

City of Rohnert Park, California



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2015



*"We Care for Our Residents by Working Together to Build a Better
Community for Today and Tomorrow"*



CITY OF ROHNERT PARK, CALIFORNIA

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2015



Prepared by
Finance Department

CITY OF ROHNERT PARK
2015 COMPREHENSIVE ANNUAL FINANCIAL REPORT

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City Council

City Council

Gina Belforte
Mayor

Jake Mackenzie
Vice Mayor

Amy O. Ahanotu
Joseph T. Callinan
Pam Stafford
Councilmembers

Darrin Jenkins
City Manager

Don Schwartz
Assistant City Manager

Michelle Marchetta Kenyon
City Attorney

Alexandra M. Barnhill
Assistant City Attorney

JoAnne Buergher
City Clerk

Betsy Howze
Finance Director

Brian Masterson
Director of Public Safety

John McArthur
*Director of Public Works and
Community Services*

Mary Grace Pawson
*Director of
Development Services*

Victoria Perrault
Human Resources Director

January 19, 2016

Members of the City Council, and Citizens of the City of Rohnert Park:

The Comprehensive Annual Financial Report (CAFR) of the City of Rohnert Park for the fiscal year 2014-15 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. To the best of our knowledge and belief 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.

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. 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 3.8 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 2015-2019. The strategic plan provides a comprehensive framework which includes vision, mission, values, accomplishments, best practices and a detailed Action Plan.

For the second consecutive year the City adopted a balanced budget where total sources exceeded total uses without spending down General Fund balance. This continues 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 reduced unfunded retiree medical liabilities and will reduce future pay-go for retiree medical premiums.

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. The City upgraded the computer aided dispatch and record system in FY 14-15.

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, recycled water, 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 run 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 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. 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.

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 plans 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. Oxford Inn & Suites broke ground this year and will be complete in 2016 adding additional mid-scale rooms to Rohnert Park's hotel inventory.

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, Special Revenue and Proprietary 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. Except as separately authorized by the Council, 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, 2015:

Cash and Investments - June 30, 2015

Sonoma County Investment Pool	\$ 32,023,566
Money Market Mutual Funds	19,001,567
U.S. Government Agencies Securities	3,500,000
State Treasurer LAIF	7,322,935
Cash and deposits	17,349,399
	<hr/>
Total Cash & Investments	<u><u>\$ 79,197,467</u></u>

Cash temporarily idle during the year was invested in the Sonoma County Investment Pool, State of California Local Agency Investment Fund (LAIF), 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, 2015. 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, 2014. This was the thirty-third 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, Elizabeth Smith, Supervising Accountant, and accountant Lori Newzell 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, 2014

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

Executive Director/CEO

CITY OFFICIALS

City Council:

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

City Staff:

City ManagerDarrin Jenkins

Assistant City ManagerDon Schwartz

City AttorneyMichelle Marchetta Kenyon
Burke, Williams & Sorensen, LLP

City ClerkJoAnne Buerghler

Finance DirectorBetsy Howze

Director of Public SafetyBrian Masterson

Director of Public Works & Community ServicesJohn McArthur

Director of Human ResourcesVictoria Perrault

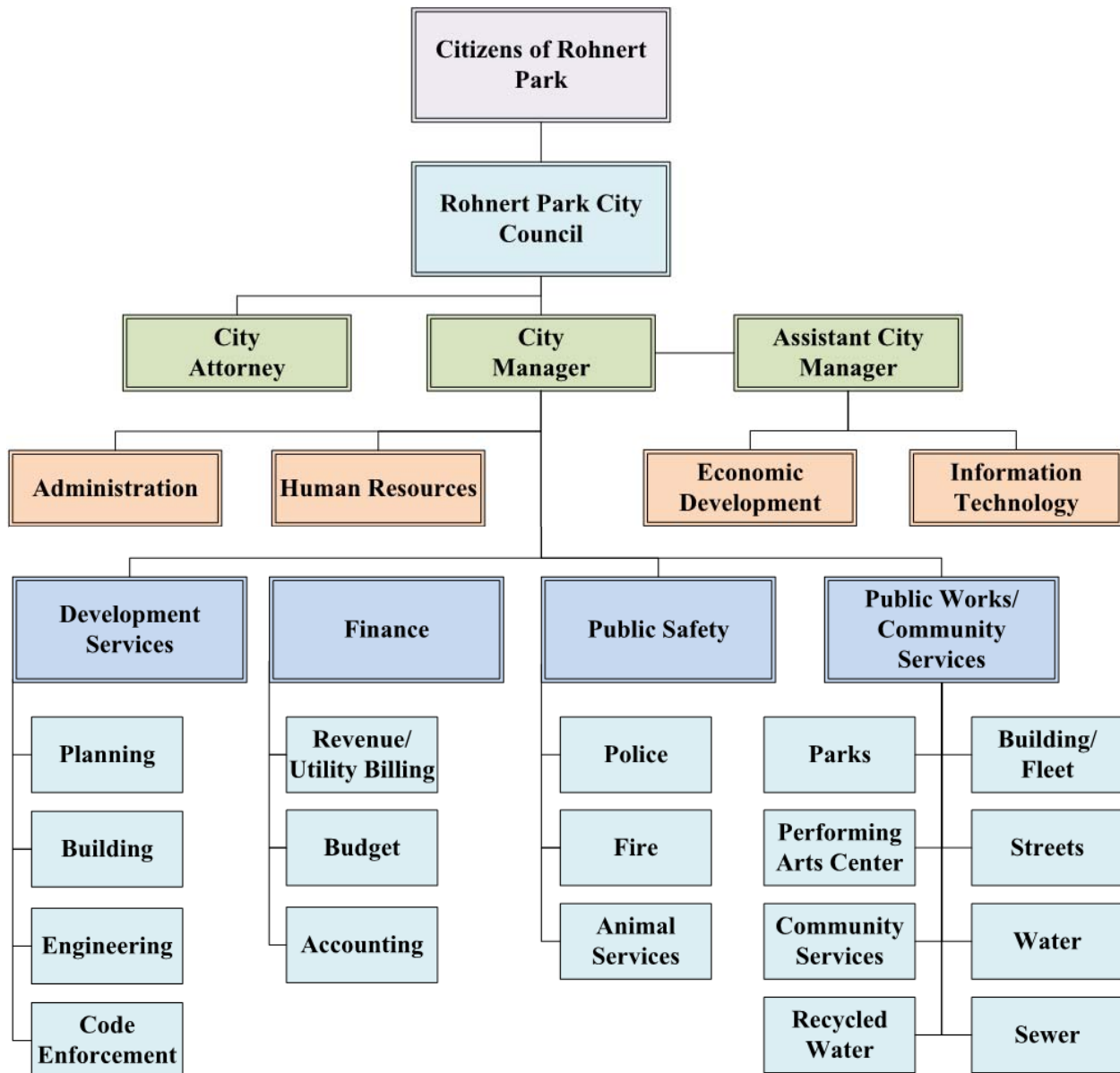
Acting Director of Development ServicesMary Grace Pawson

City Council Advisory Commissions, Committees, and Boards:

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



ORGANIZATIONAL CHART



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, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principles

As discussed in Note 1(R) to the basic financial statements, effective July 1, 2014, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment to GASB No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. 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, and the schedules related to the pension and post employment health care benefits, 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 January 19, 2016 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Macias Gini E O'Connell LPA

Walnut Creek, California

January 19, 2016

CITY OF ROHNERT PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015 (Unaudited)

As management of the City of Rohnert Park (City) we offer readers of the City's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the City's basic financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

New Significant Accounting Standards Implemented

In fiscal year 2014-15, the City adopted two new statements of financial accounting standards issued by the Governmental Accounting Standards Board (GASB) that relate to pension activity:

- Statement No. 68, "Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27."
- Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68."

Statement No. 68 establishes standards of accounting and financial reporting, but not funding or budgetary standards, for the City's single-employer defined benefit pension plans. This Statement replaces the requirements of prior GASB statements impacting accounting and disclosure of pensions.

The most significant impact to the City by implementing Statement No. 68 is the reporting of the City's unfunded pension liability on the City's full accrual government-wide financial statements. New note disclosures and supplementary schedules are also required by the Statement.

The measurement date for the pension liabilities is as of June 30, 2014. This date reflects a one year lag and was used so that these financial statements could be issued in an expedient manner. Activity (i.e., contributions made by the City) occurring during the FY 2014-15 are reported as deferred outflows of resources in accordance with Statement No. 71.

In order to implement Statement Nos. 68 and 71, a prior period adjustment was made to the City's July 1, 2014 net position. This prior period adjustment decreased the City's net position by \$51.9 million from \$148.9 million to \$97.0 million and reflects the reporting of the net pension liabilities of \$55.9 million net of \$4.0 million of deferred outflows of resources. Please refer to Note 8 for more information regarding the City's pension plans.

The adoption of Statement No. 68 has no impact on the County's governmental fund financial statements, which continue to report expenditures equal to the amount of the City's actuarially determined contribution (formerly referred to as the "annual required contribution or "ARC"). The calculation of pension contributions is also unaffected by this Statement.

Deferred Outflows of Resources

Deferred outflows of resources are new to the City's Statement of Net Position for this fiscal year. This classification balance, although similar to "assets," is set apart because these items do not meet the technical definition of being a City asset on the date of these financial statements. In other words, these amounts are not available to pay liabilities in the way assets are available. When all the recognition criteria are met, the deferred outflow of resources will become an expense.

CITY OF ROHNERT PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015 (Unaudited)

The deferred outflows of resources reported is related to the implementation of Statement Nos. 68 and 71 for pension liability reporting. Statement No. 71 requires that contributions made during the fiscal year to the retirement system be reported as deferred outflows of resources. Consequently, the majority of the deferred outflows of resources reported are comprised of current year contributions to the retirement system. At June 30, 2015, the City reported pension items including pension contributions subsequent to measurement date and differences between the employer's actual and proportionate share of contribution as deferred outflows of resources.

Deferred Inflows of Resources

Deferred inflows of resources are the counterpart to deferred outflows of resources on the Statement of Net Position. Deferred inflows of resources are not technically liabilities of the City as of the date of the financial statement. When all the recognition criteria are met, the deferred inflows of resources will become revenue or an increase to net position. At June 30, 2015, the City reported unavailable revenues on the governmental funds financial statements and pension items including change in employer's proportion and net difference between projected and actual earnings on plan investments on the governmental-wide and proprietary funds financial statements as deferred inflows of resources.

Government-wide Financial Highlights

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by \$114.7 million (net position) at June 30, 2015. Of this amount, \$107.8 million represents the City's investment in capital assets, less (1) accumulated depreciation, and (2) related outstanding debt and deferred outflows and inflows of resources used to acquire those assets; \$40.0 million is available for the City's ongoing obligations related to programs with external restrictions (restricted); and (\$33.1) million (unrestricted) is primarily the result of the City's unfunded pension. The City's total net position decreased by \$34.3 million over the prior year:

- The \$11.7 million increase in net investment in capital assets represents the change in capital assets net of FY 14-15 retirement of related long-term debt.
- The \$7.6 million increase in restricted net position represents the change in resources that are subject to external restriction on their use.
- The \$53.6 million decrease in unrestricted net position is the change in resources available to fund City programs and debt obligations. The decrease was mainly related to the implementation of Statement No. 68 and 71 and at June 30, 2015, the City reported net pension liability, deferred inflows of resources for pension items, and deferred outflows of resources for pension items of \$47.3 million, \$9.0 million, and \$4.8 million, respectively.

Governmental Funds Highlights

The City's Governmental Funds combined ending fund balance of \$48.0 million was an increase of \$5.9 million from the prior year ending balance of \$42.1 million. Amounts available for spending are categorized into Restricted, Assigned, and Unassigned Fund Balances. These categories total \$45.6 million, or 94.9% of ending fund balance. Of this amount:

- \$38.4 million is restricted by law or externally imposed requirements (e.g., for capital projects, housing projects, and debt service).

CITY OF ROHNERT PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015 (Unaudited)

- \$14.4 million is assigned by the City Council, City Manager or Finance Director in accordance with policy and/or budgetary directives (e.g., operating reserve and contingency reserve).
- (\$7.2) million is Unassigned Fund Balance, which represents the residual of total fund balance less the aforementioned categories.
- The General Fund reported total fund balance of \$14.2 million of which \$12.2 million is spendable: \$0.2 million is restricted, \$12.0 million is assigned, and \$0.03 million is unassigned. The balance of \$2.0 million is nonspendable.

Although net position declined by \$34.3 million due to the implementation of Statement No. 68, the overall increase in fund balance of \$5.9 million indicates relative financial success for the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis introduces the City's Basic Financial Statements. The City's Basic Financial Statements include three components:

- *Government-wide Financial Statements*
- *Fund Financial Statements*
- *Notes to the Financial Statements*

This report also contains required and other *supplementary information* in addition to the basic financial statements themselves.

Government-wide Financial Statements

The *Government-wide Financial Statements* are designed to provide readers with a broad overview of the City's finances, in a manner 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 Deferred Outflows of Resources*, and *Liabilities and Deferred Inflows of Resources* with the difference reported as *Net Position*.

$$\text{Net Position} = (\text{Assets} + \text{Deferred Outflows of Resources}) - (\text{Liabilities} + \text{Deferred Inflows of Resources})$$

Over time, increases or decreases in net position are a useful indicator of an improving or deteriorating City financial condition.

The *Statement of Activities* presents the most recent fiscal year changes in the City's net position. 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. The statement reports items resulting in cash flows in future fiscal periods (e.g., uncollected taxes, and earned but unused vacation leave) as revenues and expenses.

The *Government-wide Financial Statements* distinguish functions of the City principally supported by taxes and intergovernmental revenues (governmental activities) from other functions intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City grouped by function include General Government, Public Safety, Public Works, Parks and Recreation, Cultural Arts Center and Interest on Long-Term Debt. The business-type activities of the City include Water, Sewer, and Refuse Collection.

CITY OF ROHNERT PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015 (Unaudited)

Component units are included in Government-wide Financial Statements and are legally separate entities for which the City is financially accountable. Component units have substantially the same governing board as the City, or provide services entirely to the City. The Rohnert Park Financing Authority is included as the only component unit of the City.

Fund Financial Statements

A *fund* is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City's funds are divided into three types: *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. (Modified Accrual Basis of Accounting) Such information may be useful in evaluating the City's near-term financing requirements. Because the focus of governmental funds is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenue, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 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; City Capital Projects Fund; Public Facility Finance Fee Special Revenue Fund; and Graton Mitigation Supplemental 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.

The City adopts an annually appropriated budget for all of its operating funds. The budget to actual comparison schedules are provided for the General Fund and Special Revenue Funds to demonstrate performance against this budget.

Proprietary funds are generally used to account for services for which the City charges external, or internal customers with the intent to recover all or a significant portion of their costs through user fees and charges. The City maintains the following two types of proprietary funds:

- *Enterprise Funds* report the same functions presented as business-type activities in the Government-wide Financial Statements. The City uses enterprise funds to account for Water, Sewer, Recycled Water, and Refuse Collection.
- *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City's internal service funds account for Information Technology services, Vehicle Replacement and Fleet Management services. Since these services predominantly benefit governmental rather than business-type functions, they are consolidated within governmental activities in the Government-wide Financial Statements.

CITY OF ROHNERT PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015 (Unaudited)

Proprietary funds provide the same type of information as the Government-wide Financial Statements, only in more detail. The proprietary funds financial statements provide separate information for the Water, Sewer, Recycled Water and Refuse Collection activities. The three internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements.

Fiduciary funds account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the Government-wide Financial Statements because the resources of those funds are not available to support the City's own programs. Fiduciary fund accounting is similar to proprietary fund accounting. Fiduciary funds report the external portions of the private purpose trust funds.

Notes to the 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 Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of the Cost Sharing Plans' Proportionate Share of the Net Pension Liability, Schedule of Plan Contributions for Pension, Schedule of Funding Progress for Post Employment Health Care Benefits, and Budgetary Comparison Schedules for General Fund and major Special Revenue Funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$114.7 million at the close of the current fiscal year. The following table is a condensed comparative analysis of the net position of governmental and business-type activities as of June 30, 2015 and June 30, 2014:

Summary of Net Position
As of June 30, 2015 and 2014

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Assets:						
Current and other assets	\$ 68,142,829	\$ 59,405,500	\$ 21,855,885	\$ 25,220,303	\$ 89,998,714	\$ 84,625,803
Capital assets, net	74,208,781	70,356,289	49,544,009	45,439,641	123,752,790	115,795,930
Total assets	142,351,610	129,761,789	71,399,894	70,659,944	213,751,504	200,421,733
Deferred outflows of resources:						
Pension items	4,295,181	-	508,951	-	4,804,132	-
Liabilities:						
Current and other liabilities	18,282,310	15,952,114	2,401,273	3,908,975	20,683,583	19,861,089
Long-term liabilities	54,300,318	15,684,475	19,889,012	15,929,922	74,189,330	31,614,397
Total liabilities	72,582,628	31,636,589	22,290,285	19,838,897	94,872,913	51,475,486
Deferred inflows of resources:						
Pension items	7,973,896	-	1,032,882	-	9,006,778	-
Net position:						
Net investment in capital assets	73,541,499	66,373,255	34,323,645	29,762,623	107,865,144	96,135,878
Restricted net position	39,964,837	32,362,423	-	-	39,964,837	32,362,423
Unrestricted net position	(47,416,069)	(610,478)	14,262,033	21,058,424	(33,154,036)	20,447,946
Total net position	\$ 66,090,267	\$ 98,125,200	\$ 48,585,678	\$ 50,821,047	\$ 114,675,945	\$ 148,946,247

CITY OF ROHNERT PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015 (Unaudited)

Analysis of Statement of Net Position

The City's total net position (government and business-type activities) decreased by \$34.3 million, or 23.0% during the fiscal year. As described below, the City experienced a net decrease mainly due to changes in unrestricted net position resulting from a change in pension reporting.

Net investment in Capital Assets is the largest portion of the City's net position. It is comprised of capital assets (i.e. land, building, roads, machinery and equipment) less the related outstanding long-term debt used to acquire those assets. The City uses these capital assets to provide services to citizens; as such, these assets are not available for future spending. Although the City's investment in its capital asset is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

- The \$11.7 million, or 12.2% increase in net investment in capital assets was due to the increase in capital assets by \$8.0 million and the decrease of related long-term debt by \$3.7 million.

Restricted Net Position of \$39.9 million represents resources that are subject to external restrictions on their use, or by enabling legislation. Due to the unique nature of funding sources, the City has significantly more restricted net position dollars than unrestricted net position dollars. Restricted net position is mainly comprised of amount restricted for housing development (\$25.1 million or 63.6%), capital and street projects (\$6.2 million or 15.6%), and redevelopment capital projects (\$5.1 million or 13.0%)

Restricted net position increased \$7.6 million, or 23.5%. The increases were mainly due to the following:

- Amount restricted for redevelopment capital projects increased by \$5.2 million due to the receipt of funds from the Successor Agency to the City in accordance with the Excess Bond Proceeds Agreement. The funds are restricted for infrastructure projects within the Redevelopment Project Area, consistent with the bonds covenants.
- Amount restricted for housing development increased by \$1.6 million primarily due to the sale of housing successor agency properties.

Unrestricted Net Position in the amount of (\$33.2) million represents net position of the City that is not restricted for any project or purpose. The decrease of \$53.5 million, or 262.1% was mainly related to the implementation of Statement No. 68 and 71 and at June 30, 2015, the City reported net pension liability, deferred inflows of resources for pension items, and deferred outflows of resources for pension items of \$47.3 million, \$9.0 million, and \$4.8 million, respectively.

Current Assets increased by \$5.4 million, or 6.3% were mainly due to the receipt of \$5.7 million from the Successor Agency in accordance with the Excess Bond Proceeds Agreement.

Current and Other Liabilities increased by \$0.8 million or 4.1% were mainly due to the timing difference of payments on accounts payable.

Long-Term Liabilities increased by \$42.6 million or 134.7% were mainly due to the recording of net pension liability of \$47.3 million offset by the decrease in net OPEB obligation of \$0.8 million and retirement of long-term obligations during the year.

Deferred Inflows of Resources and Deferred Outflows of Resources increases were due to the implementation of Statement Nos. 68 and 71.

CITY OF ROHNERT PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015 (Unaudited)

Analysis of Changes in Net Position

The following table is a condensed comparative analysis of the changes in net position of governmental and business-type activities for fiscal years ended June 30, 2015 and 2014:

Changes in Net Position For the Fiscal Years Ended June 30, 2015 and 2014						
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$ 7,499,533	\$ 5,472,817	\$ 19,524,173	\$ 20,437,744	\$ 27,023,706	\$ 25,910,561
Operating grants and contributions	10,148,400	5,784,503	-	-	10,148,400	5,784,503
Capital grants and contributions	13,065,771	13,745,990	-	270,063	13,065,771	14,016,053
General revenues:						
Property taxes	3,564,329	3,875,521	-	-	3,564,329	3,875,521
Sales taxes	10,493,451	10,541,059	-	-	10,493,451	10,541,059
Franchise taxes	2,068,761	1,981,803	-	-	2,068,761	1,981,803
Other taxes	3,109,123	2,945,367	-	-	3,109,123	2,945,367
Grants/contributions not restricted to specific programs:						
Motor vehicle license fees	2,948,341	2,747,818	-	-	2,948,341	2,747,818
Investment income	300,328	246,098	75,585	52,305	375,913	298,403
Other	133,236	1,296,275	-	-	133,236	1,296,275
Total revenues	53,331,273	48,637,251	19,599,758	20,760,112	72,931,031	69,397,363
Expenses:						
General government	10,648,148	9,202,607	-	-	10,648,148	9,202,607
Public safety	15,711,045	14,888,571	-	-	15,711,045	14,888,571
Public works	4,115,427	2,840,825	-	-	4,115,427	2,840,825
Parks and recreation	2,940,882	3,342,205	-	-	2,940,882	3,342,205
Cultural arts center	774,542	648,630	-	-	774,542	648,630
Interest on long-term debt	194,621	153,921	-	-	194,621	153,921
Water	-	-	7,875,791	6,036,836	7,875,791	6,036,836
Sewer	-	-	13,037,337	11,963,155	13,037,337	11,963,155
Refuse collection	-	-	3,530	4,828	3,530	4,828
Total expenses	34,384,665	31,076,759	20,916,658	18,004,819	55,301,323	49,081,578
Increase in net position before transfers	18,946,608	17,560,492	(1,316,900)	2,755,293	17,629,708	20,315,785
Transfers	(4,275,417)	(7,909,865)	4,275,417	7,909,865	-	-
Change in net position	14,671,191	9,650,627	2,958,517	10,665,158	17,629,708	20,315,785
Net position, beginning as previously reported	98,125,200	88,474,573	50,821,047	40,155,889	148,946,247	128,630,462
Restatements	(46,706,124)	-	(5,193,886)	-	(51,900,010)	-
Net position, beginning of year, as restated	51,419,076	88,474,573	45,627,161	40,155,889	97,046,237	128,630,462
Net position, end of year	\$ 66,090,267	\$ 98,125,200	\$ 48,585,678	\$ 50,821,047	\$ 114,675,945	\$ 148,946,247

CITY OF ROHNERT PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015 (Unaudited)

Analysis of Governmental Activities

Governmental Activities decreased the City's net position by \$32.0 million to \$66.1 million for the year ended June 30, 2015, accounting for 93.5% of the City's total decrease in net position. Governmental Activities operating revenues exceeded operating expenses plus transfers out by \$14.7 million. The Governmental Activities' prior period adjustment of (\$46.7) million, is primarily the result of the unfunded pension obligations.

Revenues

Total revenues for the City's Governmental Activities had an overall increase from the prior year of \$4.7 million, or 9.7%, to \$53.3 million. Revenues are divided into two categories: Program Revenues which derive from the program itself such as fees and charges or from outside the City's tax base, and General Revenues that are not program related such as taxes.

Program Revenues had an overall increase of \$5.7 million, or 22.8%, to \$30.7 million from the prior year.

- Charges for services increased \$2.0 million, or 37.0%, to \$7.5 million primarily due to an increase in developer reimbursements to the City of \$0.7 million; and implementation of the cost allocation plan which reimburses the General Fund for services provided to proprietary funds of \$0.9 million.
- Operating grants and contributions increased \$4.4 million, or 75.4%, to \$10.1 million primarily due to a \$4.5 million contribution made by the Federated Indians of Graton Rancheria (Tribe) in accordance with the Memorandum of Understanding (MOU) with the City.
- Capital grants and contributions decreased \$0.7 million, or 4.9% primarily due to the completion of the Wilfred widening road project funded by the Tribe in the previous year offset by the receipt of donated capital assets of \$2.4 million.

General Revenues had an overall decrease of \$1.0 million, or 4.3%, to \$22.6 million. These revenues include general taxes which provided the City Council with the most discretionary spending ability. The decrease in general revenues were due primarily to the decrease of other revenues of \$1.2 million.

Expenses

Expenses had an overall increase for Governmental Activities of \$3.3 million, or 10.6%, to \$34.4 million. As a service delivery entity, the City's major cost component is salaries and benefits, amounting to 79% of the total City expenses. The increase in expenses is generally attributable to the following:

- General Government increased by \$1.4 million, or 15.7%, to \$10.6 million primarily due to the Retiree Medical buyout of \$2.3 million.
- Public Works increased by \$1.3 million, or 44.9%, to \$4.1 million primarily due to the loss of \$1.1 million incurred for the disposal of capital assets during the year.

CITY OF ROHNERT PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

Analysis of Business-Type Activities

The net position of business-type activities decreased by \$2.2 million, or 4.4%, to \$48.6 million.

