treatment and prevention of problem gambling or pathological gambling disorders.

**Graton Mitigation Waterway Fund** - Accounts for contributions and related activities for storm water drainage pursuant to Section 3.3 of the MOU between the Tribe and the City.

**Graton Mitigation Public Services Fund** - Accounts for contributions and related activities for public services pursuant to Section 3.4.2 of the MOU between the Tribe and the City.

**Graton Mitigation Supplemental Fund** - Accounts for supplemental contributions and related activities for mitigation of potential impacts pursuant to Section 3.4.1 of the MOU between the Tribe and the City.

**Graton Mitigation Wilfred Maintenance Fund** - Accounts for contributions and related activities for the maintenance of the Wilfred Avenue pursuant to Section 6.6 of the Joint Exercise of Powers Agreement for implementation of mitigation measure for widening Wilfred Avenue between the Tribe and the City.

**Measure M Fire Benefit Assessment Fund** - From revenues received pursuant to the voter approved fire benefit assessment district. Purpose is to finance enhancements of fire suppression activities.

**Mobile Home Rent Appeals Board Fund** - From revenues received pursuant to City of Rohnert Park Ordinance 494 authorizing the collection of registration fees from mobile home parks. Purpose is to fund the Mobile Home Rent Appeals Board.

**Copeland Creek Drainage Facility Fund** - From revenues received from fees imposed on developers in a specific area serviced by the Copeland Creek drainage improvements. Purpose is to repay the costs of the Copeland Creek drainage improvements.

### **PERMANENT FUND**

Permanent Funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs. The following summarizes the City's Permanent Fund:

**Performing Arts Center Endowment Permanent Fund** - To account for capital donated for the City's Dorothy Rohnert Sprekels Performing Arts Center. The interest generated from the donations is used for operating costs of the Performing Arts Center.

**CITY OF ROHNERT PARK**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2014**

	<b>Nonmajor Special Revenue Funds</b>	<b>Performing Arts Center Endowment Permanent Fund</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 9,343,530	\$ 1,198,388	\$ 10,541,918
Receivables, net:			
Taxes	14,678	-	14,678
Accounts	194,094	-	194,094
Accrued interest	4,765	-	4,765
Due from other funds	19,047	-	19,047
Prepaid items and other assets	9,664	-	9,664
Advances to other funds	1,003,898	-	1,003,898
Total assets	<u>\$ 10,589,676</u>	<u>\$ 1,198,388</u>	<u>\$ 11,788,064</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 11,798	\$ -	\$ 11,798
Accrued liabilities	3,987	-	3,987
Due to other funds	17,338	-	17,338
Total liabilities	<u>33,123</u>	<u>-</u>	<u>33,123</u>
<b>FUND BALANCES</b>			
Nonspendable	1,013,562	1,198,388	2,211,950
Restricted	6,292,643	-	6,292,643
Assigned	3,267,686	-	3,267,686
Unassigned	(17,338)	-	(17,338)
Total fund balances	<u>10,556,553</u>	<u>1,198,388</u>	<u>11,754,941</u>
Total liabilities and fund balances	<u>\$ 10,589,676</u>	<u>\$ 1,198,388</u>	<u>\$ 11,788,064</u>

**CITY OF ROHNERT PARK**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Nonmajor Special Revenue Funds</b>	<b>Performing Arts Center Endowment Permanent Fund</b>	<b>Total</b>
<b>REVENUES</b>			
Taxes	\$ 587,524	\$ -	\$ 587,524
Intergovernmental	1,658,030	-	1,658,030
Interest and rentals	21,618	2,986	24,604
Charges for current services	382,522	-	382,522
Licenses, permits and fees	642,949	-	642,949
Fines, forfeitures and penalties	129,037	-	129,037
Donations and miscellaneous	2,799,214	-	2,799,214
Total revenues	6,220,894	2,986	6,223,880
<b>EXPENDITURES</b>			
Current:			
General government	68,520	-	68,520
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	6,152,374	2,986	6,155,360
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	2,134,340	-	2,134,340
Transfers out	(4,442,552)	(2,986)	(4,445,538)
Total other financing sources (uses)	(2,308,212)	(2,986)	(2,311,198)
<b>NET CHANGE IN FUND BALANCES</b>	3,844,162	-	3,844,162
<b>FUND BALANCES , BEGINNING OF YEAR AS PREVIOUSLY REPORTED</b>	6,521,872	1,198,388	7,720,260
<b>PRIOR PERIOD ADJUSTMENTS</b>	190,519	-	190,519
<b>FUND BALANCES, BEGINNING OF YEAR AS RESTATED</b>	6,712,391	1,198,388	7,910,779
<b>FUND BALANCES, END OF YEAR</b>	\$ 10,556,553	\$ 1,198,388	\$ 11,754,941

**CITY OF ROHNERT PARK**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2014**

	<b>Alcohol Beverage Sales Ordinance (ABSO)</b>	<b>Vehicle Abatement Fund</b>	<b>Traffic Safety</b>	<b>General Plan Maintenance</b>	<b>Spay and Neuter</b>
<b>ASSETS</b>					
Cash and investments	\$ 90,312	\$ 300,439	\$ 225,592	\$ 368,537	\$ 92,840
Receivables, net:					
Taxes	-	-	-	-	-
Accounts	-	23,294	18,510	-	966
Accrued interest	46	153	115	188	48
Due from other funds	-	-	-	-	-
Prepaid items and other assets	-	-	-	-	-
Advances to other funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 90,358</u>	<u>\$ 323,886</u>	<u>\$ 244,217</u>	<u>\$ 368,725</u>	<u>\$ 93,854</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	90,358	323,886	244,217	368,725	93,854
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>90,358</u>	<u>323,886</u>	<u>244,217</u>	<u>368,725</u>	<u>93,854</u>
Total liabilities and fund balances	<u>\$ 90,358</u>	<u>\$ 323,886</u>	<u>\$ 244,217</u>	<u>\$ 368,725</u>	<u>\$ 93,854</u>

<b>Refuse Road Impact Fee</b>	<b>State Gasoline Tax</b>	<b>Measure M Traffic</b>	<b>Proposition 1B</b>	<b>Traffic Signals Fee</b>	
\$ 597,420	\$ 2,174,941	\$ 397,273	\$ 42	\$ 498,314	<b>ASSETS</b>
-	-	-	-	-	Cash and investments
33,278	30,459	58,764	-	-	Receivables, net:
304	1,109	203	-	254	Taxes
-	-	-	-	-	Accounts
-	9,664	-	-	-	Accrued interest
-	-	-	-	-	Due from other funds
-	-	-	-	1,003,898	Prepaid items and other assets
					Advances to other funds
<u>\$ 631,002</u>	<u>\$ 2,216,173</u>	<u>\$ 456,240</u>	<u>\$ 42</u>	<u>\$ 1,502,466</u>	Total assets
					<b>LIABILITIES</b>
\$ -	\$ 1,665	\$ -	\$ -	\$ -	Accounts payable
-	-	-	-	-	Accrued liabilities
-	-	-	-	-	Due to other funds
-	1,665	-	-	-	Total liabilities
					<b>FUND BALANCES</b>
-	9,664	-	-	1,003,898	Nonspendable
631,002	2,204,844	456,240	42	498,568	Restricted
-	-	-	-	-	Assigned
-	-	-	-	-	Unassigned
<u>631,002</u>	<u>2,214,508</u>	<u>456,240</u>	<u>42</u>	<u>1,502,466</u>	Total fund balances
<u>\$ 631,002</u>	<u>\$ 2,216,173</u>	<u>\$ 456,240</u>	<u>\$ 42</u>	<u>\$ 1,502,466</u>	Total liabilities and fund balances

(continued)

**CITY OF ROHNERT PARK**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2014**

	<b>Capital Outlay Fee</b>	<b>Supplemental Law Enforcement Services</b>	<b>DIVCA PEG Fee (AB2987)</b>	<b>Traffic Congestion Relief (AB2928)</b>	<b>Graton Mitigation Development Fee</b>
<b>ASSETS</b>					
Cash and investments	\$ 210,772	\$ 115,317	\$ 252,658	\$ 215,804	\$ 1,194,437
Receivables, net:					
Taxes	-	-	-	-	-
Accounts	-	-	28,823	-	-
Accrued interest	107	59	129	110	609
Due from other funds	-	-	-	-	19,047
Prepaid items and other assets	-	-	-	-	-
Advances to other funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 210,879</u>	<u>\$ 115,376</u>	<u>\$ 281,610</u>	<u>\$ 215,914</u>	<u>\$ 1,214,093</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	210,879	115,376	281,610	215,914	-
Assigned	-	-	-	-	1,214,093
Unassigned	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>210,879</u>	<u>115,376</u>	<u>281,610</u>	<u>215,914</u>	<u>1,214,093</u>
Total liabilities and fund balances	<u>\$ 210,879</u>	<u>\$ 115,376</u>	<u>\$ 281,610</u>	<u>\$ 215,914</u>	<u>\$ 1,214,093</u>

<b>Graton Mitigation Law Enforcement</b>	<b>Graton Mitigation Public Safety Building</b>	<b>Graton Mitigation Traffic Impact</b>	<b>Graton Mitigation Problem Gambling</b>	<b>Graton Mitigation Waterway</b>	
\$ 167,074	\$ -	\$ -	\$ 31,241	\$ 12,497	<b>ASSETS</b>
-	-	-	-	-	Cash and investments
-	-	-	-	-	Receivables, net:
85	-	-	16	6	Taxes
-	-	-	-	-	Accounts
-	-	-	-	-	Accrued interest
-	-	-	-	-	Due from other funds
-	-	-	-	-	Prepaid items and other assets
-	-	-	-	-	Advances to other funds
<u>\$ 167,159</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,257</u>	<u>\$ 12,503</u>	Total assets
					<b>LIABILITIES</b>
\$ -	\$ -	\$ -	\$ -	\$ -	Accounts payable
-	-	-	-	-	Accrued liabilities
-	17,338	-	-	-	Due to other funds
-	17,338	-	-	-	Total liabilities
					<b>FUND BALANCES</b>
-	-	-	-	-	Nonspendable
-	-	-	-	-	Restricted
167,159	-	-	31,257	12,503	Assigned
-	(17,338)	-	-	-	Unassigned
<u>167,159</u>	<u>(17,338)</u>	<u>-</u>	<u>31,257</u>	<u>12,503</u>	Total fund balances
<u>\$ 167,159</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,257</u>	<u>\$ 12,503</u>	Total liabilities and fund balances
(continued)					

**CITY OF ROHNERT PARK**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2014**

	<b>Graton Mitigation Public Services</b>	<b>Graton Mitigation Supplemental</b>	<b>Graton Mitigation Wilfred Maintenance</b>	<b>Measure M Fire Benefit Assessment</b>	<b>Mobile Home Rent Appeals Board</b>
<b>ASSETS</b>					
Cash and investments	\$ 592,084	\$ 1,249,651	\$ 288,133	\$ 105,191	\$ 108,614
Receivables, net:					
Taxes	-	-	-	14,678	-
Accounts	-	-	-	-	-
Accrued interest	302	637	147	54	56
Due from other funds	-	-	-	-	-
Prepaid items and other assets	-	-	-	-	-
Advances to other funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 592,386</u>	<u>\$ 1,250,288</u>	<u>\$ 288,280</u>	<u>\$ 119,923</u>	<u>\$ 108,670</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 10,133
Accrued liabilities	-	-	-	-	3,987
Due to other funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,120</u>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	-	-	288,280	119,923	94,550
Assigned	592,386	1,250,288	-	-	-
Unassigned	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>592,386</u>	<u>1,250,288</u>	<u>288,280</u>	<u>119,923</u>	<u>94,550</u>
Total liabilities and fund balances	<u>\$ 592,386</u>	<u>\$ 1,250,288</u>	<u>\$ 288,280</u>	<u>\$ 119,923</u>	<u>\$ 108,670</u>



