

City of Antioch, California



Comprehensive Annual Financial Report

For the Fiscal Year Ended
June 30, 2016

CITY OF ANTIOCH, CALIFORNIA

**Comprehensive Annual Financial Report
For the Fiscal Year Ended
June 30, 2016**

**Prepared By
Department of Finance**

City of Antioch Comprehensive Annual Financial Report

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**OFFICE OF
THE CITY MANAGER
LETTER OF TRANSMITTAL**

DATE: December 27, 2016

TO: Honorable Mayor, City Council, and Citizens of the City of Antioch:

FROM: Steve Duran, City Manager and Dawn Merchant, Finance Director

SUBJECT: 2016 Comprehensive Annual Financial Report (CAFR)

State law requires that every general-purpose local government publish a complete set of audited financial statements within six months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2016.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Badawi & Associates, Certified Public Accountants, have issued an unqualified (“clean”) opinion on the City of Antioch’s financial statements for the year ended June 30, 2016. The independent auditor’s report is presented as the first component of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Antioch, incorporated in 1872, is located in the western part of the state and is the second largest city in Contra Costa County by population. California State Highway 4, connecting San Francisco-Oakland with Stockton and Central Valley points, bisects the City. Connecting with this freeway east of Antioch is State Highway 160, which runs north to Sacramento across the Nejedly Bridge and offers access to Solano County and the Sacramento area. The City of Antioch currently occupies a land area of approximately 29 square miles and serves a population of about 112,968 residents. The City of Antioch receives property taxes levied on real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time-to-time.

The City of Antioch has operated under the Council-Manager form of government since 1872. Policy-making and legislative authority are vested in a City Council consisting of the Mayor and four other Council members. The four Council members are elected to four-year overlapping terms. The Mayor, who sits on the Council, is elected directly by the people and serves a term of four years. The City Clerk and City Treasurer are also elected for terms of four years. The City Council is responsible for, among other duties, passing ordinances, adopting the budget, appointing committees, and hiring both the City Manager and City Attorney. Antioch's City Manager is responsible for carrying out the policies and ordinances of the City Council and all management functions of the City, including the budget, delivery of services, hiring of all Department Directors and implementation of capital projects.

The City of Antioch provides a wide range of municipal services, including police protection; recreational activities; community and economic development; street improvements and maintenance services; parks maintenance; water; sewer; general administrative and support services. The City does not provide fire services.

The two-year budget serves as the foundation for the City of Antioch's financial planning and control. All departments of the City of Antioch are required to submit requests for appropriations to the City Manager by February 1. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents the proposed budget to the City Council for review prior to June 30. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30, the close of the City of Antioch's fiscal year. At mid-period of the budget cycle, the City Council reviews the budget and makes adjustments as needed to the appropriations.

The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department managers may make transfers of appropriations within a department. The level of budgetary control, that is, the level at which expenditures cannot legally exceed the appropriated amount, is established at the individual fund level. Expenditures above the appropriated amount require special approval of the City Council.

Local economy: Overall, the local economy is recovering after significant retraction since 2008. However, significant vacancies in some of the neighborhood shopping centers and the City's downtown business core persist. Positive activities include negotiations for a new tenant at the former Humphreys Restaurant location at the Antioch Marina, the completion of a new retail center called Buchanan Crossing which is anchored by a CVS and a Grocery Outlet, and the completed expansion of Wal-Mart. There is an increase in industrial real estate activity and a few new housing developments are at various stages of the entitlement process. The City has also launched the "Rivertown Revitalization Project" in a concentrated effort to revitalize the City's historic downtown and make it a destination for our residents for cultural events. This is in line with the City's marketing logo of "Antioch – Business and Family Friendly – Come Grow with Us!".

The State Route 4 widening project was completed in spring of 2016 while the approved

BART project at the Hillcrest Station area in Antioch is expected to be completed and operational in 2018. Amtrak is also looking to build a new station in Rivertown to add a commuter train into Oakland.

The Contra Costa County region, which includes the City of Antioch, has a civilian unemployment rate of 4.9 percent while the City's current unemployment rate is 6.8 percent. Antioch's population grew about 12.8 percent between 2007 and 2016 while the overall Contra Costa County growth rate during this corresponding time period was 11.3 percent.

Current period financial information: The City has finally begun to emerge from the financial challenges of the recession and start to rebuild. Prior to fiscal year 2016, the City of Antioch had experienced multiple years of declines in property tax and sales tax revenues, and increases in both of these sources of revenues in the last few years as the economy has turned around have help the City build substantial General Fund reserves. In addition, finances have improved significantly with the passage of Measure C, a ½ cent sales tax passed in 2014, and Measure O, an increase in the business license tax passed in 2014. Nevertheless, the City continues to face the task of bringing revenues in line with General Fund Budget expenditures as without the additional tax measures passed, the City is still not at pre-recession revenue levels. The City's steadfast goal is to align budgeted expenditures with the existing revenue stream, which will allow the City to provide a basic level of services and continue to maintain General Fund reserves that comply with City Council policy.

Collection of revenues from Measure C, the seven year ½ cent increase in sales tax for City use, began on April 1, 2014 and has yielded \$13,354,674 since inception through June 30, 2016.

Collection of revenues from Measure O, the Business License Tax on residential landlords, began on January 1, 2015 and yielded \$1,613,021 in fiscal year 2016.

Long-term financial planning: Job development and expansion of the City's retail sales tax base are important factors for Antioch's economic health. With a relatively small increase in property taxes and a modest increase in sales taxes projected for the upcoming fiscal year, the City has continued its efforts to attract companies with high-paying jobs. Employment within the City is estimated to consist of approximately 22,422 jobs.

The City Council recognizes the importance of maintaining a serviceable network of local and regional roads. Like most cities in the state, Antioch is dependent on a combination of local, state and federal revenue to support that work. An analysis of the current condition of all roads in Antioch, along with a recommendation regarding the level at which the roads can be maintained in the long term, is an annual undertaking that maintains our eligibility for continued federal road-repair funding; in addition to federal funding, other funding sources are continually being reviewed and pursued when appropriate.

In addition to the City's roads, water processing and distribution facilities, sidewalks, parks, medians, trails, open space, sanitary sewers, storm water sewers, street lights, traffic signals, fiber optic cabling, marina, the Prewett Water Park and other public buildings provide the framework and infrastructure that contribute to Antioch's quality of life. The better-maintained and adequately sized they are, the greater the opportunity for commerce, health, recreation and mobility within the community. Budgets include contributions toward the maintenance of these facilities and staff continues to look for new opportunities for funding of maintenance and replacement of infrastructure.

The most fundamental expectation of any community is public safety for its people and their property. An adequately-staffed, well-trained and -equipped police department is one of the keys to meeting that expectation. Historically, the Police Department has accounted for the most significant expenditure of General Fund revenues. The City is focused on hiring Police Officers to achieve the funded staffing level of 102 sworn officers. As of June 30th, the City had 92 sworn positions filled.

In addition to 2013's Measure C, the ½ cent sales tax increase for seven years, the voters of Antioch passed Measure O in 2014, an update of the Business License Tax. Measure C is projected to bring in about \$7 million a year for its seven year life and has been dedicated to funding Police and Code Enforcement services and Measure O is projected to bring in about \$2 million a year to the General Fund. It is important that City Council and staff begin to strategize ways to further increase revenues and reduce or maintain expenditures in the General Fund in the next couple of years as Measure C is set to sunset in 2021. Continuous development and review of the budget, including considering asking voters to extend Measure C, is imperative. The City will continue to aggressively focus on these strategies in the upcoming fiscal year.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Antioch for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2015; this was the twenty-sixth consecutive year that our government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR 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 CAFR 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.

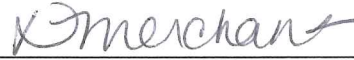
The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department, particularly Dawn Merchant and Jo Castro. I would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also

must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the financial management of the City of Antioch.

Respectfully submitted,



Steve Duran
City Manager



Dawn Merchant
Finance Director

**CITY OF ANTIOCH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**ELECTED OFFICIALS AND
ADMINISTRATIVE PERSONNEL**

JUNE 30, 2016

ELECTED OFFICIALS

**Wade Harper, Mayor
Lori Ogorchock, Mayor Pro-Tem
Mary Helen Rocha, Council Member
Monica E. Wilson, Council Member
Tony G. Tiscareno, Council Member
Donna Conley, City Treasurer
Arne Simonsen, City Clerk**

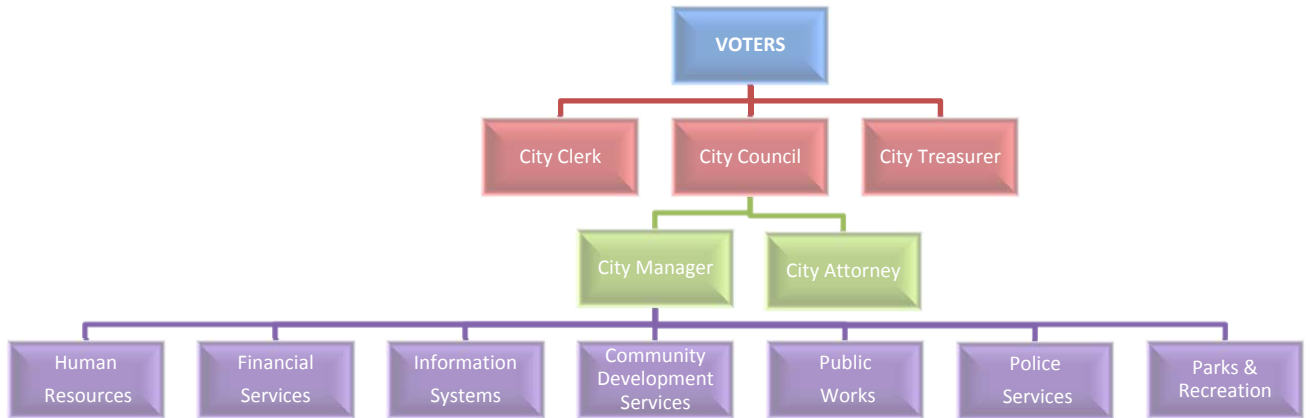
ADMINISTRATIVE PERSONNEL

City Manager
City Attorney
Assistant City Manager/Public Works Director
Chief of Police
Community Development Director
Finance Director
Administrative Services Director
Parks & Recreation Director
Information Services Director

Steve Duran
Michael Vigilia
Ron Bernal
Allan Cantando
Forrest Ebbs
Dawn Merchant
Nickie Mastay
Nancy Kaiser
Alan Barton

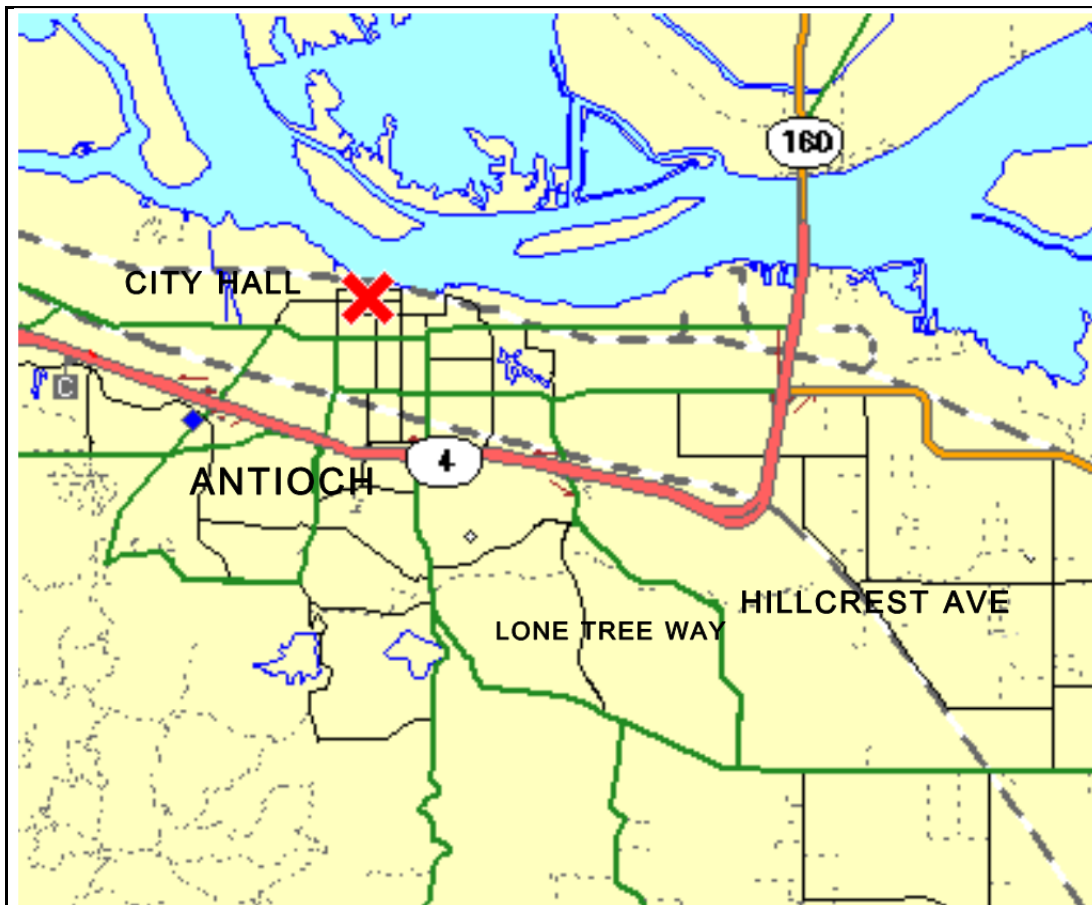
City of Antioch
Third & "H" Streets, P.O. Box 5007
Antioch, California 94531-5007
www.ci.antioch.ca.us

City of Antioch-Organization of City Government





Location Map



Area Map



Government Finance Officers Association

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

Presented to

**City of Antioch
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

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INDEPENDENT AUDITOR'S REPORT

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

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 Antioch, California (City), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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, 2016, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension required supplementary information, budgetary comparison information, and funded status of other post-employment benefit plans on pages 5-13 and 93-100 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining non-major fund financial statements, individual non-major fund financial statements, and budget comparison information for non-major funds 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 nonmajor fund financial statements, individual nonmajor fund financial statements and budget comparison information for non-major governmental funds 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.

To the Honorable Mayor and Members of the City Council
of the City of Antioch
Antioch, California
Page 3

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2016, on our consideration of 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 City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi & Associates
Certified Public Accountants
Oakland, California
December 27, 2016

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City of Antioch

Management's Discussion and Analysis

For the year ended June 30, 2016

As management of the City of Antioch, we offer readers of the City of Antioch's financial statements this narrative overview and analysis of the financial activities of the City of Antioch for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

Financial Highlights

- The assets of the City of Antioch exceeded its liabilities at the close of the most recent fiscal year by \$499,957,345 (net position). Of this amount, (\$9,560,742) (unrestricted) may be used to meet the government's ongoing obligations to citizens and creditors. This amount is negative in this current fiscal year due to GASB Statement No. 68 – Accounting and Financial Reporting for Pensions. Recognition of the City's net pension liability has caused this category to be negative for governmental activities.
- The government's total net position increased by \$9,411,381. This was due mainly to the increase in property and sales tax revenues, water service charges and a decrease in expenses for the Water Enterprise Fund related to business-type activities.
- As of the close of the current fiscal year, the City of Antioch's governmental funds reported ending fund balances of \$66,824,285, an increase of \$5,466,229 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$22,904,429 or 44% of total General Fund expenditures, and 40% of total General Fund revenues.
- The City of Antioch's total long-term obligations for governmental activities decreased by \$722,394 and total long-term obligations for business-type activities decreased by \$425,946.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Antioch's basic financial statements. The City of Antioch's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains 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 of Antioch's finances, in a manner similar to a private-sector business.

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

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

Both of the government-wide financial statements distinguish functions of the City of Antioch that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are 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 of Antioch include general government, public works, public safety, parks and recreation and community development. The business-type activities of the City of Antioch include water and sewer utilities; a marina and a water park facility.

The government-wide financial statements include not only the City of Antioch itself (known as the primary government), but also a legally separate public financing authority. Financial information for this component unit

City of Antioch

Management's Discussion and Analysis

For the year ended June 30, 2016

is blended with the financial information presented for the primary government itself. The government-wide financial statements can be found on pages **17-21** of this report.

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

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government'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 in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Antioch maintains sixty-seven individual funds, some combined for reporting purposes. 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, and three special revenue funds (Housing and Community Development, Gas Tax and Housing Successor Fund) all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The governmental fund financial statements can be found on pages **23-32** of this report.

The City of Antioch adopts an annual appropriated budget for all its funds. A budgetary comparison schedule has been provided for the General Fund and major special revenue funds to demonstrate compliance with this budget.

Proprietary funds. The City of Antioch maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Antioch uses enterprise funds to account for its Water, Sewer, Marina and Prewett Water Park funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Antioch's various functions. The City of Antioch uses internal service funds to account for its vehicle repair and replacement, office equipment replacement, and loss control functions. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, Marina and Prewett Water Park funds. The Water, Sewer, Marina and Prewett Water Park funds are considered to be major funds of the City of Antioch. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The proprietary fund financial statements can be found on pages **33-36** of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the

City of Antioch
Management's Discussion and Analysis
For the year ended June 30, 2016

resources of those funds are not available to support the City of Antioch's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on page **38** of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages **41-83** of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Antioch, assets exceeded liabilities by \$499,957,345 at the close of the most recent fiscal year.