- Continued water conservation measures reduced Operating Revenue by \$0.9 million, or 4.5%, to \$19.5 million.
- Salaries and Benefits increased \$0.6 million, or 23.5%, to \$3.4 million mainly due to the Retiree Medical buyout of \$0.5 million.
- Other expenses increased \$0.8 million to \$0.8 million due to the implementation of the cost allocation plan which reimburses the General Fund for services provided.
- Non-operating expenses increased by \$1.0 million, primarily due to management's decision to write off \$1.3 million of capital assets not meeting the City's capitalization policy.

FINANCIAL ANALYSIS OF THE CITY'S FUND BALANCES

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 spendable resources (modified accrual basis of accounting). Such information is useful in assessing the City's financing requirements. In particular, total fund balance less the nonspendable portion is a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2015, the City's Governmental Funds reported total fund balances of \$48.0 million, an increase of \$5.9 million, or 14.2%, in comparison with the prior year's total ending fund balances. The components of total fund balance are as follows:

- Nonspendable Fund Balance, \$2.5 million, are amounts that are not spendable in form, or are legally or contractually required to be maintained intact, and are made up of prepaid items, advances to the successor agency trust fund; and certain assets held in the Performing Arts Endowment Permanent Fund.
- Restricted Fund Balance, \$38.5 million consists of amounts with constraints put on their use by creditors, grantors, contributors, laws, regulations, or enabling legislation. Examples of restrictions on funds are those for (1) purpose of fund (e.g., Sports Center Capital Facility Fund) or legislated amounts (e.g., State Gasoline Tax).
- Assigned Fund Balance, \$14.4 million is assigned in accordance with policy and budgetary directives.
- Unassigned Fund Balance, (\$7.2) million, represents the residual classification for the City's General Fund and the negative fund balances for other governmental funds.

Approximately 94.9%, or \$45.6 million of the total fund balances is spendable, which means it is available to meet the City's current and future needs. City Council or City management can earmark a portion of fund balance to a particular function, project or activity, and can also earmark it for purposes beyond the current year, within the constraints applied to the various categories of fund balance. With the exception of the nonspendable portion, fund balances are available for appropriation at any time.

CITY OF ROHNERT PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015 (Unaudited)

General Fund

The General Fund is the main operating fund of the City. The General Fund's total fund balance increased by \$1.6 million, or 12.7%, to \$14.2 million at June 30, 2015.

The spendable portion of fund balance increased by \$2.1 million to \$12.2 million, of which \$0.5 million is due to unanticipated revenues. The nonspendable portion of fund balance decreased \$0.5 million, to \$2.0 million, due to a \$0.5 million repayment on the advance to the Successor Agency.

As a measure of the General Fund's liquidity, it is useful to compare both total fund balance and spendable fund balance to total fund expenditures. Total fund balance equates to 45.9% of total General Fund expenditures while spendable fund balance equates to 39.5% of total General Fund expenditures. Of the General Fund spendable fund balance, \$0.2 million, or 1.4%, is restricted; \$12.0 million, or 98.3% is assigned; and \$0.03 million, or 0.3%, is unassigned.

Other Major Governmental Funds

The total fund balances of the other Major Governmental Funds increased by \$4.9 million, or 25.9%, to \$23.8 million with the following significant changes:

- The Housing Projects Special Revenue Fund increased fund balance in the amount of \$1.5 million, to \$24.0 million, primarily due to the sale of four (4) residential real estate parcels and receipt of proceeds of \$1.4 million.
- The Financing Authority Debt Service Fund decreased fund balance in the amount of \$0.4 million, to \$0.04 million, due to the timing of debt service payments.
- The City Capital Projects Fund increased fund balance by \$6.1 million, to \$5.8 million, primarily due to the transfer in of \$5.7 million of 2007R Redevelopment capital projects bond proceeds from the Successor Agency.
- The Public Facility Finance Fee Special Revenue Fund decreased fund balance by \$2.5 million, to (\$7.3) million, as capital projects funding in the amount of \$5.9 million were transferred out.
- The Graton Mitigation Supplemental Special Revenue Fund increased fund balance by \$0.07 million, to \$1.3 million, mainly due to the timing of planned transfers out to other funds.

Nonmajor Governmental Funds

The total fund balances of Nonmajor Governmental Funds decreased by \$0.5 million to \$10.0 million. The significant changes occurred in the following funds:

- The State Gasoline Tax Special Revenue Fund decreased by \$0.5 million to \$1.7 million due to timing difference between revenues and funding of capital projects.
- The Graton Mitigation Development Fee Fund decreased by \$1.2 million due to the reimbursement to the General Fund to mitigate impacts of the casino.

CITY OF ROHNERT PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015 (Unaudited)

Proprietary Funds

The City's proprietary funds provide the same type of information found in the Government-wide Financial Statements, but in more detail.

- Total Enterprise Fund net position, which at year-end was comprised of the Water Fund, the Sewer Fund, the Recycled Water Fund and the Refuse Collection Fund, decreased by \$2.2 million, or 4.4% from the prior year. This decrease in net position is the result of the prior period adjustment for pension of \$5.2 million offset by the increase from operations of \$3.0 million due to water conservation measures, salary and benefit and other non-operating expense changes that are more fully described previously, in the Government-wide Analysis.
- Total Internal Service Fund net position decreased by \$0.3 million, or 105.6%, to \$0.02 million. This decrease in net position is the result of the prior period adjustment for pension of \$0.6 million offset by the increase from operations of \$0.3 million.

Fiduciary funds

The City's fiduciary funds net positions decreased by \$4.1 million, or 16.1%, to (\$30.0) million.

- The Assets Seizure Fund decreased by \$0.1 million to \$0.01 million due to requests for funds by the Sonoma County District Attorney's Office.
- The Redevelopment Successor Agency decreased by \$4.0 million to (\$30.0) million. This decrease was primarily due to the intergovernmental transfer of \$5.7 million of 2007R Redevelopment capital projects bond proceeds to the City Capital Project Fund. The negative net position is due to long-term bonds debt.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's final budget appropriations for expenditures for the General Fund differ from the original budget by \$5.4 million or 17.6%. The major changes in appropriations are as follows:

- Nondepartmental employee benefits appropriations increased \$3.4 million primarily due to the retiree medical buyout and the increase in Other Post-Employment Benefit (OPEB) contributions.
- General government nondepartmental appropriations increased by \$1.0 million to early retirement of the 1999 Certificates of Participation.
- Development Services appropriations increased by \$0.9 million due to an increase in reimbursable developer activities.

Revenues: General Fund revenues were \$1.6 million more than Final Budget revenue estimates. The main reasons are as follows:

- Transient Occupancy Tax outperformed revenue estimates by \$0.4 million or 14.6% due to an increase in tourism.
- Property and Franchise Tax outperformed revenue estimates by \$0.2 or 5.3% due to an increase in property values.

CITY OF ROHNERT PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015 (Unaudited)

- Implementation of a Cost Allocation Plan (CAP) which reimburses the General Fund for services provided to proprietary funds increased unanticipated revenues by \$0.9 million.

Expenditures: The variance between the final budget and actual expenditures resulted in \$4.7 million of unspent appropriations. Key variances are due to unfilled and vacant positions, and tight controls on materials, supplies and equipment spending.

CAPITAL ASSETS AND DEBT

Capital Assets

	Governmental activities		Business-type activities		Total		Percent of Change
	2015	2014	2015	2014	2015	2014	
Land	\$ 7,029,287	\$ 6,906,156	\$ -	\$ -	\$ 7,029,287	\$ 6,906,156	1.8%
Construction in progress	4,384,494	4,480,480	4,405,679	12,996,488	8,790,173	17,476,968	-49.7%
Infrastructure, structures and improvements	128,573,366	125,049,591	64,546,795	52,668,346	193,120,161	177,717,937	8.7%
Equipment	11,585,093	14,079,946	4,014,480	3,668,701	15,599,573	17,748,647	-12.1%
Accumulated depreciation	(77,363,459)	(80,159,884)	(23,422,945)	(23,839,894)	(100,786,404)	(103,999,778)	-3.1%
Total	<u>\$ 74,208,781</u>	<u>\$ 70,356,289</u>	<u>\$ 49,544,009</u>	<u>\$ 45,493,641</u>	<u>\$ 123,752,790</u>	<u>\$ 115,849,930</u>	6.8%

During the fiscal year, the City's investment in capital assets increased by approximately \$7.9 million, or 6.8%, to \$123.8 million (net of accumulated depreciation). This investment is in a broad range of capital assets including land, and improvements, structures and improvements, equipment, vehicles and infrastructure.

The City both purchases and constructs capital assets throughout the year. When a capital project will be completed in a subsequent fiscal year, related expenditures are recorded as Construction in Progress (CIP). In the year of completion, CIP is reclassified to the appropriate capital asset classification(s). In the current fiscal year, CIP decreased by \$0.1 million for governmental activities and decreased \$8.7 million for business-type activities.

During the year, the City completed and capitalized projects costing approximately \$18.0 million, of which \$8.8 million was already in CIP at June 30, 2014. Some of the major projects completed were as follows:

- General government – Wilfred Widening (\$1.2 million); Public Safety Roof Replacement (\$1.1 million)
- Water Fund – Adrian Drive Water Rehab Project (\$2.2 million)
- Sewer Fund - Eastside Truck Sewer Project Phase II (\$9.5 million); Adrian Sewer Rehab (\$2.7 million)

During the year, the City capitalized \$0.8 million in new equipment purchases, and retired \$2.9 million in equipment (and related accumulated depreciation) that did not meet the City's capitalization policy.

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

CITY OF ROHNERT PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015 (Unaudited)

Debt Administration

Long-Term Liabilities As of June 30, 2015 and 2014

	Governmental activities		Business-type activities		Total		Percent of Change
	2015	2014	2015	2014	2015	2014	
Certificates of participation	\$ -	\$ 2,895,000	\$ 10,610,000	\$ 10,915,000	\$ 10,610,000	\$ 13,810,000	-23.2%
Lease revenue refunding bonds	417,500	446,500	-	-	417,500	446,500	-6.5%
Water revenue bonds	-	-	4,625,000	4,890,000	4,625,000	4,890,000	-5.4%
Bond premium/discount	-	-	-	124,922	-	124,922	-100.0%
Capital leases	-	514,494	-	-	-	514,494	-100.0%
Loan payable	249,782	127,040	-	-	249,782	127,040	96.6%
Total	\$ 667,282	\$ 3,983,034	\$ 15,235,000	\$ 15,929,922	\$ 15,902,282	\$ 19,912,956	-20.1%

At June 30, 2015, the City's governmental activities had total outstanding long-term debt of \$0.7 million. The balance was comprised of \$0.4 million of lease revenue refunding bonds issued by the Rohnert Park Financing Authority (the Authority), and secured by the base rental payments to be made by the City under the lease between the City and the Authority; and \$0.3 million of loans payable. Governmental activities long-term debt decreased by \$3.3 million during the year as \$2.9 million of certificates of participation, \$0.5 million of capital leases, and \$0.1 million of loans payable were fully repaid, offset by an additional loan of \$0.2 million incurred during the year.

At June 30, 2015, the City's business-type activities had total outstanding long term debt of \$15.2 million, comprised of \$10.6 million of sewer system revenue certificates of participation issued by the Authority and secured by an irrevocable pledge of sewer net revenues; and \$4.6 million of water revenue bonds secured by an irrevocable pledge of water net revenues.

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, 2015, the City's debt limit (15.0% of assessed valuation) was \$604.2 million. At June 30, 2015, the City did not have any debt applicable to the limit outstanding.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET ANALYSIS

The following factors were considered in preparing the City's operating budget for FY 2015-16:

- In general, property taxes were projected to increase between 0.3% - 2.2%, however due to the uncertainty surrounding the Redevelopment property tax residual distributions, the FY 15-16 Budget projection was estimated at 8.0% lower than the FY 14-15 estimated collections at the time the budget was prepared.
- Transient Occupancy taxes were projected to increase 11.5% compared to the FY 14-15 Budget to align budget projections to actual collections.

CITY OF ROHNERT PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015 (Unaudited)

- Retail Sales tax was projected to increase 3.0% based on economic forecasts by our Sales Tax consultant.

Total Governmental Fund budgeted revenues showed an increase of 17.0%, or \$8.6 million comparing FY 15-16 budget to FY 14-15 actual revenues. This budgeted increase is primarily due to a \$6.1 million increase in revenue from planned new development activity; the first year of the two-year, non-recurring, Casino Public Safety Building funding of \$1.9 million, and the increase in the Casino Recurring Public Service contribution of \$0.6 million.

The budget appropriations for total Governmental Fund expenditures for FY 15-16 increased by \$12.5 million, or 30.0% when compared to FY 14-15 actuals. The FY 15-16 budget includes:

- The addition of a Public Safety Community Oriented Policing (COPS) unit dedicated to fighting crime and consisting of three (3) officers and one (1) crime analyst. This new unit will target drugs, gangs, prostitution, transient issues, and parolee/probation issue related to the State's release of many prisoners. The funding source of this unit is casino mitigation.
- The addition of one (1) accountant position in finance, funded from the special revenue funds and cost allocation plan revenue.
- The conversion of nine (9) part-time positions to five (5) full time positions in various departments.
- The addition of one (1) full time Environmental Compliance Specialist position in Public Works.
- The addition of one (1) Community Services Coordinator at the Senior Center.
- The addition of one (1) part time position in Development Services, and one (1) part time position in Economic Development.
- The addition of one (1) full time position in the Cultural Arts Center.
- A moderate increase for salary COLA's and employee benefits.
- A \$4.4 million, or 230.0%, increase in public facility construction projects funded by the anticipated increase in Public Facility Financing Plan Fee revenues.

For the second consecutive year, the City adopted a balanced budget, however unfunded liabilities continue to present significant challenges to long-term financial solvency and service level solvency.

The City's FY 15-16 budget which includes the Five Year Capital Improvement Program budget can be found at <http://www.ci.rohnert-park.ca.us/index.aspx?page=118>.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all interested parties. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Rohnert Park Finance Director, 130 Avram Avenue, Rohnert Park, CA 94928. The City's Comprehensive Annual Financial Report can also be found on the City's website at <http://www.ci.rohnert-park.ca.us/index.aspx?page=119>.

CITY OF ROHNERT PARK
STATEMENT OF NET POSITION
JUNE 30, 2015

	Primary Government		
	Governmental Activities	Business- type Activities	Total
ASSETS			
Cash and investments	\$ 35,374,749	\$ 17,689,803	\$ 53,064,552
Receivables	3,264,202	2,953,010	6,217,212
Prepaid items and other assets	171,028	-	171,028
Restricted cash and investments	18,962,723	134,800	19,097,523
Internal balances	(1,078,272)	1,078,272	-
Loans and notes receivable, net of allowance	9,648,829	-	9,648,829
Advances to the Successor Agency	1,799,570	-	1,799,570
Capital assets:			
Nondepreciable assets	11,413,781	4,405,679	15,819,460
Depreciable assets, net	62,795,000	45,138,330	107,933,330
Total assets	<u>142,351,610</u>	<u>71,399,894</u>	<u>213,751,504</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension items	4,295,181	508,951	4,804,132
LIABILITIES			
Accounts payable	4,955,556	1,431,431	6,386,987
Accrued liabilities	1,961,994	13,222	1,975,216
Interest payable	10,158	91,771	101,929
Deposits	785,266	864,849	1,650,115
Unearned revenue	225,111	-	225,111
Advances from the Successor Agency	10,344,225	-	10,344,225
Long-term liabilities:			
Due within one year	1,299,311	594,758	1,894,069
Due in more than one year	723,722	14,760,406	15,484,128
Net OPEB obligation	9,501,000	-	9,501,000
Net pension liability	42,776,285	4,533,848	47,310,133
Total liabilities	<u>72,582,628</u>	<u>22,290,285</u>	<u>94,872,913</u>
DEFERRED INFLOWS OF RESOURCES			
Pension items	<u>7,973,896</u>	<u>1,032,882</u>	<u>9,006,778</u>
NET POSITION			
Net investment in capital assets	73,541,499	34,323,645	107,865,144
Restricted for:			
Nonexpendable:			
Performing arts center	500,000	-	500,000
Expendable:			
Housing projects	25,082,013	-	25,082,013
Capital and street projects	6,153,973	-	6,153,973
Redevelopment capital projects	5,119,840	-	5,119,840
General government programs	1,071,921	-	1,071,921
Public safety programs - police	1,205,373	-	1,205,373
Public safety programs - fire	114,014	-	114,014
Debt service	29,941	-	29,941
Performing arts center	687,762	-	687,762
Unrestricted	<u>(47,416,069)</u>	<u>14,262,033</u>	<u>(33,154,036)</u>
Total net position	<u>\$ 66,090,267</u>	<u>\$ 48,585,678</u>	<u>\$ 114,675,945</u>

See accompanying notes to the basic financial statements.

CITY OF ROHNERT PARK
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Grants and	Grants and
			Contributions	Contributions
FUNCTION/PROGRAM ACTIVITIES:				
Primary government:				
Governmental activities:				
General government	\$ 10,648,148	\$ 2,740,546	\$ 6,594,289	\$ 1,510,040
Public safety	15,711,045	1,102,207	1,310,847	-
Public works	4,115,427	2,015,070	2,243,264	11,555,731
Parks and recreation	2,940,882	1,297,774	-	-
Cultural arts center	774,542	343,936	-	-
Interest on long-term debt	194,621	-	-	-
Total governmental activities	34,384,665	7,499,533	10,148,400	13,065,771
Business-type activities:				
Water	7,875,791	6,307,513	-	-
Sewer	13,037,337	13,216,660	-	-
Refuse Collection	3,530	-	-	-
Total business-type activities	20,916,658	19,524,173	-	-
Total primary government	\$ 55,301,323	\$ 27,023,706	\$ 10,148,400	\$ 13,065,771
General revenues:				
Property taxes				
Intergovernmental - Sales taxes				
Franchise taxes				
Transient occupancy taxes				
Real property transfer taxes				
Grants/contributions not restricted to specific programs:				
Motor vehicle license fees				
Investment income				
Other				
Transfers				
Total general revenues and transfers				
Change in net position				
NET POSITION, BEGINNING OF YEAR,				
AS PREVIOUSLY REPORTED				
CHANGE IN ACCOUNTING PRINCIPLES				
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	
\$ 196,727	\$ -	\$ 196,727	FUNCTION/PROGRAM ACTIVITIES:
(13,297,991)	-	(13,297,991)	Primary government:
11,698,638	-	11,698,638	Governmental activities:
(1,643,108)	-	(1,643,108)	General government
(430,606)	-	(430,606)	Public safety
(194,621)	-	(194,621)	Public works
(3,670,961)	-	(3,670,961)	Parks and recreation
			Cultural arts center
			Interest on long-term debt
			Total governmental activities
-	(1,568,278)	(1,568,278)	Business-type activities:
-	179,323	179,323	Water
-	(3,530)	(3,530)	Sewer
-	(1,392,485)	(1,392,485)	Refuse Collection
(3,670,961)	(1,392,485)	(5,063,446)	Total business-type activities
			Total primary government
3,564,329	-	3,564,329	General revenues:
10,493,451	-	10,493,451	Property taxes
2,068,761	-	2,068,761	Intergovernmental - Sales taxes
2,980,129	-	2,980,129	Franchise taxes
128,994	-	128,994	Transient occupancy taxes
			Real property transfer taxes
2,948,341	-	2,948,341	Grants/contributions not restricted to specific programs:
300,328	75,585	375,913	Motor vehicle license fees
133,236	-	133,236	Investment income
(4,275,417)	4,275,417	-	Other
18,342,152	4,351,002	22,693,154	Transfers
14,671,191	2,958,517	17,629,708	Total general revenues and transfers
			Change in net position
98,125,200	50,821,047	148,946,247	NET POSITION, BEGINNING OF YEAR,
(46,706,124)	(5,193,886)	(51,900,010)	AS PREVIOUSLY REPORTED
51,419,076	45,627,161	97,046,237	CHANGE IN ACCOUNTING PRINCIPLES
\$ 66,090,267	\$ 48,585,678	\$ 114,675,945	NET POSITION, BEGINNING OF YEAR, AS RESTATED
			NET POSITION, END OF YEAR

See accompanying notes to the basic financial statements.

CITY OF ROHNERT PARK
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General	Housing Projects Special Revenue	Financing Authority Debt Service	City Capital Projects
ASSETS				
Cash and investments	\$ 13,958,899	\$ 1,652,427	\$ -	\$ 3,044,353
Receivables:				
Taxes	2,050,656	-	-	-
Accounts	703,525	-	-	-
Accrued interest	14,947	550	-	2,761
Intergovernmental	25,944	-	-	74,581
Due from other funds	167,960	-	-	-
Prepaid items and other assets	171,028	-	-	-
Restricted cash and investments	-	13,758,942	40,099	5,163,682
Loans and notes receivable, net of allowance	33,980	9,614,849	-	-
Advances to the successor agency trust fund	1,799,570	-	-	-
Total assets	<u>\$ 18,926,509</u>	<u>\$ 25,026,768</u>	<u>\$ 40,099</u>	<u>\$ 8,285,377</u>
LIABILITIES				
Accounts payable	\$ 1,302,940	\$ 24,951	\$ -	\$ 2,479,342
Accrued liabilities	1,961,994	-	-	-
Due to other funds	-	-	-	-
Deposits	738,670	-	-	46,596
Unearned revenue	225,111	-	-	-
Advances from the successor agency trust fund	288,500	-	-	-
Total liabilities	<u>4,517,215</u>	<u>24,951</u>	<u>-</u>	<u>2,525,938</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	<u>189,428</u>	<u>1,007,527</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)				
Nonspendable	1,970,598	-	-	-
Restricted	172,998	23,994,290	40,099	5,759,439
Assigned	12,042,682	-	-	-
Unassigned	33,588	-	-	-
Total fund balances (deficits)	<u>14,219,866</u>	<u>23,994,290</u>	<u>40,099</u>	<u>5,759,439</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 18,926,509</u>	<u>\$ 25,026,768</u>	<u>\$ 40,099</u>	<u>\$ 8,285,377</u>

See accompanying notes to the basic financial statements.

Public Facility Finance Fee Special Revenue	Graton Mitigation Supplemental Special Revenue	Other Governmental Funds	Total	
\$ 4,989,647	\$ 1,316,423	\$ 9,708,593	\$ 34,670,342	ASSETS
-	-	16,022	2,066,678	Cash and investments
-	-	198,043	901,568	Receivables:
4,194	1,967	9,463	33,882	Taxes
-	-	145,929	246,454	Accounts
-	-	17,338	185,298	Accrued interest
-	-	-	171,028	Intergovernmental
-	-	-	18,962,723	Due from other funds
-	-	-	9,648,829	Prepaid items and other assets
-	-	-	1,799,570	Restricted cash and investments
				Loans and notes receivable, net of allowance
				Advances to the successor agency trust fund
<u>\$ 4,993,841</u>	<u>\$ 1,318,390</u>	<u>\$ 10,095,388</u>	<u>\$ 68,686,372</u>	Total assets
				LIABILITIES
\$ 973,619	\$ -	\$ 89,536	\$ 4,870,388	Accounts payable
-	-	-	1,961,994	Accrued liabilities
1,222,382	-	18,228	1,240,610	Due to other funds
-	-	-	785,266	Deposits
-	-	-	225,111	Unearned revenue
10,055,725	-	-	10,344,225	Advances from the successor agency trust fund
12,251,726	-	107,764	19,427,594	Total liabilities
				DEFERRED INFLOWS OF RESOURCES
-	-	-	1,196,955	Unavailable revenues
				FUND BALANCES (DEFICITS)
-	-	500,000	2,470,598	Nonspendable
-	-	8,500,642	38,467,468	Restricted
-	1,318,390	1,004,320	14,365,392	Assigned
(7,257,885)	-	(17,338)	(7,241,635)	Unassigned
<u>(7,257,885)</u>	<u>1,318,390</u>	<u>9,987,624</u>	<u>48,061,823</u>	Total fund balances (deficits)
<u>\$ 4,993,841</u>	<u>\$ 1,318,390</u>	<u>\$ 10,095,388</u>	<u>\$ 68,686,372</u>	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, 2015

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

Fund balances - total governmental funds		\$ 48,061,823	
Capital assets net of depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.			74,208,781
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.			(15,565)
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.			1,196,955
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.			(10,158)
Deferred outflows and inflows of resources for pension items in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.			
Deferred outflows of resources			4,232,041
Deferred inflows of resources			(7,845,757)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.			
Net OPEB obligation	\$ (9,501,000)		
Net pension liability	(42,213,820)		
Lease revenue refunding bonds	(417,500)		
Loans payable	(249,782)		
Compensated absences	(1,355,751)		
			(53,737,853)
Net position of governmental activities			\$ 66,090,267

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, 2015

	General	Housing Projects Special Revenue	Financing Authority Debt Service	City Capital Projects
REVENUES				
Taxes	\$ 8,742,213	\$ -	\$ -	\$ -
Intergovernmental - Sales taxes	10,493,451	-	-	-
Intergovernmental	3,580,789	-	-	194,393
Intergovernmental transfer from successor agency trust fund	-	-	-	5,695,287
Interest and rentals	800,259	36,558	3	9,414
Charges for current services	3,894,746	-	-	-
Licenses, permits and fees	1,509,781	-	-	-
Fines, forfeitures and penalties	42,173	-	-	-
Donations and miscellaneous	20,112	127,596	-	1,315,647
Total revenues	29,083,524	164,154	3	7,214,741
EXPENDITURES				
Current:				
General government	10,019,250	212,675	-	-
Public safety	14,941,875	-	-	-
Public works	1,273,308	-	-	-
Parks and recreation	2,660,915	-	-	-
Cultural arts center	770,138	-	-	-
Capital outlay	645,132	-	-	5,690,424
Debt service:				
Principal	641,534	-	2,924,000	-
Interest and fiscal charges	40,875	-	222,431	-
Total expenditures	30,993,027	212,675	3,146,431	5,690,424
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,909,503)	(48,521)	(3,146,428)	1,524,317
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	1,442,823	-	-
Issuance of loans	249,782	-	-	-
Transfers in	8,224,465	59,701	2,870,403	4,606,274
Transfers out	(4,967,112)	-	-	(14,909)
Total other financing sources (uses)	3,507,135	1,502,524	2,870,403	4,591,365
NET CHANGE IN FUND BALANCES	1,597,632	1,454,003	(276,025)	6,115,682
FUND BALANCES (DEFICITS), BEGINNING OF YEAR	12,622,234	22,540,287	316,124	(356,243)
FUND BALANCES (DEFICITS), END OF YEAR	\$ 14,219,866	\$ 23,994,290	\$ 40,099	\$ 5,759,439

See accompanying notes to the basic financial statements.