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<b>Copeland Creek Drainage Facility</b>	<b>Total</b>	
\$ 54,347	\$ 9,343,530	<b>ASSETS</b>
-	14,678	Cash and investments
-	194,094	Receivables, net:
28	4,765	Taxes
-	19,047	Accounts
-	9,664	Accrued interest
-	1,003,898	Due from other funds
		Prepaid items and other assets
		Advances to other funds
<u>\$ 54,375</u>	<u>\$ 10,589,676</u>	Total assets
		<b>LIABILITIES</b>
\$ -	\$ 11,798	Accounts payable
-	3,987	Accrued liabilities
-	17,338	Due to other funds
<u>-</u>	<u>33,123</u>	Total liabilities
		<b>FUND BALANCES</b>
-	1,013,562	Nonspendable
54,375	6,292,643	Restricted
-	3,267,686	Assigned
-	(17,338)	Unassigned
<u>54,375</u>	<u>10,556,553</u>	Total fund balances
<u>\$ 54,375</u>	<u>\$ 10,589,676</u>	Total liabilities and fund balances

**CITY OF ROHNERT PARK**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Alcohol Beverage Sales Ordinance (ABSO)</b>	<b>Vehicle Abatement Fund</b>	<b>Traffic Safety</b>	<b>General Plan Maintenance</b>	<b>Spay and Neuter</b>
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Interest and rentals	80	253	256	231	57
Charges for current services	31,850	97,728	-	252,944	-
Licenses, permits and fees	-	-	-	-	1,854
Fines, forfeitures and penalties	-	-	129,037	-	-
Donations and miscellaneous	-	-	-	-	-
Total revenues	<u>31,930</u>	<u>97,981</u>	<u>129,293</u>	<u>253,175</u>	<u>1,911</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>31,930</u>	<u>97,981</u>	<u>129,293</u>	<u>253,175</u>	<u>1,911</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	89,521	292,655	361,668	139,344	133,422
Transfers out	(31,093)	(66,750)	(246,744)	(23,794)	(41,479)
Total other financing sources (uses)	<u>58,428</u>	<u>225,905</u>	<u>114,924</u>	<u>115,550</u>	<u>91,943</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>90,358</u>	<u>323,886</u>	<u>244,217</u>	<u>368,725</u>	<u>93,854</u>
<b>FUND BALANCES, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED</b>	-	-	-	-	-
<b>PRIOR PERIOD ADJUSTMENTS</b>	-	-	-	-	-
<b>FUND BALANCES, BEGINNING OF YEAR, AS RESTATED</b>	-	-	-	-	-
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 90,358</u>	<u>\$ 323,886</u>	<u>\$ 244,217</u>	<u>\$ 368,725</u>	<u>\$ 93,854</u>

<b>Refuse Road Impact Fee</b>	<b>State Gasoline Tax</b>	<b>Measure M Traffic</b>	<b>Proposition 1B</b>	<b>Traffic Signals Fee</b>	
\$ -	\$ -	\$ -	\$ -	\$ -	<b>REVENUES</b>
-	1,263,877	248,911	-	-	Taxes
1,078	4,989	723	-	4,234	Intergovernmental
-	-	-	-	-	Interest and rentals
439,405	-	-	-	-	Charges for current services
-	-	-	-	-	Licenses, permits and fees
-	-	-	-	-	Fines, forfeitures and penalties
-	-	-	-	-	Donations and miscellaneous
<u>440,483</u>	<u>1,268,866</u>	<u>249,634</u>	<u>-</u>	<u>4,234</u>	Total revenues
					<b>EXPENDITURES</b>
-	21,406	-	-	-	Current:
					General government
<u>440,483</u>	<u>1,247,460</u>	<u>249,634</u>	<u>-</u>	<u>4,234</u>	EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES
					<b>OTHER FINANCING SOURCES (USES)</b>
-	292,479	259,768	-	265,770	Transfers in
-	(1,142,923)	(358,722)	-	(27,583)	Transfers out
-	(850,444)	(98,954)	-	238,187	Total other financing sources (uses)
<u>440,483</u>	<u>397,016</u>	<u>150,680</u>	<u>-</u>	<u>242,421</u>	<b>NET CHANGE IN FUND BALANCES</b>
-	1,817,492	305,560	42	1,260,045	<b>FUND BALANCES, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED</b>
<u>190,519</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<b>PRIOR PERIOD ADJUSTMENTS</b>
<u>190,519</u>	<u>1,817,492</u>	<u>305,560</u>	<u>42</u>	<u>1,260,045</u>	<b>FUND BALANCES, BEGINNING OF YEAR, AS RESTATED</b>
<u>\$ 631,002</u>	<u>\$ 2,214,508</u>	<u>\$ 456,240</u>	<u>\$ 42</u>	<u>\$ 1,502,466</u>	<b>FUND BALANCES, END OF YEAR</b>

(continued)

**CITY OF ROHNERT PARK**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Capital Outlay Fee</b>	<b>Supplemental Law Enforcement Services</b>	<b>DIVCA PEG Fee (AB2987)</b>	<b>Traffic Congestion Relief (AB2928)</b>	<b>Graton Mitigation Development Fee</b>
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	115,242	-	-	-
Interest and rentals	647	134	650	130	6,539
Charges for current services	-	-	-	-	-
Licenses, permits and fees	-	-	112,697	-	-
Fines, forfeitures and penalties	-	-	-	-	-
Donations and miscellaneous	-	-	-	-	-
Total revenues	<u>647</u>	<u>115,376</u>	<u>113,347</u>	<u>130</u>	<u>6,539</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	7
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>647</u>	<u>115,376</u>	<u>113,347</u>	<u>130</u>	<u>6,532</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	252,804	-
Transfers out	(9,645)	-	(53,875)	(37,020)	(1,397,174)
Total other financing sources (uses)	<u>(9,645)</u>	<u>-</u>	<u>(53,875)</u>	<u>215,784</u>	<u>(1,397,174)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(8,998)</u>	<u>115,376</u>	<u>59,472</u>	<u>215,914</u>	<u>(1,390,642)</u>
<b>FUND BALANCES, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED</b>	219,877	-	222,138	-	2,604,735
<b>PRIOR PERIOD ADJUSTMENTS</b>	-	-	-	-	-
<b>FUND BALANCES, BEGINNING OF YEAR, AS RESTATED</b>	<u>219,877</u>	<u>-</u>	<u>222,138</u>	<u>-</u>	<u>2,604,735</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 210,879</u>	<u>\$ 115,376</u>	<u>\$ 281,610</u>	<u>\$ 215,914</u>	<u>\$ 1,214,093</u>

<b>Graton Mitigation Law Enforcement</b>	<b>Graton Mitigation Public Safety Building</b>	<b>Graton Mitigation Traffic Impact</b>	<b>Graton Mitigation Problem Gambling</b>	<b>Graton Mitigation Waterway</b>	
\$ -	\$ -	\$ -	\$ -	\$ -	<b>REVENUES</b>
30,000	-	-	-	-	Taxes
337	-	-	7	3	Intergovernmental
-	-	-	-	-	Interest and rentals
-	-	-	-	-	Charges for current services
-	-	-	-	-	Licenses, permits and fees
625,000	-	-	31,250	12,500	Fines, forfeitures and penalties
655,337	-	-	31,257	12,503	Donations and miscellaneous
					Total revenues
					<b>EXPENDITURES</b>
-	-	-	-	-	Current:
					General government
655,337	-	-	31,257	12,503	<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>
-	-	4,919	-	-	<b>OTHER FINANCING SOURCES (USES)</b>
(488,178)	(17,338)	-	-	-	Transfers in
(488,178)	(17,338)	4,919	-	-	Transfers out
167,159	(17,338)	4,919	31,257	12,503	Total other financing sources (uses)
					<b>NET CHANGE IN FUND BALANCES</b>
-	-	(4,919)	-	-	<b>FUND BALANCES, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED</b>
-	-	-	-	-	<b>PRIOR PERIOD ADJUSTMENTS</b>
-	-	(4,919)	-	-	<b>FUND BALANCES, BEGINNING OF YEAR, AS RESTATED</b>
\$ 167,159	\$ (17,338)	\$ -	\$ 31,257	\$ 12,503	<b>FUND BALANCES, END OF YEAR</b>

(continued)

**CITY OF ROHNERT PARK**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Graton Mitigation Public Services</b>	<b>Graton Mitigation Supplemental</b>	<b>Graton Mitigation Wilfred Maintenance</b>	<b>Measure M Fire Benefit Assessment</b>	<b>Mobile Home Rent Appeals Board</b>
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ 587,524	\$ -
Intergovernmental	-	-	-	-	-
Interest and rentals	136	288	66	505	203
Charges for current services	-	-	-	-	-
Licenses, permits and fees	-	-	-	-	88,993
Fines, forfeitures and penalties	-	-	-	-	-
Donations and miscellaneous	592,250	1,250,000	288,214	-	-
Total revenues	592,386	1,250,288	288,280	588,029	89,196
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	47,107
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	592,386	1,250,288	288,280	588,029	42,089
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	41,990
Transfers out	-	-	-	(500,000)	-
Total other financing sources (uses)	-	-	-	(500,000)	41,990
<b>NET CHANGE IN FUND BALANCES</b>	592,386	1,250,288	288,280	88,029	84,079
<b>FUND BALANCES, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED</b>	-	-	-	31,894	10,471
<b>PRIOR PERIOD ADJUSTMENTS</b>	-	-	-	-	-
<b>FUND BALANCES, BEGINNING OF YEAR, AS RESTATED</b>	-	-	-	31,894	10,471
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 592,386</u>	<u>\$ 1,250,288</u>	<u>\$ 288,280</u>	<u>\$ 119,923</u>	<u>\$ 94,550</u>

<b>Copeland Creek Drainage Facility</b>		<b>Total</b>	
			<b>REVENUES</b>
\$	-	\$ 587,524	Taxes
	-	1,658,030	Intergovernmental
	72	21,618	Interest and rentals
	-	382,522	Charges for current services
	-	642,949	Licenses, permits and fees
	-	129,037	Fines, forfeitures and penalties
	-	2,799,214	Donations and miscellaneous
	72	6,220,894	Total revenues
			<b>EXPENDITURES</b>
			Current:
	-	68,520	General government
	72	6,152,374	EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES
			<b>OTHER FINANCING SOURCES (USES)</b>
	-	2,134,340	Transfers in
	(234)	(4,442,552)	Transfers out
	(234)	(2,308,212)	Total other financing sources (uses)
	(162)	3,844,162	<b>NET CHANGE IN FUND BALANCES</b>
	54,537	6,521,872	<b>FUND BALANCES, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED</b>
	-	190,519	<b>PRIOR PERIOD ADJUSTMENTS</b>
	54,537	6,712,391	<b>FUND BALANCES, BEGINNING OF YEAR, AS RESTATED</b>
\$	54,375	\$ 10,556,553	<b>FUND BALANCES, END OF YEAR</b>

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**ALCOHOL BEVERAGE SALES ORDINANCE (ABSO) SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 80	\$ 80
Charges for current services	-	-	31,850	31,850
Total revenues	-	-	31,930	31,930
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	89,521	89,521
Transfers out	-	-	(31,093)	(31,093)
Total other financing sources (uses)	-	-	58,428	58,428
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	90,358	<u>\$ 90,358</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			-	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 90,358</u>	