By far the largest portion of the City of Antioch's net position (94%) reflects its investment in capital assets (e.g., infrastructure (including water and sewer pipes), land, structures and improvements and equipment), less any related debt used to acquire those assets that are still outstanding. The City of Antioch uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Antioch's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities		Business-type Activities		TOTAL	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 83,771,504	\$ 81,000,703	\$ 53,690,158	\$ 49,484,080	\$ 137,461,662	\$ 130,484,783
Capital assets	329,241,131	333,360,043	151,406,843	151,569,573	480,647,974	484,929,616
Total assets	413,012,635	414,360,746	205,097,001	201,053,653	618,109,636	615,414,399
Deferred outflows of resources	8,475,781	6,181,631	1,310,664	1,139,970	9,786,445	7,321,601
Current and other liabilities	86,367,763	82,678,042	18,190,971	17,353,212	104,558,734	100,031,254
Long-term obligations	8,802,919	9,525,343	6,945,766	7,371,712	15,748,685	16,897,055
Total liabilities	95,170,682	92,203,385	25,136,737	24,724,924	120,307,419	116,928,309
Deferred inflows of resources	6,476,536	12,663,445	1,154,781	2,598,283	7,631,317	15,261,728
Net position:						
Net investment in						
capital assets	323,131,964	326,663,598	148,728,779	148,726,401	471,860,743	475,389,999
Restricted	37,657,344	38,857,787	-	-	37,657,344	38,857,787
Unrestricted	(40,948,110)	(49,845,837)	31,387,368	26,144,015	(9,560,742)	(23,701,822)
Total net position	\$ 319,841,198	\$ 315,675,548	\$ 180,116,147	\$ 174,870,416	\$ 499,957,345	\$ 490,545,964

An additional portion of the City of Antioch's net position (7.5%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$9,560,742) may be used to meet the government's ongoing obligations to citizens and creditors. The amount related to governmental activities is negative in the amount of (\$40,948,110) due to GASB Statement No. 68 requiring the recognition of the City's net pension liability. The City implemented this statement in fiscal year 2015.

The government's total net position increased by \$9,411,381. Of this, \$4,165,650 represents an increase in governmental activities due mainly to increased property and sales taxes. A major factor to the increase of \$5,245,731 in net position of business type activities was due to a decrease in Water Enterprise Fund expenditures and an increase in current charges for services. At the end of the current fiscal year, the City of Antioch is able to report positive balances in two categories of net position, for the government as a whole, and all three categories for its business-type activities. The City of Antioch implemented GASB Statement No. 68 last fiscal year. With this reporting change, the City recognizes deferred outflows of resources, deferred inflows of resources, pension expense and net pension liability for the Miscellaneous and Safety pension plans

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administered through the California Public Employees Retirement System (CalPERS) and a Police Supplementary Retirement plan administered through the Public Agency Retirement System (PARS). The implementation of this statement has created a negative balance of unrestricted net position for governmental activities with the recognition of \$68,364,314 in net pension liability for governmental activities.

Current and other assets increased by \$6,976,879 primarily due to increases in cash and investment balances. This is mainly due to increased property and sales taxes. The City passed a half cent sales tax initiative that became effective April 1, 2014.

Current and other liabilities increased by \$4,527,480 due mainly to an increase in the net pension liability and an increase in the net OPEB obligation.

Deferred inflows and outflows of resources related to pensions are now recognized on the government-wide financial statements with the implementation of GASB 68 in fiscal year 2015.

Long-term obligations decreased by \$1,148,370 due mainly to scheduled debt service payments.

Governmental and Business-Type Activities. Governmental activities increased the City of Antioch's net position by \$4,165,650. There was an increase of \$5,245,731 in net position reported in connection with the City of Antioch's business-type activities.

CHANGE IN NET POSITION

	Governmental Activities		Business-type Activities		TOTAL	
	2016	2015	2016	2015	2016	2015
Revenue:						
Program revenues:						
Charges for services	\$ 7,582,623	\$ 9,399,849	\$ 32,788,173	\$ 30,747,640	\$ 40,370,796	\$ 40,147,489
Operating grants and contributions	5,514,980	8,879,792	-	-	5,514,980	8,879,792
Capital grants and contributions	2,324,444	1,836,284	2,402,956	2,297,929	4,727,400	4,134,213
General revenues:						
Property tax	10,143,093	8,902,170	-	-	10,143,093	8,902,170
Sales tax	19,924,740	17,597,265	-	-	19,924,740	17,597,265
Motor vehicle in lieu	6,697,075	6,270,305	-	-	6,697,075	6,270,305
Other	15,155,682	10,755,031	732,399	450,821	15,888,081	11,205,852
Total revenues	67,342,637	63,640,696	35,923,528	33,496,390	103,266,165	97,137,086
Expenses:						
General government	8,115,505	6,104,926	-	-	8,115,505	6,104,926
Public works	17,182,144	18,754,115	-	-	17,182,144	18,754,115
Public safety	31,560,735	30,890,076	-	-	31,560,735	30,890,076
Parks and recreation	4,264,053	4,185,114	-	-	4,264,053	4,185,114
Community development	2,942,461	3,657,363	-	-	2,942,461	3,657,363
Interest on long-term debt	261,653	426,662	-	-	261,653	426,662
Water	-	-	22,334,168	23,308,383	22,334,168	23,308,383
Sewer	-	-	5,528,283	5,438,916	5,528,283	5,438,916
Marina	-	-	1,108,139	1,015,771	1,108,139	1,015,771
Prewett Water Park	-	-	2,024,309	1,982,609	2,024,309	1,982,609
Total expenses	64,326,551	64,018,256	30,994,899	31,745,679	95,321,450	95,763,935
Increase in net position-before transfers and extraordinary items	3,016,086	(377,560)	4,928,629	1,750,711	7,944,715	1,373,151
Special items	1,466,666	-	-	-	1,466,666	-
Transfers	(317,102)	797,654	317,102	(797,654)	-	-
Increase in net position	4,165,650	420,094	5,245,731	953,057	9,411,381	1,373,151
Net position - July 1, as restated	315,675,548	315,255,454	174,870,416	173,917,359	490,545,964	489,172,813
Net position - June 30	\$ 319,841,198	\$ 315,675,548	\$ 180,116,147	\$ 174,870,416	\$ 499,957,345	\$ 490,545,964

Governmental activities. General Fund property tax revenues increased due to a higher assessed valuation. Sales taxes increased significantly due to Measure C, a half cent sales tax measure effective April 1, 2014. Capital grants and contributions increased slightly mainly due to donated capital assets from developers.

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Business-type activities. Business-type activities increased the City of Antioch's net position by \$5,245,731 accounting for growth in the government's net assets. The increase was mainly attributable to an increase in water service charges and a decrease in Water Fund expenditures.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the City of Antioch's governmental funds reported combined ending fund balances of \$66,824,285, an increase of \$5,466,229 in comparison with the prior year. About 26% of this total amount, \$17,406,106, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is segregated into the following components: 1) *nonspendable* to indicate that it is not available for new spending because of its form (\$356,283) 2) *restricted* to indicate restrictions on use imposed by external parties, including enabling legislation (\$37,332,455) 3) *committed* to indicate restrictions on use as approved by the City Council (\$8,660,951), or 4) *assigned* for a variety of other purposes (\$3,068,490).

The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year.

Revenues Classified by Source
Governmental Funds

Revenue by Source	FY 2015/2016		FY 2014/2015		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent Change
Taxes	\$ 47,414,782	64.8%	\$ 42,635,323	58.3%	\$ 4,779,459	11.2 %
Licenses and permits	1,149,614	1.6%	1,178,138	1.6%	(28,524)	(2.4)%
Fines and penalties	190,960	0.3%	134,132	0.2%	56,828	42.4 %
Investment income and rentals	1,761,733	2.4%	1,485,181	2.0%	276,552	18.6 %
Revenue from other agencies	4,689,882	6.4%	5,597,747	7.6%	(907,865)	(16.2)%
Current service charges	11,518,338	15.7%	11,010,615	15.0%	507,723	4.6 %
Special assessment revenue	2,993,631	4.1%	2,985,273	4.1%	8,358	0.3 %
Other	3,472,193	4.7%	2,368,369	3.2%	1,103,824	46.6 %
Total	\$ 73,191,133	100.0%	\$ 67,394,778	92.1%	\$ 5,796,355	8.6%

The following provides an explanation of revenues by source that changed significantly over the prior year.

- Taxes increased due to a higher property assessed valuation as well as the additional sales tax due to the passage of Measure C, a one half-cent sales tax enacted for seven years that became effective April 1, 2014.
- Investment income and rentals increased due to increased investment income received.
- Revenue from other agencies decreased significantly due to the reduction of grant funded activities in the General Fund in fiscal year 2016.
- Other revenues increased due to a large payment received from the Department of Boating and Waterways for usable river days reimbursement.

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The following table presents the amount of expenditures by function as well as increases or decreases from the prior year.

Expenditures by Function
Governmental Funds

Expenditures by Function	FY 2015/2016		FY 2014/2015		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent Change
Current						
General government	\$ 8,622,614	13.0%	\$ 6,108,533	9.2%	\$ 2,514,081	41.2%
Public works	10,593,166	16.0%	11,128,245	16.8%	(535,079)	(4.81%)
Public safety	34,989,201	52.9%	31,826,253	48.1%	3,162,948	9.9%
Parks and recreation	3,710,999	5.6%	3,491,122	5.3%	219,877	6.3%
Community development	3,778,339	5.7%	4,526,613	6.8%	(748,274)	(16.53%)
Capital outlay	3,626,834	5.5%	4,945,272	7.5%	(1,318,438)	(26.66%)
Debt service	874,975	1.3%	5,731,203	8.7%	(4,856,228)	(84.73%)
Total	<u>\$ 66,196,128</u>	<u>100.0%</u>	<u>\$ 67,757,241</u>	<u>102.4%</u>	<u>\$ (1,561,113)</u>	<u>(2.3%)</u>

The following provides an explanation of the expenditures by function that changed significantly over the prior year.

- General government expenditures increased due to several factors: increased general liability insurance premiums, an increase in contractual services for a new contract for business license discovery services and a return of funds to the California Department of Finance for funds ordered to be returned related to redevelopment dissolution.
- Community development expenditures decreased mainly due to decreased expenditures for the Downtown Specific Plan project and vacancy savings.
- Capital outlay expenditures decreased mainly due to the purchase of the East Bay Regional Communication Systems radios in prior fiscal year costing just over \$1.2M.
- Debt service expenditures decreased due to the refinancing of the ABAG 2001A Lease Revenue Bonds and Antioch Public Financing Authority 2002A&B Lease Revenue Refunding Bonds in the prior year.

The General Fund is the chief operating fund of the City of Antioch. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$17,590,147, while total fund balance was \$22,904,429. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 33.7% of total General Fund expenditures, while total fund balance represents 43.8%.

The fund balance of the City of Antioch's General Fund increased by \$5,725,379 during the current fiscal year mainly due to increase in property tax and sales tax.

The fund balance of the Housing and Community Development Fund increased by \$478,846 in the current year due the net effect of receiving more CDBG reimbursements than prior year and decreased program expenditures over prior year.

The fund balance of the Housing Successor Fund increased by \$225,161 during the current fiscal year due to an increase in loan repayments over prior year and less expenditures than prior year.

The fund balance of the Gas Tax Fund decreased by \$2,973,955 during the current fiscal year. This decrease is primarily attributable to a decrease in grant funds and gas tax revenues received than in prior year.

City of Antioch

Management's Discussion and Analysis

For the year ended June 30, 2016

Proprietary funds. The City of Antioch's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water Fund at the end of the year amounted to \$22,413,784 and those of the Sewer Fund amounted to \$11,267,132. Unrestricted net position of the Marina Fund at the end of the year amounted to \$222,623 and unrestricted net position of the Prewett Water Park Fund amounted to (\$734,525).

- Water Fund total net position increased \$4,804,467 during the current fiscal year, which is mainly due to a decrease in contractual services and increase in charges for services.
- Sewer Fund total net position increased \$1,134,998 during the current fiscal year, which is mainly due to a decrease in contractual services and an increase in charges for services.
- Marina Fund total net position decreased \$425,158 during the current fiscal year, which is mainly due to depreciation expense.

Other factors concerning the finances of these four funds have already been addressed in the discussion of the City of Antioch's business-type activities.

General Fund Budgetary Highlights

Differences between the final amended budget and the actual results resulted in \$1,270,172 higher revenues than projected and \$2,968,494 variance from appropriations and can be briefly summarized as follows:

- \$1,121,059 more in Measure C Sales and Use tax revenue than anticipated.
- \$386,901 savings in Non-Departmental due mainly to savings in claims expenditures.
- \$1,206,117 savings in Public Works expenditures mainly attributable to salary savings and uncompleted paving projects at year end.
- \$452,936 savings in Public Safety expenditures mainly attributable to lower than project cost allocation charges being distributed to the Police Department than anticipated.

Capital Asset and Debt Administration

Capital assets. The City of Antioch's investment in capital assets for its governmental and business-type activities as of June 30, 2016, amounts to \$480,647,974 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure (including water and sewer pipes), structures and improvements, and equipment. The total net decrease in the City of Antioch's investment in capital assets for the current fiscal year was \$4,281,642.

Major capital asset events during the current fiscal year included the following:

- A variety of street and other construction projects such as the West Antioch Creek Channel improvements; Lone Tree Way intersection improvements; and the Prewett Park new water feature project. These made construction in progress for governmental activities as of the end of the current fiscal year reach \$4,252,213.
- Various system additions and improvements were completed in the Water, Sewer, Marina and Prewett Water Park funds at a cost of \$7,514,455. Work continued on water and sewer system improvement projects causing construction in progress for business type activities to be \$1,705,447 as of the end of the current fiscal year.

City of Antioch
Management's Discussion and Analysis
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For government-wide financial statement presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Fund financial statements record capital asset purchases as expenditures.

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

	Governmental Activities		Business-type Activities		Total		Increase/ Decrease
	2016	2015	2016	2015	2016	2015	
Land	\$ 13,421,504	\$ 11,269,647	\$ 3,558,467	\$ 3,558,467	\$ 16,979,971	\$ 14,828,114	\$ 2,151,857
Construction in Progress	4,252,213	4,570,989	1,705,447	4,590,610	5,957,660	9,161,599	(3,203,939)
Infrastructure	251,347,487	257,313,389	102,596,340	97,992,312	353,943,827	355,305,701	(1,361,874)
Structures and Improvements	54,547,136	55,402,210	42,752,947	44,586,083	97,300,083	99,988,293	(2,688,210)
Equipment	5,672,791	4,803,808	793,641	842,100	6,466,432	5,645,908	820,524
Total	\$ 329,241,131	\$ 333,360,043	\$ 151,406,843	\$ 151,569,572	\$ 480,647,973	\$ 484,929,615	\$ (4,281,642)

Construction Commitments. Among the significant construction commitments were \$929,091 towards West Antioch Creek Channel improvements, \$823,129 towards the Prewett Park water feature project and \$716,750 towards the Sunset Pump Station project.

Additional information on the City of Antioch's capital assets can be found in **Note 8 on page 56**.

Long-term debt. At the end of the current fiscal year, the City of Antioch had total debt outstanding of \$12,163,400. Of this amount, \$3,700,000 represents bonds secured solely by specified revenue sources (i.e., revenue bonds), \$2,678,064 represents loans payable, \$3,780,298 represents a long term payable and \$2,005,038 represents leases payable.

The City of Antioch's total long-term obligations for governmental activities decreased by \$722,424 and total long-term obligations for business-type activities decreased by \$425,946 due to scheduled debt service payments during the current fiscal year.

State statutes limit the amount of general obligation debt a governmental entity may issue to 15% of its total assessed valuation. The current debt limitation for the City of Antioch is \$1,462,994,843. The City of Antioch has no outstanding general obligation debt.

Additional information on the City of Antioch's long-term debt can be found in **Note 9 on pages 58-60** of this report.

Economic Factors and Next Year's Budget

- The unemployment rate for the City of Antioch was 6.8% at June 30th. This is higher than the state's average unemployment rate of 5.7% and higher than the national average rate of 4.9%
- Assessed values in the City have increased approximately 6.34% for the 2016-17 tax year.
- Sales taxes are projected to increase 4% over the prior year.

City of Antioch
Management's Discussion and Analysis
For the year ended June 30, 2016

All of these factors were considered in preparing the City of Antioch's budget for the 2016-2017 fiscal year.

During the current fiscal year, General Fund fund balance increased by \$5,725,379. The City of Antioch has appropriated \$143,963 of General Fund assigned fund balance for spending in the 2016-2017 fiscal year budget. Additionally, \$4,351,967 represents unspent Measure C funds that are committed to the Police Department.

Requests for Information

This financial report is designed to provide a general overview of the City of Antioch's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, financial statements for the Antioch Public Financing Authority, or requests for additional financial information should be addressed to the Office of the Finance Director, City of Antioch, P. O. Box 5007, Antioch, CA 94531-5007.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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City of Antioch
Statement of Net Position
June 30, 2016

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 48,292,309	\$ 50,975,247	\$ 99,267,556
Receivables (net):			
Accounts	2,572,166	4,099,181	6,671,347
Taxes	5,692,259	-	5,692,259
Interest	214,333	-	214,333
Materials, parts and supplies	199,185	280,541	479,726
Internal balances	1,781,646	(1,781,646)	-
Prepaid items	354,832	116,835	471,667
Restricted cash and investments, held by fiscal agents	25	-	25
Loans receivable, net	20,392,647	-	20,392,647
Due from Successor Agency Trust	3,127,573	-	3,127,573
Net OPEB asset	1,144,529	-	1,144,529
Capital assets:			
Nondepreciable	17,673,717	5,263,914	22,937,631
Depreciable, net	311,567,414	146,142,929	457,710,343
Total assets	413,012,635	205,097,001	618,109,636
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding	109,869	-	109,869
Pension related amounts	1,865,607	-	1,865,607
Contributions to pension plan subsequent to the measurement date	6,500,305	1,310,664	7,810,969
Total deferred outflows of resources	8,475,781	1,310,664	9,786,445
LIABILITIES			
Accounts payable	2,750,747	1,784,214	4,534,961
Accrued payroll	1,648,381	469,946	2,118,327
Interest payable	55,567	110,470	166,037
Deposits	4,375,063	310,416	4,685,479
Unearned revenue	60,120	44,214	104,334
Long-term obligations:			
Due within one year	1,201,954	442,107	1,644,061
Due beyond one year	7,600,965	6,503,659	14,104,624
Net pension liability	68,364,314	15,471,711	83,836,025
Net OPEB obligation	9,113,571	-	9,113,571
Total liabilities	95,170,682	25,136,737	120,307,419
DEFERRED INFLOWS OF RESOURCES			
Pension related amounts	6,476,536	1,154,781	7,631,317
Total deferred inflows of resources	6,476,536	1,154,781	7,631,317
NET POSITION			
Net investment in capital assets	323,131,964	148,728,779	471,860,743
Restricted for:			
Debt service	3,501	-	3,501
Housing	25,630,647	-	25,630,647
Public safety	384,068	-	384,068
Public and capital facilities	255,258	-	255,258
Roads	8,066,453	-	8,066,453
Landscape maintenance and tidelands protection	1,511,780	-	1,511,780
Community services	1,805,637	-	1,805,637
Total restricted	37,657,344	-	37,657,344
Unrestricted	(40,948,110)	31,387,368	(9,560,742)
Total net position	\$ 319,841,198	\$ 180,116,147	\$ 499,957,345

See accompanying notes to the basic financial statements.