Public Facility Finance Fee Special Revenue	Graton Mitigation Supplemental Special Revenue	Other Governmental Funds	Total	
\$ -	\$ -	\$ 563,029	\$ 9,305,242	REVENUES
-	-	-	10,493,451	Taxes
-	-	2,011,581	5,786,763	Intergovernmental - Sales taxes
-	-	-	5,695,287	Intergovernmental
19,789	9,647	47,647	923,317	Intergovernmental transfer from successor agency trust fund
-	-	182,018	4,076,764	Interest and rentals
3,401,650	-	828,532	5,739,963	Charges for current services
-	-	134,317	176,490	Licenses, permits and fees
1,288	4,545,204	2,638,017	8,647,864	Fines, forfeitures and penalties
3,422,727	4,554,851	6,405,141	50,845,141	Donations and miscellaneous
				Total revenues
				EXPENDITURES
-	-	570,537	10,802,462	Current:
-	-	700,888	15,642,763	General government
7,605	-	633,912	1,914,825	Public safety
-	-	-	2,660,915	Public works
-	-	17,030	787,168	Parks and recreation
-	-	-	6,335,556	Cultural arts center
-	-	-	3,565,534	Capital outlay
3,280	-	-	266,586	Debt service:
10,885	-	1,922,367	41,975,809	Principal
				Interest and fiscal charges
3,411,842	4,554,851	4,482,774	8,869,332	Total expenditures
				EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES
				OTHER FINANCING SOURCES (USES)
-	-	-	1,442,823	Proceeds from the sale of capital assets
-	-	-	249,782	Issuance of loans
-	-	14,909	15,775,752	Transfers in
(5,865,867)	(4,486,749)	(5,014,712)	(20,349,349)	Transfers out
(5,865,867)	(4,486,749)	(4,999,803)	(2,880,992)	Total other financing sources (uses)
(2,454,025)	68,102	(517,029)	5,988,340	NET CHANGE IN FUND BALANCES
(4,803,860)	1,250,288	10,504,653	42,073,483	FUND BALANCES (DEFICITS), BEGINNING OF YEAR
\$ (7,257,885)	\$ 1,318,390	\$ 9,987,624	\$ 48,061,823	FUND BALANCES (DEFICITS), END OF YEAR

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, 2015

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

Net change in fund balances - total governmental funds	\$ 5,988,340
--	--------------

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 assets additions	\$ 5,213,013	
Donated assets received	2,420,598	
Capital assets retirements	(2,529,755)	
Depreciation	<u>(1,251,364)</u>	3,852,492

Revenues recognized in the governmental funds that were earned and recognize 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.

11,933

Pension contribution made subsequent to the measurement date is an expenditure in the governmental funds, but reported as a deferred outflows of resources in the government-wide financial statements.

3,879,343

Pension 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.

(3,645,105)

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.

Issuance of loans		(249,782)
Principal repayments:		
Certificates of participation	\$ 2,895,000	
Lease revenue refunding bonds	29,000	
Capital leases	514,494	
Loan payable	<u>127,040</u>	3,565,534

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 obligation	\$ 795,000	
Change in accrued interest payable	71,965	
Change in compensated absences	<u>49,690</u>	916,655

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.

351,781

Change in net position of governmental activities

\$ 14,671,191

See accompanying notes to the basic financial statements.

CITY OF ROHNERT PARK
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities
	Major		Other Enterprise Funds	Total	Internal Service
	Water	Sewer			
ASSETS					
Current assets:					
Cash and investments	\$ 5,568,027	\$ 11,412,336	\$ 709,440	\$ 17,689,803	\$ 704,407
Receivables:					
Accounts	963,389	1,969,813	5,097	2,938,299	15,253
Accrued interest	5,057	9,041	613	14,711	367
Due from other funds	-	1,222,382	-	1,222,382	-
Restricted cash and investments	134,800	-	-	134,800	-
Total current assets	6,671,273	14,613,572	715,150	21,999,995	720,027
Noncurrent assets:					
Capital assets:					
Nondepreciable assets	2,565,373	1,811,167	29,139	4,405,679	-
Depreciable assets, net	8,800,653	36,337,677	-	45,138,330	-
Total noncurrent assets	11,366,026	38,148,844	29,139	49,544,009	-
Total assets	18,037,299	52,762,416	744,289	71,544,004	720,027
DEFERRED OUTFLOWS OF RESOURCES					
Pension items	295,001	213,950	-	508,951	63,140
LIABILITIES					
Current liabilities:					
Accounts payable	937,958	469,588	23,885	1,431,431	85,168
Accrued liabilities	10,406	2,816	-	13,222	-
Interest payable	50,092	41,679	-	91,771	-
Due to other funds	84,736	59,374	-	144,110	22,960
Deposits	281,658	583,191	-	864,849	-
Bonds payable	272,146	322,612	-	594,758	-
Total current liabilities	1,636,996	1,479,260	23,885	3,140,141	108,128
Noncurrent liabilities:					
Net pension liability	2,627,933	1,905,915	-	4,533,848	562,465
Bonds payable	4,313,806	10,446,600	-	14,760,406	-
Total liabilities	8,578,735	13,831,775	23,885	22,434,395	670,593
DEFERRED INFLOWS OF RESOURCES					
Pension items	598,684	434,198	-	1,032,882	128,139
NET POSITION					
Net investment in capital assets	6,914,874	27,379,632	29,139	34,323,645	-
Unrestricted	2,240,007	11,330,761	691,265	14,262,033	(15,565)
Total net position	\$ 9,154,881	\$ 38,710,393	\$ 720,404	\$ 48,585,678	\$ (15,565)

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, 2015

	Business-type Activities - Enterprise Funds				Governmental Activity
	Major		Other Enterprise Funds	Total	Internal Service
	Water	Sewer			
OPERATING REVENUES:					
Utility service charges	\$ 6,045,328	\$ 13,193,635	\$ -	\$ 19,238,963	\$ -
Charges for services	-	-	-	-	1,245,212
Penalties and other	262,185	23,025	-	285,210	36,834
Total operating revenues	6,307,513	13,216,660	-	19,524,173	1,282,046
OPERATING EXPENSES:					
Purchase of water	2,198,233	-	-	2,198,233	-
Wastewater treatment	-	8,824,722	-	8,824,722	-
Contractual services	291,835	223,318	-	515,153	63,416
Rent and leases	5,758	3,409	-	9,167	62,781
Payroll and related costs	1,989,567	1,447,883	-	3,437,450	480,027
Heat, light and power	273,456	70,852	-	344,308	-
Other	230,561	584,486	3,530	818,577	114,705
Repairs, operations and maintenance	359,747	231,928	-	591,675	492,973
Professional services	262,183	12,090	-	274,273	-
Supplies	138,380	61,290	-	199,670	16,121
Depreciation	799,648	1,072,608	-	1,872,256	-
Total operating expenses	6,549,368	12,532,586	3,530	19,085,484	1,230,023
OPERATING INCOME (LOSS)	(241,855)	684,074	(3,530)	438,689	52,023
NONOPERATING REVENUES (EXPENSES)					
Investment income	24,686	47,980	2,919	75,585	1,578
Interest expense	(205,628)	(502,958)	-	(708,586)	-
Loss on retirement of capital assets	(1,120,795)	(1,793)	-	(1,122,588)	-
Total nonoperating revenues (expenses)	(1,301,737)	(456,771)	2,919	(1,755,589)	1,578
INCOME (LOSS) BEFORE TRANSFERS	(1,543,592)	227,303	(611)	(1,316,900)	53,601
Transfers in	3,592,410	3,920,315	29,139	7,541,864	309,180
Transfers out	(1,575,704)	(1,690,743)	-	(3,266,447)	(11,000)
CHANGE IN NET POSITION	473,114	2,456,875	28,528	2,958,517	351,781
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	11,692,274	38,436,897	691,876	50,821,047	277,004
CHANGE IN ACCOUNTING PRINCIPLES	(3,010,507)	(2,183,379)	-	(5,193,886)	(644,350)
NET POSITION, BEGINNING OF YEAR, AS RESTATED	8,681,767	36,253,518	691,876	45,627,161	(367,346)
NET POSITION, END OF YEAR	\$ 9,154,881	\$ 38,710,393	\$ 720,404	\$ 48,585,678	\$ (15,565)

See accompanying notes to the basic financial statements.

CITY OF ROHNERT PARK
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Business-type Activities - Enterprise Funds				Governmental Activity
	Major		Other Enterprise Funds	Total	Internal Service
	Water	Sewer			
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash receipts from customers	\$ 6,399,547	\$ 13,024,625	\$ 3,699	\$ 19,427,871	\$ -
Cash receipts from interfund services provided	-	-	-	-	1,266,793
Cash paid to suppliers for goods and services	(3,460,334)	(11,439,076)	(3,530)	(14,902,940)	(736,867)
Cash paid to employees for services	(2,133,671)	(1,552,436)	-	(3,686,107)	(496,913)
Net cash provided by operating activities	805,542	33,113	169	838,824	33,013
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers in	3,592,410	2,664,225	53,024	6,309,659	309,180
Transfers out	(319,614)	(1,690,743)	-	(2,010,357)	(11,000)
Received from other funds	20,607	120,223	-	140,830	22,960
Net cash provided by noncapital financing activities	3,293,403	1,093,705	53,024	4,440,132	321,140
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Payment on capital debt	(265,000)	(305,000)	-	(570,000)	-
Interest paid on capital debt	(205,179)	(511,517)	-	(716,696)	-
Acquisition of capital assets	(4,658,085)	(2,357,988)	(29,139)	(7,045,212)	-
Net cash used in capital and related financing activities	(5,128,264)	(3,174,505)	(29,139)	(8,331,908)	-
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received	22,652	43,956	2,654	69,262	1,389
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,006,667)	(2,003,731)	26,708	(2,983,690)	355,542
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	6,709,494	13,416,067	682,732	20,808,293	348,865
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 5,702,827</u>	<u>\$ 11,412,336</u>	<u>\$ 709,440</u>	<u>\$ 17,824,603</u>	<u>\$ 704,407</u>
CASH AND CASH EQUIVALENTS:					
Cash and investments	\$ 5,568,027	\$ 11,412,336	\$ 709,440	\$ 17,689,803	\$ 704,407
Restricted cash and investments	134,800	-	-	134,800	-
	<u>\$ 5,702,827</u>	<u>\$ 11,412,336</u>	<u>\$ 709,440</u>	<u>\$ 17,824,603</u>	<u>\$ 704,407</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (241,855)	\$ 684,074	\$ (3,530)	\$ 438,689	\$ 52,023
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	799,648	1,072,608	-	1,872,256	-
Changes in assets and liabilities:					
Decrease in accounts receivable	77,012	108,129	3,699	188,840	-
Decrease in prepaid expenses	1,352	2,029	-	3,381	-
Increase (decrease) in accounts payable	298,467	(1,429,010)	-	(1,130,543)	15,853
Decrease in accrued liabilities	(65,213)	(47,337)	-	(112,550)	(17,977)
Increase (decrease) in deposits	15,022	(300,164)	-	(285,142)	-
Decrease (increase) in deferred outflows of resources - pension	(54,528)	(39,547)	-	(94,075)	(11,672)
Increase (decrease) in deferred inflows of resources - pension items	598,684	434,198	-	1,032,882	128,139
Increase (decrease) in net pension liability	(623,047)	(451,867)	-	(1,074,914)	(133,353)
Net cash provided by operating activities	<u>\$ 805,542</u>	<u>\$ 33,113</u>	<u>\$ 169</u>	<u>\$ 838,824</u>	<u>\$ 33,013</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:					
Transfer of capital assets between enterprise funds	\$ (1,256,090)	\$ 1,256,090	\$ -	\$ -	\$ -

See accompanying notes to the basic financial statements.

CITY OF ROHNERT PARK
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015

	Total Private Purpose Trust Funds
ASSETS	
Cash and investments	\$ 3,403,368
Receivables - accrued interest	1,414
Restricted cash & investments	3,632,024
Advances to other City funds	10,344,225
Capital assets:	
Nondepreciable assets	4,934,146
Depreciable assets, net	13,264,868
Total assets	<u>35,580,045</u>
DEFERRED OUTFLOWS OF RESOURCES	
Unamortized loss on refunding	<u>21,298</u>
LIABILITIES	
Accounts payable	924,650
Interest payable	864,834
Advances from other City funds	1,799,570
Long-term debt:	
Due in one year	2,525,311
Due in more than one year	59,517,510
Total liabilities	<u>65,631,875</u>
NET POSITION	
Restricted	<u><u>\$ (30,030,532)</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, 2015

	Total Private Purpose Trust Funds
ADDITIONS	
Taxes	\$ 5,146,489
Interest and rentals	4,167
Donations	5,555
	<hr/>
Total additions	5,156,211
	<hr/>
DEDUCTIONS	
Current:	
Redevelopment expenses	309,182
Intergovernmental transfer of bond proceeds to the City's Capital Project Fund	5,695,287
Law enforcement costs	135,162
Depreciation	286,437
Interest and fiscal charges	2,889,416
	<hr/>
Total deductions	9,315,484
	<hr/>
CHANGE IN NET POSITION	(4,159,273)
NET POSITION, BEGINNING OF YEAR	(25,871,259)
	<hr/>
NET POSITION, END OF YEAR	\$ (30,030,532)
	<hr/> <hr/>

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, 2015

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 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 a financial burden relationship exist between the City and the Financing Authority as long-term liabilities outstanding are expected to be repaid with resources of the City. The Authority's transactions are blended into the City's basic financial statements.

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, 2015

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 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 the 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.
- Graton Mitigation Supplemental Special Revenue Fund accounts for supplemental contributions and related activities or mitigation of potential impacts pursuant to Section 3.4.1 of the MOU between the Federated Indians of Graton Rancheria (Tribe) and the City.

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, water 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.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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 administrated under trust or similar arrangement for the benefits of individuals, private organizations, or other governments. The City reports the following private purpose trust funds:
 - *Assets Seizure Fund* accounts for Federal and State seized assets held by the City in a trustee capacity until the County of Sonoma District Attorney's Office requests for remittance of the assets.
 - *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. Interfund activities, with the exceptions of activities between the governmental and business-type activities, are eliminated in 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 government-wide financial statements are presented on an economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

The governmental funds financial statements are presented on a current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property tax revenues are recognized in the current year if they are collected within 60 days of year-end. 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

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

when the related fund liability is incurred, except for principal and interest on long-term debt, certain compensated absences and claims and judgements are recognized when payments are due.

Proprietary funds and private purpose trust funds are presented on an economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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 proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges for customer services for water, sewer, recycled water, and refuse collection. The principal operating revenues of the City's internal service funds are charges to other funds for the information technology, vehicle replacement and fleet management support services. Operating expenses for enterprise funds and internal service funds include the cost of sales of services, administrative 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 to all funds based on average 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. 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.

F. Capital Assets

Capital assets are stated 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 City changed the estimated useful lives for capital assets during the fiscal year and recalculated the accumulated depreciation retroactively in which the impact is reflected in the current year's depreciation expenses.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The estimated useful lives are as follows:

Infrastructure and buildings	30 years
Equipment purchased with FEMA funds	10 years
Furniture & fixtures	7 years
Vehicles	7 years
Equipment	5 years
Communication equipment	3 years

G. 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.

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. 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.

J. 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.

K. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net 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) until the future period. At June 30, 2015, the City reported pension items including pension contributions subsequent to measurement date and differences between the employer's actual and proportionate share of contributions as deferred outflows of resources.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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 the future period. At June 30, 2015, the City reported unavailable revenues on the governmental funds financial statements and pension items including change in employer's proportion and net difference between projected and actual earnings on plan investments on the governmental-wide and proprietary funds financial statements as deferred inflows of resources.

L. Net Position and Fund Balance

Net Position Classifications

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

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

Restricted Net Position – This category 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 the Performing Arts Center Endowment is nonexpendable, and the remaining restricted net position is expendable.

Unrestricted Net Position – The category represents net position of the City that is not restricted for any project or purpose.

Fund Balances Classifications

Governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on how specific amounts in the funds can be spent. Fund balance is classified in five categories:

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

Restricted Fund Balance – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance – 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 actions that imposed the original constraint occur no later than the close of the reporting period.

Assigned Fund Balance – 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. This is also the classification for residual funds in the City's special revenue funds.

Unassigned Fund Balance – the residual classification for the General Fund that includes amounts not contained

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

in the other classifications. 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 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 capital or debt service 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.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

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. Pension Plans

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

R. Effects of New Pronouncements

The City implemented the following GASB Statements during the year:

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.

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.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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.

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.

As of July 1, 2014, the City restated its net position to record beginning net pension liability and beginning deferred outflows of resources related to pensions as follows:

	Net Position, at Beginning of Year		
	As Previously Reported	Statement Nos. 68 and 71	As Restated
Primary Government:			
Governmental Activities	\$ 98,125,200	\$ (46,706,124)	\$ 51,419,076
Business-type Activities	50,821,047	(5,193,886)	45,627,161
Total Primary Government	<u>\$ 148,946,247</u>	<u>\$ (51,900,010)</u>	<u>\$ 97,046,237</u>
Water Enterprise Fund	<u>\$ 11,692,274</u>	<u>\$ (3,010,507)</u>	<u>\$ 8,681,767</u>
Sewer Enterprise Fund	<u>\$ 38,436,897</u>	<u>\$ (2,183,379)</u>	<u>\$ 36,253,518</u>
Internal Service Funds	<u>\$ 277,004</u>	<u>\$ (644,350)</u>	<u>\$ (367,346)</u>

In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. The statement establishes accounting and financial reporting standards for governments that combine or dispose of their operations. The new standard is effective for periods beginning after December 15, 2013. Implementation of this statement did not have a significant impact on the City for the year ended June 30, 2015.

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

In February 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. This statement addresses accounting and financial reporting issues related to fair value measurements. The requirements of this statement are effective for the City's fiscal year ending June 30, 2016.

In June 2015, GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68*. This statement establishes requirements for those pensions and pension plans that are not administered through a trust meeting specified criteria and thus are not covered by Statements Nos. 67 and 68. The requirements of this statement are effective for the City's fiscal year ending June 30, 2016.

In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This statement addresses reporting by OPEB plans that administer benefits on behalf of governments. The requirements of this statement are effective for the City's fiscal year ending June 30, 2017.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement addresses reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments. The requirements of this statement are effective for the City's fiscal year ending June 30, 2018.

In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This statement reduces the hierarchy of generally accepted accounting principles to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the account treatment for a transaction or other event is not specific with a source of authoritative GAAP. The requirements of this statement are effective for the City's fiscal year ending June 30, 2016.

In August 2015, GASB issued Statement No. 77, *Tax Abatement Disclosures*. This statement requires governments that enter into tax abatement agreements to disclose certain information about the agreements. The requirements of this statement are effective for the City's fiscal year ending June 30, 2017.

In December 2015, the GASB issued Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this statement is to address a practice issue regarding the scope and applicability of Statement No. 68 associated with pensions provided through certain cost-sharing multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. Such plans are not considered a state or local government pension plan and are used to provide benefits to both employees of state and local governments and employees of employers that are not state or local governments. The requirements of this statement are effective for the City's fiscal year ending June 30, 2017.

In December 2015, the GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. This statement establishes criteria for an external investment pool to qualify for making the election to measure all investments at amortized cost for financial reporting purposes. Pool participants should also measure their investments at amortized cost if the external pool meets these criteria. If an external investment pool does not meet the criteria, then the pool should apply the provisions in paragraph 16 of Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Pool participants should measure their investments in that pool at fair value in accordance with paragraph 11 of Statement No. 31. This statement establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost and for governments that participate in those pools. The requirements of this statement are effective for the City's fiscal year ending June 30, 2017.

S. 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.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Balances and Net Position

At June 30, 2015, the following City funds had deficit fund balances:

The Public Facility Finance Fee Special Revenue Fund had a deficit fund balance of \$7,257,885. The deficit is due to the timing difference 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.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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.

At June 30, 2015, the following City funds had deficit net position:

The Information Technology and Fleet Management internal services funds had deficit net position of \$338,574 and \$200,106, respectively. The deficit is due to the recording of pension items upon the implementation of GASB Statement Nos. 68 and 71. The deficit is expected to be funded by future internal service charges to other City funds.

The Redevelopment Successor Agency private purpose trust fund had a deficit net position of \$30,042,064. The deficit is due to the nature of the redevelopment financing in which long-term debt were incurred for redevelopment activities. The deficit is expected to be eliminated with future redevelopment property tax revenues distributed from the Redevelopment Property Tax Trust Fund (RPTTF) administered by the County.

Excess Expenditures Over Appropriations

For the fiscal year ended June 30, 2015, the following funds had excess expenditures over appropriations, which are expected to be covered with existing fund balance:

<u>Fund Name</u>	<u>Amount</u>
Major Fund:	
Housing Projects Special Revenue	\$ 92,675
Nonmajor Special Revenue Fund:	
Alcohol Beverage Sales Ordinance (ABSO)	47,273
Vehicle Abatement	74,488
Spay and Neuter	11,022
Refuse Road Impact Fee	66,333
State Gasoline Tax	404,220
Supplemental Law Enforcement Services	100,000
Graton Mitigation Law Enforcement	431,212
Mobile Home Rent Appeals Board	69,954

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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.

B. Summary of Cash and Investments

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

	Governmental Activities	Business-Type Activities	Fiduciary Funds	Totals
Cash and investments	\$ 35,374,749	\$ 17,689,803	\$ 3,403,368	\$ 56,467,920
Restricted cash and investments	18,962,723	134,800	3,632,024	22,729,547
Total cash and investments	54,337,472	17,824,603	7,035,392	79,197,467
Less: cash and deposits not meeting the definition of investments				(17,349,399)
Total investments				\$ 61,848,068

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, 2015, the carrying and bank amounts of the City's cash and deposits were \$17,413,650 and \$17,541,244, 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.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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, 2015, the City's investment in Federal Farm Credit Bank Bonds represented 5.7% of the City's total pooled investment portfolio.

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, 2015, the City's investments consisted of the following:

	Maturities (in years)		Totals	S & P
	1 year or less	1 to 3 years		Credit Ratings
Pooled Investments:				
Federal Farm Credit Bank Bonds	\$ -	\$ 2,500,000	\$ 2,500,000	AAA
Federal Home Loan Bank Bonds	-	1,000,000	1,000,000	AAA
Money Market Mutual Funds	1,010,588	-	1,010,588	AAAm
Local Agency Investment Fund (LAIF)	7,322,935	-	7,322,935	Not Rated
Sonoma County Investment Pool	-	32,023,566	32,023,566	Not Rated
Total Pooled Investments	8,333,523	35,523,566	43,857,089	
Investments Held with Fiscal Agents:				
Money Market Mutual Funds	17,990,979	-	17,990,979	AAAm
Total Investments	\$ 26,324,502	\$ 35,523,566	\$ 61,848,068	

D. External Investment Pools

As of June 30, 2015, 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 239 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, 2015, the total amount reported by all public agencies in LAIF was approximately \$21.5 billion.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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, 2015, PMIA had a total portfolio of approximately \$69.6 billion and of that amount, 97.92% was invested in non-derivative financial products and 2.08% was invested in structured notes and asset-backed securities.

As of June 30, 2015, the City's investment in the Sonoma County Investment Pool (County Pool), an external investment pool has a weighted average maturity of 600 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, 2015, the total amount invested by all public agencies in the County Pool was approximately \$1.8 billion.

4. LOANS AND NOTES RECEIVABLE

The following is a summary of loans and notes receivable at June 30, 2015:

<u>Fund Name</u>	<u>Gross Amount</u>	<u>Allowance Amount</u>	<u>Net Amount</u>
Governmental Activities			
General Fund	\$ 33,980	\$ -	\$ 33,980
Housing Projects Special Revenue Fund	11,501,838	(1,886,989)	9,614,849
Total governmental activities	<u>\$ 11,535,818</u>	<u>\$ (1,886,989)</u>	<u>\$ 9,648,829</u>
Fiduciary Fund			
Redevelopment Successor Agency Fund	<u>\$ 500,000</u>	<u>\$ (500,000)</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, 2015, the outstanding balance owed to the City was \$33,980, 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:

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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, 2015, principal and accrued interest related to this loan totaled to \$1,118,345 and an allowance of \$728,345 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, 2015, principal and accrued interest related to this loan totaled to \$430,300 and an allowance of \$170,300 was recorded against the accrued interest portion of the loan.