**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**VEHICLE ABATEMENT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 253	\$ 253
Charges for current services	-	-	97,728	97,728
Total revenues	-	-	97,981	97,981
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	292,655	292,655
Transfers out	-	-	(66,750)	(66,750)
Total other financing sources (uses)	-	-	225,905	225,905
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>323,886</u>	<u>\$ 323,886</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			-	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 323,886</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**TRAFFIC SAFETY SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 256	\$ 256
Fines, forfeitures and penalties	-	-	129,037	129,037
Total revenues	-	-	129,293	129,293
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	361,668	361,668
Transfers out	-	-	(246,744)	(246,744)
Total other financing sources (uses)	-	-	114,924	114,924
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>244,217</u>	<u>\$ 244,217</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>-</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 244,217</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL PLAN MAINTENANCE SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 231	\$ 231
Charges for current services	-	-	252,944	252,944
Total revenues	-	-	253,175	253,175
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	139,344	139,344
Transfers out	-	-	(23,794)	(23,794)
Total other financing sources (uses)	-	-	115,550	115,550
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>368,725</u>	<u>\$ 368,725</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>-</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 368,725</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**SPAY AND NEUTER SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 57	\$ 57
Licenses, permits and fees	-	-	1,854	1,854
Total revenues	-	-	1,911	1,911
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	133,422	133,422
Transfers out	-	-	(41,479)	(41,479)
Total other financing sources (uses)	-	-	91,943	91,943
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>93,854</u>	<u>\$ 93,854</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			-	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 93,854</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**REFUSE ROAD IMPACT FEE SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 1,078	\$ 1,078
Licenses, permits and fees	-	-	439,405	439,405
Total revenues	-	-	440,483	440,483
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	440,483	<u>\$ 440,483</u>
<b>FUND BALANCES, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED</b>			-	
<b>PRIOR PERIOD ADJUSTMENTS</b>			190,519	
<b>FUND BALANCE, BEGINNING OF YEAR, AS RESTATED</b>			190,519	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 631,002</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**STATE GASOLINE TAX SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Intergovernmental	\$ 1,032,828	\$ 1,032,828	\$ 1,263,877	\$ 231,049
Interest and rentals	7,589	7,589	4,989	(2,600)
Total revenues	1,040,417	1,040,417	1,268,866	228,449
<b>EXPENDITURES</b>				
Current:				
General government	30,031	30,031	21,406	8,625
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	1,010,386	1,010,386	1,247,460	237,074
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	292,479	292,479
Transfers out	(1,903,764)	(1,910,764)	(1,142,923)	767,841
Total other financing sources (uses)	(1,903,764)	(1,910,764)	(850,444)	1,060,320
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (893,378)</u>	<u>\$ (900,378)</u>	397,016	<u>\$ 1,297,394</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			1,817,492	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 2,214,508</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**MEASURE M TRAFFIC SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Intergovernmental	\$ 227,818	\$ 227,818	\$ 248,911	\$ 21,093
Interest and rentals	2,532	2,532	723	(1,809)
Total revenues	230,350	230,350	249,634	19,284
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	259,768	259,768
Transfers out	-	-	(358,722)	(358,722)
Total other financing sources (uses)	-	-	(98,954)	(98,954)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 230,350</u>	<u>\$ 230,350</u>	150,680	<u>\$ (79,670)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			305,560	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 456,240</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**PROPOSITION 1B SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ 2,500	\$ 2,500	\$ -	\$ (2,500)
<b>OTHER FINANCING USES</b>				
Transfers out	(417,000)	(417,000)	-	417,000
<b>NET CHANGE IN FUND BALANCE</b>	<u><u>\$ (414,500)</u></u>	<u><u>\$ (414,500)</u></u>	-	<u><u>\$ 414,500</u></u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			42	
<b>FUND BALANCE, END OF YEAR</b>			<u><u>\$ 42</u></u>	



**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**TRAFFIC SIGNALS FEE SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ 13,482	\$ 13,482	\$ 4,234	\$ (9,248)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	265,770	265,770
Transfers out	(1,127,150)	(1,127,150)	(27,583)	1,099,567
Total other financing sources (uses)	(1,127,150)	(1,127,150)	238,187	1,365,337
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (1,113,668)</u>	<u>\$ (1,113,668)</u>	242,421	<u>\$ 1,356,089</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			1,260,045	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 1,502,466</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**CAPITAL OUTLAY FEE SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ 1,574	\$ 1,574	\$ 647	\$ (927)
<b>OTHER FINANCING USES</b>				
Transfers out	-	-	(9,645)	(9,645)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 1,574</u>	<u>\$ 1,574</u>	(8,998)	<u>\$ (10,572)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			219,877	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 210,879</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**SUPPLEMENTAL LAW ENFORCEMENT SERVICES SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 115,242	\$ 115,242
Interest and rentals	-	-	134	134
Total revenues	-	-	115,376	115,376
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	115,376	<u>\$ 115,376</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			-	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 115,376</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**DIVCA PEG FEE (AB2987) SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 650	\$ 650
Licenses, permits and fees	-	-	112,697	112,697
Total revenues	-	-	113,347	113,347
<b>OTHER FINANCING USES</b>				
Transfers out	(75,000)	(75,000)	(53,875)	21,125
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (75,000)</u>	<u>\$ (75,000)</u>	59,472	<u>\$ 134,472</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			222,138	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 281,610</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**TRAFFIC CONGESTION RELIEF (AB2928) SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 130	\$ 130
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	252,804	252,804
Transfers out	-	-	(37,020)	(37,020)
Total other financing sources (uses)	-	-	215,784	215,784
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>215,914</u>	<u>\$ 215,914</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>-</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 215,914</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**GRATON MITIGATION DEVELOPMENT FEE SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 6,539	\$ 6,539
<b>EXPENDITURES</b>				
Current:				
General government	-	-	7	(7)
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	-	-	6,532	6,532
<b>OTHER FINANCING USES</b>				
Transfers out	-	(1,304,543)	(1,397,174)	(92,631)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ (1,304,543)</u>	<u>(1,390,642)</u>	<u>\$ (86,099)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>2,604,735</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 1,214,093</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**GRATON MITIGATION LAW ENFORCEMENT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 30,000	\$ 30,000
Interest and rentals	-	-	337	337
Donations and miscellaneous	-	-	625,000	625,000
Total revenues	-	-	655,337	655,337
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(50,000)	(488,178)	(438,178)
Total other financing sources (uses)	-	(50,000)	(488,178)	(438,178)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ (50,000)</u>	167,159	<u>\$ 217,159</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			-	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 167,159</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**GRATON MITIGATION PUBLIC SAFETY BUILDING SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>OTHER FINANCING USES</b>				
Transfers out	-	-	(17,338)	(17,338)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	(17,338)	<u>\$ (17,338)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			-	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ (17,338)</u>	



**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**GRATON MITIGATION TRAFFIC IMPACT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ -	\$ -	\$ 4,919	\$ 4,919
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	4,919	<u>\$ 4,919</u>
<b>FUND BALANCES, BEGINNING OF YEAR AS PREVIOUSLY REPORTED</b>			(4,919)	
<b>ACCOUNTING CHANGE</b>			-	
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>(4,919)</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ -</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**GRATON MITIGATION PROBLEM GAMBLING SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 7	\$ 7
Donations and miscellaneous	-	-	31,250	31,250
Total revenues	-	-	31,257	31,257
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	31,257	<u>\$ 31,257</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			-	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 31,257</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**GRATON MITIGATION WATERWAY SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 3	\$ 3
Donations and miscellaneous	-	-	12,500	12,500
Total revenues	-	-	12,503	12,503
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	12,503	<u>\$ 12,503</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			-	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 12,503</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**GRATON MITIGATION PUBLIC SERVICES SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 136	\$ 136
Donations and miscellaneous	-	-	592,250	592,250
Total revenues	-	-	592,386	592,386
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	592,386	<u>\$ 592,386</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			-	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 592,386</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**GRATON MITIGATION SUPPLEMENTAL SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 288	\$ 288
Donations and miscellaneous	-	-	1,250,000	1,250,000
Total revenues	-	-	1,250,288	1,250,288
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	1,250,288	<u>\$ 1,250,288</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			-	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 1,250,288</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**GRATON MITIGATION WILFRED MAINTENANCE SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 66	\$ 66
Donations and miscellaneous	-	-	288,214	288,214
Total revenues	-	-	288,280	288,280
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	288,280	<u>\$ 288,280</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			-	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 288,280</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**MEASURE M BENEFIT ASSESSMENT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Taxes	\$ 500,000	\$ 500,000	\$ 587,524	87,524
Interest and rentals	-	-	505	505
Total revenues	500,000	500,000	588,029	88,029
<b>OTHER FINANCING USES</b>				
Transfers out	(500,000)	(500,000)	(500,000)	-
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	88,029	<u>\$ 88,029</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			31,894	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 119,923</u>	

**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**MOBILE HOME RENT APPEALS BOARD SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 203	\$ 203
Licenses, permits and fees	77,350	77,350	88,993	11,643
Total revenues	77,350	77,350	89,196	11,846
<b>EXPENDITURES</b>				
Current:				
General government	57,350	57,350	47,107	10,243
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	20,000	20,000	42,089	22,089
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	41,990	41,990
Transfers out	(20,000)	(20,000)	-	20,000
Total other financing sources (uses)	(20,000)	(20,000)	41,990	61,990
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	84,079	<u>\$ 84,079</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			10,471	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 94,550</u>	



**CITY OF ROHNERT PARK**  
**BUDGETARY COMPARISON SCHEDULE**  
**COPELAND CREEK DRAINAGE FACILITY SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amount</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Interest and rentals	\$ -	\$ -	\$ 72	\$ 72
<b>OTHER FINANCING USES</b>				
Transfers out	-	-	(234)	(234)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	(162)	<u>\$ (162)</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			54,537	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 54,375</u>	

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## **CITY OF ROHNERT PARK**

### **OTHER SUPPLEMENTAL INFORMATION DESCRIPTION OF INTERNAL SERVICE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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Internal Service Funds are used to account for the accumulation of resources and the allocation and reimbursement of costs for service provided between City departments and functions. The following summarizes the City's Internal Service Funds:

**Information Technology Fund** - The fund accounts for the cost of purchasing, operating and maintaining the City's voice, data, computer systems and its infrastructure.

**Vehicle Replacement Fund** - The fund accounts for the accumulation of resources, and related expenses incurred for future replacement of major equipment and vehicles in the City.

**Fleet Management Fund** - The fund provides various City departments with services including vehicle repairs, preventative maintenance and quality control inspections.