City of Antioch
Statement of Activities
For the Fiscal Year Ended June 30, 2016

Functions / Programs	Expenses	Indirect Costs	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:					
General government	\$ 8,931,983	\$ 816,478	\$ 1,282,203	\$ 238,489	\$ -
Public works	17,563,993	381,849	1,191,339	3,573,717	2,277,684
Public safety	31,562,743	2,008	1,480,402	721,225	-
Parks and recreation	4,264,053	-	816,407	-	-
Community development	2,942,461	-	2,812,272	981,549	46,760
Interest on long-term liabilities	261,653	-	-	-	-
Total governmental activities	\$ 65,526,886	\$ 1,200,335	\$ 7,582,623	\$ 5,514,980	\$ 2,324,444
Business-type activities:					
Water	21,389,984	(944,184)	26,191,639	-	830,750
Sewer	5,338,014	(190,269)	5,394,985	-	1,386,893
Marina	1,042,257	(65,882)	471,362	-	185,313
Prewett Water Park	2,024,309	-	730,187	-	-
Total business-type activities	29,794,564	(1,200,335)	32,788,173	-	2,402,956
Total primary government	\$ 95,321,450	\$ -	\$ 40,370,796	\$ 5,514,980	\$ 4,727,400

General Revenues:

- Taxes:
 - Property taxes
 - Transient lodging tax
 - Franchise
 - Business license taxes based on gross receipts
 - Property transfer taxes
 - Sales and use tax
 - Motor vehicle in lieu
 - Park in lieu
 - Investment income not restricted to specific programs
 - Other
- Transfers

Total general revenues and transfers

Special items - Successor Agency contribution

Change in net position

Net position - beginning of year

Net position - end of year

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (6,594,813)	\$ -	\$ (6,594,813)
(10,139,404)	-	(10,139,404)
(29,359,108)	-	(29,359,108)
(3,447,646)	-	(3,447,646)
898,120	-	898,120
(261,653)	-	(261,653)
<u>\$ (48,904,504)</u>	<u>\$ -</u>	<u>(48,904,504)</u>
-	4,688,221	4,688,221
-	1,253,595	1,253,595
-	(451,464)	(451,464)
-	(1,294,122)	(1,294,122)
-	4,196,230	4,196,230
<u>(48,904,504)</u>	<u>4,196,230</u>	<u>(44,708,274)</u>
10,143,093	-	10,143,093
158,325	-	158,325
4,616,063	-	4,616,063
3,120,669	-	3,120,669
460,654	-	460,654
19,924,740	-	19,924,740
6,697,075	-	6,697,075
49,810	-	49,810
581,835	630,164	1,211,999
6,168,326	102,235	6,270,561
(317,102)	317,102	-
<u>51,603,488</u>	<u>1,049,501</u>	<u>52,652,989</u>
1,466,666	-	1,466,666
4,165,650	5,245,731	9,411,381
315,675,548	174,870,416	490,545,964
<u>\$ 319,841,198</u>	<u>\$ 180,116,147</u>	<u>\$ 499,957,345</u>

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MAJOR GOVERNMENTAL FUNDS

General Fund - The General Fund is used to account for all of the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of the City which are not accounted for in another fund. For the City, the General Fund includes such activities as general government, public works, public safety, parks and recreation and community development.

Housing and Community Development Fund - This fund accounts for grant funds received from the Federal government for the purpose of developing viable urban communities.

Gas Tax Fund - This fund accounts for revenues and related expenditures received from the State under the Streets and Highway Code Sections 2105, 2106, 2107, and 2107.5. The allocations must be spent for street maintenance or construction and a limited amount for engineering.

Housing Successor Fund - This fund was established to account for the administration of housing assets transferred by the former Antioch Development Agency to the City as Housing Successor.

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

City of Antioch
Balance Sheet
Governmental Funds
June 30, 2016

	Special Revenue Funds			
	General Fund	Housing and Community Development	Gas Tax	Housing Successor Fund
ASSETS				
Cash and investments	\$ 20,433,303	\$ 318,916	\$ 1,404,861	\$ 1,639,732
Receivables (net):				
Accounts	664,583	183,093	-	-
Taxes	5,122,732	-	175,846	-
Interest	214,333	-	-	-
Due from other funds	1,491,123	-	-	-
Prepaid items	222,313	-	-	38,865
Restricted cash and investments	-	-	-	-
Loans receivable	-	5,911,540	-	14,481,107
Due from Successor Agency Trust	-	-	-	3,127,573
Total assets	\$ 28,148,387	\$ 6,413,549	\$ 1,580,707	\$ 19,287,277
LIABILITIES				
Accounts payable	\$ 1,579,733	\$ 45,997	\$ 387,325	\$ 19,624
Accrued payroll	1,454,806	4,558	4,693	-
Deposits	2,209,419	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	5,243,958	50,555	392,018	19,624
DEFERRED INFLOWS OF RESOURCES				
Unavailable Abandoned Vehicle receipts	-	-	-	-
Unavailable AAPFFA receipts	-	-	-	-
Unavailable CDBG receipts	-	51,216	-	-
Total deferred inflows of resources	-	51,216	-	-
FUND BALANCES				
Nonspendable	224,463	-	-	38,865
Restricted	-	6,311,778	1,188,689	19,228,788
Committed	4,945,856	-	-	-
Assigned	143,963	-	-	-
Unassigned	17,590,147	-	-	-
Total fund balances	22,904,429	6,311,778	1,188,689	19,267,653
Total liabilities, deferred inflows of resources and fund balances	\$ 28,148,387	\$ 6,413,549	\$ 1,580,707	\$ 19,287,277

See accompanying notes to the basic financial statements.

Non-major Governmental		
Funds	Total	
\$ 19,669,319	\$ 43,466,131	
1,716,482	2,564,158	
393,681	5,692,259	
-	214,333	
-	1,491,123	
92,515	353,693	
25	25	
-	20,392,647	
-	3,127,573	
<u>\$ 21,872,022</u>	<u>\$ 77,301,942</u>	
\$ 665,403	\$ 2,698,082	
122,440	1,586,497	
2,165,644	4,375,063	
1,491,123	1,491,123	
60,120	60,120	
<u>4,504,730</u>	<u>10,210,885</u>	
13,581	13,581	
201,975	201,975	
-	51,216	
<u>215,556</u>	<u>266,772</u>	
92,955	356,283	
10,603,200	37,332,455	
3,715,095	8,660,951	
2,924,527	3,068,490	
(184,041)	17,406,106	
<u>17,151,736</u>	<u>66,824,285</u>	
<u>\$ 21,872,022</u>	<u>\$ 77,301,942</u>	

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City of Antioch
Reconciliation of the Governmental Funds Balance Sheet to the
Government-Wide Statement of Net Position - Governmental Activities
June 30, 2016

Fund Balances - Total Governmental Funds	\$ 66,824,285
<hr/>	
Amounts reported for governmental activities in the Statement of Net Position were different because:	
Capital assets used in governmental activities are not current financial resources. Therefore they were not reported in the Governmental Funds Balance Sheet. Capital assets, net of Internal Service Funds assets \$2,399,995	326,841,136
	<hr/>
Revenues received that are measurable but unavailable are recorded as deferred inflows in the fund financial statements	266,772
	<hr/>
Loss on refundings for long-term debt are deferred outflows of resources on the Statement of Net Position	109,869
	<hr/>
Contributions to the pension plan subsequent to the measurement date in the current fiscal year are deferred outflows of resources on the Statement of Net Position	6,500,305
	<hr/>
Net OPEB assets of governmental activities are not current financial resources. Therefore they are not reported in the Governmental Funds Balance Sheet.	1,144,529
	<hr/>
Internal service funds are used by management to charge the costs of vehicle repair and maintenance, stores, office equipment and replacement, and post employment medical benefits to individual funds. The assets and liabilities are included in governmental activities in the statement of net position.	8,952,892
	<hr/>
Certain liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental fund financial statements:	
Long-term debt:	
Due in one year, net of internal service funds liability of \$14,872	(1,187,082)
Due in more than one year, net of internal service funds liability of \$133,838	(7,467,127)
Net OPEB obligation	(9,113,571)
Net pension liability	(68,364,314)
Pension related amounts	(4,610,929)
Accrued interest payable	(55,567)
	<hr/>
Total long-term liabilities	(90,798,590)
	<hr/>
Net Position of Governmental Activities	\$ 319,841,198
	<hr/> <hr/>

See accompanying notes to the basic financial statements.

City of Antioch
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2016

	Special Revenue Funds			
	General Fund	Housing and Community Development	Gas Tax	Housing Successor Fund
REVENUES:				
Taxes	\$ 43,042,405	\$ -	\$ 2,245,632	\$ -
Licenses & permits	1,149,614	-	-	-
Fines and penalties	103,552	-	-	-
Investment income and rentals	713,341	3,909	27,144	20,240
Revenue from other agencies	963,184	800,222	152,450	-
Current service charges	8,599,259	97,495	-	-
Special assessment revenue	-	-	-	-
Other	2,575,326	108,590	-	350,975
Total revenues	57,146,681	1,010,216	2,425,226	371,215
EXPENDITURES:				
Current:				
General government	7,749,109	-	-	-
Public works	6,989,183	-	2,132,655	-
Public safety	33,596,541	-	-	-
Parks and recreation	-	-	-	-
Community development	2,708,845	531,370	-	146,054
Capital outlay	1,156,061	-	906,478	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	52,199,739	531,370	3,039,133	146,054
REVENUES OVER (UNDER) EXPENDITURES	4,946,942	478,846	(613,907)	225,161
OTHER FINANCING SOURCES (USES):				
Transfers in	2,932,725	-	-	-
Transfers (out)	(2,154,288)	-	(1,360,048)	-
Total other financing sources (uses)	778,437	-	(1,360,048)	-
SPECIAL ITEMS:				
Successor Agency contribution	-	-	(1,000,000)	-
Net change in fund balances	5,725,379	478,846	(2,973,955)	225,161
FUND BALANCES:				
Beginning of year	17,179,050	5,832,932	4,162,644	19,042,492
End of year	<u>\$ 22,904,429</u>	<u>\$ 6,311,778</u>	<u>\$ 1,188,689</u>	<u>\$ 19,267,653</u>

See accompanying notes to the basic financial statements.

Non-major Governmental		
Funds		Total
\$ 2,126,745	\$	47,414,782
-		1,149,614
87,408		190,960
997,099		1,761,733
2,774,026		4,689,882
2,821,584		11,518,338
2,993,631		2,993,631
437,302		3,472,193
<u>12,237,795</u>		<u>73,191,133</u>
873,505		8,622,614
1,471,328		10,593,166
1,392,660		34,989,201
3,710,999		3,710,999
392,070		3,778,339
1,564,295		3,626,834
560,337		560,337
314,638		314,638
-		-
<u>10,279,832</u>		<u>66,196,128</u>
<u>1,957,963</u>		<u>6,995,005</u>
3,379,368		6,312,093
(3,326,533)		(6,840,869)
<u>52,835</u>		<u>(528,776)</u>
-		(1,000,000)
2,010,798		5,466,229
<u>15,140,938</u>		<u>61,358,056</u>
<u>\$ 17,151,736</u>	<u>\$</u>	<u>66,824,285</u>

City of Antioch

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 Fiscal Year Ended June 30, 2016

Net Change in Fund Balances - Total Governmental Funds	\$	5,466,229
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Amounts reported for governmental activities in the Statement of Activities are different because:

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

Capital outlay		3,626,834
Depreciation, net of internal service funds depreciation of \$553,517		(11,002,341)

In the Statement of Activities, capital assets donated to/from the City are reported as general revenue, whereas in the governmental funds, capital assets donated do not increase financial resources. Thus, the change in net assets differs from the change in fund balances by the value of the asset donated.

3,548,246

In the Statement of Activities, only the gain (loss) on the sale or disposal of capital assets in reported, whereas in the governmental funds, the disposal of assets decreases financial resources. Thus, the change in net assets differs from the change in fund balances by the net cost of the assets disposed.

(467,486)

Contributions to the pension plan in the current fiscal year are not included in the Statement of Activities

6,500,305

Revenues received that are measurable but unavailable are recorded as deferred inflows in governmental funds. However, in the government-wide statement of activities, the revenues increase financial resources.

(144,696)

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

Lease revenue bonds		140,000
Capital lease obligations		420,337

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. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.

Decrease in long-term claims liability		201,675
Decrease in long-term compensated absences		(30,031)
Amortization of debt discount, premium and loss on refunding		26,941
Increase in net OPEB asset		67,568
Increase in net OPEB obligation		(2,392,755)
Pension expense		(2,581,549)
Decrease in accrued interest payable		26,044

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

760,329

Change in Net Position of Governmental Activities

	\$	4,165,650
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PROPRIETARY FUND FINANCIAL STATEMENTS

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

Sewer Fund - This fund accounts for the maintenance of the City's sewer lines and related facilities. It is a self-supporting activity which provides services on a user charge basis to residences and businesses.

Marina Fund - This fund accounts for the operation of the City's Marina, which includes renting berths and fueling boats.

Prewett Water Park - This fund accounts for the operation of the Prewett Water Park, an aquatic recreational park.

Internal Service Funds - These funds account for the maintenance and replacement of vehicles and equipment; the operation, maintenance, and replacement of office equipment used by City departments; charges for workers' compensation expenses; charges for loss control, on a cost-reimbursement basis.

City of Antioch
Statement of Net Position
Proprietary Funds
June 30, 2016

	Business-type Activities - Enterprise Funds					Governmental
	Water	Sewer	Marina	Non-major Prewett Water Park	Total	Internal Service Funds
ASSETS						
Current assets:						
Cash and investments	\$ 35,015,265	\$ 14,902,403	\$ 790,980	\$ 266,599	\$ 50,975,247	\$ 4,826,178
Accounts receivables, net	3,396,704	632,676	55,236	14,565	4,099,181	8,008
Materials, parts and supplies	278,012	-	2,529	-	280,541	199,185
Prepaid items	76,790	39,744	51	250	116,835	1,139
Total current assets	38,766,771	15,574,823	848,796	281,414	55,471,804	5,034,510
Noncurrent assets:						
Capital assets:						
Nondepreciable:						
Land	1,002,231	14,553	469,953	2,071,730	3,558,467	-
Construction in progress	1,677,447	28,000	-	-	1,705,447	-
Depreciable:						
Water and sewer pipes	66,648,183	66,816,462	-	-	133,464,645	-
Structures and improvements	55,326,986	10,876,360	14,535,626	15,385,937	96,124,909	-
Vehicles and equipment	3,676,392	369,808	137,082	400,139	4,583,421	11,816,372
Less accumulated depreciation	(48,733,829)	(19,394,495)	(8,409,514)	(11,492,208)	(88,030,046)	(9,416,377)
Total capital assets	79,597,410	58,710,688	6,733,147	6,365,598	151,406,843	2,399,995
Total assets	118,364,181	74,285,511	7,581,943	6,647,012	206,878,647	7,434,505
DEFERRED OUTFLOWS OF RESOURCES						
Contributions to pension plan subsequent to the measurement date	838,150	376,531	38,281	57,702	1,310,664	-
Total deferred outflows of resources	838,150	376,531	38,281	57,702	1,310,664	-
LIABILITIES						
Current liabilities:						
Accounts payable	1,364,621	302,759	25,847	90,987	1,784,214	52,665
Accrued payroll	237,727	111,786	10,537	109,896	469,946	61,884
Interest payable	-	-	110,470	-	110,470	-
Deposits	257,102	-	32,021	21,293	310,416	-
Unearned revenue	-	-	-	44,214	44,214	-
Compensated absences - due within one year	39,659	7,157	439	1,486	48,741	14,872
Long Term Payable-DDSD due within one year	252,026	-	-	-	252,026	-
Marina loans payable - due within one year	-	-	141,340	-	141,340	-
Total current liabilities	2,151,135	421,702	320,654	267,876	3,161,367	129,421
Noncurrent liabilities:						
Long Term Payable-DDSD	3,528,272	-	-	-	3,528,272	-
Compensated absences - due in more than one year	356,931	64,411	3,952	13,369	438,663	133,838
Marina loans - due in more than one year	-	-	2,536,724	-	2,536,724	-
Net pension liability	10,332,695	3,959,149	448,124	731,743	15,471,711	-
Total noncurrent liabilities	14,217,898	4,023,560	2,988,800	745,112	21,975,370	133,838
Total liabilities	16,369,033	4,445,262	3,309,454	1,012,988	25,136,737	263,259
DEFERRED INFLOWS OF RESOURCES						
Pension related amounts	822,104	238,960	33,064	60,653	1,154,781	-
Total deferred inflows of resources	822,104	238,960	33,064	60,653	1,154,781	-
NET POSITION						
Net investment in capital assets	79,597,410	58,710,688	4,055,083	6,365,598	148,728,779	2,399,995
Unrestricted	22,413,784	11,267,132	222,623	(734,525)	33,169,014	4,771,251
Total net position	\$ 102,011,194	\$ 69,977,820	\$ 4,277,706	\$ 5,631,073	181,897,793	\$ 7,171,246

Some amounts reported for business-type activities in the statement of net assets are different because certain internal service fund assets and liabilities are included with business-type activities.