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, 2015, principal and accrued interest related to this note totaled to \$1,234,221 and an allowance of \$623,221 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, 2015, principal and accrued interest related to this loan totaled to \$4,792,735, of which the City determined the accrued interest of \$777,735 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 1% per annum, with the principal and accrued interest deferred for 55 years. At June 30, 2015, principal and accrued interest related to this loan totaled to \$1,814,184, of which the City determined the accrued interest of \$139,184 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, 2015, principal and accrued interest related to this loan totaled to \$456,322.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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, 2015, principal and accrued interest related to this loan totaled to \$1,290,608, of which the City determined the accrued interest of \$90,608 to be unavailable.

At June 30, 2015, the Housing Projects Special Revenue Fund reported Sonoma County rehabilitation loans of \$365,123, in which the City has recorded an allowance of \$365,123 against the full amount of the loans.

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, 2015, the Incubator was not in default of any terms of the loan. At June 30, 2015, 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, 2015 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Water Enterprise Fund	\$ 84,736
General Fund	Sewer Enterprise Fund	59,374
General Fund	Nonmajor Governmental Funds	890
General Fund	Internal Services Fund	22,960
Sewer Enterprise Fund	Public Facility Finance Fee	1,222,382
	Special Revenue Fund	
Nonmajor Governmental Funds	Nonmajor Governmental Funds	17,338
		<u>\$ 1,407,680</u>

The balances between the Public Facility Finance Fee Special Revenue Fund and the Sewer Enterprise Fund represents the cumulative borrowing for the debt service payments of the 2005 Sewer System Revenue Certificates of Participation as of June 30, 2015 and is expected to be repaid during fiscal year ended June 30, 2016. The other balances are due to 1) cash flow needs to cover negative cash position at year-end or 2) timing difference between the dates that interfund goods and services are provided and the payments between funds are made.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Advances To/From Other Funds and Successor Agency

The composition of advances to/from other funds and the Successor Agency at June 30, 2015 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Redevelopment Successor Agency Fund	\$ 1,799,570
Redevelopment Successor Agency Fund	General Fund	288,500
Redevelopment Successor Agency Fund	Public Facility Finance Fee Special Revenue Fund	10,055,725
		<u>\$ 12,143,795</u>

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 installment 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 rate for March, June, September, and December during the period. For the period from October 1, 2013 to June 30, 2015, interest accrued based on LAIF monthly interest rate for September 2013. During the fiscal year ended June 30, 2015, interest of \$2,693 was accrued and the Successor Agency repaid \$298,505. At June 30, 2015, the advance balance was \$1,799,570.

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, 2015, 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, 2015, the advance balance was \$10,055,725.

The City also 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 RPTTF. No interest is accrued for the outstanding advance balance. During the fiscal year ended June 30, 2015, the Successor Agency paid off the outstanding advance balance.

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. During the fiscal year ended June 30, 2015, interest of \$2,331 was accrued and the General Fund paid off the outstanding advance balance.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Interfund Transfers

The composition of interfund transfers during the fiscal year ended June 30, 2015 was as follows:

Funds Receiving Transfers	Funds Making Transfers	Amount Transferred	Funding Purpose
General Fund	Graton Mitigation Supplemental Special Revenue Fund	\$ 4,486,749	Reimbursement of casino mitigation revenue
	Water Enterprise Fund	232,000	Employee other postemployment benefit payments
	Sewer Enterprise Fund	139,000	Employee other postemployment benefit payments
	Nonmajor Governmental Funds	3,355,716	Reimbursement of various operating activities
	Internal Services Funds	11,000	Reimbursement of various operating activities
		<u>8,224,465</u>	
Housing Projects Special Revenue Fund	General Fund	59,701	Reimbursement of housing activities
Financing Authority Debt Service Fund	General Fund	2,870,403	Debt service payments
City Capital Projects Fund	General Fund	1,692,770	Capital projects costs
	Public Facility Financing Fee Special Revenue Fund	1,330,552	Capital projects costs
	Nonmajor Governmental Funds	1,582,952	Capital projects costs
		<u>4,606,274</u>	
Water Enterprise Fund	Public Facility Financing Fee Special Revenue Fund	2,056,951	Capital projects costs
	Sewer Enterprise Fund	1,480,459	Capital projects costs
	Nonmajor Governmental Funds	55,000	Capital projects costs
		<u>3,592,410</u>	
Sewer Enterprise Fund	General Fund	215,000	Capital projects costs
	Public Facility Financing Fee Special Revenue Fund	2,449,225	Debt service payments
	Water Enterprise Fund	1,256,090	Transfer of capital assets funded by Sewer Enterprise Fund
		<u>3,920,315</u>	
Nonmajor Governmental Funds	City Capital Projects Fund	14,909	Return of overfunding of capital projects costs
Nonmajor Enterprise Funds	Public Facility Financing Fee Special Revenue Fund	29,139	Reimbursement of various operating activities
Internal Services Funds	General Fund	129,238	Reimbursement of various operating activities
	Water Enterprise Fund	87,614	Reimbursement of various operating activities
	Sewer Enterprise Fund	71,284	Reimbursement of various operating activities
	Nonmajor Governmental Funds	21,044	Reimbursement of various operating activities
		<u>309,180</u>	
	Total Interfund Transfers	<u>\$ 23,626,796</u>	

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Intergovernmental Transfers

Upon the City Council's adoption of Resolution No. 2014-109 on September 9, 2014 and the Successor Agency Oversight Board's adoption of Resolution No. OSB 2014-09, the City and the Successor Agency entered into an Agreement Regarding Expenditure of Excess Bond Proceeds (Excess Bond Proceeds Agreement). Subject to DOF's approval of the inclusion of the Excess Bond Proceeds Agreement on the Recognized Obligation Payment Schedule (ROPS) 14-15B, the Successor Agency shall transfer the remaining excess bond proceeds of the Rohnert Park Redevelopment Project Tax Allocation Bonds, Series 2007R to the City and the City agrees to use the excess bond proceeds for infrastructure projects consistent with the bonds covenants. On November 13, 2014, DOF approved the submitted ROPS 14-15B which included the Excess Bond Proceeds Agreement. During the fiscal year ended June 30, 2015, the Successor Agency transferred \$5,695,287 to the City Capital Project major governmental fund in accordance with the Excess Bond Proceeds Agreement.

6. CAPITAL ASSETS

Capital asset activities for governmental activities for fiscal year ended June 30, 2015 were as follows:

	Balance 7/1/2014	Additions	Retirements	Transfers	Balance 6/30/2015
<i>Nondepreciable assets:</i>					
Land	\$ 6,906,156	\$ 123,381	\$ (250)	\$ -	\$ 7,029,287
Construction in progress	4,480,480	4,644,478	(1,926,075)	(2,814,389)	4,384,494
Total nondepreciable assets	11,386,636	4,767,859	(1,926,325)	(2,814,389)	11,413,781
<i>Depreciable assets</i>					
Infrastructure, structures and improvements	125,049,591	2,499,021	(1,233,348)	2,258,102	128,573,366
Equipment	14,079,946	366,731	(3,417,871)	556,287	11,585,093
Total depreciable assets	139,129,537	2,865,752	(4,651,219)	2,814,389	140,158,459
<i>Accumulated depreciation:</i>					
Infrastructure, structures and improvements	(67,419,740)	(716,653)	684,973	-	(67,451,420)
Equipment	(12,740,144)	(534,711)	3,362,816	-	(9,912,039)
Total accumulated depreciation	(80,159,884)	(1,251,364)	4,047,789	-	(77,363,459)
Total depreciable assets, net	58,969,653	1,614,388	(603,430)	2,814,389	62,795,000
Total capital assets, net	\$ 70,356,289	\$ 6,382,247	\$ (2,529,755)	\$ -	\$ 74,208,781

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Construction in progress for governmental activities at June 30, 2015 is comprised of the following:

Project Name	Expended to June 30, 2015
Snyder Lane Widening	\$ 2,446,252
Specific Plan Developments	559,570
B-Pool Renovation	506,297
RPX Rehabilitation	238,188
Sidewalk Ramps ADA Upgrades	194,906
Community Center Parking Lot Overlay	129,500
Sports Center Locker Room Rehabilitation	84,018
Public Safety Main Station HVAC Replacement	36,454
Senior Center Roof Replacement	26,218
Various Other Projects	163,091
Total construction in progress	<u>\$ 4,384,494</u>

During the fiscal year ended June 30, 2015, the City completed governmental activities projects totaling \$2,814,389 which were transferred from construction in progress to depreciable capital assets. The City also sold capital assets during the year and received proceeds totaled to \$1,442,823.

Capital asset activities for business-type activities for fiscal year ended June 30, 2015 were as follows:

	Balance June 30, 2014	Additions	Retirements	Transfers	Balance June 30, 2015
Nondepreciable assets:					
Construction in progress	\$ 12,996,488	\$ 6,575,503	\$ -	\$ (15,166,312)	\$ 4,405,679
Depreciable assets					
Infrastructure, structures and improvements	52,668,346	-	(3,277,893)	15,156,342	64,546,795
Equipment	3,668,701	469,709	(133,900)	9,970	4,014,480
Total depreciable assets	56,337,047	469,709	(3,411,793)	15,166,312	68,561,275
Accumulated depreciation:					
Infrastructure, structures and improvements	(21,471,188)	(1,183,519)	2,163,178	-	(20,491,529)
Equipment	(2,368,706)	(688,737)	126,027	-	(2,931,416)
Total accumulated depreciation	(23,839,894)	(1,872,256)	2,289,205	-	(23,422,945)
Total depreciable assets, net	32,497,153	(1,402,547)	(1,122,588)	15,166,312	45,138,330
Total capital assets, net	<u>\$ 45,493,641</u>	<u>\$ 5,172,956</u>	<u>\$ (1,122,588)</u>	<u>\$ -</u>	<u>\$ 49,544,009</u>

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Construction in progress for business-type activities at June 30, 2015 is comprised of the following:

<u>Project Name</u>	<u>Expended to June 30, 2015</u>
Water System Distribution Improvement	\$ 2,363,934
Sewer Interceptor Phase II	953,575
Eastside Trunk Sewer Phase III	714,941
Sewer Pipe Lining Project	103,506
Well/Tank Site Upgrade	70,236
Water Meter Installation	60,096
Sewer Clausin @ 101 Rehabilitation	39,145
Water Tank 8 Project	38,890
Well Rehabilitation Program	32,217
Recycled Water System Expansion	29,139
Total construction in progress	<u>\$ 4,405,679</u>

During the fiscal year ended June 30, 2015, the City completed business-type activities projects totaling \$15,166,312 that were transferred from construction in progress to infrastructure, structures and improvements. The City also transferred capital assets totaling \$1,256,090 from the Water Enterprise Fund to Sewer Enterprise Fund during the year.

Depreciation expenses for governmental activities and business-type activities for the fiscal year ended June 30, 2015 were charged to the following functions:

Governmental Activities:	
General government	\$ 809,630
Public safety	38,386
Public works	61,860
Parks and recreation	341,488
Total governmental activities	<u>\$ 1,251,364</u>
Business-Type Activities:	
Water	\$ 799,648
Sewer	1,072,608
Total business-type activities	<u>\$ 1,872,256</u>

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Capital asset activities for the Successor Agency for fiscal year ended June 30, 2015 were as follows:

	Balance June 30, 2014	Additions	Retirements	Balance June 30, 2015
<i>Nondepreciable assets:</i>				
Land	\$ 4,934,146	\$ -	\$ -	\$ 4,934,146
<i>Depreciable assets</i>				
Infrastructure, structures and improvements	29,702,695	-	(10,403)	29,692,292
Equipment	805,264	-	(113,103)	692,161
Total depreciable assets	30,507,959	-	(123,506)	30,384,453
<i>Accumulated depreciation:</i>				
Infrastructure, structures and improvements	(16,146,945)	(286,437)	5,958	(16,427,424)
Equipment	(805,264)	-	113,103	(692,161)
Total accumulated depreciation	(16,952,209)	(286,437)	119,061	(17,119,585)
Total depreciable assets, net	13,555,750	(286,437)	(4,445)	13,264,868
Total capital assets, net	\$ 18,489,896	\$ (286,437)	\$ (4,445)	\$ 18,199,014

7. LONG-TERM LIABILITIES

The City's long-term debt payable for the governmental activities, business-type activities, and Successor Agency at June 30, 2015 are as follows:

	Final Maturity	Interest Rate	Annual Principal Installments	Original Issue Amounts	Outstanding at June 30, 2015
<i>Governmental Activities</i>					
2003 Lease Revenue Refunding Bonds	2026	4.00% - 4.75%	\$30,500 - \$47,000	\$ 695,000	\$ 417,500
Loan Payable	2022	0.00%	\$7,034 - \$31,662	249,782	249,782
Total Governmental Activities				<u>\$ 944,782</u>	<u>\$ 667,282</u>
<i>Business-Type Activities</i>					
2002 Water Revenue Bonds	2023	4.00% - 4.50%	\$111,000 - \$145,000	\$ 2,090,000	\$ 1,005,000
2005 Water Revenue Bonds	2031	3.80% - 4.50%	\$165,000 - \$305,000	5,000,000	3,620,000
2005 Sewer Revenue Certificates of Participation	2036	3.70% - 5.00%	\$315,000 - \$775,000	13,000,000	10,610,000
Total Business-Type Activities				<u>\$ 20,090,000</u>	<u>\$ 15,235,000</u>
<i>Successor Agency</i>					
2003 Lease Revenue Refunding Bonds	2026	4.00% - 4.75%	\$274,500 - \$423,000	\$ 6,255,000	\$ 3,757,500
1999 Tax Allocation Bonds, including accreted interest	2036	5.00% - 5.30%	\$395,000 - \$1,755,000	11,936,651	17,079,826
2001 Tax Allocation Bonds	2021	4.50% - 5.25%	\$740,000 - \$810,000	8,200,000	4,550,000
2007H Housing Tax Allocation Bonds	2038	4.00% - 5.00%	\$20,000 - \$1,385,000	26,760,000	15,525,000
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>\$ 61,307,326</u>

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The following is a summary of changes to long-liabilities for the governmental activities, business-type activities, and Successor Agency for the fiscal year ended June 30, 2015:

	Balance July 1, 2014	Additions	Retirements	Balance June 30, 2015	Amount due Within One Year
<i>Governmental activities</i>					
Certificates of participation	\$ 2,895,000	\$ -	\$ (2,895,000)	\$ -	\$ -
Lease revenue refunding bonds	446,500	-	(29,000)	417,500	30,500
Capital leases	514,494	-	(514,494)	-	-
Loan payable	127,040	249,782	(127,040)	249,782	31,662
Subtotal long-term obligations	3,983,034	249,782	(3,565,534)	667,282	62,162
Compensated absences	1,405,441	1,187,459	(1,237,149)	1,355,751	1,237,149
Total governmental activities	<u>\$ 5,388,475</u>	<u>\$ 1,437,241</u>	<u>\$ (4,802,683)</u>	<u>\$ 2,023,033</u>	<u>\$ 1,299,311</u>
<i>Business-type activities</i>					
Water revenue bonds	\$ 4,890,000	\$ -	\$ (265,000)	\$ 4,625,000	\$ 275,000
Sewer revenue certificates of participation	10,915,000	-	(305,000)	10,610,000	315,000
Original issue premium	166,824	-	(7,612)	159,212	7,612
Original issue discount	(41,902)	-	2,854	(39,048)	(2,854)
Total business-type activities	<u>\$ 15,929,922</u>	<u>\$ -</u>	<u>\$ (574,758)</u>	<u>\$ 15,355,164</u>	<u>\$ 594,758</u>
	Balance July 1, 2014	Additions	Retirements	Balance June 30, 2015	Amount due Within One Year
<i>Successor Agency</i>					
Lease revenue refunding bonds	\$ 4,018,500	\$ -	\$ (261,000)	\$ 3,757,500	\$ 274,500
Tax allocation bonds	48,871,539	-	(1,073,944)	47,797,595	1,988,682
Accreted interest on capital appreciation bonds	9,102,532	860,756	(211,056)	9,752,232	221,318
Original issue premium	1,092,713	-	(54,568)	1,038,145	54,568
Original issue discount	(316,408)	-	13,757	(302,651)	(13,757)
Total Successor Agency	<u>\$ 62,768,876</u>	<u>\$ 860,756</u>	<u>\$ (1,586,811)</u>	<u>\$ 62,042,821</u>	<u>\$ 2,525,311</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. During the fiscal year ended June 30, 2015, the City paid off the outstanding balance of the 1999 COPs.

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 Participation (1994 COPs) of \$5,780,000 and the outstanding Master Equipment Lease Program Series 1999 Certificates of Participation (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

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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 \$534,351. The revenue pledged during the fiscal year ended June 30, 2015 was \$48,753 which equaled to the total debt service payment by the governmental activities.

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. During the fiscal year ended June 30, 2015, the City paid off the outstanding balance of the capital leases.

Loans Payable

On August 1, 2013, the City entered into a loan agreement 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. During the fiscal year ended June 30, 2015, the City paid off the outstanding balance of this loans payable.

On June 18, 2015, the City entered into a loan agreement with Pacific Gas and Electric Company in the amount of \$249,682. Proceeds of the loan were used to replace LED Street Light. The loan is payable over 5 years from the City's General Fund, bears no interest, and has a final maturity of August 15, 2021.

Other Long Term Liabilities – Compensated Absences

Compensated absences 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 \$6,236,636. The System Net Revenues for the fiscal year ended June 30, 2015 was \$557,793 while the total debt service payment was \$470,179.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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.

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 \$17,108,432. The Sewer Net Revenues for the fiscal year ended June 30, 2015 was \$1,756,682 and total public facilities finance fee was \$3,401,650 while the total debt service payment was \$816,518.

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.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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 \$91,913,720 and total debt service payment for the year ended June 30, 2015 was \$3,177,712.

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. As of June 30, 2015, the total principal and interest remaining for the 90% Successor Agency's share of the 2003 LRBs is \$4,809,159 and total debt service payment for the fiscal year ended June 30, 2015 was \$438,780.

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

Fiscal Year Ending June 30:	Lease Revenue Bonds (10% City portion)		Loan Payable	
	Principal	Interest	Principal	Interest
2016	\$ 30,500	\$ 18,582	\$ 31,662	\$ -
2017	31,500	17,326	42,217	-
2018	33,000	15,999	42,217	-
2019	34,000	14,511	42,217	-
2020	36,000	12,849	42,217	-
2021-2025	205,500	36,468	49,252	-
2026	47,000	1,116	-	-
	<u>\$ 417,500</u>	<u>\$ 116,851</u>	<u>\$ 249,782</u>	<u>\$ -</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
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	315,000	146,865	370,000	447,175
2021-2025	1,505,000	520,784	2,105,000	1,975,300
2026-2030	1,345,000	225,409	2,655,000	1,414,250
2031-2035	305,000	6,863	3,370,000	699,200
2036	-	-	775,000	37,875
	<u>\$ 4,625,000</u>	<u>\$ 1,611,636</u>	<u>\$ 10,610,000</u>	<u>\$ 6,498,432</u>

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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
2016	\$ 274,500	\$ 167,234	\$ 1,988,682	\$ 1,831,150	221,318
2017	283,500	155,932	2,163,830	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	324,000	115,639	2,396,384	1,455,225	603,616
2021-2025	1,849,500	328,213	10,845,356	6,105,203	5,594,644
2026-2030	423,000	10,046	11,656,546	4,139,394	6,763,454
2031-2035	-	-	7,706,555	2,149,439	7,238,445
2036-2038	-	-	6,270,389	517,454	1,494,611
	<u>\$ 3,757,500</u>	<u>\$ 1,051,659</u>	<u>\$ 47,797,595</u>	<u>\$ 21,143,721</u>	<u>\$ 22,972,404</u>

Legal Debt Limit

As of June 30, 2015, the City's legal debt limit (15% of valuation subject to taxation) was \$604,150,000 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, 2015, the City has no arbitrage liability.

8. EMPLOYEES' RETIREMENT PLAN

Plan Description

All qualified permanent and probationary employees are eligible to participate in the City's CalPERS plans. The City participates in five plans with CalPERS as follows:

CalPERS Plan	Type of Plan	Participants
Miscellaneous Plan	Agent multi-employer plan	City non-safety members
Safety Tier 1 Plan	Cost sharing plan	Safety members hired or join CalPERS before 7/1/2008
Safety Tier 2 Plan	Cost sharing plan	Safety members hired or join CalPERS from 7/1/2008 to 6/17/2012
Safety Tier 3 Plan	Cost sharing plan	Safety members hired or join CalPERS from 6/18/2012 and 12/31/2012
Safety PEPRA Plan	Cost sharing plan	Safety members hired or join CalPERS since 1/1/2013

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

CalPERS acts as a common investment and administrative agent for various local and state governmental agencies within the State of California. Benefit provisions and other requirements are established by State statute, employer contract with CalPERS and by City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on a final average compensation period of 12 months or 36 months. The cost of living adjustments for the CalPERS plans are applied as specified by the Public Employees' Retirement Law. The California Public Employees' Pension Reform Act (PEPRA), which took effect in January 2013, changes the way CalPERS retirement and health benefits are applied, and places compensation limits on members. As such members who established CalPERS membership on or after January 1, 2013 are known as "PEPRA" members.

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

	Miscellaneous Plan			
	Prior to July 1, 2008	From July 1, 2008 to June 30, 2011	From July 1, 2011 to December 31, 2012	On or after January 1, 2013
Hire date				
Benefit formula	2.7% @ 55 with 5.0% COLA	2.7% @ 55 with 2.0% COLA	2.0% @ 55 with 2.0% COLA	2.0% @ 62 with 2.0% COLA
Benefit vesting schedule	5 years of service	5 years of service	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	55	55	55	62
Monthly benefits, as a % of eligible compensation	2.7%	2.7%	2.0%	2.0%
Required employee contribution rates	8.00%	8.00%	7.00%	6.25%
Required employer contribution rates	25.550%	25.550%	25.550%	25.550%

	Safety Plans			
	Tier 1	Tier 2	Tier 3	PERPA
	Prior to July 1, 2008	From July 1, 2008 to June 17, 2012	From June 18, 2012 to December 31, 2012	On or after January 1, 2013
Hire date				
Benefit formula	3.0% @ 50 with 5.0% COLA	3.0% @ 50 with 2.0% COLA	3.0% @ 55 with 2.0% COLA	2.7% @ 57 with 2.0% COLA
Benefit vesting schedule	5 years of service	5 years of service	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	50	55	57
Monthly benefits, as a % of eligible compensation	3.0%	3.0%	3.0%	2.7%
Required employee contribution rates	9.000%	9.000%	9.000%	11.500%
Required employer contribution rates	51.317%	27.849%	21.367%	11.500%

Employees Covered

At June 30, 2014, the most recent information available, the following employees were covered by the benefit terms for the City's Miscellaneous Plan:

Inactive employees or beneficiaries currently receiving benefits	114
Inactive employees entitled to but not yet receiving benefits	124
Active employees	116
Total	354

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Contribution Requirements

For the fiscal year ended June 30, 2015, the City's actuarially determined contributions were as follows:

Miscellaneous Plan	\$ 2,034,136
Safety Tier 1 Plan	2,196,939
Safety Tier 2 Plan	93,660
Safety Tier 3 Plan	102,046
Safety PEPPRA Plan	24,652
Total	<u>\$ 4,451,433</u>

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

Net Pension Liability

The following is a summary of net pension liability at June 30, 2015:

Governmental activities	\$ 42,776,285
Business-type activities	4,533,848
Total net pension liability	<u>\$ 47,310,133</u>

As of June 30, 2015, the City's net pension liability is comprised of the following:

	<u>Proportionate Share</u>	<u>Share of Net Pension Liability</u>
Miscellaneous Plan	n/a	\$ 18,120,529
Safety Tier 1 Plan	0.46803%	29,122,874
Safety Tier 1 Plan	0.00099%	61,841
Safety Tier 1 Plan	0.00005%	3,017
Safety PEPPRA Plan	0.00003%	1,872
Total		<u>\$ 47,310,133</u>

The City's net pension liability for each Safety Plan is measured as a proportionate share of the plan's net pension liability. The City's net pension liability of each of its plans is measured as of June 30, 2014, and the total pension liability for each of its plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013, rolled forward to June 30, 2014, using standard update procedures. The City's proportions of the net pension liability for the CalPERS plans were actuarially determined as of the valuation date.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The following table shows the proportionate share of the net pension liability of the City's Safety Plans over the measurement period.