**CITY OF ROHNERT PARK**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICES FUNDS**  
**JUNE 30, 2014**

---

	<b>Information Technology</b>	<b>Vehicle Replacement</b>	<b>Fleet Management</b>	<b>Total</b>
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 125,352	\$ 198,702	\$ 24,811	\$ 348,865
Receivables:				
Accrued interest	64	101	13	178
Total assets	<u>125,416</u>	<u>198,803</u>	<u>24,824</u>	<u>349,043</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	49,077	-	4,985	54,062
Accrued liabilities	<u>11,813</u>	<u>-</u>	<u>6,164</u>	<u>17,977</u>
Total liabilities	<u>60,890</u>	<u>-</u>	<u>11,149</u>	<u>72,039</u>
<b>NET POSITION</b>				
Unrestricted	<u>\$ 64,526</u>	<u>\$ 198,803</u>	<u>\$ 13,675</u>	<u>\$ 277,004</u>

**CITY OF ROHNERT PARK**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**INTERNAL SERVICES FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Information Technology</b>	<b>Vehicle Replacement</b>	<b>Fleet Management</b>	<b>Total</b>
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 715,932	\$ -	\$ 224,784	\$ 940,716
Penalties and other	5,380	-	-	5,380
Total operating revenues	721,312	-	224,784	946,096
<b>OPERATING EXPENSES:</b>				
Contractual services	32,762	-	14,645	47,407
Rent and leases	62,668	-	-	62,668
Payroll and related costs	259,102	-	130,111	389,213
Other	56,934	-	-	56,934
Repairs, operations and maintenance	280,734	-	65,758	346,492
Supplies	19,241	-	648	19,889
Total operating expenses	711,441	-	211,162	922,603
OPERATING INCOME	9,871	-	13,622	23,493
<b>NONOPERATING REVENUES</b>				
Investment income	136	586	53	775
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	10,007	586	13,675	24,268
Transfers in	53,875	-	-	53,875
CHANGE IN NET POSITION	63,882	586	13,675	78,143
<b>NET POSITION, BEGINNING OF YEAR, AS RESTATED</b>	644	198,217	-	198,861
<b>NET POSITION, END OF YEAR</b>	<u>\$ 64,526</u>	<u>\$ 198,803</u>	<u>\$ 13,675</u>	<u>\$ 277,004</u>

**CITY OF ROHNERT PARK**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICES FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Information Technology</b>	<b>Vehicle Replacement</b>	<b>Fleet Management</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash receipts from interfund services provided	\$ 721,312	\$ -	\$ 224,784	\$ 946,096
Cash paid to suppliers for goods and services	(391,449)	-	(69,902)	(461,351)
Cash paid to employees for services	(259,102)	-	(130,111)	(389,213)
Net cash provided by operating activities	70,761	-	24,771	95,532
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Transfers in	53,875	-	-	53,875
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest received	72	485	40	597
NET INCREASE IN CASH AND CASH EQUIVALENTS	124,708	485	24,811	150,004
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	644	198,217	-	198,861
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 125,352</u>	<u>\$ 198,702</u>	<u>\$ 24,811</u>	<u>\$ 348,865</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES.</b>				
Operating income	\$ 9,871	\$ -	\$ 13,622	\$ 23,493
Adjustments to reconcile operating income to net cash provided by operating activities:				
Changes in liabilities:				
Increase in accounts payable	49,077	-	4,985	54,062
Increase in accrued liabilities	11,813	-	6,164	17,977
Net cash provided by (used in) operating activitie	<u>\$ 70,761</u>	<u>\$ -</u>	<u>\$ 24,771</u>	<u>\$ 95,532</u>

## **CITY OF ROHNERT PARK**

### **OTHER SUPPLEMENTAL INFORMATION DESCRIPTION OF FIDUCIARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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Fiduciary funds are used to account for resources held for the benefit of parties outside the City. The City's private-purpose trust funds are reported as fiduciary funds to account for resources held and administered under trust or similar arrangement for the benefits of individuals, private organizations, or other governments. The City reports the following private purpose trust funds:

**Special Enforcement Unit - South Fund** accounts for assets held by the City in a trustee capacity for the benefit of law enforcement agencies in the region.

**Redevelopment Successor Agency Fund** was created to serve as a custodian for the assets and to wind down the affairs of the Commission. This fund accounts for the receipt of property tax revenues pursuant to the Redevelopment Dissolution Act and the assets transferred from the Commission. The Successor Agency's assets can only be used to pay enforceable obligations in existence at the date of dissolution pursuant to the Recognized Obligation Payment Schedules approved by the California Department of Finance (DOF) under the Redevelopment Dissolution Act.

**CITY OF ROHNERT PARK**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**PRIVATE PURPOSE TRUST FUND**  
**JUNE 30, 2014**

	<b>Special Enforcement Unit - South</b>	<b>Redevelopment Successor Agency</b>	<b>Total Private Purpose Trust Funds</b>
<b>ASSETS</b>			
Cash and investments	\$ 380,128	\$ 1,317,061	\$ 1,697,189
Receivables - Accrued interest	194	38	232
Prepaid expenses	-	3,238	3,238
Restricted cash & investments	-	9,666,529	9,666,529
Advances to other City funds	-	10,344,225	10,344,225
Capital assets:			
Nondepreciable assets	-	4,934,146	4,934,146
Depreciable assets, net	-	13,555,750	13,555,750
Total assets	<u>380,322</u>	<u>39,820,987</u>	<u>40,201,309</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized loss on refunding	-	40,957	40,957
<b>LIABILITIES</b>			
Accounts payable	233,628	2,759	236,387
Interest payable	-	888,205	888,205
Advances from other City funds	-	2,220,057	2,220,057
Long-term debt:			
Due in one year	-	1,586,811	1,586,811
Due in more than one year	-	61,182,065	61,182,065
Total liabilities	<u>233,628</u>	<u>65,879,897</u>	<u>66,113,525</u>
<b>NET POSITION</b>			
Total net position held in trust	<u>\$ 146,694</u>	<u>\$ (26,017,953)</u>	<u>\$ (25,871,259)</u>



**CITY OF ROHNERT PARK**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PRIVATE PURPOSE TRUST FUND**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Special Enforcement Unit - South</b>	<b>Redevelopment Successor Agency</b>	<b>Total Private Purpose Trust Funds</b>
<b>ADDITIONS</b>			
Taxes	\$ -	\$ 1,811,608	\$ 1,811,608
Interest and rentals	526	25,921	26,447
Total additions	526	1,837,529	1,838,055
<b>DEDUCTIONS</b>			
Redevelopment expenses	-	262,738	262,738
Law enforcement costs	2,308	-	2,308
Depreciation	-	1,090,896	1,090,896
Interest expenses	-	2,724,889	2,724,889
Total deductions	2,308	4,078,523	4,080,831
<b>CHANGE IN NET POSITION</b>	(1,782)	(2,240,994)	(2,242,776)
<b>NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED</b>	148,476	(22,855,092)	(22,706,616)
<b>PRIOR PERIOD ADJUSTMENTS</b>	-	(921,867)	(921,867)
<b>NET POSITION, BEGINNING OF YEAR, AS RESTATED</b>	148,476	(23,776,959)	(23,628,483)
<b>NET POSITION, END OF YEAR</b>	<u>\$ 146,694</u>	<u>\$ (26,017,953)</u>	<u>\$ (25,871,259)</u>

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## STATISTICAL SECTION

## **City of Rohnert Park**

### **Statistical Section**

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

#### **Contents**

#### **Page**

#### **Financial Trends**

**S-3**

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

#### **Revenue Capacity**

**S-6**

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

#### **Debt Capacity**

**S-17**

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

#### **Demographic and Economic Information**

**S-21**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

#### **Operating Information**

**S-23**

These schedules contain information about the city's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

**City of Rohnert Park**  
**Net Position by Component (Unaudited)**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental activities										
Net invested in capital assets	\$ 66,373,255	\$ 49,803,902	\$ 52,293,588	\$ 25,958,726	\$ 45,009,673	\$ 46,572,533	\$ 56,608,019	\$ 36,112,457	\$ 28,259,799	\$ 30,487,238
Restricted	32,362,423	33,166,020	27,482,966	17,346,572	2,418,812	13,873,842	5,730,424	11,318,076	5,955,759	8,551,078
Unrestricted	(610,478)	17,562,930	5,287,237	16,293,462	16,995,866	13,927,933	17,318,920	19,471,114	29,407,530	23,317,496
Total governmental activities net position	<u>\$ 98,125,200</u>	<u>\$ 100,532,852</u>	<u>\$ 85,063,791</u>	<u>\$ 59,598,760</u>	<u>\$ 64,424,351</u>	<u>\$ 74,374,308</u>	<u>\$ 79,657,363</u>	<u>\$ 66,901,647</u>	<u>\$ 63,623,088</u>	<u>\$ 62,355,812</u>
Business-type activities										
Net invested in capital assets	\$ 29,762,623	\$ 23,820,293	\$ 25,277,232	\$ 25,501,383	\$ 27,364,564	\$ 17,081,819	\$ 25,538,667	\$ 17,709,497	\$ 14,867,127	\$ 16,741,255
Unrestricted	21,058,424	5,662,653	1,287,885	1,062,428	2,435,608	14,654,310	6,682,325	11,737,893	11,641,400	7,886,726
Total business-type activities net position	<u>\$ 50,821,047</u>	<u>\$ 29,482,946</u>	<u>\$ 26,565,117</u>	<u>\$ 26,563,811</u>	<u>\$ 29,800,172</u>	<u>\$ 31,736,129</u>	<u>\$ 32,220,992</u>	<u>\$ 29,447,390</u>	<u>\$ 26,508,527</u>	<u>\$ 24,627,981</u>
Primary government										
Net invested in capital assets	\$ 96,135,878	\$ 73,624,195	\$ 77,570,820	\$ 51,460,109	\$ 72,374,237	\$ 63,654,352	\$ 82,146,686	\$ 53,821,954	\$ 43,126,926	\$ 47,228,493
Restricted	32,362,423	33,166,020	27,482,966	17,346,572	2,418,812	13,873,842	5,730,424	11,318,076	5,955,759	8,551,078
Unrestricted	20,447,946	23,225,583	6,575,122	17,355,890	19,431,474	28,582,243	24,001,245	31,209,007	41,048,930	31,204,222
Total primary government net position	<u>\$ 148,946,247</u>	<u>\$ 130,015,798</u>	<u>\$ 111,628,908</u>	<u>\$ 86,162,571</u>	<u>\$ 94,224,523</u>	<u>\$ 106,110,437</u>	<u>\$ 111,878,355</u>	<u>\$ 96,349,037</u>	<u>\$ 90,131,615</u>	<u>\$ 86,983,793</u>