(1,781,646)
Net position of business-type activities \$ 180,116,147

See accompanying notes to the basic financial statements

City of Antioch
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	Business-type Activities - Enterprise Funds					Governmental
	Water	Sewer	Marina	Non-major	Total	Internal
				Prewett Water Park		Service Funds
OPERATING REVENUES:						
Charges for services	\$ 26,191,639	\$ 5,394,985	\$ 471,362	\$ 730,187	\$ 32,788,173	\$ 5,874,633
Revenue from other agencies	-	-	185,313	-	185,313	-
Other revenue	62,467	13,619	20,859	5,290	102,235	196,701
Total operating revenues	26,254,106	5,408,604	677,534	735,477	33,075,721	6,071,334
OPERATING EXPENSES:						
Wages and benefits	4,772,765	2,199,065	194,369	797,948	7,964,147	1,424,582
Utilities	1,402,157	-	39,796	125,033	1,566,986	-
Contractual services	10,378,565	1,652,373	216,847	215,256	12,463,041	2,562,732
Tools and supplies	3,314,651	333,577	71,090	248,036	3,967,354	710,709
Depreciation	2,386,069	1,351,342	466,336	588,274	4,792,021	553,517
Repairs and maintenance	181,740	47,120	807	54,577	284,244	329,484
Total operating expenses	22,435,947	5,583,477	989,245	2,029,124	31,037,793	5,581,024
OPERATING INCOME (LOSS)	3,818,159	(174,873)	(311,711)	(1,293,647)	2,037,928	490,310
NONOPERATING REVENUES (EXPENSES):						
Gain (loss) from disposal of capital assets	-	-	-	-	-	50,344
Investment income	432,706	187,888	9,421	149	630,164	53,881
Investment (expense)	-	-	(121,132)	-	(121,132)	-
Total nonoperating revenues (expenses)	432,706	187,888	(111,711)	149	509,032	104,225
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	4,250,865	13,015	(423,422)	(1,293,498)	2,546,960	594,535
Capital contribution - developer	604,350	1,243,010	-	-	1,847,360	-
Capital contribution - connection fees	226,400	143,883	-	-	370,283	-
Capital contribution - City	-	-	-	118,146	118,146	-
Transfers in	-	-	-	752,500	752,500	329,820
Transfers (out)	(277,148)	(264,910)	(1,736)	(9,750)	(553,544)	-
CHANGE IN NET POSITION	4,804,467	1,134,998	(425,158)	(432,602)	5,081,705	924,355
NET POSITION:						
Beginning of year	97,206,727	68,842,822	4,702,864	6,063,675		6,246,891
End of year	\$ 102,011,194	\$ 69,977,820	\$ 4,277,706	\$ 5,631,073		\$ 7,171,246

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

164,026
Change in net position of business-type activities \$ 5,245,731

See accompanying notes to the basic financial statements.

City of Antioch
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	Business-type Activities - Enterprise Funds					Governmental
	Water	Sewer	Marina	Non-major	Total	Internal
				Prewett		Service
			Water Park		Funds	
CASH FLOWS FROM OPERATING ACTIVITIES:						
Cash receipt from customers	\$ 25,984,129	\$ 5,460,872	\$ 692,542	\$ 695,666	\$ 32,833,209	\$ -
Cash receipt from other funds	-	-	-	-	-	6,780,653
Cash paid to suppliers for goods and services	(15,640,015)	(1,985,003)	(314,983)	(649,113)	(18,589,114)	(3,701,918)
Cash paid to employees for services	(5,298,054)	(2,383,265)	(215,145)	(797,689)	(8,694,153)	(1,372,301)
Net cash provided by (used in) operating activities	5,046,060	1,092,604	162,414	(751,136)	5,549,942	1,706,434
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Due from other Funds	-	-	-	-	-	-
Transfers in	-	-	-	752,500	752,500	329,820
Transfers (out)	(277,148)	(264,910)	(1,736)	(9,750)	(553,544)	-
Net cash provided by (used in) noncapital financing activities	(277,148)	(264,910)	(1,736)	742,750	198,956	329,820
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Capital asset additions	(2,276,321)	(209,080)	(178,383)	-	(2,663,784)	(679,008)
Capital contributions	226,400	143,883	-	-	370,283	-
Principal paid on bonds	-	-	(165,108)	-	(165,108)	-
Interest paid on bonds	-	-	(127,943)	-	(127,943)	-
Net cash provided by (used in) capital and related financing activities	(2,049,921)	(65,197)	(471,434)	-	(2,586,552)	(679,008)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Interest received	432,706	187,888	9,421	149	630,164	53,881
Net cash provided by (used in) investing activities	432,706	187,888	9,421	149	630,164	53,881
Net change in cash and cash equivalents	3,151,697	950,385	(301,335)	(8,237)	3,792,510	1,411,127
CASH AND CASH EQUIVALENTS:						
Beginning of year	31,863,568	13,952,018	1,092,315	274,836	47,182,737	3,415,051
End of year	\$ 35,015,265	\$ 14,902,403	\$ 790,980	\$ 266,599	\$ 50,975,247	\$ 4,826,178
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:						
Operating income (loss)	\$ 3,818,159	\$ (174,873)	\$ (311,711)	\$ (1,293,647)	\$ 2,037,928	\$ 490,310
Adjustments to reconcile operating income (loss) to cash flows from operating activities:						
Depreciation	2,386,069	1,351,342	466,336	588,274	4,792,021	553,517
Decrease (increase) in:						
Accounts receivable	(310,959)	52,268	16,171	(3,911)	(246,431)	709,319
Materials, parts, and supplies	65,158	-	(2,383)	-	62,775	(5,498)
Prepaid items	(28,513)	(38,408)	259	774	(65,888)	2,202
Deferred outflows of resources for pensions	(72,461)	(89,747)	(5,277)	(3,209)	(170,694)	-
Increase (decrease) in:						
Accounts payable	(399,547)	86,475	15,681	(6,985)	(304,376)	(95,697)
Accrued payroll	15,288	27,709	1,050	28,919	72,966	8,458
Deposits	40,982	-	(1,163)	(33,480)	6,339	-
Deferred revenue	-	-	-	(2,420)	(2,420)	-
Accrued compensated absences	(36,549)	19,324	1,681	6,732	(8,812)	43,823
Net pension liability	491,530	273,207	23,931	31,367	820,035	-
Deferred inflows of resources for pensions	(923,097)	(414,693)	(42,161)	(63,550)	(1,443,501)	-
Net cash provided by (used in) operating activities	\$ 5,046,060	\$ 1,092,604	\$ 162,414	\$ (751,136)	\$ 5,549,942	\$ 1,706,434
SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:						
Contributions (donations) of capital assets to/from the general government	\$ -	\$ -	\$ -	\$ 118,146	\$ 118,146	\$ -
Capital assets contributed by developers	604,350	1,243,010	-	-	1,847,360	-
Total noncash capital and related financing activities	\$ 604,350	\$ 1,243,010	\$ -	\$ 118,146	\$ 1,965,506	\$ -

See accompanying notes to the basic financial statements.

FIDUCIARY FUND FINANCIAL STATEMENTS

City of Antioch
Statement of Fiduciary Fund Assets and Liabilities
Fiduciary Funds
June 30, 2016

	Successor Agency Private Purpose Trust Fund	Agency Funds
ASSETS		
Cash and investments	\$ 3,724,570	\$ 1,001,989
Accounts receivable	-	-
Interest receivable	-	-
Prepaid Items	2,932	-
Restricted cash and investments	146,275	-
Capital assets:		
Nondepreciable	96,493	-
Total assets	\$ 3,970,270	\$ 1,001,989
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding	89,184	-
LIABILITIES		
Accounts payable	16,417	48,381
Accrued payroll	967	-
Interest payable	328,467	-
Due to City of Antioch	3,127,573	-
Due to others	-	953,608
Long-term obligations:		
Due within one year	1,952,288	-
Due beyond one year	23,363,184	-
Total liabilities	\$ 28,788,896	\$ 1,001,989
NET POSITION		
Held in trust for enforceable obligations of the former Antioch Development Agency	\$ (24,729,442)	

See accompanying notes to the basic financial statements.

City of Antioch
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2016

	Successor Agency Private Purpose Trust Fund
ADDITIONS	
Contributions:	
Redevelopment Property Tax Trust Fund	\$ 2,932,086
Investment earnings:	
Investment income and rentals	31,200
Total additions	2,963,286
DEDUCTIONS	
Administrative expenses	127,168
Enforceable obligations	1,073,545
Total deductions	1,200,713
SPECIAL ITEMS	
Contribution from the City of Antioch	1,000,000
Capital Contribution to City of Antioch	(2,466,667)
Total special items	(1,466,667)
Change in net position	295,906
NET POSITION:	
Beginning of year	(25,025,348)
End of year	\$ (24,729,442)

See accompanying notes to the basic financial statements.

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City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2016



NOTE 1 - THE FINANCIAL REPORTING ENTITY

(a) Reporting Entity

The City of Antioch, California (the "City"), operates under the Council-Manager form of government and provides the following services: police, highways and streets, sanitation, health services, culture-recreation, public improvements, planning and zoning, general administration services, and water.

The governmental reporting entity consists of the City (Primary Government) and its component units. 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. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (1) either the City's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the City.

The basic financial statements include a blended component unit. The blended component unit, although a legally separate entity is, in substance, part of the City's operations and so data from this unit is combined with data of the primary government.

For financial reporting purposes, the City's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the City's Council. The financial statements of the individual component unit may be obtained by writing to the City of Antioch, Finance Department, P.O. Box 5007, Antioch, CA 94531-5007.

(b) Blended Component Unit

Antioch Public Financing Authority

The Antioch Public Financing Authority (APFA) was formed for the purpose of financing the Water Treatment Plant Expansion, the Police Facilities Projects and other infrastructure improvements. The APFA and the City have a financial and operational relationship, which requires that the APFA's financial statements be blended into the City's financial statements. The APFA's Board consists exclusively of all five members of the City Council.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

Government-wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the City) and its component units. 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 except for interfund services provided and used. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues and other non exchange transactions, 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) fees, fines and 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.

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2016



Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Fund Financial Statements

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

Proprietary funds distinguish operating revenues and expenses and non operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges for customer services including: water and sewer charges, marina and water park fees, equipment maintenance and usage fees, and support charges. Operating expenses for enterprise funds and internal service funds include the cost of services, administrative expenses and depreciation on capital assets. All other revenues and expenses not meeting this definition are reported as non operating revenues and expenses.

The City reports the following major governmental funds:

- The *General Fund* is used to account for all of the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of the City which are not accounted for in another fund. For the City, the General Fund includes such activities as general government, public works, public safety, parks and recreation and community development.
- The *Housing and Community Development Fund* accounts for grant funds received from the Federal government for the purpose of developing viable urban communities.
- The *Gas Tax Fund* accounts for funds received from the State under the State Street and Highways Code. Gas tax funds are limited to research, planning, construction, improvement, maintenance and operation of public streets and streetlights.
- The *Housing Successor Fund* was established by the City with when it elected to become the Housing Successor to the Antioch Development Agency with the abolishment of redevelopment under AB 1X 26. This fund accounts for the administration of housing activities of the former Low and Moderate Income Housing Fund of the redevelopment agency.

The City reports the following major enterprise funds:

- The *Water Fund* accounts for the operation of the City's water utility, a self-supporting activity, which provides services on a user charge basis to residences and businesses.
- The *Sewer Fund* accounts for the maintenance of the City's sewer lines and related facilities. It is a self-supporting activity, which provides services on a user charge basis to residences and businesses.
- The *Marina Fund* accounts for the operation of the City's Marina Complex, which includes renting berths and fueling boats to the public.

The City reports the following additional fund types:

- *Internal Service Funds* account for the maintenance and replacement of vehicles and equipment; the operation, maintenance, and replacement of office equipment used by City departments; charges for workers' compensation expenses; and charges for loss control, on a cost-reimbursement basis.

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2016



- *Agency Funds* account for assets held by the City in the capacity of agent for individuals (refundable cash bonds and employee benefits), other governmental agencies (Fire Protection District and ECWMA) and special assessment debt without city commitment.
- *Private Purpose Trust Funds* account for the assets and liabilities held by the City as Successor Agency to the Antioch Development Agency.

(b) Measurement Focus, Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus. Agency funds have no measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues. With respect to the gas tax fund, it is the City's policy to first apply revenues other than the gas tax itself to expenditures incurred within that program.

The City applies all applicable GASB pronouncements including all NCGA Statements and Interpretations currently in effect.

(c) Internal Investment Pool

The City maintains an internal investment pool that is available for use by all funds. Investments in non-participating interest earning contracts (including guaranteed investment contracts) are reported at cost, and all other investments at fair value. Fair value is determined annually and is based on current market prices. The method of allocating interest earned on pooled deposits and investments among funds is based on average cash balances.

For purposes of the accompanying statement of cash flows for the enterprise and internal service funds, cash equivalents are defined as investments with original maturities of 90 days or less, which are readily convertible to known amounts of cash. The City considers all pooled cash and investments (consisting of cash and investments and restricted cash and investments) held by the City as cash and cash equivalents because the pool is used essentially as a demand deposit account from the standpoint of the funds. The City also considers all non-pooled cash and investments (consisting of cash with fiscal agent

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2016



and restricted cash and investments held by fiscal agent) as cash and cash equivalents because investments meet the criteria for cash equivalents defined above.

(d) Receivables

During the course of normal operations, the City carried various receivable balances for taxes, interest, services, loan, utilities and special assessments. Accounts receivables are shown net of an allowance for doubtful accounts of \$209,000 in the General Fund and \$254,066 in the Water Enterprise Fund.

(e) Materials, Parts and Supplies

Material, parts and supplies are valued at average cost. Material, parts and supplies recorded in the internal service funds consist of expendable supplies for consumption. The cost is recorded as an expense at the time individual inventory items are consumed. Material, parts and supplies recorded in the Marina Enterprise Fund consists primarily of merchandise held for resale to the public.

(f) Loans Receivable

For the purposes of the governmental funds financial statements, expenditures related to long-term loans arising from loan subsidy programs are recorded as a loan receivable upon funding. The balance of the long-term loans receivable includes loans that may be forgiven if certain terms and conditions of the loans are met. For purposes of both the governmental and government-wide financial statements, long-term loans are net of an allowance.

(g) Bond Issuance Costs, Original Issue Discounts and Premiums and Refunding of Debt

In the government-wide financial statements and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. Issuance costs, whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

Gains or losses occurring from advance refundings, completed subsequent to June 30, 1993, are deferred and amortized into expense for both business-type activities and proprietary funds. For governmental activities, they are deferred and amortized into expense if they occurred subsequent to June 30, 2001.

(h) Capital Assets

Capital assets (including infrastructure) are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, bridges, water/sewer, lighting systems, drainage systems, and flood control. The City defines capital assets as assets with an estimated useful life in excess of one year and an initial, individual cost of \$5,000 or more. Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds.

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2016



The estimated useful lives are as follows:

Infrastructure	20 to 50 years
Water and Sewer Pipes	75 years
Structures and Improvements	10-30 years
Equipment	5-20 years
Vehicles	5-15 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements, which significantly increase values, change capacities or extend useful lives, are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

(i) Property Taxes and Special Assessments Revenue

Revenue is recognized in the fiscal year for which the tax and assessment are levied. The County of Contra Costa levies, bills and collects property taxes and special assessments for the City; under the County's "Teeter Plan", the County remits the entire amount levied and handles all delinquencies, retaining interest and penalties.

Taxes are levied for each fiscal year on taxable real and personal property situated in the County. The levy is based on the assessed values as of the preceding January 1st, which is also the lien date. Property taxes on the secured roll are due in two installments: November 1st and February 1st and become delinquent after December 10th and April 10th, respectively. Supplemental property taxes are levied based on changes in assessed values between the date of real property sales or construction completion and the preceding assessment date. The additional supplemental property taxes are prorated from the first day of the month following the date of such occurrence. Property taxes on the unsecured roll are due on the lien date (January 1), and become delinquent if unpaid by August 31st.

Special assessment districts are established in various parts of the City to provide improvements to properties located in those districts. Properties are assessed for the cost of improvements; these assessments are payable over the term of the debt issued to finance the improvements.

(k) Accumulated Compensated Absences

The City accrues the cost for compensated absences (vacation, sick leave and comp time) when they are earned. City employees have a vested interest in accrued vacation time and all vacation hours will eventually either be used or paid by the City. Generally, employees earn and use their current vacation hours with a small portion being accrued or unused each year. As this occurs, the City incurs an obligation to pay for these unused hours. Sick leave benefits are only vested for employees with more than 10 years of service, up to a maximum of 40% of 800 hours.

(l) Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2016



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

(m) Pensions

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 City's California Public Employees' Retirement System (CalPERS) plans (Plans) and Public Agency Retirement System (PARS) plan and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS and PARS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Pension liabilities and related costs are allocated to proprietary funds based on each fund's proportionate share of the total current contribution. As Internal Service funds mainly serve governmental funds, pension liabilities and related costs for those employees are accounted for in governmental activities.

(n) Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(l) New Pronouncements

In fiscal year 2016, the City adopted the following Governmental Accounting Standards Board Statements:

- GASB Statement No. 72, *Fair Value Measurement and Application* – There was no effect on net position as part of implementation of this standard.
- GASB Statement No. 73, *Accounting and Reporting for Pensions that are not within the Scope of GASB 68* – This statement has no impact on the City. There was no effect on net position as part of implementation of this standard.
- GASB Statement No. 76, *The Hierarchy of Generally Accepting Accounting* – There was no effect on net position as part of implementation of this standard.
- GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* – This statement has no impact on the City. There was no effect on net position as part of implementation of this standard.
- GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, 68 and No. 73*. There was no effect on net position as part of implementation of this standard.