	Safety Tier 1 Plan			Safety Tier 2 Plan		
	Increase (Decrease)			Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2013 (VD)	\$ 91,629,878	\$ 58,194,309	\$ 33,435,569	\$ 317,412	\$ 235,525	\$ 81,887
Net changes during measurement period	4,445,367	8,758,062	(4,312,695)	15,399	35,445	(20,046)
Balance at June 30, 2014 (MD)	\$ 96,075,245	\$ 66,952,371	\$ 29,122,874	\$ 332,811	\$ 270,970	\$ 61,841

	Safety Tier 3 Plan			Safety PEPRA Plan		
	Increase (Decrease)			Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2013 (VD)	\$ 15,490	\$ 11,494	\$ 3,996	\$ 9,609	\$ 7,130	\$ 2,479
Net changes during measurement period	751	1,730	(979)	466	1,073	(607)
Balance at June 30, 2014 (MD)	\$ 16,241	\$ 13,224	\$ 3,017	\$ 10,075	\$ 8,203	\$ 1,872

The net pension liability for the City's Miscellaneous Plan is measured as the total pension liability less the fiduciary net position. The change in the net pension liability for the City's Miscellaneous Plan is as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2013 (VD)	\$ 74,859,488	\$ 52,442,826	\$ 22,416,662
Change in year:			
Service cost	1,392,611	-	1,392,611
Interest on the total pension liability	5,526,199	-	5,526,199
Contributions from the employer	-	1,658,144	(1,658,144)
Contributions from employees	-	535,499	(535,499)
Net investment income ⁽¹⁾	-	9,021,300	(9,021,300)
Benefit payments, including refunds of employee contributions	(3,746,291)	(3,746,291)	-
Net changes during measurement period	3,172,519	7,468,652	(4,296,133)
Balance at June 30, 2014 (MD)	\$ 78,032,007	\$ 59,911,478	\$ 18,120,529

⁽¹⁾ Net of administrative expenses.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Pension Expense and Pension Related Deferred Outflows and Inflows of Resources

For the fiscal year ended June 30, 2015, the City recognized pension expense as follows:

Governmental activities	\$ 3,691,358
Business-type activities	372,844
Total pension expense	<u>\$ 4,064,202</u>

Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in proportionate share, difference between actual and proportionate share of contributions, actual investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Miscellaneous Plan</u>		<u>Safety Plans</u>		<u>Total</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 2,034,137	\$ -	\$ 2,417,296	\$ -	\$ 4,451,433	\$ -
Change in employer's proportion	-	-	-	(244,992)	-	(244,992)
Differences between the employer's actual and proportionate share of contribution	-	-	352,699	-	352,699	-
Net differences between projected and actual earnings on plan investments	-	(4,128,142)	-	(4,633,644)	-	(8,761,786)
Total	<u>\$ 2,034,137</u>	<u>\$ (4,128,142)</u>	<u>\$ 2,769,995</u>	<u>\$ (4,878,636)</u>	<u>\$ 4,804,132</u>	<u>\$ (9,006,778)</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic manner. At June 30, 2015, the City reported \$4,451,433 as deferred outflows of resources related to contributions subsequent to the measurement date, which will be recognized as a reduction to net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30</u>	
2016	\$ (2,185,127)
2017	(2,185,127)
2018	(2,167,628)
2019	(2,116,197)
Total	<u>\$ (8,654,079)</u>

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Actuarial Assumptions

A summary of the actuarial assumptions and methods used to calculate the total pension liability as of June 30, 2014 is provided below, including any assumptions that differ from those used in the June 30, 2013 actuarial valuation.

Valuation date	June 30, 2013 updated to June 30, 2014
Measurement date	June 30, 2014
Actuarial cost method	Entry-age normal cost method
Investment rate of return	7.50%, net of pension plan investment expense, including inflation
Inflation	2.75%
Projected salary increases	3.30% to 14.20% depending on age, service, and type of employment 7.50% as of June 30, 2013 Net of pension plan, investment and administrative, expenses, including inflation
Basic COLA	Contract COLA up to 2.75% until purchasing power allowance floor on purchasing power applies, 2.75% thereafter

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.50 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB Statement No. 68 section.

According to GASB Statement No. 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher total pension liability and net pension liability. This difference was deemed immaterial by the City.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB Statement Nos. 67 and 68 calculations through at least the 2017-18 fiscal years.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

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

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 ⁽¹⁾	Real Return Years 11+ ⁽²⁾
Global Equity	47.0%	5.25%	5.71%
Global Fixed Income	19.0	0.99	2.43
Inflation Sensitive	6.0	0.45	3.36
Private Equity	12.0	6.83	6.95
Real Estate	11.0	4.50	5.13
Infrastructure and Forestland	3.0	4.50	5.09
Liquidity	2.0	(0.55)	(1.05)

⁽¹⁾ An expected inflation of 2.5 percent used for this period.

⁽²⁾ An expected inflation of 3.0 percent used for this period.

Sensitivity of the Net Pension Liability to Changes in Discount Rate

The following presents the net pension liability of the City's Miscellaneous plan and proportionate share of the net pension liability of the City's Safety Plans as of the measurement date, calculated using the discount rate of 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.50 percent) or 1 percentage-point higher (8.50 percent) than the current rate:

	Discount Rate -1% (6.50%)	Current Discount Rate (7.50%)	Discount Rate +1% (8.50%)
Miscellaneous Plan	\$ 28,040,052	\$ 18,120,529	\$ 9,867,911
Safety Tier 1 Plan	41,991,915	29,122,874	18,519,340
Safety Tier 2 Plan	106,420	61,841	25,110
Safety Tier 3 Plan	5,193	3,017	1,225
Safety PEPRP Plan	3,222	1,872	760
Total	<u>\$ 70,146,802</u>	<u>\$ 47,310,133</u>	<u>\$ 28,414,346</u>

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Pension Plan Fiduciary Net Position

Detailed information about each of the pension plans' fiduciary net position is available in the separately issued CalPERS financial reports. Each plan's fiduciary net position disclosed per the GASB Statement No. 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. For the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and OPEB expense included as assets. These amounts are excluded for rate setting purposes in the City's funding actuarial valuation. In addition, differences may result from early financial statement closing and final reconciled reserves.

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 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.

The City reached new agreement with its bargaining groups during June 2014. Effective July 1, 2014, the City's OPEB for employees hired prior to July 1, 2007 were eliminated in exchange for the following benefit:

- 1) Eligible employees agreed to accept \$2,000 (non-sworn) and \$2,500 (sworn) for each year of continuous service as a regular, benefited employee calculated through January 1, 2015. This lump sum amount is to be deposited prior to January 15, 2015 into a Retirement Health Savings Account (RHSA) established in each individual's name; and
- 2) Eligible employees will receive \$500 per month from the month following retirement until the age of Medicare eligibility or death, whichever occurs first. This \$500 amount can either be applied as a credit toward health insurance premiums if the retiree elects to stay on the City's health plans or credited monthly to a RHSA in the retiree's name.

Eligible employees were given the option of retiring prior to January 1, 2015 under the original OPEB plan or electing the buyout option. All eligible employees employed as of January 1, 2015 will participate in the buyout option. The City performed an actuarial valuation as of July 1, 2015 factoring in the impact of the buyout option. During the year ended June 30, 2015, the City paid lump sum amount of \$2,854,614 for the eligible employees that participate in the buyout option.

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 continues to fund more than the pay-as-you-go amount annually.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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, 2015 actuarial valuation, the City's annual required contribution for the fiscal year ended June 30, 2015 is the sum of (a) normal cost of \$232,000, and (b) level dollar amortization of the UAAL of \$2,111,000. The City's contribution amount for the fiscal year ended June 30, 2015 included (a) deposits into the CERBT of \$1,111,000, (b) implicit subsidy of \$120,000, and (c) benefit payments for retirees of \$1,556,000.

The following table shows the components of the City's annual OPEB cost for the fiscal year ended June 30, 2015, and the changes in the net OPEB obligation:

Annual required contribution	\$ 2,343,000
Interest on OPEB obligation	432,000
Adjustment to annual required contribution	(783,000)
Annual OPEB cost (expense)	<u>1,992,000</u>
Contributions made	<u>(2,787,000)</u>
Decrease in net OPEB obligation	<u>(795,000)</u>
Net OPEB obligation, beginning of year	<u>10,296,000</u>
Net OPEB obligation, end of year	<u><u>\$ 9,501,000</u></u>

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):

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2013	\$ 3,433	44.7%	\$ 10,144
6/30/2014	3,360	95.5%	10,296
6/30/2015	1,992	139.9%	9,501

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Actuarial Methods and Assumptions

The actuarial methods and significant assumptions used in the July 1, 2015 actuarial valuation for the City's annual required contributions for the fiscal year ended June 30, 2015 is as follows:

Valuation Date	July 1, 2015
Actuarial Cost Method	Entry age normal cost
Amortization Method	Level percent of payroll
UAAL Remaining Amortization Period	Closed 23 years as of the valuation date
Asset Valuation Method	Market value
Discount Rate	6.5% with prefunding, 4.0% without prefunding, grading from 4.0% to 6.5% over 20 years for phase-in prefunding
Project Salary Increases	3.25%
Inflation	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 7.5% to an ultimate rate of 5.25% by 2021

Funded Status and Funding Progress

The funded status and funding progress were determined as part of the July 1, 2015 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
7/1/2015	\$ 29,770,000	\$ 5,008,000	\$ 24,762,000	16.8%	\$ 12,262,602	201.9%

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.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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, 2015, the City's governmental fund balances were classified as follows:

	General	Housing Projects Special Revenue	Financing Authority	City Capital Projects	Public Facilities Finance Fee Special Revenue	Graton Mitigation Supplemental Special Revenue	Other Governmental	Total Governmental Funds
Nonspendable:								
Prepaid and other assets	\$ 171,028	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 171,028
Advance to other funds	1,799,570	-	-	-	-	-	-	1,799,570
Performing Arts Center	-	-	-	-	-	-	500,000	500,000
Total nonspendable	1,970,598	-	-	-	-	-	500,000	2,470,598
Restricted for :								
Special revenue programs	-	-	-	-	-	-	979,119	979,119
Senior Center donations	92,802	-	-	-	-	-	-	92,802
Public safety programs - police	-	-	-	-	-	-	1,205,373	1,205,373
Public safety programs - fire	-	-	-	-	-	-	114,014	114,014
Capital and street projects	-	-	-	639,599	-	-	5,514,374	6,153,973
Redevelopment capital projects	-	-	-	5,119,840	-	-	-	5,119,840
Housing projects	80,196	23,994,290	-	-	-	-	-	24,074,486
Performing Arts Center	-	-	-	-	-	-	687,762	687,762
Debt service	-	-	40,099	-	-	-	-	40,099
Total restricted for	172,998	23,994,290	40,099	5,759,439	-	-	8,500,642	38,467,468
Assigned to:								
Public safety programs - police	-	-	-	-	-	-	87,124	87,124
Capital and street projects	-	-	-	-	-	-	50,818	50,818
Graton Mitigation	-	-	-	-	-	1,318,390	866,378	2,184,768
Operating reserve	3,828,518	-	-	-	-	-	-	3,828,518
Contingency reserve	2,754,259	-	-	-	-	-	-	2,754,259
Infrastructure reserve	1,616,000	-	-	-	-	-	-	1,616,000
Self-insured losses reserve	998,268	-	-	-	-	-	-	998,268
Retirement reserve	1,333,323	-	-	-	-	-	-	1,333,323
Vehicle replacement	400,000	-	-	-	-	-	-	400,000
Information Technology	180,000	-	-	-	-	-	-	180,000
Retiree health savings	6,895	-	-	-	-	-	-	6,895
Encumbrances	925,419	-	-	-	-	-	-	925,419
Total assigned to	12,042,682	-	-	-	-	1,318,390	1,004,320	14,365,392
Unassigned	33,588	-	-	-	(7,257,885)	-	(17,338)	(7,241,635)
Total fund balance	\$ 14,219,866	\$ 23,994,290	\$ 40,099	\$ 5,759,439	\$ (7,257,885)	\$ 1,318,390	\$ 9,987,624	\$ 48,061,824

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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.
- 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 intends to use the reserve for the specific purpose as stated in the budget and fiscal policies. At June 30, 2015, 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, 2015, 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	5% of actual value of unit subject to \$100,000 minimum	100,000	19,900,000
Fidelity	5,000	25,000	1,990,000
Boiler and Machinery	5,000	5,000	21,245,000

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

A summary of audited financial information of REMIF as of and for year ended June 30, 2014, the most current available audited financial information, is as follows (amounts in thousands).

Total assets	\$ 18,192
Total liabilities	<u>15,648</u>
Net position	<u>\$ 2,544</u>
Total revenues	\$ 8,798
Total expenses	<u>9,481</u>
Change in net position	<u>\$ (683)</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 \$1,217,944 during the fiscal year ended June 30, 2015. 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, 2015 the amount of these IBNR liabilities was \$38,222. 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, 2015 and 2014, are as follows:

	<u>Year Ended June 30</u>	
	<u>2015</u>	<u>2014</u>
Claims liability, beginning of year	\$ 126,500	\$ 117,642
Current year claim deductibles and changes in estimates	120,486	110,029
Net payments	<u>(27,657)</u>	<u>(101,171)</u>
Claims liability, end of year	<u>\$ 219,329</u>	<u>\$ 126,500</u>

At June 30, 2015, the City assigned \$998,268 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 waste recovery system, household hazardous material recovery program, and a public education program in the County.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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, 2014, the most current available audited financial information, is as follows (amounts in thousands).

Total assets	\$ 10,257
Total liabilities	1,006
Net position	<u>\$ 9,251</u>
Total revenues	\$ 5,988
Total expenses	<u>5,479</u>
Change in net position	<u>\$ 509</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, 2015, the City paid \$245,829 to the SCPSC.

A summary of audited financial information of SCPSC as of and for fiscal year ended June 30, 2014, the most current available audited financial information, is as follows (amounts in thousands).

Total assets	\$ 4,842
Total liabilities	<u>581</u>
Net position	<u>\$ 4,261</u>
Total revenues	\$ 2,159
Total expenses	<u>2,158</u>
Change in net position	<u>\$ 1</u>

Complete financial statements for SCPSC can be obtained from SCPSC office at 585 Fiscal Drive, Suite 100, Santa Rosa, CA 95403.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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, 2015.

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, 2015, 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, 2015, the City received \$6,870,626 of recurring contributions for five contribution areas as described in the MOU. Contribution amounts are adjusted each year to reflect increases in the Consumer Price Index for Urban Consumers in the San Francisco Bay Area, per Section 5.5 of the MOU. The MOU sections, descriptions, and amounts received are as follows:

MOU Section	Description	Amount	Notation
3.1	Law Enforcement Recurring Contribution	\$ 381,968	A
3.2	Problem Gambling Recurring Contribution	95,492	B
3.3	Waterway Recurring Contribution	38,196	C
3.4.1	Supplemental Recurring Contribution	4,545,204	D
3.4.2	Recurring Public Services Contribution	1,809,766	E

- A. 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 payments totaling \$381,968 during fiscal year ended June 30, 2015.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

- B. 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 payments totaling \$95,492 during fiscal year ended June 30, 2015.
- C. 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 payments totaling \$38,196 during fiscal year ended June 30, 2015.
- D. 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 payments totaling \$4,545,204 during fiscal year ended June 30, 2015.
- E. 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 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 payments totaling \$1,809,766 during fiscal year ended June 30, 2015.

CITY OF ROHNERT PARK

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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, 2015 are as follows:

<u>Fiscal Year Ending</u>	<u>Amount</u>
2016	\$ 82,746
2017	84,649
2018	87,325
2019	90,776
2020	93,577
2021-2025	512,204
2026-2030	592,544
2031-2032	261,642
	<u>\$ 1,805,463</u>

During the year ended June 30, 2015, the City received operating lease revenue of \$78,428.

16 SUBSEQUENT EVENT

Passage of Senate Bill 107 (the Bill)

In September 2015, the State passed the Bill which contains additional provisions and provides specificity to existing law governing the dissolution of redevelopment agencies and the wind-down of their existing activities and obligations. The Bill required that remaining principal amount of any of the advances between the Successor Agency and the City that were previously unpaid after September 2015 be recalculated from the date of original of the loan on the basis at a simple interest rate of 3%.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROHNERT PARK

REQUIRED SUPPLEMENTAL INFORMATION (Unaudited)

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

(Dollar amount in thousands)

Miscellaneous Plan

Fiscal year	2014-15
Measurement period (2)	2013-14
Total pension liability	
Service cost	\$ 1,393
Interest	5,526
Benefit payments, including refunds of employee contributions	(3,746)
Net change in total pension liability	3,173
Total pension liability, beginning	74,859
Total pension liability, ending	\$ 78,032
Plan fiduciary net position	
Contributions, employer	1,658
Contributions, employee	535
Net investment income ⁽¹⁾	9,021
Benefit payments, including refunds of employee contributions	(3,746)
Net change in plan fiduciary net position	7,468
Plan fiduciary net position, beginning	52,443
Plan fiduciary net position, ending	\$ 59,911
Plan net pension liability	\$ 18,121
Plan fiduciary net position as a percentage of the total pension liability	76.78%
Covered-employee payroll	\$ 6,788
Plan net pension liability as a percentage of covered-employee payroll	266.96%

Note to schedule:

(1) Net of administrative expenses.

(2) Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable.

Benefit Changes - The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions - There are no changes in assumptions.

CITY OF ROHNERT PARK

REQUIRED SUPPLEMENTAL INFORMATION (Unaudited)

**SCHEDULE OF THE COST SHARING PLANS' PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY**

(Dollar amount in thousands)

	Safety Tier 1 Plan	Safety Tier 2 Plan	Safety Tier 3 Plan	Safety PEPRA Plan
Fiscal year	2014-15	2014-15	2014-15	2014-15
Measurement period (1)	2013-14	2013-14	2013-14	2013-14
City's proportion of the net pension liability (NPL)	0.46803%	0.00099%	0.00005%	0.00002%
City's proportion share of the NPL	\$ 29,123	\$ 62	\$ 3	\$ 2
City's covered-employee payroll	\$ 5,079	\$ 325	\$ 135	\$ 125
City's proportionate share of the NPL as a percentage of its covered-employee payroll	573.38%	19.04%	2.24%	1.50%
Plan's fiduciary net position as a percentage of the Plan's total pension liability	80.43%	80.43%	80.43%	80.43%

Note to schedule:

(1) Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable.

Benefit Changes - The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions - There are no changes in assumptions.

CITY OF ROHNERT PARK

REQUIRED SUPPLEMENTAL INFORMATION (Unaudited) SCHEDULE OF PLAN CONTRIBUTIONS - PENSION (Dollar amount in thousands)

	Miscellaneous Plan			
	2015	2014		
Fiscal Year Ended June 30				
Actuarially determined contributions (ADC)	\$ 2,034	\$ 1,658		
Contributions in relation to the ADC	(2,034)	(1,658)		
Contribution deficiency (excess)	\$ -	\$ -		
Covered-employee payroll	\$ 6,953	\$ 6,788		
Contributions as a percentage of covered-employee payroll	29.25%	24.43%		
	Safety Tier 1 Plan		Safety Tier 2 Plan	
	2015	2014	2015	2014
Fiscal Year Ended June 30				
Contractually required contributions (actuarially determined) (CRC)	\$ 2,197	\$ 2,228	\$ 93	\$ 82
Contributions in relation to the CRC	(2,197)	(2,228)	(93)	(82)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 4,282	\$ 5,079	\$ 336	\$ 325
Contributions as a percentage of covered-employee payroll	51.31%	43.87%	27.68%	25.23%
	Safety Tier 3 Plan		Safety PEPPRA Plan	
	2015	2014	2015	2014
Fiscal Year Ended				
Contractually required contributions (actuarially determined) (CRC)	\$ 102	\$ 59	\$ 25	\$ 13
Contributions in relation to the CRC	(102)	(59)	(25)	(13)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 478	\$ 135	\$ 214	\$ 125
Contributions as a percentage of covered-employee payroll	21.34%	43.70%	11.68%	10.40%

CITY OF ROHNERT PARK**REQUIRED SUPPLEMENTAL INFORMATION (Unaudited)****NOTES TO THE SCHEDULE OF PLAN CONTRIBUTIONS - PENSION****(Dollar amount in thousands)**

The actuarial methods and assumptions used to set the actuarially determined contributions were as follows:

Actuarial valuation date	June 30, 2012	June 30, 2011
Actuarial cost method	Entry age normal	Entry age normal
Asset valuation method	Actuarial value of assets	Actuarial value of assets
Inflation	2.75%	2.75%
Salary increases	Varies by entry age and service	Varies by entry age and service
Payroll growth	3.00%	3.00%
Investment rate of return	7.50%, net of pension plan investment and administrative expenses, includes inflation	7.50%, net of pension plan investment and administrative expenses, includes inflation
Retirement age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period 1997 to 2007.	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

CITY OF ROHNERT PARK

REQUIRED SUPPLEMENTAL INFORMATION (Unaudited)

SCHEDULE OF FUNDING PROGRESS - POST EMPLOYMENT HEALTH CARE BENEFITS

(Dollar amount in thousands)

Actuarial valuation date	Actuarial value of assets (a)	Actuarial accrued liability (AAL) entry age (b)	Unfunded AAL (UAAL) (b-a)	Funded ratio (a/b)	Covered payroll (c)	UAAL as a % of covered payroll ((b-a)/c)
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%
7/1/2015	5,008	29,770	24,762	16.8%	12,263	201.9%

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, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes:				
Property	\$ 3,384,879	\$ 3,384,879	\$ 3,564,329	\$ 179,450
Real property transfer	100,000	100,000	128,994	28,994
Transient occupancy	2,600,000	2,600,000	2,980,129	380,129
Franchises	1,957,000	1,957,000	2,068,761	111,761
Subtotal	8,041,879	8,041,879	8,742,213	700,334
Licenses, permits and fees:				
Business licenses	495,000	495,000	498,577	3,577
Animal licenses	45,000	45,000	63,102	18,102
Building permits	235,000	242,572	404,048	161,476
Plan check	355,000	409,600	544,054	134,454
Subtotal	1,130,000	1,192,172	1,509,781	317,609
Fines, forfeitures and penalties:				
Vehicle code	100,000	100,000	-	(100,000)
Parking fines	50,000	50,000	40,168	(9,832)
Impound fees	12,000	12,000	-	(12,000)
Other court	4,500	4,500	2,005	(2,495)
Subtotal	166,500	166,500	42,173	(124,327)
Interest and rentals:				
Investment earnings	5,000	5,000	65,294	60,294
Rent - golf courses	69,992	69,992	69,100	(892)
Rent - other	649,312	649,312	665,865	16,553
Subtotal	724,304	724,304	800,259	75,955
Intergovernmental:				
Sales and use	10,694,000	10,694,000	10,493,451	(200,549)
State motor vehicle in-lieu tax	2,757,000	2,757,000	2,948,341	191,341
Public Safety Augmentation Fund	220,000	220,000	248,197	28,197
Grants	364,723	706,860	157,719	(549,141)
Reimbursements	50,000	50,000	226,532	176,532
Subtotal	14,085,723	14,427,860	14,074,240	(353,620)
Charges for current services:				
Zoning and subdivision fees	157,200	157,200	162,166	4,966
General plan maintenance fee	14,000	14,000	19,634	5,634
Sales of maps and lists	200	200	109	(91)
Special public safety services	25,000	25,000	59,405	34,405
Animal shelter fees	70,000	70,000	99,373	29,373
Engineering fees	110,000	110,000	156,717	46,717
Library ground maintenance	8,370	8,370	8,370	-
Developer engineering building fee	-	726,471	726,471	-
Administrative fees	-	-	283,263	283,263
Finance charges	-	-	9,563	9,563
Cost allocation charges	-	-	865,391	865,391

(continued)

See note to required supplementary information.

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
(Continued)				
REVENUES (Continued)				
Recreation:				
Recreation centers	\$ 1,112,200	\$ 1,112,200	\$ 1,010,876	\$ (101,324)
Swimming pools	198,100	198,100	145,272	(52,828)
Contract classes and other	37,000	37,000	37,435	435
Performing Arts Center admissions	389,940	389,940	310,701	(79,239)
Subtotal	2,122,010	2,848,481	3,894,746	1,046,265
Donations and miscellaneous	90,000	121,357	20,112	(101,245)
Total revenues	26,360,416	27,522,553	29,083,524	1,560,971
EXPENDITURES				
Current:				
General government:				
City Council	130,016	131,516	126,792	4,724
City Manager	884,850	897,185	743,346	153,839
Economic Development	111,150	111,150	14,851	96,299
Finance and accounting	587,830	647,017	647,017	-
Legal services	425,150	425,150	316,193	108,957
Development services	1,098,175	1,971,182	1,988,692	(17,510)
Development services programs	374,063	723,291	251,555	471,736
Human Resources	405,877	414,104	419,674	(5,570)
City office building	226,229	219,678	178,627	41,051
City office annex	21,500	34,145	28,464	5,681
Casino mitigation activity	2,865,484	788,203	1,148	787,055
General government-nondepartmental	161,055	1,118,733	254,132	864,601
Nondepartmental-employee benefits	1,794,000	5,197,590	5,048,759	148,831
Subtotal	9,085,379	12,678,944	10,019,250	2,659,694
Public safety:				
Personnel	12,338,230	12,409,960	12,002,634	407,326
Police protection	1,953,969	1,921,149	1,776,197	144,952
Fire protection	463,400	358,305	266,321	91,984
Animal control	445,753	450,215	439,568	10,647
Animal shelter	46,130	46,130	38,566	7,564
Main station	225,549	229,985	202,532	27,453
North station	22,870	22,870	26,614	(3,744)
South station	18,646	18,646	48,384	(29,738)
Civil defense	3,000	3,000	1,609	1,391
Special enforcement activity	-	503,182	28,078	475,104
Public safety programs	154,168	234,568	111,372	123,196
Subtotal	15,671,715	16,198,010	14,941,875	1,256,135
Public works:				
General	272,905	276,417	299,850	(23,433)
Maintenance of streets/bikepaths	1,040,239	1,068,382	721,313	347,069
Storm drains and drainage	151,717	153,739	150,063	3,676
Wilfred maintenance	139,079	102,959	102,082	877
Subtotal	1,603,940	1,601,497	1,273,308	328,189

(continued)

See note to required supplementary information.