Source: City Finance Department

**City of Rohnert Park**  
**Changes in Net Position (Unaudited)**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Expenses</b>										
Governmental activities:										
General government	\$ 9,202,607	\$ 10,772,401	\$ 14,359,626	\$ 16,306,249	\$ 18,388,212	\$ 16,036,110	\$ 12,955,293	\$ 12,926,332	\$ 11,455,704	11,762,224
Public Safety	14,888,571	14,347,850	14,403,785	15,455,097	16,930,100	19,823,047	20,758,556	17,349,211	16,703,386	15,087,248
Public Works	2,840,825	2,840,555	3,530,589	3,416,002	4,228,872	4,050,312	4,421,182	4,522,563	4,220,758	4,408,673
Parks and recreation	3,342,205	3,085,681	3,266,821	3,659,993	3,650,692	4,687,184	4,979,212	4,198,572	4,167,196	3,968,774
Other	648,630	704,021	587,931	417,011	646,355	841,126	902,319	889,073	1,504,207	1,411,055
Interest on long-term debt	153,921	499,028	1,920,730	3,856,319	5,939,204	4,586,047	4,629,601	2,690,598	2,038,944	2,060,965
Total governmental activities expenses	31,076,759	32,249,536	38,069,482	43,110,671	49,783,435	50,023,826	48,646,163	42,576,349	40,090,195	38,698,939
Business-type activities:										
Water	6,036,836	5,929,852	7,095,841	6,791,475	5,702,115	6,306,127	7,122,292	6,690,385	6,454,568	5,650,092
Sewer	11,963,155	11,768,056	10,659,707	12,071,585	11,252,707	11,318,825	9,830,647	10,085,147	9,697,231	8,851,372
Refuse Collection	4,828	3,039,046	5,534,555	5,330,582	5,547,595	5,390,186	5,344,215	5,181,643	4,548,674	4,321,260
Total business-type activities expenses	18,004,819	20,736,954	23,290,103	24,193,642	22,502,417	23,015,138	22,297,154	21,957,175	20,700,473	18,822,724
Total primary government expenses	\$49,081,578	\$52,986,490	\$61,359,585	\$67,304,314	\$72,285,852	\$73,038,964	\$70,943,317	\$64,533,524	\$60,790,668	\$57,521,663
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 1,423,854	\$ 855,997	\$ 1,339,978	\$ 1,076,171	\$ 1,076,152	\$ 1,137,111	\$ 978,440	\$ 1,221,652	\$ 1,476,260	\$ 539,150
Public safety	1,196,933	661,454	407,871	592,952	621,490	623,483	592,567	517,742	450,057	508,709
Public works	1,114,354	879,340	703,948	474,124	388,237	859,348	1,697,041	2,836,987	2,542,293	2,316,181
Parks and recreation	1,406,770	1,192,894	1,337,034	1,319,042	1,187,022	1,156,550	1,791,969	1,618,401	1,640,881	1,287,849
Other	330,906	403,728	398,004	301,631	386,317	448,970	-	-	1,429	-
Operating grants and contributions	5,784,503	15,128,681	2,125,258	2,441,258	2,796,402	3,366,714	2,572,995	2,344,534	2,719,200	2,234,947
Capital grants and contributions	13,745,990	4,323,246	651,077	1,492,542	2,257,720	1,480,622	1,991,493	1,492,565	546,563	514,534
Total governmental activities program revenues	25,003,310	23,445,340	6,963,170	7,697,720	8,713,340	9,072,798	9,624,505	10,031,881	9,376,683	7,401,370
Business-type activities:										
Charges for services:										
Water	7,020,887	7,421,931	6,631,136	6,466,678	6,384,464	6,630,287	6,341,560	6,433,014	6,406,197	4,933,151
Sewer	13,416,857	12,522,826	10,934,425	8,407,237	8,117,101	10,304,507	12,370,603	12,007,771	9,955,355	8,402,521
Refuse Collection	-	2,697,879	5,442,977	5,526,939	5,635,222	5,554,993	5,454,193	5,240,389	4,723,623	3,919,872
Capital grants and contributions	270,063	769,406	268,029	192,260	235,742	214,617	566,411	1,829,074	1,186,735	1,028,338
Total business-type activities program revenues	20,707,807	23,412,042	23,276,567	20,593,114	20,372,529	22,704,404	24,732,767	25,510,248	22,271,910	18,283,882
Total primary government program revenues	\$45,711,117	\$46,857,382	\$30,239,737	\$28,290,834	\$29,085,869	\$31,777,202	\$34,357,272	\$35,542,129	\$31,648,593	\$25,685,252

**City of Rohnert Park**  
**Changes in Net Position (Unaudited)**  
**Last Ten Fiscal Years (Continued)**  
*(accrual basis of accounting)*

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (6,073,449)	\$ (8,804,196)	\$ (31,106,312)	\$ (35,412,951)	\$ (41,070,095)	\$ (40,951,028)	\$ (39,021,658)	\$ (32,544,468)	\$ (30,713,512)	\$ (31,297,569)
Business-type activities	2,702,988	2,675,088	(13,536)	(3,600,528)	(2,129,888)	(310,734)	2,435,613	3,553,073	1,571,437	(538,842)
Total primary government net expense	<u>\$ (3,370,461)</u>	<u>\$ (6,129,108)</u>	<u>\$ (31,119,848)</u>	<u>\$ (39,013,479)</u>	<u>\$ (43,199,983)</u>	<u>\$ (41,261,762)</u>	<u>\$ (36,586,045)</u>	<u>\$ (28,991,395)</u>	<u>\$ (29,142,075)</u>	<u>\$ (31,836,411)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 3,875,521	\$ 3,517,309	\$ 16,106,337	\$ 15,595,902	\$ 16,632,581	\$ 16,989,860	\$ 17,054,597	\$ 16,928,529	\$ 15,504,905	\$ 13,810,490
Sales taxes	10,541,059	9,555,854	9,062,981	8,237,144	5,735,600	6,172,593	7,236,048	7,707,375	7,386,925	6,953,294
Franchise taxes	1,981,803	1,682,427	1,695,706	1,500,461	1,700,371	1,411,622	1,440,749	1,428,827	1,308,839	1,263,721
Motor vehicle license fees	2,747,818	2,630,122	2,722,876	2,908,809	2,947,584	3,042,186	3,142,034	3,074,869	2,572,107	2,804,619
Other taxes	2,945,367	2,329,689	2,054,212	1,816,893	1,574,857	1,812,696	2,016,907	1,606,108	1,855,821	931,074
Rental Income	-	-	-	-	-	31,823	-	-	-	-
Investment earnings	246,098	38,876	962,474	1,605,298	2,538,119	3,726,188	4,792,727	3,155,613	1,964,903	1,064,234
Gain (Loss) on sale of capital assets	4,000	-	-	-	(159,537)	997,720	4,778,278	-	1,109,814	974,079
Gain (Loss) on retirement of bonds	-	-	-	-	-	759,614	-	-	-	-
Other	1,292,275	4,348,120	181,941	415,518	176,370	197,023	311,425	217,520	-	-
Transfers	(7,909,865)	(171,499)	65,415	(255,089)	(25,807)	526,648	573,812	294,438	-	-
Extraordinary item - dissolution of RDA	-	-	23,719,400	-	-	-	-	-	277,474	(238,760)
Total governmental activities	<u>15,724,076</u>	<u>23,930,898</u>	<u>56,571,343</u>	<u>31,824,937</u>	<u>31,120,138</u>	<u>35,667,973</u>	<u>41,346,577</u>	<u>34,413,279</u>	<u>31,980,788</u>	<u>27,562,751</u>
Business-type activities:										
Investment earnings	52,305	71,242	80,257	109,076	168,124	352,519	458,866	426,769	586,583	263,349
Transfers	7,909,865	171,499	(65,415)	255,089	25,807	(526,648)	(518,348)	(294,438)	(277,474)	238,760
Total business-type activities	<u>7,962,170</u>	<u>242,741</u>	<u>14,842</u>	<u>364,165</u>	<u>193,931</u>	<u>(174,129)</u>	<u>(59,482)</u>	<u>132,331</u>	<u>309,109</u>	<u>502,109</u>
Total primary government	<u>\$ 23,686,246</u>	<u>\$ 24,173,639</u>	<u>\$ 56,586,185</u>	<u>\$ 32,189,102</u>	<u>\$ 31,314,069</u>	<u>\$ 35,493,844</u>	<u>\$ 41,287,095</u>	<u>\$ 34,545,610</u>	<u>\$ 32,289,897</u>	<u>\$ 28,064,860</u>
<b>Change in Net Position</b>										
Governmental activities	\$ 9,650,627	\$ 15,126,702	\$ 25,465,031	\$ (3,588,014)	\$ (9,949,957)	\$ (5,283,055)	\$ 2,324,919	\$ 1,868,811	\$ 1,267,276	\$ (3,734,818)
Business-type activities	10,665,158	2,917,829	1,306	(3,236,363)	(1,935,957)	(484,863)	2,376,131	3,685,404	1,880,546	(36,733)
Total primary government	<u>\$ 20,315,785</u>	<u>\$ 18,044,531</u>	<u>\$ 25,466,337</u>	<u>\$ (6,824,377)</u>	<u>\$ (11,885,914)</u>	<u>\$ (5,767,918)</u>	<u>\$ 4,701,050</u>	<u>\$ 5,554,215</u>	<u>\$ 3,147,822</u>	<u>\$ (3,771,551)</u>

Source: City Finance Department

**City of Rohnert Park**  
**Program Revenues by Function/Program (Unaudited)**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Function/Program</b>										
Governmental activities:										
General government	\$ 15,333,596 <sup>(1)</sup>	\$ 14,143,255 <sup>(1)</sup>	\$ 1,636,799	\$ 1,147,579	\$ 1,230,469	\$ 1,842,155	\$ 3,416,683	\$ 4,104,573	\$ 2,683,313	\$ 2,710,589
Public safety	2,603,116	1,257,721	1,008,050	910,988	1,626,916	1,477,094	858,919	748,521	729,783	727,990
Public works	5,328,922	6,447,742	2,583,283	4,018,480	1,519,461	4,081,609	2,887,783	3,117,622	3,412,799	2,461,662
Parks and recreation	1,406,770	1,192,894	1,337,034	1,319,042	1,691,952	1,156,550	1,791,969	1,618,401	1,655,338	1,287,849
Other	330,906	403,728	398,004	301,631	386,822	515,390	669,151	442,764	895,450	213,280
Subtotal governmental activities	<u>25,003,310</u>	<u>23,445,340</u>	<u>6,963,170</u>	<u>7,697,720</u>	<u>6,455,620</u>	<u>9,072,798</u>	<u>9,624,505</u>	<u>10,031,881</u>	<u>9,376,683</u>	<u>7,401,370</u>
Business-type activities:										
Water	7,020,887	7,432,612	6,775,045	6,466,678	6,384,464	6,794,666	6,388,188	6,330,481	6,530,394	5,187,983
Wastewater	13,686,920	13,281,551	11,058,545	8,599,497	8,352,843	10,354,745	12,890,386	13,590,308	11,017,893	9,176,027
Refuse	-	2,697,879	5,442,977	5,526,939	5,635,222	5,554,993	5,454,193	5,240,389	4,723,623	3,919,872
Subtotal business-type activities	<u>20,707,807</u>	<u>23,412,042</u>	<u>23,276,567</u>	<u>20,593,114</u>	<u>20,372,529</u>	<u>22,704,404</u>	<u>24,732,767</u>	<u>25,161,178</u>	<u>22,271,910</u>	<u>18,283,882</u>
Total primary government	<u>\$ 45,711,117</u>	<u>\$ 46,857,382</u>	<u>\$ 30,239,737</u>	<u>\$ 28,290,834</u>	<u>\$ 26,828,149</u>	<u>\$ 31,777,202</u>	<u>\$ 34,357,272</u>	<u>\$ 35,193,059</u>	<u>\$31,648,593</u>	<u>\$ 25,685,252</u>

Notes:

Program revenues for fiscal year 2013 were reclassified to confirm with fiscal year 2014's presentation

- (1) The increases in general government program revenues for fiscal years 2013 and 2014 when compared to prior years were mainly due to the receipt of non-recurring fees and contributions from the Federated Indians of the Graton Rancheria for the Eastside Sewer Trunk Project and the Golf Course Drive / Wilfred Avenue improvements projects during fiscal year 2013 and 2014, respectively.