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

(a) Expenditures in Excess of Budget

Expenditures in the funds below exceeded appropriations by the amounts indicated, largely because budgets were not revised for higher than anticipated expenditures. Sufficient resources were available to finance these expenditures, primarily in the form of higher revenues and transfers than expected or from available fund balance.

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2016



	Appropriated Final Budget	Actual Expenditures	Excess
<i>Nonmajor Special Revenue Funds:</i>			
Delta Fair Property	\$ 50,481	\$ 50,648	\$ (167)
Lighting & Landscape District	1,790,869	1,828,841	(37,972)
Local Law Enforcement Byrne Grant	1,991	2,435	(444)
Street Impact	700	844	(144)
<i>Nonmajor Capital Project Funds:</i>			
Capital Improvement	494,095	577,910	(83,815)
Hillcrest District #26	5,793	5,843	(50)
Hillcrest Bridge District	282	327	(45)
Development Impact	50	114	(64)

NOTE 4 - CASH AND INVESTMENTS

(a) Cash and Investment Balances

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

Cash and investments:	
Petty cash	\$ 6,120
Deposits in banks	25,251,737
Certificate of Deposit	15,760,204
U.S. Government securities	19,669,483
U.S. Government agencies	13,078,887
Medium-term corporate notes	19,510,860
Asset Backed Securities	4,474,660
California Local Agency Investment Fund	6,242,164
Total cash and investments	<u>103,994,115</u>
Restricted cash and investments:	
Money market	146,300
Total restricted cash and investments	<u>146,300</u>
Total	<u>\$ 104,140,415</u>

Cash and investments are presented on the Statement of Net Position as follows at June 30, 2016:

	Government-Wide Statement of Net Position	Fiduciary Funds Statement of Assets and Liabilities	Total
Cash and investments	\$ 99,267,556	\$ 4,726,559	\$ 103,994,115
Restricted cash and investments	25	146,275	146,300
Total	<u>\$ 99,267,581</u>	<u>\$ 4,872,834</u>	<u>\$ 104,140,415</u>

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2016



The City's dependence on property tax receipts, which are received semi-annually, requires it to maintain significant cash reserves to finance operations during the remainder of the year. The City pools cash from all sources and all funds, except amounts required to be held with fiscal agents, so that it can be safely invested at maximum yield and liquidity. Investment income is allocated among funds on the basis of average month-end cash balances.

Restricted cash and investments at June 30, 2016 was \$146,300, which was held by trustees or fiscal agents. These funds may only be used for specific capital outlay or for the payment of certain bonds or tax allocation bonds, and have been invested only as permitted by State statutes or applicable City ordinance, resolution or bond indentures.

(b) Cash Deposits

The carrying amount of the City's cash deposits was \$25,251,737 at June 30, 2016. The bank balance at June 30, 2016, was \$23,977,535, which was fully insured and/or was collateralized with securities held by the pledging financial institutions in the City's name as described in the following paragraph.

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name. The fair value of pledged government securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits. The City has waived collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation or Savings Association Insurance Fund.

(c) Investments

The City's investment policy, bond indentures, and Section 53601 of the California Government Code allow the City to invest in the following types of investments:

- Securities of the U.S. Government or its agencies
- Certificates of Deposit
- Bankers' Acceptances
- Commercial Paper
- Investment Grade Medium Term Corporate Notes
- Repurchase Agreements
- Local Agency Investment Fund Deposits
- Insured Savings Accounts or Money Market Accounts
- Guaranteed Investment Contracts
- Collateralized Mortgage Obligations
- Mutual funds as permitted by the Code

The City did not enter into reverse repurchase agreements during the year ended June 30, 2016.

At June 30, 2016, the City's investment position in the State of California Local Agency Investment Fund (LAIF) was \$6,242,164. This amount reflects the City's market value share in the pool. A factor of 1.000621222% was used to determine the market value. The total amount invested by all public agencies in LAIF at that day was \$75,442,588,513. Of that amount, 97.19% is invested in non derivative financial products and 2.81%, as compared to 2.08% in previous year, in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The value of the pool shares in LAIF, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the City's position in the pool. Information is not available on whether the mutual funds in which the City has invested used, held or wrote derivative products during the fiscal year ended June 30, 2016.

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2016



(d) Investment Valuation

Investments (except for money market accounts, time deposits, and commercial paper) are measured at fair value on a recurring basis. Recurring fair value measurements, are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investment fair value measurements at June 30, 2016 are described below. Investments included in restricted cash and investments included money market accounts not subject to fair value measurement.

Investment Type	Fair Value	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Securities of U.S. Government				
Treasury and Agencies:				
Supra-National Agencies	\$ 1,745,364	\$ -	\$ 1,745,364	\$ -
Federal Home Loan Banks (FHLB)	1,671,665	-	1,671,665	-
Freddie Mac	1,235,409	-	1,235,409	-
Federal National Mortg Assoc Notes (FNMA)	7,403,364	-	7,403,364	-
US Treasuries	19,669,483	19,669,483	-	-
Fannie Mae	646,886	-	646,886	-
Municipal Bonds	376,199	-	376,199	-
Asset Back Securities	4,474,660	-	4,474,660	-
Corporate Notes	19,510,860	-	19,510,860	-
Local Agency Investment Fund	6,242,164	-	6,242,164	-
Certificates of Deposit	15,760,204	-	15,760,204	-
Total investments subject to fair value	78,736,258	\$ 19,669,483	\$ 59,066,775	\$ -
Investments not subject to fair value measurement:				
Money Market	146,300			
Total Investments	\$ 78,882,558			

(e) Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from interest rates, the City's investment policy limits investments to a maximum maturity of five years.

At June 30, 2016, the City had the following investment maturities:

Investment Type	Fair Value	Investment Maturities (In Years)		
		Less than 1	1 to 2	2 to 3
U.S. Government securities	\$ 19,669,483	\$ -	\$ 1,000,664	\$ 18,668,819
U.S. Government agencies	13,078,887	1,298,257	4,407,973	7,372,657
Medium-term corporate notes	19,510,860	2,633,121	11,150,289	5,727,450
Asset-Backed securities	4,474,660	60,657	1,777,756	2,636,247
Certificate of Deposit	15,760,204	8,707,965	7,052,239	-
Total	\$ 72,494,094	\$ 12,700,000	\$ 25,388,921	\$ 34,405,173

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2016



(f) Credit Risk

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). It is the City's policy to limit its investments in these investment types to the top rating issued by NRSROs, including raters Standard & Poor's and Moody's Investor's Service. At June 30, 2016, the City's credit risks, expressed on a percentage basis, were as follows:

Credit Quality Distribution for Securities with Credit Exposure as a Percentage of Total Investments

Investment Type	S&P's Credit Rating	% of Investments
U.S. Government securities	AA+	27.12%
U.S. Government agencies	AAA	2.41%
U.S. Government agencies	AA+	15.10%
U.S. Government agencies	NR	0.52%
Medium-term corporate notes	AA+	1.95%
Medium-term corporate notes	AA	1.16%
Medium-term corporate notes	AA-	7.18%
Medium-term corporate notes	A+	3.06%
Medium-term corporate notes	A	9.30%
Medium-term corporate notes	A-	2.87%
Medium-term corporate notes	BBB+	1.40%
Certificate of Deposit	AA-	7.79%
Certificate of Deposit	A-+1	3.87%
Certificate of Deposit	A-1	10.09%
Asset-Backed securities	AAA	4.51%
Asset-Backed securities	NR	1.67%
Total		<u>100.00%</u>

(g) Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. None of the City's investments were subject to custodial credit risk.

NOTE 5 – MEASURE C SALES TAX

On June 11, 2013, the City Council approved Ordinance No. 2068-C-S providing for a half cent local transactions and use tax, which was approved by a majority of the electorate on November 5, 2013 and is referred to as Measure C, *Restoring Antioch Services Sales Tax*. The term of the tax is seven years from April 1, 2014 and requires the establishment of an oversight committee to review receipt and expenditure of funds. Although the tax was passed as a general measure, the City Council has committed use of the funds to enhance Police and Code Enforcement services and any unspent Measure C funds in any given fiscal year are carried forward into the next year for spending by the Police Department.

In order to calculate Measure C spending and balance remaining each fiscal year for the Police Department, the City Council established a baseline budget figure from 2013-14 of \$28,447,271 for the Police Department to be used each succeeding fiscal year that would be considered non Measure C funded expenditures out of the General Fund. Anything spent beyond the baseline budget figure each year up to the amount of Measure C monies available is considered Measure C expenditures. Each year the City projects the total Measure C revenue to be received and adds any remaining Measure C funds from the prior fiscal year to the baseline budget for the total amount of General Fund and Measure C revenues allotted the Police Department in that fiscal year.

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In fiscal year 2016, \$6,821,444 in Measure C monies were received. Of this amount \$6,532,060 was allocated to Public Safety and \$289,060 was allocated and spent on Code Enforcement Services. The table below shows how the total available revenues for Police were determined in fiscal year 2016. That figure is then compared to the actual fiscal year 2016 Police Department expenditures to arrive at the remaining Measure C funds at June 30, 2016. This amount (\$4,351,967) is committed in the General Fund for use next fiscal year by the Police Department.

	Police Measure C Budget
13/14 Baseline Budget	\$28,447,271
Measure C FY16 actual receipts allocated to PD	6,532,060
Measure C carryover from Fiscal Year 2015	3,928,247
Total Available Revenues	38,907,578
Actual Police Expenditures (excluding EBRCs purchase)	(34,555,611)
Difference under budget	\$4,351,967

The next table shows the calculation of Measure C funds spent in fiscal year 2016 by the Police Department.

Measure C Fiscal Year 2016 Receipts allocated to PD	\$6,532,060
Plus: Fiscal Year 2015 Measure C carryover	3,928,247
Sub-total Available Measure C Monies	\$10,460,307
Less: Difference under Budget (table above)	(4,351,967)
CALCULATED TOTAL OF MEASURE C FUNDING SPENT FOR POLICE SERVICES	\$6,108,340

NOTE 6 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

(a) Current Balances

Current balances are expected to be repaid in the normal course of business during the following fiscal year. The City's current balances represent loans to cover temporary shortages of cash in individual funds.

The composition of interfund balances as of June 30, 2016, is as follows:

	Due From Other Funds
Due to Other Funds	General Fund
	\$1,491,123
	\$1491,123
	\$1491,123

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(b) Due from Successor Agency Trust Fund

At June 30, 2016, the Housing Fund has a receivable due from the Successor Agency Private Purpose Trust Fund in the amount of \$3,127,573. Prior to the dissolution of redevelopment, Health and Safety Code required Project Areas to annually set aside 20% of tax increment revenues for low and moderate income housing development. Project Area #1 was formed prior to the year this requirement was established and the Agency began repaying the unfunded set-aside in fiscal year 1997. With the dissolution of redevelopment pursuant to AB 1X 26 as amended by AB1484, this asset has been transferred to the Housing Successor Fund and related liability of the former Project Area #1 to the Successor Agency Trust. The liability is included on the Successor Agency's Enforceable Obligations Schedule and repayment resumed in the 2014-15 fiscal year as approved by the State of California Department of Finance.

(c) Transfers to/from Other Funds

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various City operations and re-allocations of special revenues. The following schedule summarizes transfers between funds. The most significant transfers which occurred were \$810,000 from the Gas Tax Special Revenue Fund and \$1,144,440 from the Street Impact Special Revenue Fund to the General Fund to pay for street maintenance.

Transfers In						
	<u>Major Fund</u>		<u>Major Fund</u>			Total
	General Fund	Nonmajor Governmental Funds	Prewett Water Park Enterprise	Internal Service		
Transfers Out	\$ -	\$ 1,436,789	\$ 717,500	\$ -	\$ -	\$ 2,154,289
General Fund	-	-	-	-	-	-
Housing & Community	810,000	550,048	-	-	-	1,360,048
Gas Tax Fund	2,122,725	1,168,807	35,000	-	-	3,326,532
Nonmajor: Governmental	-	112,238	-	164,910	-	277,148
Water Enterprise	-	100,000	-	164,910	-	264,910
Sewer Enterprise	-	1,736	-	-	-	1,736
Marina Enterprise	-	9,750	-	-	-	9,750
Prewett Water Park	<u>\$ 2,932,725</u>	<u>\$ 3,379,368</u>	<u>\$ 752,500</u>	<u>\$ 329,820</u>	<u>\$ -</u>	<u>\$ 7,394,413</u>
Total						

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NOTE 7 - LOANS RECEIVABLE

The composition of the City's governmental activities loans receivable including interest as of June 30, 2016, is as follows:

Rental and Housing Rehabilitation Loans	\$ 2,660,848
Multi-unit Rental Rehabilitation Loans:	
West Rivertown Apartments/Eden Housing Project	6,755,811
Terrace Glen Project	2,105,130
Pinecrest Apartment Project	1,270,498
Rivertown Senior Housing	242,750
Riverstone Apartment	2,495,244
Hillcrest Terrace Project	1,404,023
Tabora Gardens	2,628,762
NSP Loans	49,135
Lone Tree Golf Course	1,122,165
Other loans	1,303,980
Allowance	(1,645,699)
Total governmental activities (net)	<u>\$ 20,392,647</u>

(a) Rental and Housing Rehabilitation Loans

The City administers rental and home improvement revolving loan funds using federal Community Development Block Grant (CDBG) funds and prior to 2013, redevelopment funds. The program provides below market rate loans, secured by deeds of trust, to eligible participants for rental and housing rehabilitation. Although payments for most loans are amortized over an established payment schedule,

some loans allow for deferred payment of accrued interest and principal until the homeowner's property is sold or transferred, primarily for seniors and very low-income families. Repayments received from the outstanding loans are used to make additional rental and housing rehabilitation loans. Principal and interest outstanding balances at June 30, 2016, are \$2,660,848.

(b) Multi-Unit Rental Rehabilitation Loans

The City administers the following multi-unit rental improvement revolving loan funds using federal CDBG funds and prior to 2012, Antioch Development Agency Housing Set Aside monies.

West Rivertown Apartments/Eden Housing Project

The City and Agency have entered into three loan agreements with Eden Housing for the development of the West Rivertown Apartments. The agreements are as follows:

This project is the construction of a 57-unit, affordable housing townhouse development in the City's downtown with financing assistance from the Agency and several other agencies. In May 2000, the Agency entered into a disposition, development and loan agreement with Eden Rivertown Limited Partnership (the Developer). Under the terms of the loan agreement, the Developer must repay up to \$3,601,686 (maximum loan amount) to the Agency, which includes the purchase of the land from the Agency. The loan bears an interest rate of 3% per annum. The Developer is required to make annual payments of principal and interest to the Agency in the amount of 100% of residual receipts, less the portion of the residual receipts that is owed to Contra Costa County. Payments are to begin the July 1st after project completion and will end on the 55th anniversary date of the Agency promissory note dated February 11, 2002. Principal and interest outstanding at June 30, 2016 is \$5,007,166.

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In 1994, the City loaned Community Housing Opportunities (CHOC) \$203,755 for the acquisition of property. CHOC determined that their planned development of this property was no longer feasible, and in November 2005, the City, the Agency, and CHOC agreed to the transfer of ownership of the property and loan to Eden Housing for the development of 40 units of affordable housing to expand the West Rivertown Project in the City's downtown. In order to complete the project, the Agency agreed to loan Eden Housing an additional \$1,458,400. The loan for \$203,755 is non-interest bearing and all principal and interest payments are deferred and will be forgiven at the expiration of the term. The loan for \$1,458,400 bears an interest rate of 3% per annum and will end on the 55th anniversary date of the issuance of certificates of occupancy by the City. Principal and interest outstanding on this loan at June 30, 2016 is \$1,544,890.

Terrace Glen Project

This project consists of a 32-unit, multifamily rental housing development. In August 1998, the City and former redevelopment agency made a commitment for \$850,000 in Community Development Block Grant (CDBG) funds, and \$547,625 in housing set-aside funds, respectively, towards this project. Commencing November 6, 1996, the loan accrues simple interest at 3% per annum. The 55-year term loan is secured by a deed of trust. Commencing on October 1, 1999, and on October 1 of each year thereafter, the developer will pay the City's/Agency's pro-rata percentage of the lender's share of residual receipts to the extent there are residual receipts. Payments will be first credited against accrued interest and then against principal. Any outstanding principal and interest is due and payable in full in March 2054. Principal and interest outstanding at June 30, 2016 is \$2,105,130.

Pinecrest Apartment Project

This project consists of a 24-residential unit development. In September 2000, the City and the former redevelopment agency made a commitment for \$570,000 in CDBG funds and \$300,000 in housing set-aside funds, respectively, towards this project. Commencing on the first date of disbursement, the loan accrues simple interest at 3% per annum. The 55-year term loan is secured by a deed of trust.

Commencing on May 1, 2002, and on May 1 of each year thereafter, the developer will pay the City a pro-rate percentage of the lender's share of residual receipts to the extent there are residual receipts.

Payments will be first credited against accrued interest and then against principal. Any outstanding principal and interest is due and payable in full in May 2055. Principal and interest outstanding at June 30, 2016 is \$1,270,498.

Rivertown Senior Housing

This project consists of a fifty-unit, affordable senior housing project. In September 1992, the former redevelopment agency made a commitment for \$442,750 in housing set-aside funds toward this project. In September 2001, the loan was amended to reduce the principal amount by \$200,000 to reflect funds not borrowed for the project. The loan is noninterest bearing and secured by a deed of trust with affordable housing requirements for 40 years. The balance of the loan is due and payable on October 1, 2033. Principal outstanding at June 30, 2016 is \$242,750.