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
(Continued)				
EXPENDITURES (Continued)				
Parks and recreation:				
Parks maintenance-general	\$ 756,180	\$ 764,744	\$ 753,567	\$ 11,177
Recreation centers	1,305,450	1,296,519	1,326,271	(29,752)
Swimming pools	421,865	424,114	411,697	12,417
Recreation administration and programs	212,606	214,983	143,567	71,416
Golf courses	17,013	17,398	17,319	79
Library	13,489	24,417	8,494	15,923
Subtotal	<u>2,726,603</u>	<u>2,742,175</u>	<u>2,660,915</u>	<u>81,260</u>
Cultural Arts Center:				
Performing Arts Center	441,118	473,252	515,904	(42,652)
Performing Arts Center productions	<u>272,250</u>	<u>272,250</u>	<u>254,234</u>	<u>18,016</u>
Subtotal	<u>713,368</u>	<u>745,502</u>	<u>770,138</u>	<u>(24,636)</u>
Capital outlay	581,200	1,092,755	645,132	447,623
Debt service				
Principal	-	641,534	641,534	-
Interest and fiscal charges	<u>-</u>	<u>40,167</u>	<u>40,875</u>	<u>(708)</u>
Subtotal expenditures	<u>30,382,205</u>	<u>35,740,584</u>	<u>30,993,027</u>	<u>4,747,557</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(4,021,789)</u>	<u>(8,218,031)</u>	<u>(1,909,503)</u>	<u>6,308,528</u>
OTHER FINANCING SOURCES (USES)				
Issuance of loans	-	-	249,782	249,782
Transfers in	5,097,167	9,565,153	8,224,465	(1,340,688)
Transfers out	<u>(765,042)</u>	<u>(5,369,073)</u>	<u>(4,967,112)</u>	<u>401,961</u>
Total other financing sources (uses)	<u>4,332,125</u>	<u>4,196,080</u>	<u>3,507,135</u>	<u>(688,945)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 310,336</u>	<u>\$ (4,021,951)</u>	1,597,632	<u>\$ 5,619,583</u>
FUND BALANCE, BEGINNING OF YEAR			<u>12,622,234</u>	
FUND BALANCE, END OF YEAR			<u>\$ 14,219,866</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, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ 1,800	\$ 1,800	\$ 36,558	\$ 34,758
Donations and miscellaneous	1,500	1,500	127,596	126,096
Total revenues	3,300	3,300	164,154	160,854
EXPENDITURES				
Current:				
General government	120,000	120,000	212,675	(92,675)
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(116,700)	(116,700)	(48,521)	68,179
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	1,442,823	1,442,823
Transfers in	-	-	59,701	59,701
Total other financing sources (uses)	-	-	1,502,524	1,502,524
NET CHANGE IN FUND BALANCE	<u>\$ (116,700)</u>	<u>\$ (116,700)</u>	1,454,003	<u>\$ 1,570,703</u>
FUND BALANCE, BEGINNING OF YEAR			22,540,287	
FUND BALANCE, END OF YEAR			<u>\$ 23,994,290</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, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ 5,000	\$ 5,000	\$ 19,789	\$ 14,789
Licenses, permits and fees	1,610,000	1,610,000	3,401,650	1,791,650
Donations and miscellaneous	-	-	1,288	1,288
Total revenues	1,615,000	1,615,000	3,422,727	1,807,727
EXPENDITURES				
Current:				
Public works	-	7,605	7,605	-
Debt service:				
Interest and fiscal charges	-	-	3,280	(3,280)
Total expenditures	-	7,605	10,885	(3,280)
EXCESS OF REVENUES OVER EXPENDITURES	1,615,000	1,607,395	3,411,842	1,804,447
OTHER FINANCING SOURCES (USES)				
Transfers out	(12,918,547)	(12,910,942)	(5,865,867)	7,045,075
NET CHANGE IN FUND BALANCE	<u>\$ (11,303,547)</u>	<u>\$ (11,303,547)</u>	(2,454,025)	<u>\$ 8,849,522</u>
FUND BALANCE, BEGINNING OF YEAR,			(4,803,860)	
FUND BALANCE (DEFICIT), END OF YEAR			<u>\$ (7,257,885)</u>	

See note to required supplementary information.

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
GRATON MITIGATION SUPPLEMENTAL SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ -	\$ -	\$ 9,647	\$ 9,647
Donations and miscellaneous	-	-	4,545,204	4,545,204
Total revenues	-	-	4,554,851	4,554,851
OTHER FINANCING SOURCES (USES)				-
Transfers out	-	(4,687,187)	(4,486,749)	200,438
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ (4,687,187)</u>	68,102	<u>\$ 4,755,289</u>
FUND BALANCE, BEGINNING OF YEAR			1,250,288	
FUND BALANCE, END OF YEAR			<u>\$ 1,318,390</u>	

See note to required supplementary information.

CITY OF ROHNERT PARK

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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 are 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, 2015, encumbrances of \$925,419 were outstanding for the General Fund.

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OTHER SUPPLEMENTARY INFORMATION

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CITY OF ROHNERT PARK

OTHER SUPPLEMENTAL INFORMATION

DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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 - Annual permit fee that is received from all businesses 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 - 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 - 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 - 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 - 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 - 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 - 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 - Revenues received from County of Sonoma on one quarter cent sales tax for street improvements.

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

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

Capital Outlay Fee Fund - 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 - Revenues received from the State of California pursuant to AB 3229 for the purpose of ensuring public safety.

DIVCA PEG Fee (AB 2987) Fund - Revenues received pursuant to Assembly Bill 2987 for activities related to public, educational and governmental access channels.

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

CITY OF ROHNERT PARK

OTHER SUPPLEMENTAL INFORMATION

DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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 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 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 - 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 - 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 - 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.

Asset Forfeiture Fund – Revenues from assets seizures returned after Federal and State seized asset court cases have been adjudicated and finalized.

Performing Arts Center Facility Capital Reserve Fund – Revenues received from two dollars per ticket fees which is set aside for improvements at the Performing Arts Center.

Sports Center Facility Capital Reserve Fund – Revenues received from two dollars per sports center memberships which is set aside for improvements at the Sports Center.

Explorer Fund– Revenues received from Public Safety Explorer Scouts fundraising activities that can only be used for Explorer Scouts goods and services.

California Disability Access Fee Fund – Revenues received on each business licenses pursuant to SB1186 for costs associated with hiring a Certified Access Specialists and other related costs.

CITY OF ROHNERT PARK

OTHER SUPPLEMENTAL INFORMATION

DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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 - 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, 2015

	Nonmajor Special Revenue Funds	Performing Arts Center Endowment Permanent Fund	Total
ASSETS			
Cash and investments	\$ 8,521,656	\$ 1,186,937	\$ 9,708,593
Receivables, net:			
Taxes	16,022	-	16,022
Accounts	198,043	-	198,043
Accrued interest	8,638	825	9,463
Intergovernmental	145,929	-	145,929
Due from other funds	17,338	-	17,338
Total assets	<u>\$ 8,907,626</u>	<u>\$ 1,187,762</u>	<u>\$ 10,095,388</u>
LIABILITIES			
Accounts payable	\$ 89,536	\$ -	\$ 89,536
Due to other funds	18,228	-	18,228
Total liabilities	<u>107,764</u>	<u>-</u>	<u>107,764</u>
FUND BALANCES			
Nonspendable	-	500,000	500,000
Restricted	7,812,880	687,762	8,500,642
Assigned	1,004,320	-	1,004,320
Unassigned	(17,338)	-	(17,338)
Total fund balances	<u>8,799,862</u>	<u>1,187,762</u>	<u>9,987,624</u>
Total liabilities and fund balances	<u>\$ 8,907,626</u>	<u>\$ 1,187,762</u>	<u>\$ 10,095,388</u>

CITY OF ROHNERT PARK
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Nonmajor Special Revenue Funds	Performing Arts Center Endowment Permanent Fund	Total
REVENUES			
Taxes	\$ 563,029	\$ -	\$ 563,029
Intergovernmental	2,011,581	-	2,011,581
Interest and rentals	41,243	6,404	47,647
Charges for current services	182,018	-	182,018
Licenses, permits and fees	828,532	-	828,532
Fines, forfeitures and penalties	134,317	-	134,317
Donations and miscellaneous	2,638,017	-	2,638,017
Total revenues	6,398,737	6,404	6,405,141
EXPENDITURES			
Current:			
General government	570,537	-	570,537
Public safety	700,888	-	700,888
Public works	633,912	-	633,912
Cultural arts center	-	17,030	17,030
Total expenditures	1,905,337	17,030	1,922,367
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,493,400	(10,626)	4,482,774
OTHER FINANCING SOURCES (USES)			
Transfers in	14,909	-	14,909
Transfers out	(5,014,712)	-	(5,014,712)
Total other financing sources (uses)	(4,999,803)	-	(4,999,803)
NET CHANGE IN FUND BALANCES	(506,403)	(10,626)	(517,029)
FUND BALANCES, BEGINNING OF YEAR	9,306,265	1,198,388	10,504,653
FUND BALANCES, END OF YEAR	\$ 8,799,862	\$ 1,187,762	\$ 9,987,624

CITY OF ROHNERT PARK
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015

	Alcohol Beverage Sales Ordinance (ABSO)	Vehicle Abatement Fund	Traffic Safety	General Plan Maintenance	Spay and Neuter
ASSETS					
Cash and investments	\$ 72,001	\$ 324,539	\$ 213,459	\$ 430,248	\$ 44,338
Receivables, net:					
Taxes	-	-	-	-	-
Accounts	-	-	-	-	3,583
Accrued interest	89	307	253	344	83
Intergovernmental	-	19,323	15,968	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 72,090</u>	<u>\$ 344,169</u>	<u>\$ 229,680</u>	<u>\$ 430,592</u>	<u>\$ 48,004</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	72,090	344,169	229,680	430,592	48,004
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>72,090</u>	<u>344,169</u>	<u>229,680</u>	<u>430,592</u>	<u>48,004</u>
Total liabilities and fund balances	<u>\$ 72,090</u>	<u>\$ 344,169</u>	<u>\$ 229,680</u>	<u>\$ 430,592</u>	<u>\$ 48,004</u>

Refuse Road Impact Fee	State Gasoline Tax	Measure M Traffic	Proposition 1B	Traffic Signals Fee	
\$ 628,777	\$ 1,670,776	\$ 563,978	\$ 42	\$ 1,506,686	ASSETS
-	-	-	-	-	Cash and investments
112,448	-	-	-	-	Receivables, net:
475	2,169	400	-	596	Taxes
-	25,584	62,087	-	-	Accounts
-	-	-	-	-	Accrued interest
-	-	-	-	-	Intergovernmental
-	-	-	-	-	Due from other funds
<u>\$ 741,700</u>	<u>\$ 1,698,529</u>	<u>\$ 626,465</u>	<u>\$ 42</u>	<u>\$ 1,507,282</u>	Total assets
LIABILITIES					
\$ 61,001	\$ -	\$ -	\$ -	\$ -	Accounts payable
-	-	-	-	-	Due to other funds
<u>61,001</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Total liabilities
FUND BALANCES					
680,699	1,698,529	626,465	42	1,507,282	Restricted
-	-	-	-	-	Assigned
-	-	-	-	-	Unassigned
<u>680,699</u>	<u>1,698,529</u>	<u>626,465</u>	<u>42</u>	<u>1,507,282</u>	Total fund balances
<u>\$ 741,700</u>	<u>\$ 1,698,529</u>	<u>\$ 626,465</u>	<u>\$ 42</u>	<u>\$ 1,507,282</u>	Total liabilities and fund balances

(continued)

CITY OF ROHNERT PARK
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015

	Capital Outlay Fee	Supplemental Law Enforcement Services	DIVCA PEG Fee (AB2987)	Traffic Congestion Relief (AB2928)	Graton Mitigation Development Fee
ASSETS					
Cash and investments	\$ 204,934	\$ 153,217	\$ 349,221	\$ 216,642	\$ 3,221
Receivables, net:					
Taxes	-	-	-	-	-
Accounts	-	-	30,834	-	-
Accrued interest	188	152	274	193	798
Intergovernmental	-	22,967	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 205,122</u>	<u>\$ 176,336</u>	<u>\$ 380,329</u>	<u>\$ 216,835</u>	<u>\$ 4,019</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	205,122	176,336	380,329	216,835	-
Assigned	-	-	-	-	4,019
Unassigned	-	-	-	-	-
Total fund balances	<u>205,122</u>	<u>176,336</u>	<u>380,329</u>	<u>216,835</u>	<u>4,019</u>
Total liabilities and fund balances	<u>\$ 205,122</u>	<u>\$ 176,336</u>	<u>\$ 380,329</u>	<u>\$ 216,835</u>	<u>\$ 4,019</u>

Graton Mitigation Law Enforcement	Graton Mitigation Public Safety Building	Graton Mitigation Problem Gambling	Graton Mitigation Waterway	Graton Mitigation Public Services	
\$ 69,491	\$ -	\$ 126,974	\$ 50,789	\$ 734,234	ASSETS
-	-	-	-	-	Cash and investments
-	-	-	-	-	Receivables, net:
295	-	73	29	1,078	Taxes
-	-	-	-	-	Accounts
17,338	-	-	-	-	Accrued interest
					Intergovernmental
					Due from other funds
<u>\$ 87,124</u>	<u>\$ -</u>	<u>\$ 127,047</u>	<u>\$ 50,818</u>	<u>\$ 735,312</u>	Total assets
					LIABILITIES
\$ -	\$ -	\$ -	\$ -	\$ -	Accounts payable
-	17,338	-	-	-	Due to other funds
-	17,338	-	-	-	Total liabilities
					FUND BALANCES
-	-	-	-	-	Restricted
87,124	-	127,047	50,818	735,312	Assigned
-	(17,338)	-	-	-	Unassigned
<u>87,124</u>	<u>(17,338)</u>	<u>127,047</u>	<u>50,818</u>	<u>735,312</u>	Total fund balances
<u>\$ 87,124</u>	<u>\$ -</u>	<u>\$ 127,047</u>	<u>\$ 50,818</u>	<u>\$ 735,312</u>	Total liabilities and fund balances

(continued)

CITY OF ROHNERT PARK
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015

	Graton Mitigation Wilfred Maintenance	Measure M Fire Benefit Assessment	Mobile Home Rent Appeals Board	Copeland Creek Drainage Facility	Asset Forfeiture
ASSETS					
Cash and investments	\$ 456,932	\$ 97,748	\$ 117,974	\$ 53,802	\$ 349,679
Receivables, net:					
Taxes	-	16,022	-	-	-
Accounts	-	-	51,178	-	-
Accrued interest	270	244	103	48	169
Intergovernmental	-	-	-	-	-
Due from other funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 457,202</u>	<u>\$ 114,014</u>	<u>\$ 169,255</u>	<u>\$ 53,850</u>	<u>\$ 349,848</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ 5,235	\$ -	\$ 23,300
Due to other funds	-	-	890	-	-
	<u>-</u>	<u>-</u>	<u>890</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>6,125</u>	<u>-</u>	<u>23,300</u>
FUND BALANCES					
Restricted	457,202	114,014	163,130	53,850	326,548
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>457,202</u>	<u>114,014</u>	<u>163,130</u>	<u>53,850</u>	<u>326,548</u>
Total liabilities and fund balances	<u>\$ 457,202</u>	<u>\$ 114,014</u>	<u>\$ 169,255</u>	<u>\$ 53,850</u>	<u>\$ 349,848</u>

Performing Art Center Facility Capital Reserve	Sports Center Facility Capital Reserve	Explorer	California Disability Access Fee	Total	
\$ 33,244	\$ 35,096	\$ 8,546	\$ 5,068	\$ 8,521,656	ASSETS
-	-	-	-	16,022	Cash and investments
-	-	-	-	198,043	Receivables, net:
5	3	-	-	8,638	Taxes
-	-	-	-	145,929	Accounts
-	-	-	-	17,338	Accrued interest
					Intergovernmental
					Due from other funds
<u>\$ 33,249</u>	<u>\$ 35,099</u>	<u>\$ 8,546</u>	<u>\$ 5,068</u>	<u>\$ 8,907,626</u>	Total assets
					LIABILITIES
\$ -	\$ -	\$ -	\$ -	\$ 89,536	Accounts payable
-	-	-	-	18,228	Due to other funds
-	-	-	-	107,764	Total liabilities
					FUND BALANCES
33,249	35,099	8,546	5,068	7,812,880	Restricted
-	-	-	-	1,004,320	Assigned
-	-	-	-	(17,338)	Unassigned
<u>33,249</u>	<u>35,099</u>	<u>8,546</u>	<u>5,068</u>	<u>8,799,862</u>	Total fund balances
<u>\$ 33,249</u>	<u>\$ 35,099</u>	<u>\$ 8,546</u>	<u>\$ 5,068</u>	<u>\$ 8,907,626</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, 2015

	Alcohol Beverage Sales Ordinance (ABSO)	Vehicle Abatement Fund	Traffic Safety	General Plan Maintenance	Spay and Neuter
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Interest and rentals	417	1,591	1,181	1,617	401
Charges for current services	28,588	93,180	-	60,250	-
Licenses, permits and fees	-	-	-	-	10,494
Fines, forfeitures and penalties	-	-	134,317	-	-
Donations and miscellaneous	-	-	-	-	-
Total revenues	<u>29,005</u>	<u>94,771</u>	<u>135,498</u>	<u>61,867</u>	<u>10,895</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	47,273	74,488	-	-	11,022
Public works	-	-	-	-	-
Total expenditures	<u>47,273</u>	<u>74,488</u>	<u>-</u>	<u>-</u>	<u>11,022</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(18,268)</u>	<u>20,283</u>	<u>135,498</u>	<u>61,867</u>	<u>(127)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	(150,035)	-	(45,723)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(150,035)</u>	<u>-</u>	<u>(45,723)</u>
NET CHANGE IN FUND BALANCES	<u>(18,268)</u>	<u>20,283</u>	<u>(14,537)</u>	<u>61,867</u>	<u>(45,850)</u>
FUND BALANCES, BEGINNING OF YEAR	<u>90,358</u>	<u>323,886</u>	<u>244,217</u>	<u>368,725</u>	<u>93,854</u>
FUND BALANCES, END OF YEAR	<u>\$ 72,090</u>	<u>\$ 344,169</u>	<u>\$ 229,680</u>	<u>\$ 430,592</u>	<u>\$ 48,004</u>

Refuse Road Impact Fee	State Gasoline Tax	Measure M Traffic	Proposition 1B	Traffic Signals Fee	
					REVENUES
\$ -	\$ -	\$ -	\$ -	\$ -	Taxes
-	1,230,543	258,075	-	-	Intergovernmental
2,199	10,238	1,834	-	4,816	Interest and rentals
-	-	-	-	-	Charges for current services
450,597	-	-	-	-	Licenses, permits and fees
-	-	-	-	-	Fines, forfeitures and penalties
-	-	-	-	-	Donations and miscellaneous
<u>452,796</u>	<u>1,240,781</u>	<u>259,909</u>	<u>-</u>	<u>4,816</u>	Total revenues
					EXPENDITURES
					Current:
-	-	-	-	-	General government
-	-	-	-	-	Public safety
66,333	567,579	-	-	-	Public works
<u>66,333</u>	<u>567,579</u>	<u>-</u>	<u>-</u>	<u>-</u>	Total expenditures
<u>386,463</u>	<u>673,202</u>	<u>259,909</u>	<u>-</u>	<u>4,816</u>	EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES
					OTHER FINANCING SOURCES (USES)
-	14,909	-	-	-	Transfers in
(336,766)	(1,204,090)	(89,684)	-	-	Transfers out
<u>(336,766)</u>	<u>(1,189,181)</u>	<u>(89,684)</u>	<u>-</u>	<u>-</u>	Total other financing sources (uses)
49,697	(515,979)	170,225	-	4,816	NET CHANGE IN FUND BALANCES
<u>631,002</u>	<u>2,214,508</u>	<u>456,240</u>	<u>42</u>	<u>1,502,466</u>	FUND BALANCES, BEGINNING OF YEAR
<u>\$ 680,699</u>	<u>\$ 1,698,529</u>	<u>\$ 626,465</u>	<u>\$ 42</u>	<u>\$ 1,507,282</u>	FUND BALANCES, END OF YEAR

(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, 2015

	Capital Outlay Fee	Supplemental Law Enforcement Services	DIVCA PEG Fee (AB2987)	Traffic Congestion Relief (AB2928)	Graton Mitigation Development Fee
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	160,269	-	-	-
Interest and rentals	899	691	1,276	921	2,739
Charges for current services	-	-	-	-	-
Licenses, permits and fees	-	-	118,637	-	-
Fines, forfeitures and penalties	-	-	-	-	-
Donations and miscellaneous	-	-	-	-	-
Total revenues	899	160,960	119,913	921	2,739
EXPENDITURES					
Current:					
General government	-	-	150	-	-
Public safety	-	100,000	-	-	-
Public works	-	-	-	-	-
Total expenditures	-	100,000	150	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	899	60,960	119,763	921	2,739
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	(6,656)	-	(21,044)	-	(1,212,813)
Total other financing sources (uses)	(6,656)	-	(21,044)	-	(1,212,813)
NET CHANGE IN FUND BALANCES	(5,757)	60,960	98,719	921	(1,210,074)
FUND BALANCES, BEGINNING OF YEAR	210,879	115,376	281,610	215,914	1,214,093
FUND BALANCES, END OF YEAR	\$ 205,122	\$ 176,336	\$ 380,329	\$ 216,835	\$ 4,019

Graton Mitigation Law Enforcement	Graton Mitigation Public Safety Building	Graton Mitigation Problem Gambling	Graton Mitigation Waterway	Graton Mitigation Public Services	
\$ -	\$ -	\$ -	\$ -	\$ -	REVENUES
-	-	-	-	-	Taxes
1,287	-	298	119	4,912	Intergovernmental
-	-	-	-	-	Interest and rentals
-	-	-	-	-	Charges for current services
-	-	-	-	-	Licenses, permits and fees
-	-	-	-	-	Fines, forfeitures and penalties
381,968	-	95,492	38,196	1,809,766	Donations and miscellaneous
383,255	-	95,790	38,315	1,814,678	Total revenues
					EXPENDITURES
					Current:
-	-	-	-	463,071	General government
431,212	-	-	-	-	Public safety
-	-	-	-	-	Public works
431,212	-	-	-	463,071	Total expenditures
(47,957)	-	95,790	38,315	1,351,607	EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES
					OTHER FINANCING SOURCES (USES)
-	-	-	-	-	Transfers in
(32,078)	-	-	-	(1,208,681)	Transfers out
(32,078)	-	-	-	(1,208,681)	Total other financing sources (uses)
(80,035)	-	95,790	38,315	142,926	NET CHANGE IN FUND BALANCES
167,159	(17,338)	31,257	12,503	592,386	FUND BALANCES, BEGINNING OF YEAR
\$ 87,124	\$ (17,338)	\$ 127,047	\$ 50,818	\$ 735,312	FUND BALANCES, END OF YEAR

(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, 2015

	Graton Mitigation Wilfred Maintenance	Measure M Fire Benefit Assessment	Mobile Home Rent Appeals Board	Copeland Creek Drainage Facility	Asset Forfeiture
REVENUES					
Taxes	\$ -	\$ 563,029	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	362,694
Interest and rentals	1,259	1,062	486	231	747
Charges for current services	-	-	-	-	-
Licenses, permits and fees	-	-	175,410	-	-
Fines, forfeitures and penalties	-	-	-	-	-
Donations and miscellaneous	304,049	-	-	-	-
Total revenues	<u>305,308</u>	<u>564,091</u>	<u>175,896</u>	<u>231</u>	<u>363,441</u>
EXPENDITURES					
Current:					
General government	-	-	107,316	-	-
Public safety	-	-	-	-	36,893
Public works	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>107,316</u>	<u>-</u>	<u>36,893</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>305,308</u>	<u>564,091</u>	<u>68,580</u>	<u>231</u>	<u>326,548</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	(136,386)	(570,000)	-	(756)	-
Total other financing sources (uses)	<u>(136,386)</u>	<u>(570,000)</u>	<u>-</u>	<u>(756)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>168,922</u>	<u>(5,909)</u>	<u>68,580</u>	<u>(525)</u>	<u>326,548</u>
FUND BALANCES, BEGINNING OF YEAR	<u>288,280</u>	<u>119,923</u>	<u>94,550</u>	<u>54,375</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 457,202</u>	<u>\$ 114,014</u>	<u>\$ 163,130</u>	<u>\$ 53,850</u>	<u>\$ 326,548</u>

Performing Art Center Facility Capital Reserve	Sports Center Facility Capital Reserve	Explorer	California Disability Access Fee	Total	
\$ -	\$ -	\$ -	\$ -	\$ 563,029	REVENUES
-	-	-	-	2,011,581	Taxes
14	8	-	-	41,243	Intergovernmental
-	-	-	-	182,018	Interest and rentals
33,235	35,091	-	5,068	828,532	Charges for current services
-	-	-	-	134,317	Licenses, permits and fees
-	-	8,546	-	2,638,017	Fines, forfeitures and penalties
33,249	35,099	8,546	5,068	6,398,737	Donations and miscellaneous
					Total revenues
					EXPENDITURES
-	-	-	-	570,537	Current:
-	-	-	-	700,888	General government
-	-	-	-	633,912	Public safety
-	-	-	-	1,905,337	Public works
					Total expenditures
33,249	35,099	8,546	5,068	4,493,400	EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES
					OTHER FINANCING SOURCES (USES)
-	-	-	-	14,909	Transfers in
-	-	-	-	(5,014,712)	Transfers out
-	-	-	-	(4,999,803)	Total other financing sources (uses)
33,249	35,099	8,546	5,068	(506,403)	NET CHANGE IN FUND BALANCES
-	-	-	-	9,306,265	FUND BALANCES, BEGINNING OF YEAR
\$ 33,249	\$ 35,099	\$ 8,546	\$ 5,068	\$ 8,799,862	FUND BALANCES, END OF YEAR