**City of Rohnert Park**  
**Fund Balances, Governmental Funds (Unaudited)**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

		Fiscal Year									
		2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Fund											
(1)	Nonspendable	\$ 2,441,659	\$ 2,719,913	\$ 2,360,946	\$ 2,382,742	N/A	N/A	N/A	N/A	N/A	N/A
(1)	Restricted	186,413	2,041,125	2,429,224	927,747	N/A	N/A	N/A	N/A	N/A	N/A
(1)	Committed	-	-	-	3,592,593	N/A	N/A	N/A	N/A	N/A	N/A
(1)	Assigned	9,786,317	2,391,104	3,553,613	1,567,135	N/A	N/A	N/A	N/A	N/A	N/A
(1)	Unassigned	207,845	4,100,959	1,208,071	-	N/A	N/A	N/A	N/A	N/A	N/A
	Reserved	-	-	-	-	\$ 2,466,224	\$ 2,578,952	\$ 3,233,155	\$ 3,904,011	\$ 2,805,375	\$ 2,943,767
	Unreserved	-	-	-	-	6,871,421	9,589,701	13,186,254	13,083,633	15,225,455	15,385,235
Total general fund		<u>\$ 12,622,234</u>	<u>\$ 11,253,101</u>	<u>\$ 9,551,854</u>	<u>\$ 8,470,217</u>	<u>\$ 9,337,645</u>	<u>\$ 12,168,653</u>	<u>\$ 16,419,409</u>	<u>\$ 16,987,644</u>	<u>\$ 18,030,830</u>	<u>\$ 18,329,002</u>
All Other Governmental Funds											
(1)	Nonspendable	\$ 2,212,970	\$ 10,613,660	\$ 10,519,393	\$ 20,231,490	N/A	N/A	N/A	N/A	N/A	N/A
(1)	Restricted	29,149,054	29,433,741	16,816,229	26,492,563	N/A	N/A	N/A	N/A	N/A	N/A
(1)	Committed	-	2,604,735	2,710,553	2,895,378	N/A	N/A	N/A	N/A	N/A	N/A
(1)	Assigned	3,267,686	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A
(1)	Unassigned	(5,178,461)	(465,303)	(473,022)	(311,900)	N/A	N/A	N/A	N/A	N/A	N/A
	Reserved	-	-	-	-	\$ 62,746,031	\$ 56,532,084	\$ 68,299,779	\$ 73,308,593	\$ 13,321,727	\$ 11,807,568
	Unreserved, reported in:										
	Special revenue funds	-	-	-	-	3,237,597	3,249,461	2,910,150	4,520,308	3,730,841	2,537,723
	Capital projects funds	-	-	-	-	(600,372)	5,013,206	6,034,588	8,154,368	6,653,690	7,607,850
Total all other governmental funds		<u>\$ 29,451,249</u>	<u>\$ 42,186,833</u>	<u>\$ 29,573,153</u>	<u>\$ 49,307,531</u>	<u>\$ 65,383,256</u>	<u>\$ 64,794,751</u>	<u>\$ 77,244,517</u>	<u>\$ 85,983,269</u>	<u>\$ 23,706,258</u>	<u>\$ 21,953,141</u>

**Source:** City Finance Department

(1) New Fund Balance Classification based on GASB Statement No. 54

**City of Rohnert Park**  
**Changes in Fund Balances, Governmental Funds (Unaudited)**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Revenues</b>										
Taxes	\$ 19,931,274	\$ 17,085,279	\$ 28,919,237	\$ 27,150,400	\$ 25,643,409	\$ 26,386,771	\$ 27,748,301	\$ 28,010,839	\$ 26,055,840	\$ 23,729,707
Intergovernmental	5,068,049	5,913,576	5,506,724	6,114,398	5,607,308	7,251,897	6,789,040	6,470,275	4,385,363	4,697,723
Interest and rentals	679,090	373,516	1,462,569	2,146,774	3,045,486	4,208,902	4,669,700	3,434,813	2,214,033	1,726,379
Charges for services	2,357,628	1,769,053	1,649,569	1,952,202	1,823,791	1,812,427	2,531,523	2,312,537	2,461,399	1,708,557
Licenses, permits and fees	3,855,530	14,407,014	1,129,495	888,402	870,585	837,678	1,816,859	2,550,850	1,796,443	2,083,725
Special assessment collection	-	-	-	-	-	-	-	210,435	306,495	327,225
Fines, forfeitures and penalties	174,637	200,266	184,386	146,940	193,392	212,849	159,701	197,134	216,368	181,727
Donations and miscellaneous	16,206,168	7,581,291	876,716	518,210	1,148,005	1,512,347	1,780,818	1,241,335	1,656,272	1,023,983
Total revenues	48,272,376	47,329,995	39,728,697	38,917,327	38,331,976	42,222,871	45,495,942	44,428,218	39,092,213	35,479,026
<b>Expenditures</b>										
General government	8,099,455	6,909,977	12,969,980	13,914,331	15,592,370	12,731,601	12,694,183	12,654,518	11,184,075	11,480,332
Public safety	14,724,998	13,884,510	13,788,261	14,687,084	16,117,857	18,978,007	19,414,226	16,126,814	15,442,477	14,346,107
Public works	1,353,085	1,242,943	726,480	656,651	1,643,398	1,715,606	2,255,776	2,085,443	1,841,831	1,962,617
Parks and recreation	2,598,935	2,300,901	2,312,924	2,270,907	2,266,260	3,062,625	3,248,052	2,983,531	2,875,257	2,611,590
Other	643,463	704,021	587,931	417,011	646,355	841,126	902,319	889,073	1,187,748	1,094,895
Capital outlay	13,623,069	7,165,820	1,748,317	174,963	3,523,917	11,268,721	13,940,133	7,324,188	5,065,505	3,098,196
Debt service										
Cost of issuance	-	-	-	-	-	-	-	1,316,741	-	-
Principal	325,314	460,000	1,188,430	1,604,925	16,043,885	11,682,136	3,734,038	2,039,651	1,896,222	1,694,815
Interest and fiscal charges	200,938	420,257	2,463,746	3,028,229	3,254,018	3,924,833	3,345,671	1,188,507	1,196,955	1,179,094
Total expenditures	41,569,257	33,088,429	35,786,069	36,754,101	59,088,060	64,204,655	59,534,398	46,608,466	40,690,070	37,467,646
Excess (deficiency) of revenues over (under) expenditures	6,703,119	14,241,566	3,942,628	2,163,226	(20,756,084)	(21,981,784)	(14,038,456)	(2,180,248)	(1,597,857)	(1,988,620)

**City of Rohnert Park**  
**Changes in Fund Balances, Governmental Funds (Unaudited)**  
**Last Ten Fiscal Years (Continued)**  
*(modified accrual basis of accounting)*

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Other Financing Sources (Uses)</b>										
Issuance of debt and loans	150,000	-	-	-	-	-	-	61,440,000	-	-
Discount on debt	-	-	-	-	-	-	-	(391,516)	-	-
Premium on debt	-	-	-	-	-	-	-	1,344,163	-	-
Refunding bonds issued	-	-	-	-	-	759,614	-	-	-	-
Proceeds from the sale of capital assets	4,000	-	-	-	1,255,263	3,995,000	5,201,717	-	1,956,704	1,263,800
Lease proceeds	-	-	-	-	-	-	-	-	818,624	1,175,965
Transfers in	10,242,332	5,005,015	30,274,573	10,206,357	24,626,604	24,118,981	21,953,933	12,377,738	9,245,675	9,150,655
Transfers out	(18,266,807)	(5,274,014)	(30,309,158)	(10,461,446)	(24,652,411)	(23,592,333)	(21,380,121)	(12,083,300)	(8,968,201)	(9,389,415)
Total other financing sources (uses)	(7,870,475)	(268,999)	(34,585)	(255,089)	1,229,456	5,281,262	5,775,529	62,687,085	3,052,802	2,201,005
Net change in fund balances	<u>\$ (1,167,356)</u>	<u>\$ 13,972,567</u>	<u>\$ 3,908,042</u>	<u>\$ 1,908,137</u>	<u>\$ (19,526,628)</u>	<u>\$ (16,700,522)</u>	<u>\$ (8,262,927)</u>	<u>\$ 60,506,837</u>	<u>\$ 1,454,945</u>	<u>\$ 212,385</u>
Debt service as a percentage of noncapital expenditures	1.9%	3.4%	10.7%	12.7%	34.7%	29.5%	15.5%	11.6%	8.7%	8.4%

Source: City Finance Department

**City of Rohnert Park**  
**Tax Revenues by Source, Governmental Funds (Unaudited)**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Property</b>	<b>(a) Sales &amp; Use</b>	<b>(b) Franchise</b>	<b>Transient Occupancy</b>	<b>Real Property Transfer</b>	<b>Total</b>
2005	2,739,642	6,953,294	1,263,721	1,451,781	250,421	12,658,859
2006	3,127,448	7,386,925	1,308,839	1,601,587	253,584	13,678,383
2007	3,167,241	7,707,375	1,428,827	1,771,527	174,581	14,249,551
2008	3,199,831	7,236,048	1,440,749	1,899,362	117,545	13,893,535
2009	3,029,029	6,172,593	1,411,622	1,722,049	90,647	12,425,940
2010	2,845,643	5,735,600	1,700,371	1,574,857	84,087	11,940,558
2011	2,679,110	8,237,144	1,500,461	1,747,659	69,234	14,233,608
2012	3,252,056	9,062,981	1,695,706	1,940,536	113,677	16,064,956
2013	3,517,309	9,555,854	1,682,427	2,202,885	126,804	17,085,279
2014	3,875,521	10,541,059	1,981,803	2,814,059	131,308	19,343,750
Change 2005–2014	41.5%	51.6%	56.8%	93.8%	-47.6%	52.8%

**Notes:**

(a) The City direct tax rate of 0.50% (Rohnert Park Essential City Services Temporary Funding Measure E) was approved by Rohnert Park citizens on June 8, 2010 and went into effect on October 1, 2010. This tax rate expires on Sept 30, 2015. It has been extended by Measure A (Rohnert Park Continuation of Essential City Services Funding Measure) which was approved by the voters on November 5, 2013. Measure A shall not expire, unless terminated by a unanimous vote of the City Council.

(b) In FY 2010 the City received a donation for franchise fees.

**City of Rohnert Park****Assessed Value and Estimated Actual Value of Taxable Property (Unaudited)****Last Ten Fiscal Years***(in thousands of dollars)*

<b>Fiscal Year</b>	<b>Real Property Assessed/Market Value</b>	<b>Personal Property Assessed/Market Value</b>	<b>Total Assessed/Market Value</b>	<b>Percentage of Change in Market Value</b>	<b>Basic Direct Rate</b>
2005	3,256,849	132,125	3,388,974	6.31%	1.00%
2006	3,496,707	153,029	3,649,736	7.69%	1.00%
2007	3,685,609	187,036	3,872,645	6.11%	1.00%
2008	3,957,436	121,053	4,078,489	5.32%	1.00%
2009	3,921,550	116,899	4,038,449	-0.98%	1.00%
2010	3,782,228	118,715	3,900,943	-3.40%	1.00%
2011	3,605,471	114,596	3,720,067	-4.64%	1.00%
2012	3,611,567	107,759	3,719,326	-0.02%	1.00%
2013	3,509,762	103,730	3,613,492	-2.85%	1.00%
2014	3,633,619	114,420	3,748,039	3.72%	1.00%

## Notes:

(a) The State of California Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed one percent of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100 percent of market value as defined by Article XIII A and may be adjusted no more than two percent per year unless the property is improved, sold or transferred. Because of this method of assessment, the City does not have a reasonable basis for estimating the actual value of taxable property and this information is not presented above.

(b) The State Legislature has determined the method of distribution of receipts from a one percent tax levy among the counties, cities, school districts and other districts.

Source: Sonoma County Auditor-Controller Treasurer-Tax Collector

**City of Rohnert Park**  
**Direct and Overlapping Property Tax Rates (Unaudited)**  
**Last Ten Fiscal Years**  
*(rate per \$1,000 of assessed value)*

<b>Fiscal Year</b>	<b>Basic Direct Rate ( b )</b>	<b>Overlapping Rates ( a )</b>						<b>Total Tax Rate ( c )</b>
		<b>Rohnert Park Cotati School District</b>	<b>Warm Springs Dam</b>	<b>Santa Rosa Junior College</b>	<b>Santa Rosa High School</b>	<b>Bellevue School District</b>	<b>Total</b>	
2005	1.00	0.11	0.007	0.025	0.054	0.025	0.2212	1.2212
2006	1.00	0.11	0.007	0.025	0.054	0.025	0.2212	1.2212
2007	1.00	0.11	0.007	0.025	0.054	0.250	0.4462	1.4462
2008	1.00	0.11	0.007	0.025	0.053	0.240	0.4350	1.4350
2009	1.00	0.11	0.007	0.025	0.049	0.024	0.2150	1.2150
2010	1.00	0.11	0.007	0.025	0.049	0.030	0.2391	1.2391
2011	1.00	0.11	0.007	0.025	0.049	0.054	0.2450	1.2450
2012	1.00	0.11	0.007	0.025	0.058	0.068	0.2679	1.2679
2013	1.00	0.10	0.007	0.021	0.058	0.071	0.2564	1.2564
2014	1.00	0.11	0.007	0.019	0.055	0.074	0.2650	1.2650

Notes:

( a ) Overlapping rates are those of local and county governments that apply to property owners within the City of Rohnert Park. Not all overlapping rates apply to all Rohnert Park property owners; for example, school districts' rates apply only to property owners within those districts' geographic boundaries.