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Riverstone Apartments

This project consists of acquisition and rehabilitation of 136 apartment rental units for low and very low income households. On July 1, 2007, the former redevelopment agency made a commitment for \$2,025,000 in housing set-aside funds toward this project. Commencing on the first date of disbursement, the loan accrues simple interest at 3% per annum. The 55-year loan term is secured by a deed of trust. Commencing on May 1st following the fifteenth anniversary of the first disbursement of the loan, and on May 1st of each year thereafter for the term of the loan, the developer will make repayments equal to the lesser of (i) the amount necessary to fully amortize the repayment of principal and interest on the loan for the remaining term or (ii) residual receipts. Payments will be first credited against accrued interest and then principal. Principal and interest outstanding at June 30, 2016 is \$2,495,244.

Hillcrest Terrace Project

This project consists of a 65-unit affordable senior housing project. In October 1998, the former redevelopment agency made a commitment for \$731,175 in housing set-aside funds towards this project. Commencing on the first date of disbursement, the loan accrues simple interest at 3% per annum. The 55-year term loan is secured by a deed of trust. Commencing on the June 1 after project completion, and on June 1 of each year thereafter, the developer will pay the Agency one-half of the residual receipts to the extent there is residual receipts. Payments will be first credited against accrued interest and then against principal. Any outstanding principal and interest is due and payable in full in June 2055. In September 2001, the Agency made a commitment of an additional \$200,000 due and payable October 1, 2038. Principal and interest outstanding for these loans at June 30, 2016 is \$1,404,023.

Tabora Gardens

This project consists of acquisition and development of 85 units of senior, multifamily housing affordable to low income households. On June 6, 2011, the former redevelopment agency made a commitment for \$300,000 in housing set-aside funds toward this project. Commencing on the first date of disbursement, the loan accrues simple interest at 3% per annum. The 58-year loan term is secured by a deed of trust. The loan is fully deferred and payment in full, including interest, is due upon expiration of the term. Principal and interest outstanding at June 30, 2016 is \$2,628,762.

NSP Loans

The City provides loans of CDBG Neighborhood Stabilization Program funds to low and moderate income eligible persons that purchase homes through the NSP program implemented by Heart and Hands of Compassion. The loans are to assist in the purchase of the properties. The loans expire 30 years from the date of the notes, and payments of principal and interest are deferred until the end of the term. The unpaid principal balance, plus any shared appreciation, is due and payable upon expiration of the term, transfer of the property, or default. As of June 30, 2016, there are four loans outstanding totaling \$49,135.

(c) Lone Tree Golf Course

During fiscal year 2004-05, the City loaned the Lone Tree Golf Course monies to complete various improvements at the golf course. Annual interest only repayments began August 23, 2005. The loan agreement was amended in December 2007. The new term is for a term of 25 years from December 11, 2007 with interest being calculated based on the City's earnings on idle funds. The City has agreed to defer payment of the loan until the finances of the Golf Course stabilize. Principal outstanding at June 30, 2016, is \$900,000. During fiscal year 2005-06, the City loaned an additional \$296,220 to the Golf Course for parking lot improvements. The loan is non-interest bearing and deferred under the same terms of the previous loan. Principal outstanding on this loan is \$222,165 at June 30, 2016.

City of Antioch
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(d) Other Loans

The Agency administers a first time homebuyer loan program for qualified applicants. Principal is due at the end of 30 years or upon default, refinancing, sale or transfer of the property. The Agency is also entitled to a pro-rata share of appreciation on the property when the principal is paid. As of June 30, 2016 there is \$1,303,980 of loans outstanding.

NOTE 8 - CAPITAL ASSETS

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

	Balance July 1, 2015	Additions	Reductions	Balance June 30, 2016
Governmental activities				
<i>Capital assets, not being depreciated</i>				
Land	\$ 11,269,647	\$ 2,276,113	\$ 124,256	\$ 13,421,504
Construction in progress	4,570,989	1,091,575	1,410,351	4,252,213
Total capital assets, not being depreciated	15,840,636	3,367,688	1,534,607	17,673,717
<i>Capital assets, being depreciated</i>				
Infrastructure	416,453,898	2,898,509	-	419,352,407
Structures and improvements	79,324,412	1,188,621	291,000	80,222,033
Equipment	16,076,043	1,807,732	383,972	17,499,803
Total capital assets, being depreciated	511,854,353	5,894,862	674,972	517,074,243
<i>Less accumulated depreciation for:</i>				
Infrastructure	(159,140,508)	(8,864,411)	-	(168,004,919)
Structures and improvements	(23,922,202)	(1,895,285)	142,590	(25,674,897)
Equipment	(11,272,236)	(938,749)	383,972	(11,827,013)
Total accumulated depreciation	(194,334,946)	(11,698,445)	526,562	(205,506,829)
Total capital assets, being depreciated, net	317,519,407	(5,803,583)	148,410	311,567,414
Governmental activities capital assets, net	\$ 333,360,043	\$ (2,435,895)	\$ 1,683,017	\$ 329,241,131
Business-type activities				
<i>Capital assets, not being depreciated</i>				
Land	\$ 3,558,467	\$ -	\$ -	\$ 3,558,467
Construction in progress	4,590,610	1,447,792	4,332,955	1,705,447
Total capital assets, not being depreciated	8,149,077	1,447,792	4,332,955	5,263,914
<i>Capital assets, being depreciated</i>				
Water and sewer pipes	127,081,088	6,383,557	-	133,464,645
Structures and improvements	95,080,752	1,044,158	-	96,124,910
Equipment	4,496,681	86,740	-	4,583,421
Total capital assets, being depreciated	226,658,521	7,514,455	-	234,172,976
<i>Less accumulated depreciation for:</i>				
Water and sewer pipes	(29,088,777)	(1,779,529)	-	(30,868,306)
Structures and improvements	(50,494,667)	(2,877,294)	-	(53,371,961)
Equipment	(3,654,581)	(135,199)	-	(3,789,780)
Total accumulated depreciation	(83,238,025)	(4,792,022)	-	(88,030,047)
Total capital assets, being depreciated, net	143,420,496	2,722,433	-	146,142,929
Business-type activities capital assets, net	\$ 151,569,573	\$ 4,170,225	\$ 4,332,955	\$ 151,406,843

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Construction in Progress

Construction in progress for governmental activities primarily represents work being performed on West Antioch Creek Channel improvements; Lone Tree Intersection improvements; and Prewett Park new water feature project.

Construction in progress for business type activities primarily represents work performed on water main replacement, water treatment plant improvements, and sewer main replacement project.

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 679,184
Public works	8,666,843
Public safety	597,666
Parks and recreation	1,182,682
Community development	18,553
Depreciation of capital assets held by the City's Internal Service Fund is charged to the various functions based on their usage of the assets	553,517
Total depreciation expense - governmental functions	<u>\$ 11,698,445</u>

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

Water	\$ 2,386,069
Sewer	1,351,342
Marina	466,336
Prewett Water Park	588,274
Total depreciation expense - business-type functions	<u>\$ 4,792,021</u>

City of Antioch
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NOTE 9 - LONG-TERM OBLIGATIONS

(a) Long-Term Debt Composition

Long-term debt at June 30, 2016, consisted of the following:

Type of Indebtedness (Purpose)	Final Maturity	Annual Principal Installment	Interest Rates	Original Issue Amount	Outstanding at June 30, 2016
Governmental Activities:					
Lease Revenue Bonds:					
2015A Issue - ABAG Golf Course	5/1/31	\$334,750-347,167	2.00-5.00%	\$ 3,840,000	\$ 3,700,000
Total lease revenue bonds				3,840,000	3,700,000
Capital Lease:					
Honeywell Energy Retrofit	7/21/20	\$25,091-45,735	4.79%	4,050,000	2,005,038
Total governmental activities				7,890,000	5,705,038
Business-type Activities:					
Loans Payable:					
State of California Antioch Marina Loan	8/1/43	\$7,655-122,321	4.7-7.9%	6,500,000	2,678,064
Long Term Payable:					
Delta Diablo Recycled Water Program	12/31/30	\$248,176-251,638	0.077%	5,040,423	3,780,298
Total business-type activities				11,540,423	6,458,362
Total primary government				\$ 19,430,423	\$ 12,163,400

(b) Long-Term Obligation Activity

Changes in long-term obligations for the year ended June 30, 2016 are as follows:

	Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016	Amount Due Within One Year
Governmental Activities					
Lease Revenue Bonds	\$ 3,840,000	\$ -	\$ (140,000)	\$ 3,700,000	\$ 175,000
Unamortized Premium	548,264	-	(34,266)	513,998	-
Capital Lease Payable	2,425,375	-	(420,337)	2,005,038	446,747
Claims Liability (Note 15)	575,884	50,772	(252,447)	374,209	359,240
Compensated Absences	2,135,820	335,922	(262,068)	2,209,674	220,967
Total Governmental Activities	\$ 9,525,343	\$ 386,694	\$ (1,109,118)	\$ 8,802,919	\$ 1,201,954
Business-type Activities					
Loans Payable	\$ 2,843,172	\$ -	\$ (165,108)	\$ 2,678,064	\$ 141,340
Long Term Payable -					
Delta Diablo Recycled Water Program	4,032,324	-	(252,026)	3,780,298	252,026
Compensated Absences	496,216	38,770	(47,582)	487,404	48,741
Total Business-type Activities	\$ 7,371,712	\$ 38,770	\$ (464,716)	\$ 6,945,766	\$ 442,107

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. For the governmental activities, claims and judgments are generally liquidated by the General Fund, and a majority of compensated absences are generally liquidated by the General Fund.

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(c) Debt Service Requirements

As of June 30, 2016, annual debt service requirements of governmental activities to maturity are as follows:

Year ending June 30:	Lease Revenue Bonds	
	Principal	Interest
2017	\$ 175,000	\$ 166,700
2018	180,000	161,450
2019	190,000	154,250
2020	200,000	144,750
2021	210,000	134,750
2022-2026	1,215,000	505,250
2027-2031	1,530,000	177,000
Total	<u>\$ 3,700,000</u>	<u>\$ 1,444,150</u>

On February 11, 2015, the Antioch Public Financing Authority (Authority) issued \$23,155,000 in Lease Revenue Refunding Bonds (Municipal Facilities Project), Series 2015A with interest rates ranging between 2% and 5%. The Authority issued the bonds to refund the entire \$4,740,000 of the outstanding ABAG 2001 Lease Revenue Bonds and \$21,505,000 of the outstanding 2002 A&B Lease Revenue Refunding Bonds. \$19,315,000 of the par amount of bonds issued are secured by the Successor Agency to the Antioch Development Agency and are therefore excluded from the government-wide statement of net position. Refer to Note 20 for disclosure regarding that portion. \$3,840,000 of the par amount of bonds issued are an obligation of the City. The refunding reduced total debt service payments over the next 17 years by \$1,117,618. This results in an economic gain (difference between the present value of debt service payments on the old and new debt) of \$994,284.

Principal and interest payments on the lease revenue bonds are payable from any revenue lawfully available to the City for the purpose of payment of Base Rental Payments. The City has a service concession arrangement with Antioch Public Golf Course, Inc. (Corporation) and as part of that arrangement the Corporation reimburses the City for the annual debt service as the bonds were issued to finance improvements at the golf course. The total principal and interest remaining to be paid on the bonds is \$5,144,150. Principal and interest payments began in November 2015.

As of June 30, 2016 annual debt service requirements of business-type activities to maturity are as follows:

Year ending June 30:	Marina Loans	
	Principal	Interest
2017	\$ 141,340	\$ 120,513
2018	147,694	114,153
2019	98,528	107,506
2020	102,925	103,073
2021	82,948	98,441
2022-2026	474,205	432,740
2027-2031	590,945	315,999
2032-2036	736,418	170,519
2037-2040	303,061	26,028
Total	<u>\$ 2,678,064</u>	<u>\$ 1,488,972</u>

City of Antioch
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(d) Capital Lease

In October 2009, the City entered into a lease-purchase agreement in the amount of \$4,050,000 with Bank of America to finance the acquisition and retrofitting of interior building lighting in City facilities, street lights and park and site lighting fixtures throughout the City. The lease has an imputed interest rate of 4.79% and requires monthly payments beginning in August 2010 until July 2020, when the lease will terminate and the City will obtain title to the property. The project was completed in December 2010. As of June 30, 2015, the net book value of the assets completed has been recorded as Improvements other than Buildings in the amount of \$3,741,365.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2016 were as follows:

Year Ending June 30:	Governmental Activities
2017	\$ 533,076
2018	538,834
2019	544,651
2020	550,525
2021	45,918
Total minimum lease payments	2,213,004
Less: amount representing interest	(207,966)
Present value of minimum lease payments	\$ 2,005,038

(e) Long Term Payable – Delta Diablo Recycled Water Program

The City entered into a Joint Powers Agreement with Delta Diablo (the District) in November 2003 for the District to develop a recycled water program within City limits. As part of this agreement, the District would design, construct, own, operate and regulate all recycled water facilities to provide recycled water within the City of Antioch. The City would be responsible for 50% of the project cost, up to \$5,000,000 in principal with associated interest, of a loan the District obtained from the State Water Resources Control Board to complete the project. The project was completed in July 2011 and the City began paying a proportionate share of the project costs in December 2011. The total due at June 30, 2016 is \$3,780,298 representing the total share of principal and interest outstanding on the loan the District obtained. Repayment requirements are as follows:

Year ending June 30:	Long Term Payable	
	Principal	Interest
2017	\$ 249,133	\$ 2,893
2018	249,325	2,701
2019	249,517	2,509
2020	249,709	2,317
2021	249,901	2,125
2022-2026	1,252,396	7,735
2027-2031	1,257,130	2,906
Total	\$ 3,757,111	\$ 23,187

(f) Legal Debt Limit

As of June 30, 2016, the City's debt limit and legal debt margin (15% of valuation subject to taxation) was \$1,462,994,843.

City of Antioch
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NOTE 10 - NET POSITION/FUND BALANCES

(a) Net Position

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

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

Restricted - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. The following amounts of net position are restricted by enabling legislation: \$132,071 pursuant to State Assembly Bill 1900 which restricts the use of funds for protection of tidelands areas; \$1,204,382 pursuant to the DIVCA Act of 2006 which restricts the use for Public, Educational and Governmental Programming (PEG).

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

(b) Fund Balances

Fund balances, presented in the governmental fund financial statements, represent the difference between assets and liabilities reported in a governmental fund. In fiscal year 2011, the City implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. GASB 54 establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental funds. Fund balances are classified into categories based upon the type of restrictions imposed on the use of funds.

As of June 30, 2016 components of fund balance are described below:

- *Nonspendable* – portion of net resources that cannot be spent because of its form (i.e., long term loans, prepaids).
- *Restricted* – portion of net resources that are limited in use by grantors, laws or enabling legislation.
- *Committed* – portion of net resources that are limited to the use as established by formal action of the City Council. Committed fund balance can only be modified or rescinded by formal action of the City Council through resolution.
- *Assigned* – portion of net resources held for the use as established by the City Manager or his designee. The City Council has granted this authority to the City Manager through resolution.
- *Unassigned* – portion of net resources that represents amounts in excess of the other fund balance components. Only the General Fund can have a positive unassigned fund balance.

The City spends restricted fund balances first when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available. Committed and assigned fund balances are considered to have been spent first before unassigned fund balances have been spent when expenditures are incurred for the purposes for which amounts in any of those unrestricted fund balance classifications could be used.

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The following represents the components of fund balance for governmental funds:

	Major Funds				Non-major Governmental Funds	Total
	General Fund	Housing and Community Development	Gas Tax	Housing Successor		
Nonspendable:						
Petty cash and prepaids	\$ 224,463	\$ -	\$ -	\$ 38,865	\$ 92,955	\$ 356,283
Total nonspendable	224,463	-	-	38,865	92,955	356,283
Restricted for:						
Housing & Development	-	6,311,778	-	19,228,788	-	25,540,566
Debt service	-	-	-	-	3,244	3,244
Public Facilities	-	-	-	-	53,283	53,283
Streets	-	-	1,188,689	-	4,297,341	5,486,030
Parks	-	-	-	-	178,780	178,780
PEG Programming	-	-	-	-	1,204,382	1,204,382
Storm Channels	-	-	-	-	2,580,423	2,580,423
Landscape Maintenance	-	-	-	-	1,379,709	1,379,709
Tidelands Areas	-	-	-	-	132,701	132,701
Law Enforcement	-	-	-	-	146,283	146,283
Traffic Safety	-	-	-	-	25,745	25,745
Parks & Recreation	-	-	-	-	163,948	163,948
Animal Shelter	-	-	-	-	213,787	213,787
Abandoned Vehicle	-	-	-	-	224,204	224,204
Total restricted	-	6,311,778	1,188,689	19,228,788	10,603,200	37,332,455
Committed to:						
Compensated absences	93,889	-	-	-	-	93,889
Litigation/Insurance	500,000	-	-	-	-	500,000
Police Services - Measure C	4,351,967	-	-	-	-	4,351,967
Parks	-	-	-	-	1,378,843	1,378,843
Landscape Maintenance	-	-	-	-	72,109	72,109
Arts & Cultural Activities	-	-	-	-	31,242	31,242
Recreation Programs	-	-	-	-	-	-
Field Maintenance	-	-	-	-	155,876	155,876
Memorial Field Maintenance	-	-	-	-	21,316	21,316
Road Repair	-	-	-	-	150,233	150,233
Waste Reduction	-	-	-	-	414,428	414,428
Youth Activities	-	-	-	-	76,293	76,293
Traffic Signals	-	-	-	-	938,186	938,186
Post Retirement Medical	-	-	-	-	476,569	476,569
Total committed	4,945,856	-	-	-	3,715,095	8,660,951
Assigned to:						
Contractual Services	143,963	-	-	-	-	143,963
Parks & Recreation	-	-	-	-	44,589	44,589
Capital Projects	-	-	-	-	1,621,814	1,621,814
Community Benefit Prog.	-	-	-	-	406,011	406,011
AD 26	-	-	-	-	374,811	374,811
AD 27	-	-	-	-	477,302	477,302
Total assigned	143,963	-	-	-	2,924,527	3,068,490
Unassigned	17,590,147	-	-	-	(184,041)	17,406,106
Total fund balances	\$ 22,904,429	\$ 6,311,778	\$ 1,188,689	\$ 19,267,653	\$ 17,151,736	\$ 66,824,285

The City has established a fund balance policy for the General Fund requiring that the minimum unassigned fund balance be at least 10% of General Fund operating revenues, with a goal of reaching a minimum of 15% of operating revenues (including transfers). As of June 30, 2016, unassigned fund balance was 33.31% of total operating revenues.