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
ALCOHOL BEVERAGE SALES ORDINANCE (ABSO) SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ -	\$ -	\$ 417	\$ 417
Charges for current services	31,050	31,050	28,588	(2,462)
Total revenues	31,050	31,050	29,005	(2,045)
EXPENDITURES				
Current:				
Public safety	-	-	47,273	(47,273)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	31,050	31,050	(18,268)	(49,318)
OTHER FINANCING SOURCES (USES)				
Transfers out	32,455	32,455	-	(32,455)
NET CHANGE IN FUND BALANCE	<u>\$ 63,505</u>	<u>\$ 63,505</u>	(18,268)	<u>\$ (81,773)</u>
FUND BALANCE, BEGINNING OF YEAR			90,358	
FUND BALANCE, END OF YEAR			<u>\$ 72,090</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
VEHICLE ABATEMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ 1,000	\$ 1,000	\$ 1,591	\$ 591
Charges for current services	120,000	120,000	93,180	(26,820)
Total revenues	121,000	121,000	94,771	(26,229)
EXPENDITURES				
Current:				
Public safety	-	-	74,488	(74,488)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	121,000	121,000	20,283	(100,717)
OTHER FINANCING SOURCES (USES)				
Transfers out	109,000	109,000	-	(109,000)
NET CHANGE IN FUND BALANCE	<u>\$ 230,000</u>	<u>\$ 230,000</u>	20,283	<u>\$ (209,717)</u>
FUND BALANCE, BEGINNING OF YEAR			323,886	
FUND BALANCE, END OF YEAR			<u>\$ 344,169</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
TRAFFIC SAFETY SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ -	\$ -	\$ 1,181	\$ 1,181
Fines, forfeitures and penalties	197,000	197,000	134,317	(62,683)
Total revenues	197,000	197,000	135,498	(61,502)
OTHER FINANCING SOURCES (USES)				
Transfers out	-	310,000	(150,035)	(460,035)
NET CHANGE IN FUND BALANCE	<u>\$ 197,000</u>	<u>\$ 507,000</u>	(14,537)	<u>\$ (521,537)</u>
FUND BALANCE, BEGINNING OF YEAR			244,217	
FUND BALANCE, END OF YEAR			<u>\$ 229,680</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
GENERAL PLAN MAINTENANCE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ 700	\$ 700	\$ 1,617	\$ 917
Charges for current services	175,000	175,000	60,250	(114,750)
Total revenues	175,700	175,700	61,867	(113,833)
EXPENDITURES				
Current:				
General government	-	20,000	-	20,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	175,700	155,700	61,867	(93,833)
OTHER FINANCING SOURCES (USES)				
Transfers out	127,017	127,017	-	(127,017)
NET CHANGE IN FUND BALANCE	<u>\$ 302,717</u>	<u>\$ 282,717</u>	61,867	<u>\$ (220,850)</u>
FUND BALANCE, BEGINNING OF YEAR			368,725	
FUND BALANCE, END OF YEAR			<u>\$ 430,592</u>	

**CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
SPAY AND NEUTER SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ -	\$ -	\$ 401	\$ 401
Licenses, permits and fees	19,140	19,140	10,494	(8,646)
Total revenues	19,140	19,140	10,895	(8,245)
EXPENDITURES				
Current:				
Public safety	-	-	11,022	(11,022)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	19,140	19,140	(127)	(19,267)
OTHER FINANCING SOURCES (USES)				
Transfers out	61,000	61,000	(45,723)	(106,723)
NET CHANGE IN FUND BALANCE	<u>\$ 80,140</u>	<u>\$ 80,140</u>	(45,850)	<u>\$ (125,990)</u>
FUND BALANCE, BEGINNING OF YEAR			93,854	
FUND BALANCE, END OF YEAR			<u>\$ 48,004</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
REFUSE ROAD IMPACT FEE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ 500	\$ 500	\$ 2,199	\$ 1,699
Licenses, permits and fees	379,286	379,286	450,597	71,311
Total revenues	379,786	379,786	452,796	73,010
EXPENDITURES				
Current:				
Public works	-	-	66,333	(66,333)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	379,786	379,786	386,463	6,677
OTHER FINANCING SOURCES (USES)				
Transfers out	400,000	400,000	(336,766)	(736,766)
NET CHANGE IN FUND BALANCE	<u>\$ 779,786</u>	<u>\$ 779,786</u>	49,697	<u>\$ (730,089)</u>
FUND BALANCE, BEGINNING OF YEAR			631,002	
FUND BALANCE, END OF YEAR			<u>\$ 680,699</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
STATE GASOLINE TAX SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 1,091,390	\$ 1,091,390	\$ 1,230,543	\$ 139,153
Interest and rentals	5,000	5,000	10,238	5,238
Total revenues	1,096,390	1,096,390	1,240,781	144,391
EXPENDITURES				
Current:				
Public works	46,000	163,359	567,579	(404,220)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,050,390	933,031	673,202	(259,829)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	14,909	14,909
Transfers out	(1,778,212)	(1,778,212)	(1,204,090)	574,122
Total other financing sources (uses)	(1,778,212)	(1,778,212)	(1,189,181)	589,031
NET CHANGE IN FUND BALANCE	<u>\$ (727,822)</u>	<u>\$ (845,181)</u>	(515,979)	<u>\$ 329,202</u>
FUND BALANCE, BEGINNING OF YEAR			2,214,508	
FUND BALANCE, END OF YEAR			<u>\$ 1,698,529</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
MEASURE M TRAFFIC SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 260,429	\$ 260,429	\$ 258,075	\$ (2,354)
Interest and rentals	2,000	2,000	1,834	(166)
Total revenues	262,429	262,429	259,909	(2,520)
OTHER FINANCING SOURCES (USES)				
Transfers out	(310,735)	(310,735)	(89,684)	221,051
NET CHANGE IN FUND BALANCE	<u>\$ (48,306)</u>	<u>\$ (48,306)</u>	170,225	<u>\$ 218,531</u>
FUND BALANCE, BEGINNING OF YEAR			456,240	
FUND BALANCE, END OF YEAR			<u>\$ 626,465</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
TRAFFIC SIGNALS FEE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ 1,006,388	\$ -	\$ (1,006,388)
Interest and rentals	5,000	5,000	4,816	(184)
Total revenues	5,000	1,011,388	4,816	(1,006,572)
NET CHANGE IN FUND BALANCE	<u>\$ 5,000</u>	<u>\$ 1,011,388</u>	4,816	<u>\$ (1,006,572)</u>
FUND BALANCE, BEGINNING OF YEAR			1,502,466	
FUND BALANCE, END OF YEAR			<u>\$ 1,507,282</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
CAPITAL OUTLAY FEE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ 1,050	\$ 1,050	\$ 899	\$ (151)
OTHER FINANCING USES				
Transfers in	33,517	33,517	-	(33,517)
Transfers out	(219,000)	(219,000)	(6,656)	212,344
Total other financing sources (uses)	(185,483)	(185,483)	(6,656)	178,827
NET CHANGE IN FUND BALANCE	<u>\$ (184,433)</u>	<u>\$ (184,433)</u>	(5,757)	<u>\$ 178,676</u>
FUND BALANCE, BEGINNING OF YEAR			210,879	
FUND BALANCE, END OF YEAR			<u>\$ 205,122</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
SUPPLEMENTAL LAW ENFORCEMENT SERVICES SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 160,269	\$ 60,269
Interest and rentals	-	-	691	691
Total revenues	100,000	100,000	160,960	60,960
EXPENDITURES				
Current:				
Public safety	-	-	100,000	(100,000)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	100,000	100,000	60,960	(39,040)
OTHER FINANCING SOURCES (USES)				
Transfers out	(100,000)	(100,000)	-	100,000
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	60,960	<u>\$ 60,960</u>
FUND BALANCE, BEGINNING OF YEAR			115,376	
FUND BALANCE, END OF YEAR			<u>\$ 176,336</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
DIVCA PEG FEE (AB2987) SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ 598	\$ 598	\$ 1,276	\$ 678
Licenses, permits and fees	132,837	132,837	118,637	(14,200)
Total revenues	133,435	133,435	119,913	(13,522)
EXPENDITURES				
Current:				
General government	-	-	150	(150)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	133,435	133,435	119,763	(13,672)
OTHER FINANCING USES				
Transfers out	(115,000)	(115,000)	(21,044)	93,956
NET CHANGE IN FUND BALANCE	<u>\$ 18,435</u>	<u>\$ 18,435</u>	98,719	<u>\$ 80,284</u>
FUND BALANCE, BEGINNING OF YEAR			281,610	
FUND BALANCE, END OF YEAR			<u>\$ 380,329</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
TRAFFIC CONGESTION RELIEF (AB2928) SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ -	\$ -	\$ 921	\$ 921
OTHER FINANCING SOURCES (USES)				
Transfers out	(35,568)	(35,568)	-	35,568
NET CHANGE IN FUND BALANCE	<u>\$ (35,568)</u>	<u>\$ (35,568)</u>	921	<u>\$ 36,489</u>
FUND BALANCE, BEGINNING OF YEAR			215,914	
FUND BALANCE, END OF YEAR			<u>\$ 216,835</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
GRATON MITIGATION DEVELOPMENT FEE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ 5,000	\$ 5,000	\$ 2,739	\$ (2,261)
Donations and miscellaneous	7,544,000	7,544,000	-	(7,544,000)
Total revenues	7,549,000	7,549,000	2,739	(7,546,261)
OTHER FINANCING USES				
Transfers out	(2,863,619)	(1,212,813)	(1,212,813)	-
NET CHANGE IN FUND BALANCE	<u>\$ 4,685,381</u>	<u>\$ 6,336,187</u>	(1,210,074)	<u>\$ (7,546,261)</u>
FUND BALANCE, BEGINNING OF YEAR			1,214,093	
FUND BALANCE, END OF YEAR			<u>\$ 4,019</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
GRATON MITIGATION LAW ENFORCEMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	-	-	1,287	1,287
Donations and miscellaneous	500,000	500,000	381,968	(118,032)
Total revenues	500,000	500,000	383,255	(116,745)
EXPENDITURES				
Current:				
Public safety	-	-	431,212	(431,212)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	500,000	500,000	(47,957)	(547,957)
OTHER FINANCING SOURCES (USES)				
Transfers out	(500,000)	(500,000)	(32,078)	467,922
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	(80,035)	<u>\$ (80,035)</u>
FUND BALANCE, BEGINNING OF YEAR			167,159	
FUND BALANCE, END OF YEAR			<u>\$ 87,124</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
GRATON MITIGATION PROBLEM GAMBLING SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ -	\$ -	\$ 298	\$ 298
Donations and miscellaneous	-	-	95,492	95,492
Total revenues	-	-	95,790	95,790
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	95,790	<u>\$ 95,790</u>
FUND BALANCE, BEGINNING OF YEAR			31,257	
FUND BALANCE, END OF YEAR			<u>\$ 127,047</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
GRATON MITIGATION WATERWAY SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ -	\$ -	\$ 119	\$ 119
Donations and miscellaneous	-	-	38,196	38,196
Total revenues	-	-	38,315	38,315
EXPENDITURES				
Current:				
Public works	-	50,000	-	50,000
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ (50,000)</u>	38,315	<u>\$ 88,315</u>
FUND BALANCE, BEGINNING OF YEAR			12,503	
FUND BALANCE, END OF YEAR			<u>\$ 50,818</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
GRATON MITIGATION PUBLIC SERVICES SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ -	\$ -	\$ 4,912	\$ 4,912
Donations and miscellaneous	-	-	1,809,766	1,809,766
Total revenues	-	-	1,814,678	1,814,678
EXPENDITURES				
Current:				
General government	-	1,838,619	463,071	1,375,548
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(1,838,619)	1,351,607	3,190,226
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(1,208,681)	(1,208,681)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ (1,838,619)</u>	142,926	<u>\$ 1,981,545</u>
FUND BALANCE, BEGINNING OF YEAR			592,386	
FUND BALANCE, END OF YEAR			<u>\$ 735,312</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
GRATON MITIGATION WILFRED MAINTENANCE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ 500	\$ 500	\$ 1,259	\$ 759
Donations and miscellaneous	295,690	295,690	304,049	8,359
Total revenues	296,190	296,190	305,308	9,118
OTHER FINANCING SOURCES (USES)				
Transfers out	(139,079)	(139,079)	(136,386)	2,693
NET CHANGE IN FUND BALANCE	<u>\$ 157,111</u>	<u>\$ 157,111</u>	168,922	<u>\$ 11,811</u>
FUND BALANCE, BEGINNING OF YEAR			288,280	
FUND BALANCE, END OF YEAR			<u>\$ 457,202</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
MEASURE M BENEFIT ASSESSMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 550,087	\$ 550,087	\$ 563,029	\$ 12,942
Interest and rentals	-	-	1,062	1,062
Total revenues	550,087	550,087	564,091	14,004
OTHER FINANCING USES				
Transfers out	(570,000)	(570,000)	(570,000)	-
Total other financing sources (uses)	(570,000)	(570,000)	(570,000)	-
NET CHANGE IN FUND BALANCE	<u>\$ (19,913)</u>	<u>\$ (19,913)</u>	(5,909)	<u>\$ 14,004</u>
FUND BALANCE, BEGINNING OF YEAR			119,923	
FUND BALANCE, END OF YEAR			<u>\$ 114,014</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
MOBILE HOME RENT APPEALS BOARD SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ -	\$ -	\$ 486	\$ 486
Licenses, permits and fees	89,000	89,000	175,410	86,410
Total revenues	89,000	89,000	175,896	86,896
EXPENDITURES				
Current:				
General government	36,683	37,362	107,316	(69,954)
NET CHANGE IN FUND BALANCE	<u>\$ 52,317</u>	<u>\$ 51,638</u>	68,580	<u>\$ 16,942</u>
FUND BALANCE, BEGINNING OF YEAR			94,550	
FUND BALANCE, END OF YEAR			<u>\$ 163,130</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
COPELAND CREEK DRAINAGE FACILITY SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ -	\$ -	\$ 231	\$ 231
OTHER FINANCING USES				
Transfers out	-	-	(756)	(756)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	(525)	<u>\$ (525)</u>
FUND BALANCE, BEGINNING OF YEAR			54,375	
FUND BALANCE, END OF YEAR			<u>\$ 53,850</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
ASSETS FORFEITURE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 362,694	\$ 362,694
Interest and rentals	-	-	747	747
Total revenues	-	-	363,441	363,441
EXPENDITURES				
Current:				
Public safety	-	42,000	36,893	5,107
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ (42,000)</u>	326,548	<u>\$ 368,548</u>
FUND BALANCE, BEGINNING OF YEAR			-	
FUND BALANCE, END OF YEAR			<u>\$ 326,548</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
PERFORMING ART CENTER FACILITY CAPITAL RESERVE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ -	\$ -	\$ 14	\$ 14
Licenses, permits and fees	-	-	33,235	33,235
Total revenues	-	-	33,249	33,249
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	33,249	<u>\$ 33,249</u>
FUND BALANCE, BEGINNING OF YEAR			-	
FUND BALANCE, END OF YEAR			<u>\$ 33,249</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
SPORTS CENTER FACILITY CAPITAL RESERVE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Interest and rentals	\$ -	\$ -	\$ 8	\$ 8
Licenses, permits and fees	-	-	35,091	35,091
Total revenues	-	-	35,099	35,099
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	35,099	<u>\$ 35,099</u>
FUND BALANCE, BEGINNING OF YEAR			-	
FUND BALANCE, END OF YEAR			<u>\$ 35,099</u>	

**CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
EXPLORER SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Donations and miscellaneous	\$ -	\$ -	\$ 8,546	\$ 8,546
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	8,546	<u>\$ 8,546</u>
FUND BALANCE, BEGINNING OF YEAR			-	
FUND BALANCE, END OF YEAR			<u>\$ 8,546</u>	

CITY OF ROHNERT PARK
BUDGETARY COMPARISON SCHEDULE
CALIFORNIA DISABILITY ACCESS FEE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Licenses, permits and fees	\$ -	\$ -	\$ 5,068	\$ 5,068
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	5,068	<u>\$ 5,068</u>
FUND BALANCE, BEGINNING OF YEAR			-	
FUND BALANCE, END OF YEAR			<u>\$ 5,068</u>	

CITY OF ROHNERT PARK

OTHER SUPPLEMENTAL INFORMATION

DESCRIPTION OF NONMAJOR ENTERPRISE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Enterprise Funds account for operations that operate in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed primarily through user charges. The following summarizes the City's nonmajor Enterprise Funds:

Refuse Collection Fund – Accounts for the remaining assets held in the Refuse Collection Fund. Ordinance No. 851 adopted by the City Council on November 27, 2012 transferred refuse billing and rate setting responsibilities from the City to an independent contractor in accordance with the Second Amended and Restated Agreement.

Recycled Water Fund – Accounts for the activities of recycled water operations provided to recycled water customers based on user agreement. The activities include but not limited to, recycled water operations, maintenance, billing and collection.

CITY OF ROHNERT PARK
COMBINING STATEMENT OF FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2015

	Recycled Water	Refuse Collection	Total
ASSETS			
Current assets:			
Cash and investments	\$ 23,888	\$ 685,552	\$ 709,440
Receivables:			
Accounts	-	5,097	5,097
Accrued interest	2	611	613
Total current assets	23,890	691,260	715,150
Noncurrent assets:			
Capital assets:			
Nondepreciable assets	29,139	-	29,139
Total assets	53,029	691,260	744,289
LIABILITIES			
Current liabilities:			
Accounts payable	23,885	-	23,885
NET POSITION			
Net investment in capital assets	29,139	-	29,139
Unrestricted	5	691,260	691,265
Total net position	\$ 29,144	\$ 691,260	\$ 720,404

CITY OF ROHNERT PARK
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Recycled Water	Refuse Collection	Total
OPERATING EXPENSES:			
Other	\$ -	\$ 3,530	\$ 3,530
OPERATING INCOME (LOSS)	-	(3,530)	(3,530)
NONOPERATING REVENUES			
Investment income	5	2,914	2,919
INCOME (LOSS) BEFORE TRANSFERS	5	(616)	(611)
Transfers in	29,139	-	29,139
CHANGE IN NET POSITION	29,144	(616)	28,528
NET POSITION, BEGINNING OF YEAR,	-	691,876	691,876
NET POSITION, END OF YEAR	<u>\$ 29,144</u>	<u>\$ 691,260</u>	<u>\$ 720,404</u>

CITY OF ROHNERT PARK
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Recycled Water	Refuse Collection	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from customers	\$ -	\$ 3,699	\$ 3,699
Cash paid to suppliers for goods and services	-	(3,530)	(3,530)
Net cash provided by operating activities	-	169	169
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers in	53,024	-	53,024
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of capital assets	(29,139)	-	(29,139)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	3	2,651	2,654
NET INCREASE IN CASH AND CASH EQUIVALENTS	23,888	2,820	26,708
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	-	682,732	682,732
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 23,888</u>	<u>\$ 685,552</u>	<u>\$ 709,440</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating loss	\$ -	\$ (3,530)	\$ (3,530)
Adjustments to reconcile operating loss to net cash provided by operating activities:			
Decrease in accounts receivable	-	3,699	3,699
Net cash provided by operating activities	<u>\$ -</u>	<u>\$ 169</u>	<u>\$ 169</u>

CITY OF ROHNERT PARK

OTHER SUPPLEMENTAL INFORMATION DESCRIPTION OF INTERNAL SERVICE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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 - Accounts for the cost of providing information technology services to City departments including: purchasing, operating and maintaining the City's voice, data, computer systems and its infrastructure.

Vehicle Replacement 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 – Accounts for the cost of providing fleet management services to 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, 2015

	Information Technology	Vehicle Replacement	Fleet Management	Total
ASSETS				
Current assets:				
Cash and investments	\$ 86,394	\$ 507,589	\$ 110,424	\$ 704,407
Receivables:				
Accounts	-	15,253	-	15,253
Accrued interest	42	273	52	367
Total assets	86,436	523,115	110,476	720,027
DEFERRED OUTFLOWS OF RESOURCES				
Pension items	37,721	-	25,419	63,140
LIABILITIES				
Current liabilities:				
Accounts payable	36,281	-	48,887	85,168
Due to other funds	13,873	-	9,087	22,960
Total current liabilities	50,154	-	57,974	108,128
Noncurrent liabilities:				
Net pension liability	336,025	-	226,440	562,465
Total liabilities	386,179	-	284,414	670,593
DEFERRED INFLOWS OF RESOURCES				
Pension items	76,552	-	51,587	128,139
NET POSITION				
Unrestricted	\$ (338,574)	\$ 523,115	\$ (200,106)	\$ (15,565)

CITY OF ROHNERT PARK
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICES FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Information Technology	Vehicle Replacement	Fleet Management	Total
OPERATING REVENUES:				
Charges for services	\$ 783,002	\$ -	\$ 462,210	\$ 1,245,212
Penalties and other	-	35,039	1,795	36,834
Total operating revenues	783,002	35,039	464,005	1,282,046
OPERATING EXPENSES:				
Contractual services	46,193	-	17,223	63,416
Rent and leases	62,781	-	-	62,781
Payroll and related costs	292,313	-	187,714	480,027
Other	108,530	-	6,175	114,705
Repairs, operations and maintenance	285,730	-	207,243	492,973
Supplies	15,849	-	272	16,121
Total operating expenses	811,396	-	418,627	1,230,023
OPERATING INCOME (LOSS)	(28,394)	35,039	45,378	52,023
NONOPERATING REVENUES				
Investment income	194	1,137	247	1,578
INCOME (LOSS) BEFORE TRANSFERS	(28,200)	36,176	45,625	53,601
Transfers in	21,044	288,136	-	309,180
Transfers out	(11,000)	-	-	(11,000)
CHANGE IN NET POSITION	(18,156)	324,312	45,625	351,781
NET POSITION, BEGINNING OF YEAR, AS REPORTED	64,526	198,803	13,675	277,004
CHANGE IN ACCOUNTING PRINCIPLES	(384,944)	-	(259,406)	(644,350)
NET POSITION, BEGINNING OF YEAR, AS RESTATED	(320,418)	198,803	(245,731)	(367,346)
NET POSITION, END OF YEAR	<u>\$ (338,574)</u>	<u>\$ 523,115</u>	<u>\$ (200,106)</u>	<u>\$ (15,565)</u>

CITY OF ROHNERT PARK
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICES FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Information Technology	Vehicle Replacement	Fleet Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash receipts from interfund services provided	\$ 783,002	\$ 19,786	\$ 464,005	\$ 1,266,793
Cash paid to suppliers for goods and services	(543,692)	-	(193,175)	(736,867)
Cash paid to employees for services	(302,401)	-	(194,512)	(496,913)
Net cash provided by (used in) operating activities	(63,091)	19,786	76,318	33,013
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers in	21,044	288,136	-	309,180
Transfers out	(11,000)	-	-	(11,000)
Interfund borrowing received from other funds	13,873	-	9,087	22,960
Net cash provided by noncapital financing activities	23,917	288,136	9,087	321,140
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest received	216	965	208	1,389
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(38,958)	308,887	85,613	355,542
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	125,352	198,702	24,811	348,865
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 86,394</u>	<u>\$ 507,589</u>	<u>\$ 110,424</u>	<u>\$ 704,407</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	\$ (28,394)	\$ 35,039	\$ 45,378	\$ 52,023
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Changes in liabilities:				
Increase (decrease) in accounts payable	(12,796)	(15,253)	43,902	15,853
Decrease in accrued liabilities	(11,813)	-	(6,164)	(17,977)
Decrease (increase) in deferred outflows of resources - pension	(6,973)	-	(4,699)	(11,672)
Increase (decrease) in deferred inflows of resources - pension	76,552	-	51,587	128,139
Increase in net pension liability	(79,667)	-	(53,686)	(133,353)
Net cash provided by (used in) operating activities	<u>\$ (63,091)</u>	<u>\$ 19,786</u>	<u>\$ 76,318</u>	<u>\$ 33,013</u>

CITY OF ROHNERT PARK

OTHER SUPPLEMENTAL INFORMATION DESCRIPTION OF FIDUCIARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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:

Assets Seizure Fund - Accounts for Federal and State seized assets held by the City in a trustee capacity until the County of Sonoma District Attorney's Office requests for remittance.

Redevelopment Successor Agency Fund – Accounts for the assets and activities to wind down the affairs of the former Community Development 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, 2015

	Assets Seizure	Redevelopment Successor Agency	Total Private Purpose Trust Funds
ASSETS			
Cash and investments	\$ 935,536	\$ 2,467,832	\$ 3,403,368
Receivables - Accrued interest	646	768	1,414
Prepaid expenses	-	-	-
Restricted cash & investments	-	3,632,024	3,632,024
Advances to other City funds	-	10,344,225	10,344,225
Capital assets:			
Nondepreciable assets	-	4,934,146	4,934,146
Depreciable assets, net	-	13,264,868	13,264,868
Total assets	<u>936,182</u>	<u>34,643,863</u>	<u>35,580,045</u>
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized loss on refunding	-	21,298	21,298
LIABILITIES			
Accounts payable	924,650	-	924,650
Interest payable	-	864,834	864,834
Advances from other City funds	-	1,799,570	1,799,570
Long-term debt:			
Due in one year	-	2,525,311	2,525,311
Due in more than one year	-	59,517,510	59,517,510
Total liabilities	<u>924,650</u>	<u>64,707,225</u>	<u>65,631,875</u>
NET POSITION			
Restricted	<u>\$ 11,532</u>	<u>\$ (30,042,064)</u>	<u>\$ (30,030,532)</u>

CITY OF ROHNERT PARK
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Assets Seizure	Redevelopment Successor Agency	Total Private Purpose Trust Funds
ADDITIONS			
Taxes	\$ -	\$ 5,146,489	\$ 5,146,489
Interest and rentals	-	4,167	4,167
Other	-	5,555	5,555
Total additions	-	5,156,211	5,156,211
DEDUCTIONS			
Redevelopment expenses	-	309,182	309,182
Intergovernmental transfer of bond proceeds to the City's Capital Project Fund		5,695,287	5,695,287
Law enforcement costs	135,162	-	135,162
Depreciation	-	286,437	286,437
Interest expenses	-	2,889,416	2,889,416
Total deductions	135,162	9,180,322	9,315,484
CHANGE IN NET POSITION	(135,162)	(4,024,111)	(4,159,273)
NET POSITION, BEGINNING OF YEAR	146,694	(26,017,953)	(25,871,259)
NET POSITION, END OF YEAR	\$ 11,532	\$ (30,042,064)	\$ (30,030,532)

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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 health.