( b ) In 1978, California voters passed Proposition 13, which set the property tax rate at a 1% fixed amount. This 1% is shared by all taxing agencies for which the subject property resides within. In addition to the 1% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

( c ) Rates for TRA 007-000 through 007-019 are represented in this table.

Source: Sonoma County Auditor-Controller Treasurer-Tax Collector

**City of Rohnert Park**  
**Property Tax Levies and Collections (Unaudited)**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30,</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2005	\$ 2,529,926	\$ 2,529,926	100.00	-	\$ 2,739,642	108.29
2006	2,909,684	2,909,684	100.00	-	3,113,048	106.99
2007	2,959,694	2,959,694	100.00	-	2,959,694	100.00
2008	3,003,697	3,003,697	100.00	-	3,003,697	100.00
2009	2,820,894	2,820,894	100.00	-	2,820,894	100.00
2010	2,641,026	2,641,026	100.00	-	2,641,026	100.00
2011	2,489,903	2,489,903	100.00	-	2,489,903	100.00
2012	2,539,634	2,539,634	100.00	-	2,539,634	100.00
2013	2,440,436	2,440,436	100.00	-	2,440,436	100.00
2014	2,651,430	2,651,430	100.00	-	2,651,430	100.00

Note: The City participates in the County Teeter Plan whereby all taxes are remitted to the City each year.  
Amounts reported are for secured property taxes only.

Source: Sonoma County Auditor-Controller Treasurer-Tax Collector

**City of Rohnert Park**  
**Taxable Sales by Category (Unaudited)**  
**Last Ten Years**  
*(in thousands of dollars)*

	<b>For the Year Ended</b>									
	<b>6/30/2014</b>	<b>6/30/2013</b>	<b>6/30/2012</b>	<b>6/30/2011</b>	<b>6/30/2010</b>	<b>6/30/2009</b>	<b>6/30/2008</b>	<b>6/30/2007</b>	<b>6/30/2006</b>	<b>6/30/2005</b>
All other outlets	\$ 2,233	\$ 2,424	\$ 2,370	\$ 2,097	\$ 2,282	\$ 2,302	\$ 2,645	\$ 1,847	\$ 1,862	\$ 2,001
Apparel stores	12,902	14,621	13,808	14,246	13,862	14,123	14,430	14,599	14,213	13,732
Auto dealers and supplies	21,223	20,733	19,169	19,432	22,019	22,787	29,550	32,154	31,698	31,097
Building materials and farm tools	99,472	92,139	79,426	75,866	77,547	94,237	103,245	126,919	145,867	136,306
Eating and drinking establishments	96,427	75,454	70,882	68,767	69,713	74,122	77,691	78,202	76,079	73,740
Food stores	34,972	35,416	38,032	36,031	35,005	36,776	37,620	39,287	40,239	37,593
General merchandise	243,471	252,386	239,845	234,926	234,059	239,889	267,954	266,732	257,949	250,496
Home furnishings and appliances	29,076	29,099	24,899	24,676	25,173	22,351	30,997	33,880	31,975	40,490
Other retail stores	34,261	34,733	41,245	57,868	45,584	41,326	48,679	61,156	61,121	57,060
Service stations	53,506	47,070	38,765	35,138	32,355	34,879	43,328	38,967	36,393	32,328
Packaged Liquor and Drug Stores	8,434	7,376	6,917	6,768	6,799	8,051	7,864	7,542	7,383	7,440
Total	<u>\$ 635,977</u>	<u>\$ 611,451</u>	<u>\$ 575,358</u>	<u>\$ 575,815</u>	<u>\$ 564,398</u>	<u>\$ 590,843</u>	<u>\$ 664,003</u>	<u>\$ 701,285</u>	<u>\$ 704,779</u>	<u>\$ 682,283</u>
City direct sales tax rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.00%	0.00%	0.00%	0.00%	0.00%



**City of Rohnert Park**  
**Direct and Overlapping Sales Tax Rates (Unaudited)**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>City Direct Rate</b>	<b>Overlapping Rates</b>	
		<b>Sonoma County</b>	<b>State</b>
2005	-	0.75%	7.25%
2006	-	0.75%	7.25%
2007	-	0.75%	7.25%
2008	-	0.75%	7.25%
2009	-	0.75%	8.25%
2010	-	0.75%	8.25%
2011	0.0% to 0.5%	0.75%	8.25%
2012	0.50%	0.75%	7.25%
2013	0.50%	0.75%	7.50%
2014	0.50%	0.75%	7.50%

Notes:

(a) The City direct tax rate of 0.50% (Rohnert Park Essential City Services Temporary Funding Measure E) was approved by Rohnert Park citizens on June 8, 2010 and went into effect on October 1, 2010. This tax rate expires on Sept 30, 2015. It has been extended by Measure A (Rohnert Park Continuation of Essential City Services Funding Measure) which was approved by the voters on November 5, 2013. Measure A shall not expire, unless terminated by a unanimous vote of the City Council.

**City of Rohnert Park**  
**Top Ten Principal Property Tax Payers (Unaudited)**  
**Current and Seven Years Ago**  
*(in thousands of dollars)*

	2014			2007*		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Sonoma Mountain Village LLC Et Al	\$ 45,672	1	1.219%	\$ -	-	-
Columbia Redwood Creek LLC	40,455	2	1.079%	37,032	3	0.956%
Kotlier Ernest M Et Al	40,003	3	1.067%	-	-	-
Scarpa Steve J	36,616	4	0.977%	-	-	-
CLPF - Oak View at Sonoma Hills LP	36,879	5	0.984%	-	-	-
Crossbrook Apartments LP Et Al	30,834	6	0.823%	29,289	6	0.756%
Redwood Equities Investments LLC Et Al	29,200	7	0.779%	-	-	-
Knickerbocker Properties Inc XXXVIII	27,818	8	0.742%	25,476	7	0.658%
4855 Snyder Lane LLC	27,171	9	0.725%	-	-	-
PLH Partnership	24,902	10	0.664%	-	-	-
Rohnert Park Ridge LLC Et Al	-		-	43,836	1	1.132%
Sonoma Green LLC Et Al	-		-	37,616	2	0.971%
KLS Rohnert Park LP	-		-	31,970	4	0.826%
Codding Enterprises	-		-	29,464	5	0.761%
Santa Rosa Press Democrat	-		-	25,190	8	0.650%
Healthcare REIT Inc	-		-	24,861	9	0.642%
State Farm Mutual Automobile	-		-	22,005	10	0.568%
Total	<u>\$ 339,550</u>		<u>9.06%</u>	<u>\$ 306,739</u>		<u>7.92%</u>

Notes:

\* The 2005 information is not available. The oldest information available is 2007.

Source: County of Sonoma Auditor-Controller Treasurer-Tax Collector

**City of Rohnert Park**  
**Ratios of Outstanding Debt by Type (Unaudited)**  
**Last Ten Fiscal Years**  
*(dollars in thousands, except per capita)*

Fiscal Year	Government-type Activities						Business-type Activities		Total Primary Government	( d ) Percentage of Personal Income	( d ) Per Capita
	( a ) Redevelopment Bonds	Certificates of Participation	( b ) Lease Revenue Bonds	Special Assessment Bonds	Loan Payable	Capital Leases	( c ) Water Revenue Bonds	( c ) Sewer Certificates of Participation			
2005	\$ 23,244	\$ 4,405	\$ 6,710	\$ 910	\$ -	\$ 1,485	\$ 6,930	\$ 13,000	\$ 56,684	3.04	1,317
2006	23,082	4,265	6,485	620	-	2,027	6,725	13,000	56,204	4.97	1,308
2007	84,351	4,115	6,255	190	-	1,778	6,515	12,770	115,974	9.32	2,693
2008	82,253	3,960	6,020	-	-	1,539	6,305	12,530	112,607	9.20	2,618
2009	72,120	3,800	5,780	-	-	1,212	6,085	12,285	101,282	8.47	2,334
2010	59,513	3,635	5,535	-	-	982	5,860	12,030	87,555	7.86	2,137
2011	51,553	3,460	5,280	-	-	846	5,630	11,765	78,534	6.87	1,917
2012	-	3,280	465	-	-	705	5,390	11,624	21,464	1.94	523
2013	-	3,090	473	-	-	594	5,145	11,340	20,642	1.88	501
2014	-	2,895	447	-	127	515	4,890	10,915	19,789	1.80	486

**Notes:**

Details regarding the city's outstanding debt can be found in the notes to the financial statements.

(a) Due to the FY12 dissolution of the RDA, the bond liability was transferred to the Successor Agency.

(b) Due to FY12 dissolution of the RDA, 90% of the LRRB bond liability was transferred to the Successor Agency.

(c ) In FY05, the city issued \$13 million of sewer certificates of participation and \$5 million of water revenue bonds.

(d) See Schedule S-22 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

**City of Rohnert Park**  
**Direct and Overlapping Governmental Activities Debt (Unaudited)**  
**As of June 30, 2014**  
*(dollars in thousands)*

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
Cotati-Rohnert Park Unified School District			
#14R	\$ 25,765,000	79.234%	\$ 20,414,576
#15R	5,410,000	79.234%	4,286,546
#16	9,160,000	79.234%	7,257,812
#17R	12,340,000	79.234%	9,777,445
#18R	4,110,000	79.234%	3,256,507
Sonoma County Junior College District			
#2	23,510,000	5.643%	1,326,639
#3	3,615,000	5.643%	203,990
#4	16,990,000	5.643%	958,724
#2R	130,605,000	5.643%	7,369,873
Warm Springs Dam	94,824,890	5.621%	<u>5,329,666</u>
Subtotal, overlapping debt			60,181,778
<b>City direct debt</b>			<u>3,984,000</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 64,165,778</u></u>

**Notes:**

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the resident and business of the city.