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NOTE 11 – PENSION PLANS OVERVIEW

The City of Antioch has three pension plans: Miscellaneous Pension Plan; Safety Pension Plan; and Supplementary Retirement Plan. Information about each plan and its provisions follow in notes 12-14. A summary table of the plans related net pension liabilities and deferrals follows to aid in financial reporting reconciliation to the government-wide statements.

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Miscellaneous Plan	\$45,209,182	\$3,697,065	\$3,551,227
Safety Plan	37,561,170	5,979,511	4,071,930
Police Supplementary Plan	1,065,673	-	8,160
Totals	\$83,836,025	\$9,676,576	\$7,631,317

NOTE 12 - PENSION PLAN - MISCELLANEOUS

(a) General Information about the Miscellaneous Pension Plan

Plan Description - All permanent non-safety employees are eligible to participate in the Miscellaneous Plan of the Public Employees' Retirement Fund (the Fund) of California Public Employees' Retirement System (CalPERS). The Fund is an agent multiple-employer defined benefit plan administered by CalPERS that acts as a common investment and administrative agent for various local and state governmental agencies within the State of California. The fund provides retirement, disability, and death benefits based on the employees' years of service, age and final compensation. Employees vest after five years of service and may receive retirement benefits at the age of 55 for miscellaneous employees. These benefit provisions and all other requirements are established by State statute and City ordinance. 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. Copies of the Fund's annual financial report may be obtained from CALPERS' executive office: 400 P Street, Sacramento, CA 95814. A separate report for the City's plan within the Fund is not available.

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 years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, Lump Sum, or the 1959 Survivor Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

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The Plans' provisions and benefits in effect at June 30, 2016, are summarized as follows:

Hire Date	Miscellaneous Plan		
	Prior to November 9, 2007	On or After November 9, 2007 and prior to January 1, 2013	On or after January 1, 2013
Benefit Formula	2.7% @ 55	2.7% @ 55	2.0% @ 62
Benefit Vesting Schedule	5 years of service	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	50-55	50-55	52-67
Monthly Benefits, as a % of Eligible Compensation	2.0%-2.7%	1.426%-2.418%	1.0%-2.5%
Required Employee Contribution Rates	8%	8%	6.5%
Required Employer Contribution Rates	26.250%	26.250%	24.75%

Employees Covered – At June 30, 2016, the following employees were covered by the benefit terms for the Miscellaneous Plan:

	Miscellaneous Plan
Inactive employees or beneficiaries currently receiving benefits	284
Inactive employees entitled to but not yet receiving benefits	120
Active employees	166
Total	570

Contributions – 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 Plan 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 cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. In fiscal year 2016, the City made \$3,697,065 in contributions.

(b) Net Pension Liability – Miscellaneous Plan

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2015, using an annual actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

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Actuarial Assumptions – The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions:

	Miscellaneous Plan
Valuation Date	June 30, 2014
Measurement Date	June 30, 2015
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3.0%
Projected Salary Increase (1)	3.3%-14.2%
Investment Rate of Return (2)	7.65%
Mortality	.00125-1.00000

- (1) Depending on age, service and type of employment
- (2) Net of pension plan investment expenses, including inflation

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2014 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 7.65% for the Plan. 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 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary.

The long term expected discount rate of 7.65 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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 expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound 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.

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The table below reflects the 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.

Asset Class	Current Target Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	2.0%	(0.55%)	(1.05%)
Total	100%⁰		
(a) An expected inflation of 2.5% used for this period.			
(b) An expected inflation of 3.0% used for this period.			

(c) Changes in the Net Pension Liability

The change in the Net Pension Liability for the Miscellaneous Plan follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2014	\$153,307,596	\$110,321,647	\$42,985,949
Changes in the year:			
Service cost	2,281,384	-	2,281,384
Interest on the total pension liability	11,178,491	-	11,178,491
Differences between actual and expected experience	(1,909,680)	-	(1,909,680)
Changes in assumptions	(2,712,350)	-	(2,712,350)
Plan to plan resource movement	-	387	(387)
Changes in benefit terms	-	-	-
Contribution – employer	-	3,289,258	(3,289,258)
Contribution - employee	-	1,003,111	(1,003,111)
Investment Income	-	2,445,136	(2,445,136)
Administrative expenses	-	(123,280)	123,280
Benefit payments, including refunds of employee contributions	(7,404,372)	(7,404,372)	-
Net Changes	1,433,473	(789,760)	2,223,233
Balance at June 30, 2015	\$154,741,069	\$109,531,887	\$45,209,182

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Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the City for the Miscellaneous Plan, calculated using the discount rate for the Plan, as well as what the Local Government's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Miscellaneous</u>
1% Decrease	6.65%
Net Pension Liability	\$65,672,938
Current Discount Rate	7.65%
Net Pension Liability	\$45,209,182
1% Increase	8.65%
Net Pension Liability	\$28,292,274

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in a separately issued CalPERS financial report.

(d) Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2016, the City recognized pension expense for the Miscellaneous Plan of \$1,440,725. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$3,697,065	\$ -
Changes of assumptions	-	1,479,464
Differences between expected and actual experiences	-	1,041,644
Net differences between projected and actual earnings on plan investments	-	1,030,119
Total	<u>\$3,697,065</u>	<u>\$3,551,227</u>

\$3,697,065 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. 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 Ended June 30</u>	
2017	\$2,384,888
2018	1,154,152
2019	733,967
2020	(1,171,780)
Thereafter	0

(e) Payable to the Pension Plan

At June 30, 2016, the City reported a payable of \$365,895 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2016.

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NOTE 13 – PENSION PLAN - SAFETY

(a) General Information about the Safety Pension Plan

Plan Description - All qualified permanent and probationary safety employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement system (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay for benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors three rate plans for safety. Benefit provisions under the Plan are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. Copies of the Fund's annual financial report may be obtained from CALPERS' executive office: 400 P Street, Sacramento, CA 95814. A separate report for the City's plan within the Fund is not available.

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 years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits are 10 years of service. The death benefit is one of the following: the Basic Death Benefit, Lump Sum, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefit tiers in effect at June 30, 2016, are summarized as follows:

	Safety Plan		
	Prior to September 14, 2012 (Classic)	On or After September 14, 2012 and prior to January 1, 2013 (Second Tier)	On or after January 1, 2013 (PEPRA)
Hire Date			
Benefit Formula	3% @ 50	3.0% @ 50	2.7% @ 57
Benefit Vesting Schedule	5 years of service	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	50	50	50-57
Monthly Benefits, as a % of Eligible Compensation	3.0%	3.0%	2.0%-2.7%
Required Employee Contribution Rates	9%	9%	9%
Required Employer Contribution Rates	19.124%	19.263%	15.173%
Required Unfunded Accrued Liability Contribution	\$1,915,572	\$0	\$0

Contributions – 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 Plan 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 cost of benefits

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earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2016, the contributions recognized as part of pension expense for the Safety Plan was \$3,652,991.

(b) Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions – Safety Plan

As of June 30, 2016, the City reported net pension liabilities for its proportionate shares of the net pension liability of the Safety Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Total Safety Net Pension Liability	<u>\$37,561,170</u>

The City's net pension liability for the Safety Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2015, and the total pension liability was determined by an actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. In determining the City's rate plan's proportionate share of the net pension liability, the total pension liability using the output from the Actuarial Valuation System and the fiduciary net position provided by CalPERS' Financial Office are first determined for the individual rate plans and the risk pool as a whole on the Valuation Date. The first calculation uses the risk pool's total pension liability and fiduciary net position at the Valuation Date to determine the net pension liability at the Valuation Date. Using standard actuarial roll forward methods, the risk pool's total pension liability is then computed at the Measurement Date. The fiduciary net position is then determined by the CalPERS' Financial Office at the Measurement Date. Next, the individual employer rate plans' share of the total pension liability, fiduciary net position and net pension liability are calculated at the Valuation Date. Using the individual employer rate plan's share of the risk pool total pension liability and fiduciary net position, the proportionate shares of the total pension liability and fiduciary net position are determined for each employer rate plan. The City's proportionate share of the net pension liability for the Plan as of June 30, 2014 and 2015 are as follows:

	<u>Safety Plan</u>
Proportion – June 30, 2014	.892010%
Proportion – June 30, 2015	.911581%
Change – Increase (Decrease)	.019571%

For the year ended June 30, 2016, the City recognized pension expense of \$2,527,574. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$4,113,904	\$ -
Differences between actual and expected experience	-	479,298
Changes in assumptions	-	2,204,466
Change in employer's proportion	1,733,882	113,551
Change in employer's proportion and difference between the employer's contributions and the employer's proportionate share of contributions	131,725	157,378
Net differences between projected and actual earnings on plan investments	-	1,117,237
Total	<u>\$5,979,511</u>	<u>\$4,071,930</u>

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\$4,113,904 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year end June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2017	(\$1,214,927)
2018	(1,216,945)
2019	(1,145,932)
2020	1,371,480
Thereafter	0

Actuarial Assumptions – The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions:

	Safety Plan
Valuation Date	June 30, 2014
Measurement Date	June 30, 2015
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3.0%
Projected Salary Increase (1)	3.3%-14.2%
Investment Rate of Return (2)	7.65%
Mortality	.00125-1.00000

- (1) Depending on age, service and type of employment
- (2) Net of pension plan investment expenses, including inflation

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2014 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 7.65% for the Plan. 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 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed "GASB Crossover Testing Report" that can be obtained from the CalPERS website.

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 expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over

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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 the 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.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	2.0%	(0.55%)	(1.05%)
Total	100%		
(a) An expected inflation of 2.5% used for this period.			
(b) An expected inflation of 3.0% used for this period.			

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability of the plan, calculated using the discount rate for the plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Safety Plan
1% Decrease Net Pension Liability	6.65% \$58,293,750
Current Discount Rate Net Pension Liability	7.65% \$37,561,170
1% Increase Net Pension Liability	8.65% \$20,560,836

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in a separately issued CalPERS financial report.

(c) Payable to the Pension Plan

At June 30, 2016, the City reported a payable of \$176,356 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2016.

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NOTE 14 – SUPPLEMENTARY RETIREMENT PLAN

(a) General Information about the Police Supplementary Retirement Plan and Benefits Provided

Employees are eligible to receive benefits under this plan if he or she meets the requirements under one of the three tiers of the plan. The fund is an agent multiple-employer defined benefit plan established under Section 401 (a) and tax-exempt under Section 501 (a) of the Internal Revenue Code of 1986 and meets the requirements of a pension trust under California Government Code Sections 53215-53224. The trust is maintained by Public Agency Retirement Services (PARS) and provides for retirement, survivor continuance, pre-retirement disability and pre-retirement death benefits based upon the tier the member qualifies within. The plan is closed. Employee vesting is determined within each tier:

- Tier I – Designated eligible employee by Plan Administrator that has terminated from employment and applied for benefits under plan vest immediately.
- Tier II – Vest after five years of employment.
- Tier III – Employee vested if a full time Sworn Police Officer on or after September 1, 2007 and has terminated employment and concurrently retires under a service, disability or industrial disability retirement under CALPERS prior to December 31, 2012.

These benefit provisions and all other requirements are established by State Statute and City ordinance. Copies of the Fund's annual financial report may be obtained from PARS office: P.O. Box 12919, Newport Beach, CA 92658-2919. A separate report for the City's plan within the fund is not available.

The Plans' provisions and benefits in effect at June 30, 2016, are summarized as follows:

Supplementary Plan			
Effective Date	Tier 1 September 1, 2007	Tier II September 1, 2007	Tier III September 1, 2007
Benefit Formula	Amount set forth on Schedule A of Plan Documents – no employees in this Tier	9% of CalPERS 3% @50 benefit and not more than 8.1% of Final Compensation	9% of CalPERS Disability benefit and not more than 8.1% of Final compensation
Benefit Vesting Schedule	Designated by Plan Administrator	5 years of service	Disability retirement directly from City under CalPERS
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	50-55	50	50
Monthly Benefits, as a % of Eligible Compensation	2.0%-2.7%	1.426%-2.418%	1.0%-2.5%
Required Employee Contribution Rates	0%	0%	0%
Required Employer Contribution Rates	Pay as you go	Pay as you go	Pay as you go

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Employees Covered – At June 30, 2016, the following employees were covered by the benefit terms for the Supplementary Plan:

	Supplementary Plan
Inactive employees or beneficiaries currently receiving benefits	13
Inactive employees entitled to but not yet receiving benefits	0
Active employees	0
Total	13

Contributions – There is no requirement imposed by PARS to contribute any amount beyond the pay as you go contributions. For the fiscal year 2016, the City made a total of \$627,588 in pay as you contributions.

(b) Net Pension Liability

The City’s net pension liability for the Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2016, using an annual actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions:

	Supplementary Plan
Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	5.5%
Inflation	3.0%
Payroll Growth (1)	0%
Projected Salary Increase (1)	0%
Investment Rate of Return	5.5%
Mortality	.00125-1.00000

(1) This is a closed plan

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2015 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011 for CalPERS. Further details of the Experience Study can found on the CalPERS website.

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2016 was 5.5% for the Plan based upon the S&P Municipal Bond 20 Year High Grade Rate Index.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The long-term expected rate of return was based upon the S&P Municipal Bond 20 Year High Grade Rate Index as selected by the City and is not reduced for administrative expenses. All of the plan’s PARS assets are invested in a moderately conservative portfolio with a target asset allocation of 30% equity, 65% fixed income and 5% cash.

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(c) Changes in the Net Pension Liability

The change in the Net Pension Liability for the Supplementary Plan follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2015	\$2,075,000	\$73,667	\$2,001,333
Changes in the year:			
Interest on the total pension liability	89,649	-	89,649
Differences between actual and expected experience	36,011	-	36,011
Changes in assumptions	(439,207)	-	(439,207)
Contribution – employer	-	627,588	(627,588)
Net investment income	-	29,508	(29,508)
Administrative expenses	-	(34,983)	34,983
Benefit payments, including refunds of employee contributions	(83,627)	(83,627)	-
Net Changes	(397,174)	538,486	(935,660)
Balance at June 30, 2016	\$1,677,826	\$612,153	\$1,065,673

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the City for the Supplementary Plan, calculated using the discount rate for each Plan, as well as what the Local Government's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Supplementary
1% Decrease	4.5%
Net Pension Liability	\$1,324,479
Current Discount Rate	5.5%
Net Pension Liability	\$1,065,673
1% Increase	6.5%
Net Pension Liability	\$859,122

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in a separately issued PARS financial report.

(d) Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2016, the City recognized pension expense for the Supplementary Plan of (\$297,581). At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$-
Differences between actual and expected experience	-
Changes in assumptions	-
Net differences between projected and actual earnings on plan investments	8,160
Total	\$8,160

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There were no contributions subsequent to the measurement date and therefore no deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2017	(\$1,290)
2018	(2,290)
2019	(2,290)
2020	(2,290)
2021	0
Thereafter	0

(e) Payable to the Pension Plan

At June 30, 2016, the City did not report a payable for an amount outstanding amount of contributions to the pension plan required for the year ended June 30, 2016.

NOTE 15 - POST EMPLOYMENT MEDICAL BENEFITS

(a) Medical After Retirement Plan Trust

Plan Description. City of Antioch provides postretirement medical benefits to all eligible employees and their surviving spouses under the provisions of three formal City-sponsored plans (Miscellaneous Group, Management Group and Police Group). The effective date varies based upon the employee's classification and related memorandum of understanding (MOU). For all employees who retire from service (either regular retirement or disability retirement), the City shall pay a portion of their medical premiums based on their respective MOU currently in effect. The City's contributions are advanced-funded on an actuarially determined basis and recorded in the CalPERS Trust (CERBT). The Fund is a Section 115 Trust set up for the purpose of receiving employer contributions that will prefund health and other post employment benefit costs for retirees and their beneficiaries. . As of June 30, 2016, there were 255 active participants and there were 214 retired participants eligible to receive post employment health care benefits. The City currently maintains three Special Revenue Funds to account for the payment of retiree medical benefits and reimbursements for these costs from the trust for each plan group (combined for financial reporting purposes). The CERBT accounts for the separate plans in one master trust account for the City with three subgroups, one for each plan. Assets of each plan are restricted to pay for benefits of those plan members or beneficiaries only. The City makes contributions to the CERBT based on a percentage of active employee payroll.

Funding Policy. There is no requirement imposed by CalPERS, to contribute any amount beyond the pay-as-you-go contributions. The cost of monthly insurance premiums may be shared between the retiree and the City. The cost sharing varies depending on: date of hire; the dependent status; and plan selected. A minimum employer monthly contribution requirement is established and may be amended by the CalPERS Board of Administration and applicable laws. Within the parameters of the law, individual contracting agencies, such as the City, are allowed to establish and amend the level of contributions made by the employer towards the monthly cost of the plans. Changes to the employer contribution amount towards retiree benefits are recorded in a resolution adopted by the City Council. The City has elected a five year amortization period for the Other Post Employment Benefits ("OPEB") plan assets deposited into the CERBT, permitted under GASB Statement 45 paragraph 13F, amortization periods allow for a maximum of 30 years with no minimum years.

The City has established a policy to make contributions, for the purpose of funding its calculated obligations over a period of time, enough to pay current benefits due, with the intent to make the full ARC contributions (18.1% of payroll for fiscal year 2016) as fiscal conditions improve, to the CERBT each year.

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The amount necessary to fund future benefits is based on projections from the July 1, 2013 Actuarial Study completed by Bickmore Risk Services in accordance with GASB Statement 45, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*.