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-16

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-20

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-22

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental activities										
Net investment in capital assets	\$ 73,541,499	\$ 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
Restricted	39,964,837	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
Unrestricted	(47,416,069)	(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
Total governmental activities net position	<u>\$ 66,090,267</u>	<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>
Business-type activities										
Net investment in capital assets	\$ 34,323,645	\$ 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
Unrestricted	14,262,033	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
Total business-type activities net position	<u>\$ 48,585,678</u>	<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>
Primary government										
Net investment in capital assets	\$ 107,865,144	\$ 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
Restricted	39,964,837	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
Unrestricted	(33,154,036)	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
Total primary government net position	<u>\$ 114,675,945</u>	<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>

Source: City Finance Department

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

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses										
Governmental activities:										
General government	\$ 10,648,148	\$ 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
Public Safety	15,711,045	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
Public Works	4,115,427	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
Parks and recreation	2,940,882	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
Other	774,542	648,630	704,021	587,931	417,011	646,355	841,126	902,319	889,073	1,504,207
Interest on long-term debt	194,621	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
Total governmental activities expenses	<u>34,384,665</u>	<u>31,076,759</u>	<u>32,249,536</u>	<u>38,069,482</u>	<u>43,110,671</u>	<u>49,783,435</u>	<u>50,023,826</u>	<u>48,646,163</u>	<u>42,576,349</u>	<u>40,090,195</u>
Business-type activities:										
Water	7,875,791	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
Sewer	13,037,337	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
Refuse Collection	3,530	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
Total business-type activities expenses	<u>20,916,658</u>	<u>18,004,819</u>	<u>20,736,954</u>	<u>23,290,103</u>	<u>24,193,642</u>	<u>22,502,417</u>	<u>23,015,138</u>	<u>22,297,154</u>	<u>21,957,175</u>	<u>20,700,473</u>
Total primary government expenses	<u>\$ 55,301,323</u>	<u>\$ 49,081,578</u>	<u>\$ 52,986,490</u>	<u>\$ 61,359,585</u>	<u>\$ 67,304,314</u>	<u>\$ 72,285,852</u>	<u>\$ 73,038,964</u>	<u>\$ 70,943,317</u>	<u>\$ 64,533,524</u>	<u>\$ 60,790,668</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 2,740,546	\$ 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
Public safety	1,102,207	1,196,933	661,454	407,871	592,952	621,490	623,483	592,567	517,742	450,057
Public works	2,015,070	1,114,354	879,340	703,948	474,124	388,237	859,348	1,697,041	2,836,987	2,542,293
Parks and recreation	1,297,774	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
Other	343,936	330,906	403,728	398,004	301,631	386,317	448,970	-	-	1,429
Operating grants and contributions	10,148,400	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
Capital grants and contributions	13,065,771	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
Total governmental activities program revenues	<u>30,713,704</u>	<u>25,003,310</u>	<u>23,445,340</u>	<u>6,963,170</u>	<u>7,697,720</u>	<u>8,713,340</u>	<u>9,072,798</u>	<u>9,624,505</u>	<u>10,031,881</u>	<u>9,376,683</u>
Business-type activities:										
Charges for services:										
Water	6,307,513	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
Sewer	13,216,660	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
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
Capital grants and contributions	-	270,063	769,406	268,029	192,260	235,742	214,617	566,411	1,829,074	1,186,735
Total business-type activities program revenues	<u>19,524,173</u>	<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>25,510,248</u>	<u>22,271,910</u>
Total primary government program revenues	<u>\$ 50,237,877</u>	<u>\$ 45,711,117</u>	<u>\$ 46,857,382</u>	<u>\$ 30,239,737</u>	<u>\$ 28,290,834</u>	<u>\$ 29,085,869</u>	<u>\$ 31,777,202</u>	<u>\$ 34,357,272</u>	<u>\$ 35,542,129</u>	<u>\$ 31,648,593</u>

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

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Net (Expense)/Revenue										
Governmental activities	\$ (3,670,961)	\$ (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)
Business-type activities	(1,392,485)	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
Total primary government net expense	<u>\$ (5,063,446)</u>	<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>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 3,564,329	\$ 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
Sales taxes	10,493,451	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
Franchise taxes	2,068,761	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
Motor vehicle license fees	2,948,341	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
Other taxes	3,109,123	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
Rental Income	-	-	-	-	-	-	31,823	-	-	-
Investment earnings	300,328	246,098	38,876	962,474	1,605,298	2,538,119	3,726,188	4,792,727	3,155,613	1,964,903
Gain (Loss) on sale of capital assets	-	4,000	-	-	-	(159,537)	997,720	4,778,278	-	1,109,814
Gain (Loss) on retirement of bonds	-	-	-	-	-	-	759,614	-	-	-
Other	133,236	1,292,275	4,348,120	181,941	415,518	176,370	197,023	311,425	217,520	-
Transfers	(4,275,417)	(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
Total governmental activities	<u>18,342,152</u>	<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>
Business-type activities:										
Investment earnings	75,585	52,305	71,242	80,257	109,076	168,124	352,519	458,866	426,769	586,583
Transfers	4,275,417	7,909,865	171,499	(65,415)	255,089	25,807	(526,648)	(518,348)	(294,438)	(277,474)
Total business-type activities	<u>4,351,002</u>	<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>
Total primary government	<u>\$ 22,693,154</u>	<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>
Change in Net Position										
Governmental activities	\$ 14,671,191	\$ 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
Business-type activities	2,958,517	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
Total primary government	<u>\$ 17,629,708</u>	<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>

Source: City Finance Department

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

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Function/Program										
Governmental activities:										
General government	\$ 10,844,875	\$ 15,333,596 ⁽¹⁾	\$ 14,143,255 ⁽¹⁾	\$ 1,636,799	\$ 1,147,579	\$ 1,230,469	\$ 1,842,155	\$ 3,416,683	\$ 4,104,573	\$ 2,683,313
Public safety	2,413,054	2,603,116	1,257,721	1,008,050	910,988	1,626,916	1,477,094	858,919	748,521	729,783
Public works	15,814,065 ⁽²⁾	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
Parks and recreation	1,297,774	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
Other	343,936	330,906	403,728	398,004	301,631	386,822	515,390	669,151	442,764	895,450
Subtotal governmental activities	30,713,704	25,003,310	23,445,340	6,963,170	7,697,720	6,455,620	9,072,798	9,624,505	10,031,881	9,376,683
Business-type activities:										
Water	6,307,513	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
Wastewater	13,216,660	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
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
Subtotal business-type activities	19,524,173	20,707,807	23,412,042	23,276,567	20,593,114	20,372,529	22,704,404	24,732,767	25,161,178	22,271,910
Total primary government	<u>\$ 50,237,877</u>	<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>

Notes:

(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.

(2) General government program revenues for fiscal year 2015 included one-time intergovernmental transfer received from successor agency trust fund of \$5.7 million.

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

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund										
(1) Nonspendable	\$ 1,970,598	\$ 2,441,659	\$ 2,719,913	\$ 2,360,946	\$ 2,382,742	N/A	N/A	N/A	N/A	N/A
(1) Restricted	172,998	186,413	2,041,125	2,429,224	927,747	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
(1) Assigned	12,042,682	9,786,317	2,391,104	3,553,613	1,567,135	N/A	N/A	N/A	N/A	N/A
(1) Unassigned	33,588	207,845	4,100,959	1,208,071	-	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
Unreserved	-	-	-	-	-	6,871,421	9,589,701	13,186,254	13,083,633	15,225,455
Total general fund	<u>\$ 14,219,866</u>	<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>
All Other Governmental Funds										
(1) Nonspendable	\$ 500,000	\$ 2,212,970	\$ 10,613,660	\$ 10,519,393	\$ 20,231,490	N/A	N/A	N/A	N/A	N/A
(1) Restricted	38,294,470	29,149,054	29,433,741	16,816,229	26,492,563	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
(1) Assigned	2,322,710	3,267,686	-	-	-	N/A	N/A	N/A	N/A	N/A
(1) Unassigned	(7,275,223)	(5,178,461)	(465,303)	(473,022)	(311,900)	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
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	3,237,597	3,249,461	2,910,150	4,520,308	3,730,841
Capital projects funds	-	-	-	-	-	(600,372)	5,013,206	6,034,588	8,154,368	6,653,690
Total all other governmental funds	<u>\$ 33,841,957</u>	<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>

Source: City Finance Department

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

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

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues										
Taxes	\$ 19,798,693	\$ 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
Intergovernmental	5,786,763	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
Intergovernmental transfer from successor agency trust fund	5,695,287	-	-	-	-	-	-	-	-	-
Interest and rentals	923,317	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
Charges for services	4,076,764	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
Licenses, permits and fees	5,739,963	3,855,530	14,407,014	1,129,495	888,402	870,585	837,678	1,816,859	2,550,850	1,796,443
Special assessment collection	-	-	-	-	-	-	-	-	210,435	306,495
Fines, forfeitures and penalties	176,490	174,637	200,266	184,386	146,940	193,392	212,849	159,701	197,134	216,368
Donations and miscellaneous	8,647,864	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
Total revenues	50,845,141	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
Expenditures										
General government	10,802,462	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
Public safety	15,642,763	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
Public works	1,914,825	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
Parks and recreation	2,660,915	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
Other	787,168	643,463	704,021	587,931	417,011	646,355	841,126	902,319	889,073	1,187,748
Capital outlay	6,335,556	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
Debt service										
Cost of issuance	-	-	-	-	-	-	-	-	1,316,741	-
Principal	3,565,534	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
Interest and fiscal charges	266,586	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
Total expenditures	41,975,809	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
Excess (deficiency) of revenues over (under) expenditures	8,869,332	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)

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

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Other Financing Sources (Uses)										
Issuance of debt and loans	\$ 249,782	\$ 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	1,442,823	4,000	-	-	-	1,255,263	3,995,000	5,201,717	-	1,956,704
Lease proceeds	-	-	-	-	-	-	-	-	-	818,624
Transfers in	15,775,752	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
Transfers out	(20,349,349)	(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)
Total other financing sources (uses)	(2,880,992)	(7,870,475)	(268,999)	(34,585)	(255,089)	1,229,456	5,281,262	5,775,529	62,687,085	3,052,802
Net change in fund balances	<u>\$ 5,988,340</u>	<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>
Debt service as a percentage of noncapital expenditures	10.4%	1.9%	3.4%	10.7%	12.7%	34.7%	29.5%	15.5%	11.6%	8.7%

Source: City Finance Department

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

Fiscal Year	Property	(a) Sales & Use	(b) Franchise	Transient Occupancy	Real Property Transfer	Total
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
2015	3,564,329	10,493,451	2,068,761	2,980,129	128,994	19,235,664
Change						
2006–2015	14.0%	42.1%	58.1%	86.1%	-49.1%	40.6%

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)

Fiscal Year	Real Property Assessed/Market Value	Personal Property Assessed/Market Value	Total Assessed/Market Value	Percentage of Change in Market Value	Basic Direct Rate
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%
2015	3,907,910	119,759	4,027,669	7.46%	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)

Fiscal Year	Basic Direct Rate (b)	Overlapping Rates (a)						Total Tax Rate (c)
		Rohnert Park Cotati School District	Warm Springs Dam	Santa Rosa Junior College	Santa Rosa High School	Bellevue School District	Total	
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	0.2211	1.2211
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
2015	1.00	0.12	0.007	0.018	0.052	0.088	0.2850	1.2850

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 Sonoma County Tax Rate Areas 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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
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
2015	2,870,668	2,870,668	100.00	-	2,870,668	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)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
All other outlets	\$ 2,288	\$ 2,233	\$ 2,424	\$ 2,370	\$ 2,097	\$ 2,282	\$ 2,302	\$ 2,645	\$ 1,847	\$ 1,862
Apparel stores	15,045	12,902	14,621	13,808	14,246	13,862	14,123	14,430	14,599	14,213
Auto dealers and supplies	23,225	21,223	20,733	19,169	19,432	22,019	22,787	29,550	32,154	31,698
Building materials and farm tools	98,521	99,472	92,139	79,426	75,866	77,547	94,237	103,245	126,919	145,867
Eating and drinking establishments	103,267	96,427	75,454	70,882	68,767	69,713	74,122	77,691	78,202	76,079
Food stores	34,957	34,972	35,416	38,032	36,031	35,005	36,776	37,620	39,287	40,239
General merchandise	244,789	243,471	252,386	239,845	234,926	234,059	239,889	267,954	266,732	257,949
Home furnishings and appliances	31,495	29,076	29,099	24,899	24,676	25,173	22,351	30,997	33,880	31,975
Other retail stores	37,550	34,261	34,733	41,245	57,868	45,584	41,326	48,679	61,156	61,121
Service stations	47,065	53,506	47,070	38,765	35,138	32,355	34,879	43,328	38,967	36,393
Packaged Liquor and Drug Stores	7,463	8,434	7,376	6,917	6,768	6,799	8,051	7,864	7,542	7,383
Total	<u>\$ 645,665</u>	<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>
City direct sales tax rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.00%	0.00%	0.00%	0.00%

Source: Muni Services Sales Tax & Economic Review for the City of Rohnert Park

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

	2015			2007*		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Scarpa Steve J	\$ 47,306	1	1.262%	-	-	-
Sonoma Mountain Village LLC et al	46,567	2	1.242%	-	-	-
Columbia Redwood Creek LLC	41,275	3	1.101%	\$ 37,032	3	0.956%
Kotlier Ernest M et al	39,879	4	1.064%	-	-	-
CLPF - Oak View at Sonoma Hills LP	37,606	5	1.003%	-	-	-
Crossbrook Apartments LP et al	32,685	6	0.872%	29,289	6	0.756%
Codding Enterprises	31,041	7	0.828%	29,464	5	0.761%
Redwood Equities Investments LLC et al	29,200	8	0.779%	-	-	-
Knickerbocker Properties Inc XXXVIII	28,348	9	0.756%	25,476	7	0.658%
4855 Snyder Lane LLC	27,714	10	0.739%	-	-	-
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%
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>\$ 361,621</u>		<u>9.648%</u>	<u>\$ 306,739</u>		<u>7.921%</u>

Notes:

* The 2006 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	(d) Percentage of Personal Income	(d) Per Capita
	(a)	Certificates	(b)	Special	Loan Payable	Capital Leases	(c)	(c)	Primary Government			
	Redevelopment Bonds	of Participation	Lease Revenue Bonds	Assessment Bonds			Water Revenue Bonds	Sewer Certificates of Participation				
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	4,848	11,082	19,914	1.81	489	
2015	-	-	418	-	250	-	4,586	10,769	16,023	1.39	390	

Notes:

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

(a) Due to the FY 2011-12 dissolution of the RDA, the bond liability was transferred to the Successor Agency.

(b) Due to FY 2011-12 dissolution of the RDA, 90% of the LRRB bond liability was transferred to the Successor Agency.

(c) In FY 2004-05, the City issued \$13 million of sewer certificates of participation and \$5 million of water revenue bonds.

(d) See Schedule S-21 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, 2015
(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>
Debt repaid with property taxes			
Cotati-Rohnert Park Unified School District			
#15R	735	79.134%	582
#16	555	79.134%	439
#17R	11,170	79.134%	8,839
#18R	2,495	79.134%	1,974
2014A	25,915	79.134%	20,508
2014B	30,695	79.134%	24,290
Sonoma County Junior College District			
#2	23,510	5.655%	1,330
#3	3,615	5.655%	204
#4	13,210	5.655%	747
#2R	129,435	5.655%	7,320
Warm Springs Dam	91,597	5.634%	<u>5,161</u>
Subtotal, overlapping debt			71,394
City direct debt			<u>668</u>
Total direct and overlapping debt			<u><u>\$ 72,062</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 residents and businesses 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)

Legal Debt Margin Calculation for Fiscal Year 2015	
Assessed value	\$ 4,027,669
Debt limit (15% of assessed value)	604,150
Debt applicable to limit:	
General obligation bonds	-
Legal debt margin	<u><u>\$ 604,150</u></u>

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt limit	\$ 604,150	\$ 562,206	\$ 542,024	\$ 564,587	\$ 564,732	\$ 591,965	\$ 612,688	\$ 611,773	\$ 580,879	\$ 534,506
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u><u>\$ 604,150</u></u>	<u><u>\$ 562,206</u></u>	<u><u>\$ 542,024</u></u>	<u><u>\$ 564,587</u></u>	<u><u>\$ 564,732</u></u>	<u><u>\$ 591,965</u></u>	<u><u>\$ 612,688</u></u>	<u><u>\$ 611,773</u></u>	<u><u>\$ 580,879</u></u>	<u><u>\$ 534,506</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	
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	-	-	-	-
2015	6,308	5,750	558	265	206	1.19	13,217	11,460	1,757	305	512	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

Year ^(a)	City Population	Personal Income (dollars in thousands)	Per Capita Income ^(a)	School Enrollment	County Unemployment Rate ^(b)	City Unemployment Rate ^(b)
2006	43,027	\$ 1,863,844	\$ 43,318	7,023	4.5%	3.9%
2007	42,959	1,129,736	26,298	6,847	4.3%	3.9%
2008	43,062	1,243,889	28,886	6,655	5.5%	6.4%
2009	43,020	1,224,435	28,462	6,429	10.1%	10%
2010	43,398	1,196,136	27,562	6,206	10.6%	10.2%
2011	40,971	1,113,510	27,178	6,003	10.1%	10.1%
2012	41,034	1,143,864	27,876	5,946	9.0%	8.1%
2013	41,184	1,107,355	26,888	5,770	7.1%	6.6%
2014	40,722	1,098,965	26,987	5,788	6.0%	5.9%
2015	41,077	1,151,553	28,034	5,765	5.2%	5.2%

Notes:

^(a) Calendar year.

^(b) Average unemployment rate through June 2015.

Source:

Population, Per Capita Income: Sonoma County Economic Development Board from the ESRI Business Analyst Report.

Personal Income is a calculated amount: Population x Per Capital Income.

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 Nine Years Ago

<u>Employer</u>	2015			2006		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Sonoma State University	1,184	1	5.36%	1,532	1	14.25%
Cotati-Rohnert Park Unified School District	560	2	2.54%	-		-
City of Rohnert Park	238	3	1.08%	182	7	1.69%
Wal-Mart Store #1755	220	4	1.00%	600	3	5.58%
Comcast Cable Holdings, LLC	210	5	0.95%	-		-
Costco Wholesale #659	184	6	0.83%	190	6	1.77%
Home Depot #641	133	7	0.60%	160	8	1.49%
Marmot Mountain	133	8	0.60%	-		-
The Press Democrat	124	9	0.56%	-		-
Pacific Bell	123	10	0.56%	-		-
State Farm Insurance	-		-	625	2	5.81%
Cross Check	-		-	285	4	2.65%
Target 852	-		-	210	5	1.95%
Parker Hannifin Corporation	-		-	137	9	1.27%
Alvarado Street Bakery	-		-	116	10	1.08%
Total	3,109		14.08%	4,037		37.55%
Total City Employment	22,087			10,752		

Notes: Sonoma State University is not within the Rohnert Park City limits, but has been included in the schedule because it is a significant contributor to the City's economy.

Source: 2006 City of Rohnert Park CAFR

2015 City of Rohnert Park Business Licensing; <http://www.sonoma.edu>; <http://www.crpud.org>

2015 Total City Employment from 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>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General government										
City Manager's Office	6.59	6.50	6.40	6.00	5.85	6.70	7.00	7.00	7.00	5.00
Finance	9.70	10.50	10.50	10.00	9.75	11.00	11.00	12.00	12.00	12.00
Information Systems	2.75	2.75	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Planning (a)	-	-	-	-	-	1.70	3.00	3.00	3.00	3.00
Development Services (a)	12.33	11.78	11.08	11.00	11.00	-	-	-	-	-
Human Resource	3.24	3.24	2.25	2.25	2.25	2.25	3.00	2.00	2.00	2.00
Other	-	-	-	-	-	-	-	-	-	2.00
Public Safety	90.39	88.76	81.25	80.75	83.75	90.75	110.00	110.00	109.00	107.00
Building Inspection (a)	-	-	-	-	-	2.30	3.00	3.00	3.00	3.00
Public Works										
Engineering (a)	-	-	-	-	-	8.00	8.00	6.00	6.00	5.00
Public Works	43.45	38.47	34.72	34.65	30.30	27.40	29.00	29.00	29.00	25.00
Park Maintenance (b)	-	-	-	-	-	6.60	5.00	5.00	4.00	5.00
Parks and Recreation (b)		-	-	-	-	2.00	6.00	7.00	7.00	7.00
Community Services (b)	20.28	9.06	8.51	5.30	5.10	-	-	-	-	-
Performing Arts Center	<u>5.68</u>	<u>3.50</u>	<u>3.65</u>	<u>2.00</u>	<u>2.00</u>	<u>3.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>
Total	<u>194.41</u>	<u>174.56</u>	<u>160.36</u>	<u>153.95</u>	<u>152.00</u>	<u>163.70</u>	<u>191.00</u>	<u>190.00</u>	<u>188.00</u>	<u>182.00</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

Function/Program	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government										
Building permits issued	1,306	1,068	722	658	622	575	515	650	663	574
Building inspections conducted	3,343	1,452	946	902	1,168	815	1,664	1,393	1,560	1,875
Department of Public Safety - Police										
Physical arrests	2,014	2,075	2,015	1,819	2,214	2,323	3,156	3,076	2,474	2,485
Parking violations	1,710	1,753	2,136	2,106	2,034	2,419	3,248	2,448	2,554	3,794
Traffic violations	1,218	1,559	1,539	1,248	1,232	1,438	1,452	1,695	1,402	264
Department of Public Safety - Fire										
Emergency responses	3,948	3,560	3,189	3,325	3,156	3,263	3,262	3,007	3,164	134
Inspections	1,690	1,441	1,268	1,427	2,031	1,555	1,966	1,869	1,713	not available
Refuse collection										
Refuse collected (average tons per day)	46.93	47.28	51.37	54.35	49.00	53.39	58.41	59.70	68.20	64.30
Recyclables collected (average tons per day)	14.37	19.41	23.45	22.64	19.00	18.39	28.91	28.89	31.40	30.90
Parks and recreation										
Sports & Fitness Center Attendance	116,700	113,540	114,138	110,710	112,330	125,321	101,253	124,261	111,655	119,803
Community Center Attendance	58,400	52,000	54,819	44,912	36,170	43,253	48,682	42,240	46,495	42,019
Library										
Volumes in collection	108,744	100,979	100,000	97,382	90,538	90,478	90,478	84,381	84,369	75,718
Water										
Water main breaks	2	1	1	1	1	1	3	1	-	2
Average daily consumption (millions of gallons)	3.89	4.57	4.43	3.94	3.90	3.90	4.38	4.40	4.90	5.00
Peak daily consumption (millions of gallons)	5.50	5.48	6.03	5.60	5.40	5.70	6.40	6.70	7.15	7.86
Wastewater										
Average daily sewage treatment (millions of gallons)	3.1	3.3	3.4	3.2	3.5	3.3	3.1	3.4	3.2	3.9

Source: Various City Departments; Sonoma County Library

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

<u>Function/Program</u>	Fiscal Year									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Department of Public Safety										
Public Safety Stations -Police & Fire combined	3	3	3	3	3	3	4	4	4	4
Public Safety Officers-Police & Fire combined	62	61	59	60	63	70	80	79	77	77
Refuse Collection										
Collection trucks	8	8	8	10	10	10	10	10	10	11
Street Sweepers	1	1	1	1	1	1	1	1	1	1
Other public works										
Streets (miles)	101.47	90.24	90.24	86.17	86.17	86.17	85.12	85.12	85.12	85.12
Streetlights	2,941	2,941	2,837	2,817	2,817	2,817	2,794	2,794	2,794	2,794
Parks and recreation										
Acreage	116	107	107	105	105	105	105	102	102	102
Playgrounds	20	24	24	24	24	25	25	30	30	30
Baseball/softball diamonds	10	10	10	10	10	10	10	14	14	14
Soccer/football fields	12	12	12	11	11	11	11	9	9	9
Tennis courts	23	25	25	25	25	26	26	25	25	25
Water										
Water mains (miles)	116.2	116.2	116.2	115.7	115.7	115.7	115.7	115.7	115.7	115.7
Fire hydrants	1,470	1,470	1,470	1,462	1,462	1,462	1,462	1,458	1,458	1,450
Storage capacity (thousands of gallons)	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375	4,375
Wastewater										
Sanitary sewers (miles)	84.5	84.5	84.5	83.0	83.0	83.0	83.0	77.0	77.0	80.0
Storm sewers (miles)	32.5	32.5	32.5	32.0	32.0	32.0	32.0	32.0	32.0	32.0
Treatment capacity (thousands of gallons)	4.40	4.40	4.45	4.46	3.28	3.28	3.13	3.83	3.13	5.41

Source: Various City Departments.