Source: Sonoma County Auditor-Controller Treasurer-Tax Collector

**City of Rohnert Park**  
**Legal Debt Margin Information (Unaudited)**  
**Last Ten Fiscal Years**  
*(dollars in thousands)*

<b>Legal Debt Margin Calculation for Fiscal Year 2014</b>	
Assessed value	\$ 3,748,039
Debt limit (15% of assessed value)	562,206
Debt applicable to limit:	
General obligation bonds	-
Legal debt margin	<u><u>\$ 562,206</u></u>

	<b>Fiscal Year</b>									
	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Debt limit	\$ 526,849	\$ 534,506	\$ 580,879	\$ 611,773	\$ 612,688	\$ 591,965	\$ 564,732	\$ 564,587	\$ 542,024	\$ 562,206
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u><u>\$ 526,849</u></u>	<u><u>\$ 534,506</u></u>	<u><u>\$ 580,879</u></u>	<u><u>\$ 611,773</u></u>	<u><u>\$ 612,688</u></u>	<u><u>\$ 591,965</u></u>	<u><u>\$ 564,732</u></u>	<u><u>\$ 564,587</u></u>	<u><u>\$ 542,024</u></u>	<u><u>\$ 562,206</u></u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**City of Rohnert Park**  
**Pledged-Revenue Coverage (Unaudited)**  
**Last Ten Fiscal Years**  
*(dollars in thousands)*

Fiscal Year	Water Revenue Bonds						Sewer Revenue Certificate of Participation (a)						Special Assessment Bonds			
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Special Assessment Collections	Debt Service		Coverage
				Principal	Interest					Principal	Interest			Principal	Interest	
2005	\$ 4,933	\$ 5,031	\$ (98)	\$ 80	\$ 70	(0.65)	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ 340	\$ 270	\$ 46	1.08
2006	6,406	5,480	926	205	237	2.10	9,955	9,112	843	-	572	n/a	319	290	37	0.98
2007	6,084	5,700	384	210	262	0.81	12,008	9,501	2,507	230	583	n/a	456	430	21	1.01
2008	6,342	6,851	(509)	215	257	(1.08)	12,371	9,244	3,127	240	575	n/a	-	-	-	-
2009	6,630	5,715	915	220	251	1.94	10,304	10,740	(436)	245	568	n/a	-	-	-	-
2010	6,384	5,445	939	225	245	2.00	8,117	10,682	(2,565)	255	560	n/a	-	-	-	-
2011	6,360	6,542	(182)	230	238	(0.39)	8,180	11,510	(3,330)	265	552	n/a	-	-	-	-
2012	6,631	6,273	358	240	231	0.76	10,934	8,984	1,950	275	542	n/a	-	-	-	-
2013	7,422	5,091	2,331	245	223	4.98	12,523	10,168	2,355	280	532	n/a	-	-	-	-
2014	7,021	5,150	1,871	255	215	3.98	13,417	10,383	3,034	295	522	n/a	-	-	-	-

Notes:

(a) The Sewer Revenue Certificates of Participation were issued by the Rohnert Park Financing Authority pursuant to an Installment Purchase Agreement with the City of Rohnert Park. All Net Revenues and amounts on deposit in the Revenue Fund (other than amounts on deposit therein required to pay Operation and Maintenance Costs) are irrevocably pledged to the payment of the Installment Payments and the Net Revenues shall not be used for any other purpose while any of the installment payments remain unpaid.

Details regarding the city's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation or amortization expenses.

**City of Rohnert Park**  
**Demographic and Economic Statistics (Unaudited)**  
**Last Ten Calendar Years**

<b>(a)</b>	<b>(c)</b>	<b>(a)</b>	<b>(a)</b>	<b>(b)</b>	<b>(b)</b>
<b>Year</b>	<b>Population</b>	<b>Personal Income (Dollars in Thousands)</b>	<b>Per Capita Income</b>	<b>School Enrollment</b>	<b>County Unemployment Rate</b>
					<b>City Unemployment Rate</b>
2005	42,445	\$ 1,646,569	\$38,793	7,260	4.3%
2006	43,027	1,863,844	43,318	7,023	4.5%
2007	42,959	1,129,736	26,298	6,847	4.3%
2008	43,062	1,243,889	28,886	6,655	5.5%
2009	43,020	1,224,435	28,462	6,429	10.1%
2010	43,398	1,196,136	27,562	6,206	10.6%
2011	40,971	1,113,510	27,178	6,003	10.1%
2012	41,034	1,143,864	27,876	5,946	9.0%
2013	41,184	1,107,355	26,888	5,770	7.1%
2014	40,722	1,098,965	26,987	5,788	6.0%

Notes: (a) Calendar year  
(b) Average unemployment rate through June 2014  
(c) Population estimate as of January 1, 2014

Source: Population and Per Capita Income: American Community Survey (ACS)  
Personal Income is by computation.  
School Enrollment: Cotati-Rohnert Park Unified School District  
Unemployment Rates: California Employment Development Board Labor Force Statistics

**City of Rohnert Park**  
**Principal Employers (Unaudited)**  
**Current Year and Five Years Ago**

<b>Employer</b>	<b>2014</b>			<b>2009</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Sonoma State University	1,263	1	5.22%	1,483	1	6.56%
Cotati-Rohnert Park Unified School District	514	2	2.12%	-	-	-
Wal-Mart Store #1755	263	3	1.09%	277	3	1.23%
Home Depot #641	238	4	0.98%	238	4	1.05%
Comcast Cable Holdings, LLC	210	5	0.87%	-	-	-
Parker Hannifin Corporation	182	6	0.75%	182	8	0.81%
Costco Wholesale #659	179	7	0.74%	205	6	0.91%
City of Rohnert Park	175	8	0.72%	191	7	0.85%
Pacific Bell	175	9	0.72%	-	-	-
Target 852	162	10	0.67%	220	5	0.97%
State Farm Insurance	-	-	-	468	2	2.07%
Cross Check	-	-	-	142	9	0.63%
Masterwork Electronics	-	-	-	111	10	0.49%
<b>Total</b>	<b>3,361</b>		<b>13.89%</b>	<b>3,517</b>		<b>15.56%</b>
<b>Total City Employment</b>	<b>24,200</b>			<b>22,600</b>		

Source: 2009 Direct correspondence with City's local businesses.

2014 City of Rohnert Park Business Licensing; <http://www.sonoma.edu>; <http://www.crpUSD.org>

2014 Total City Employment from [www.labormarketinfo.edd.ca.gov](http://www.labormarketinfo.edd.ca.gov)



**City of Rohnert Park**  
**Full-time-Equivalent City Government Employees by Function/Program (Unaudited)**  
**Last Ten Fiscal Years**

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General government										
City Manager's Office	5.00	5.00	7.00	7.00	7.00	6.70	5.85	6.00	6.40	6.50
Finance	11.00	12.00	12.00	12.00	11.00	11.00	9.75	10.00	10.50	10.50
Information Systems	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.75
Planning (a)	2.00	3.00	3.00	3.00	3.00	1.70	-	-	-	-
Development Services (a)	-	-	-	-	-	-	11.00	11.00	11.08	11.78
Human Resource	2.00	2.00	2.00	2.00	3.00	2.25	2.25	2.25	2.25	3.24
Other	2.00	2.00	-	-	-	-	-	-	-	-
Public Safety	106.00	107.00	109.00	110.00	110.00	90.75	83.75	80.75	81.25	88.76
Building Inspection (a)	2.00	3.00	3.00	3.00	3.00	2.30	-	-	-	-
Public Works										
Engineering (a)	4.00	5.00	6.00	6.00	8.00	8.00	-	-	-	-
Public Works	25.00	25.00	29.00	29.00	29.00	27.40	30.30	34.65	34.72	38.47
Park Maintenance (b)	6.00	5.00	4.00	5.00	5.00	6.60	-	-	-	-
Parks and Recreation (b)	7.00	7.00	7.00	7.00	6.00	2.00	-	-	-	-
Community Services (b)	-	-	-	-	-	-	5.10	5.30	8.51	9.06
Performing Arts Center	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>3.00</u>	<u>2.00</u>	<u>2.00</u>	<u>3.65</u>	<u>3.50</u>
Total	<u>178.00</u>	<u>182.00</u>	<u>188.00</u>	<u>190.00</u>	<u>191.00</u>	<u>163.70</u>	<u>152.00</u>	<u>153.95</u>	<u>160.36</u>	<u>174.56</u>

Notes:

(a) FY 10-11 New Department combining Planning, Building Inspection and Engineering

(b) FY 10-11 New Department combining Park Maintenance and Parks and Recreation

**City of Rohnert Park**  
**Operating Indicators by Function/Program (Unaudited)**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b><u>Function/Program</u></b>										
General government										
Building permits issued	736	574	663	650	515	575	622	658	722	1068
Building inspections conducted	2,228	1,875	1,560	1393	1,664	815	1,168	902	946	1452
Department of Public Safety - Police										
Physical arrests	2,174	2,485	2,474	3,076	3,156	2,323	2,214	1819	2015	2075
Parking violations	3,583	3,794	2,554	2,448	3,248	2,419	2,034	2106	2136	1753
Traffic violations	286	264	1,402	1,695	1,452	1,438	1,232	1248	1539	1559
Department of Public Safety - Fire										
Emergency responses	113	134	3,164	3,007	3,262	3,263	3,156	3325	3189	3560
Inspections	not available	not available	1,713	1,869	1,966	1,555	2,031	1427	1268	1441
Refuse collection										
Refuse collected (average tons per day)	61.3	64.3	68.2	59.7	58	53	49	54.35	51.37	47.28
Recyclables collected (average tons per day)	27.5	30.9	31.4	28.89	29	18	19	22.64	23.45	19.41
Parks and recreation										
Sports & Fitness Center Attendance	136,490	119,803	111,655	124,261	101,253	125,321	112,330	110,710	114,138	113,540
Community Center Attendance	41,120	42,019	46,495	42,240	48,682	43,253	36,170	44,912	54,819	52,000
Library										
Volumes in collection	74,868	75,718	84,369	84,381	90,478	90,478	90,538	97,382	100,000	100,979
Water										
Water main breaks	2	2	0	1	3	1	1	1	1	1
Average daily consumption (millions of gallons)	5.42	5.00	4.90	4.4	4.4	3.9	3.9	3.94	4.43	4.57
Peak daily consumption (millions of gallons)	8.44	7.86	7.15	6.7	6.4	5.7	5.4	5.6	6.03	5.48
Wastewater										
Average daily sewage treatment (millions of gallons)	3.88	3.87	3.16	3.42	3.12	3.28	3.48	3.18	3.4	3.3

Source: Various City Departments; Sonoma County Library

**City of Rohnert Park**  
**Capital Asset Statistics by Function/Program (Unaudited)**  
**Last Ten Fiscal Years**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b><u>Function/Program</u></b>										
Department of Public Safety										
Public Safety Stations -Police & Fire combined	4	4	4	4	4	3	3	3	3	3
Public Safety Officers-Police & Fire combined	77	77	77	79	80	70	63	60	59	61
Refuse Collection										
Collection trucks	11	11	10	10	10	10	10	10	8	8
Street Sweepers	2	1	1	1	1	1	1	1	1	1
Other public works										
Streets (miles)	85.12	85.12	85.12	85.12	85.12	86.17	86.17	86.17	90.24	90.24
Streetlights	2,794	2,794	2,794	2,794	2,794	2817	2817	2817	2837	2941
Parks and recreation										
Acreage	102	102	102	102	105	105	105	105	107	107
Playgrounds	30	30	30	30	25	25	24	24	24	24
Baseball/softball diamonds	14	14	14	14	10	10	10	10	10	10
Soccer/football fields	9	9	9	9	11	11	11	11	12	12
Tennis courts	25	25	25	25	26	26	25	25	25	25
Water										
Water mains (miles)	115.70	115.70	115.70	115.70	115.7	115.7	115.7	115.7	116.2	116.2
Fire hydrants	not available	1,450	1,458	1,458	1,462	1462	1,462	1462	1470	1470
Storage capacity (thousands of gallons)	4,374.6	4,374.6	4,374.6	4,374.6	4,374.6	4374.6	4,375	4375	4375	4375
Wastewater										
Sanitary sewers (miles)	77.0	80.0	77.0	77.0	83.0	83.0	83.0	83	84.5	84.5
Storm sewers (miles)	32.0	32.0	32.0	32.0	32.0	32.0	32.0	32	32.5	32.5
Treatment capacity (thousands of gallons)	5.11	5.41	3.13	3.83	3.13	3.28	3.28	4.46	4.45	4.4

Source: Various City Departments.

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