For fiscal year 2016, the City made a total of \$1,399,405 in contributions.

Annual OPEB Cost and Net OPEB Obligation. The City's annual OPEB cost (expense) is calculated based on the Annual Required Contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 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 liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City of Antioch annual OPEB costs for the year segregated to show amounts by each City sponsored plan(although combined in the trust), the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the City Retiree Health Plan:

	Miscellaneous	Management	Police	Total
Annual Required Contributions	\$ 869,367	\$ 471,564	\$ 2,425,979	\$ 3,766,910
Interest on net OPEB obligation	22,535	(51,586)	299,392	270,341
Adjustment to annual required contributions	(26,063)	59,662	(346,258)	(312,659)
Annual OPEB Cost	865,839	479,640	2,379,113	3,724,592
Contributions Made	303,226	547,208	548,971	1,399,405
Increase in net OPEB obligation	(562,613)	67,568	(1,830,142)	(2,325,187)
Net OPEB Asset (Obligation) - beginning of year	(470,463)	1,076,961	(6,250,353)	(5,643,855)
Net OPEB Asset (Obligation) - end of year	\$ (1,033,076)	\$ 1,144,529	\$ (8,080,495)	\$ (7,969,042)

The following shows the calculation of the Annual Required Contributions for FY 2016:

	Miscellaneous	Management	Police	Total
Normal Cost at Year End	\$ 367,306	\$ 94,045	\$ 970,401	\$ 1,431,752
Amortization of UAAL	462,322	355,964	1,344,685	2,162,971
Interest	39,739	21,555	110,893	172,187
Annual Required Contribution (ARC)	\$ 869,367	\$ 471,564	\$ 2,425,979	\$ 3,766,910

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan (shown by City sponsored plan), and the net OPEB asset (obligation) for FY2015 and the two previous years were as follows:

Fiscal Year Ended	Miscellaneous		OPEB Asset (Obligation)
	Annual OPEB Cost	% of Annual OPEB Contributed	
6/30/2014	\$ 724,139	39%	\$ 80,697
6/30/2015	825,817	33%	(470,463)
6/30/2016	865,839	31%	(1,033,076)

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Management			
Fiscal Year Ended	Annual OPEB Cost	% of Annual OPEB Contributed	OPEB Asset
6/30/2014	\$ 428,675	123%	\$ 1,028,451
6/30/2015	469,816	110%	1,076,961
6/30/2016	479,641	114%	1,144,529

Police			
Fiscal Year Ended	Annual OPEB Cost	% of Annual OPEB Contributed	OPEB (Obligation)
6/30/2014	\$ 158,225	16%	\$ (4,530,557)
6/30/2015	2,240,192	23%	(6,250,353)
6/30/2016	2,379,113	23%	(8,080,495)

The City uses a Special Revenue Fund to liquidate the liability.

Funded Status and Funding Progress. As of July 1, 2015, the most recent actuarial valuation date, the plan was 14.3% funded. The actuarial accrued liability for benefits was \$67,831,215, and the actuarial value of assets was \$9,709,462, resulting in an unfunded accrued liability of \$58,121,753.

California Employers' Retiree Benefit Trust*
Funded Status of Plan

Valuation Date:	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability (UAAL)	Funded Status AVA/MVA	Annual Covered Payroll	Unfunded Liability As A % of Payroll
7/1/15	\$67,831,215	\$9,709,462	\$58,121,753	14.3%	\$23,146,273	251.1%

*The three City sponsored plans are maintained in one CERBT account; amounts in 000's

The required schedule of funding progress immediately following the notes to the financial statements presents additional, 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.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

In the July 1, 2015 actuarial valuation, the entry age normal cost method was used. The actuarial assumptions used include (a) a 4.60% investment rate of return for Management, 5.09% investment rate of return for Miscellaneous and 4.34% for Police; (b) projected salary increases at 3.25% per year; (c) inflation of 3.00% and (d) healthcare cost trend rates ranging between 4.50% and 8.5%

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between 2015 and 2024, with annual increases of 4.64% from 2025 and thereafter for City contributions linked to a specific medical plan and annual increases of 4.50% from 2015 and thereafter for City contributions that are capped. The Unfunded Actuarial Accrued Liability (UAAL) is being amortized as a level percentage of projected payroll over 30 years on a closed basis. The remaining amortization period as of June 30, 2016 was 22 years for the plan.

(b) Medical After Retirement Plan Account

Employees hired after September 1, 2007 are not eligible for post employment medical benefits as defined in the previous plan. The City has created a medical after retirement program in which the City will contribute 1.5% of the employee's base monthly salary into an account established for the employee to be used for future medical benefits. This plan is being administered by Operating Engineers Local 3. The City will match an additional amount of up to 1.0% of the employee contribution, for a total City contribution not to exceed 2.5%. Employees have the right to their individual plan upon separation of employment. As of June 30, 2016, there were 121 participants in the plan. During the year, the City contributed \$156,401 towards employee accounts.

NOTE 16 - 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 disaster. The City currently reports its risk management activities in its General Fund and Loss Control Internal Service Fund.

The City participates in the Municipal Pooling Authority (MPA), a joint powers agency (risk-sharing pool) established to provide an independently managed self-insurance program for members. The purpose of MPA is to spread the adverse effect of losses among the member agencies and to purchase excess insurance as a group, thereby reducing its expense.

The City's deductibles and maximum coverage follow:

Coverage	Deductible	MPA	Excess Liability
General liability	\$50,000	\$50,001-\$1,000,000	\$1,000,001-\$29,000,000
Workers compensation	\$0	\$0-\$500,000	\$500,001-\$50,000,000
Property damage	\$25,000 all risk; \$100,000 flood	\$0	\$1 billion all risk; \$25,000,000 flood

The City contributes its pro rata share of anticipated losses to a pool administered by MPA. Should actual losses among participants be greater than the anticipated losses, the City will be assessed retrospectively its pro rata share of that deficiency. Conversely, if the actual losses are less than anticipated, the City will be refunded its pro rata share of the excess. The City paid premiums of \$3,327,895 during the year ended June 30, 2016. MPA has obtained excess general liability coverage in the amount of \$28,000,000 for total coverage of \$29,000,000 through participation in the California Joint Powers Risk Management Association. MPA has also purchased excess property damage coverage through various commercial carriers. Settled claims have not exceeded this excess liability coverage in any of the past three fiscal years.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated and includes incremental claim expenses. Allocated and unallocated claims adjustment expenditures are included in the liability balance. These losses include an estimate of claims that have been incurred but not reported. The claim liability balances at June 30, 2016 are discounted at 2.5%. This liability is the City's best estimate based on available information. Changes in the reported liability resulted from the following:

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	Beginning of Fiscal Year <u>Liability</u>	Deductibles and Charges in Estimates	<u>Payments</u>	End of Fiscal Year <u>Liability</u>
2013-2014	\$ 610,307	\$ 795,117	\$ 886,355	\$ 519,069
2014-2015	519,069	391,361	334,546	575,884
2015-2016	575,884	50,772	252,447	374,209

NOTE 17 – SERVICE CONCESSION ARRANGEMENT FOR GOLF COURSE

In 1982, the City entered into an agreement with Antioch Public Golf Course, Inc., (Corporation) under which the Corporation will operate, manage and collect user fees from the Lone Tree Golf Course through 2017. The Corporation's sole purpose is to efficiently operate the golf course so that excess revenues may be returned to the course for improvements to the course and its related facilities and encourage the public to play golf in the City. The Corporation is not required to share any percentage of its revenues with the City. Since the inception of the agreement, the City has financed improvements to the existing facility with the issuance of ABAG Lease Revenue Bonds. The Corporation reimburses the City for the cost of annual debt service on the bonds and a corresponding revenue amount is recognized for these repayments. The City reports the golf course and improvements as capital assets with a carrying value of \$8,524,362. As the assets are required to be returned to the City at the end of the agreement in their original condition, the assets are not being depreciated.

NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS

(a) Antioch Area Public Facilities Financing Agency

The City and Antioch Unified School District (School District) are members of the Antioch Area Public Facilities Financing Agency (AAPFFA), a community facilities district comprising part of the City and the School District. The AAPFFA was formed to finance construction and acquisition of school facilities for the School District and public facilities for the City. The AAPFFA is controlled by a governing board consisting of seven members: two members of the City Council, two members of the District Board and three members from the general public. The board controls the operation and finances of the AAPFFA independent of influence by the City, and the AAPFFA is therefore excluded from the City's reporting entity.

The AAPFFA has issued Special Tax Bonds to finance various school district and City projects. These bonds are to be repaid out of a special tax levied on property owners of the community facilities district comprising the AAPFFA. During the fiscal year ended June 30, 2016 the AAPFFA contributed \$812,603 of bond proceeds to the City to finance construction of amenities at the City's Prewett Park facility. This contribution has been recorded as revenue from other agencies in the City's Capital Projects Funds. The City acts as fiscal agent for the AAPFFA. The City's Finance Department maintains accounting records and processes receipts and disbursements. The AAPFFA's financial statements are available by contacting the City of Antioch, Finance Department, P.O. Box 5007, Antioch, CA 94531-5007, 925-779-7055.

(b) Contra Costa County Home Mortgage Finance Authority

The City and Contra Costa County are members of the Contra Costa Home Mortgage Financing Authority (Home Mortgage). The Home Mortgage issued 1984 Home Mortgage Revenue Bonds for the purpose of facilitating the financing of low-income home mortgages in the City and County. The City made no contributions to the Home Mortgage during the fiscal year ended June 30, 2016. The Home Mortgage is governed by a board consisting of representatives of the County and City. The

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board controls the operations and finances of the Authority, independent of influence by the City. Therefore, the Home Mortgage is excluded from the City's reporting entity. The Home Mortgage's financial statements are available by contacting the Contra Costa County Community Development Department, 651 Pine Street, Martinez, CA 94553-1229, 925-646-4208.

NOTE 19 - COMMITMENTS AND CONTINGENCIES

(a) Grants

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

(b) Pending Litigation

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

(c) Construction Commitments

Among the significant construction commitments were \$929,091 towards West Antioch Creek Channel improvements, \$823,129 towards the Prewett Park water feature project and \$716,750 towards the Sunset Pump Station project.

(d) Redevelopment Dissolution

The State of California Department of Finance completed its review of the Due Diligence Review of Other Funds and Accounts of the former Antioch Development Agency required under the Dissolution Act. In May 2013, the City was ordered to return \$803,883 in funds to the Successor Agency for disallowed transfers from the former Antioch Development Agency to the City which occurred after January 1, 2011, but prior to the redevelopment dissolution date of February 1, 2012. The City and Successor Agency are continuing to challenge the determination made, and as such, the City has returned all of the funds to the Successor Agency as of June 30, 2016, with \$768,958 remaining under dispute and in litigation.

NOTE 20 – SUCCESSOR AGENCY TRUST FOR ASSETS OF THE FORMER REDEVELOPMENT AGENCY

(a) Redevelopment Dissolution

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the City or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 24, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 2012/07.

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After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between the redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill. The State Controller conducted the review of the former Antioch Development Agency in late August 2013.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

The assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City as the activities are under control of an Oversight Board which is comprised of seven members, five of which represent taxing entities, one member is a former redevelopment agency employee and one member is appointed by the Mayor. The State of California Department of Finance has final approval of all actions of the Successor Agency. The City provides administrative services to the Successor Agency to wind down the affairs of the former Antioch Development Agency.

(b) Capital Assets

In December 2015, the California State Department of Finance approved a Long Range Property Management Plan of the Successor Agency. As part of this approved plan, any assets of the Successor Agency deemed for "Governmental Use" or "Future Development" were approved to be transferred to the City of Antioch with three properties remaining with the Successor Agency that will be sold in the future. The transfer of these properties to the City are reflected in the current year deletions in the following table.

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For the year ended June 30, 2016



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

	July 1, 2015	Deletions	June 30, 2016
<i>Nondepreciable</i>			
Land	\$ 2,372,607	\$ (2,276,114)	\$ 96,493
<i>Depreciable</i>			
Buildings	542,609	(542,609)	-
Improvements other than buildings	14,431	(14,431)	-
Total depreciable assets, gross	<u>557,040</u>	<u>(557,040)</u>	<u>-</u>
<i>Less accumulated depreciation for:</i>			
Buildings	356,145	(356,145)	-
Improvements other than buildings	10,342	(10,342)	-
Total accumulated depreciation	<u>366,487</u>	<u>(366,487)</u>	<u>-</u>
Total depreciable assets, net	<u>190,553</u>	<u>(190,553)</u>	<u>-</u>
Capital assets, net	<u>\$ 2,563,160</u>	<u>\$ (2,466,667)</u>	<u>\$ 96,493</u>

(c) Long-Term Obligations

The Successor Agency is responsible for two outstanding bonds of the former redevelopment agency and one bond of the Antioch Public Financing Authority. Although issued by the Antioch Public Finance Authority, repayment for a portion of the 2015A Lease Revenue Refunding Bonds is pledged for repayment by the former Antioch Development Agency therefore the associated liability has been transferred to the Successor Agency Trust. A description of the bonds, including a schedule of changes in long term obligations and debt service requirements to maturity follows.

(1) Long-Term Debt Composition

Type of Indebtedness (Purpose)	Final Maturity	Annual Principal Installment	Interest Rates	Original Issue Amount	Outstanding at June 30, 2016
Tax Allocation Bonds:					
2000 - ADA Project 1 Refunding	9/1/17	\$200,000-1,380,000	4.2-5.0%	\$ 14,450,000	\$ 2,685,000
2009 - ADA Project 1	9/1/27	\$95,343-142,289	2.60%	2,080,841	1,488,489
Total tax allocation bonds				<u>16,530,841</u>	<u>4,173,489</u>
Lease Revenue Bonds:					
2015A Issue - APFA Municipal Facilities,	5/1/32	\$1,352,000-2,116,650	2.0-5.0%	19,315,000	18,925,000
Total lease revenue bonds				<u>19,315,000</u>	<u>18,925,000</u>
Total long-term obligations				<u>\$ 35,845,841</u>	<u>\$ 23,098,489</u>

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(2) Long-Term Obligation Activity

Changes in long-term obligations for the year ended June 30, 2016 are as follows:

	Balance July 1, 2015	Decreases	Balance June 30, 2016	Amount Due Within One Year
2015A Lease Revenue Bonds	\$ 19,315,000	\$ (390,000)	\$ 18,925,000	\$ 540,000
Unamortized Premiums	2,355,544	(138,561)	2,216,983	-
2000 Tax Allocation Bonds	3,925,000	(1,240,000)	2,685,000	1,305,000
2009 Tax Allocation Bonds	1,593,058	(104,569)	1,488,489	107,288
Total obligations held by the Successor Agency Trust	\$ 27,188,602	\$ (1,873,130)	\$ 25,315,472	\$ 1,952,288

(3) Debt Service Requirements

As of June 30, 2016, annual debt service requirements of governmental activities to maturity are as follows:

Year ending June 30:	Tax Allocation Bonds		Lease Revenue Bonds	
	Principal	Interest	Principal	Interest
2017	\$ 1,412,288	\$ 138,931	\$ 540,000	\$ 812,450
2018	1,490,077	68,980	590,000	796,250
2019	112,939	31,581	645,000	772,650
2020	115,876	28,606	715,000	740,400
2021	118,888	25,554	790,000	704,650
2022-2026	642,448	79,143	5,225,000	2,848,000
2027-2031	280,973	7,352	8,365,000	1,302,250
2032	-	-	2,055,000	61,650
Total	\$ 4,173,489	\$ 380,147	\$ 18,925,000	\$ 8,038,300

On February 11, 2015, the Antioch Public Financing Authority (Authority) issued \$23,155,000 in Lease Revenue Refunding Bonds (Municipal Facilities Project), Series 2015A with interest rates ranging between 2% and 5%. The Authority issued the bonds to refund the entire \$4,740,000 of the outstanding ABAG 2001 Lease Revenue Bonds and \$21,505,000 of the outstanding 2002 A&B Lease Revenue Refunding Bonds. \$19,315,000 of the par amount of bonds issued are secured by the Successor Agency to the Antioch Development Agency. \$3,840,000 of the par amount of bonds issued are an obligation of the City and discussed in Note 9. The refunding reduced total debt service payments over the next 18 years by \$6,279,686. This results in an economic gain (difference between the present value of debt service payments on the old and new debt) of \$5,314,114.

Interest payments and bond retirements are serviced by revenues generated by the tax increment from the former redevelopment agency. Contra Costa County remits funds from the Redevelopment Property Tax Retirement Trust Fund to the Successor Agency to pay enforceable obligations of the former agency every six months.

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REQUIRED SUPPLEMENTAL INFORMATION

City of Antioch
Required Supplementary Information
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2016

Schedule of Revenues and Transfers In - General Fund

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
FUNCTION/ACTIVITY:				
TAXES				
Property secured	\$ 8,786,145	\$ 8,786,145	\$ 8,878,618	\$ 92,473
Property in lieu of VLF	6,475,750	6,653,379	6,653,379	-
Property unsecured	262,369	262,369	287,879	25,510
Property other	400,400	400,400	543,491	143,091
Sales and use tax	13,039,684	13,039,684	13,151,826	112,142
Sales and use tax - Measure C	4,646,890	5,700,385	6,821,444	1,121,059
Motor vehicle in-lieu	40,000	43,696	43,696	-
Transient lodging tax	80,000	80,000	110,827	30,827
Franchises - other	8,175	8,175	8,124	(51)
Franchises - gas	183,695	200,803	200,803	-
Franchises - electric	395,340	426,609	426,609	-
Franchises - cable tv	1,248,332	1,248,332	1,352,004	103,672
Franchises - garbage	970,336	970,336	982,382	12,046
Business license tax (Gross Receipts)	3,751,000	2,664,000	3,120,669	456,669
Property transfer tax	330,000	390,000	460,654	70,654
Total taxes	40,618,116	40,874,313	43,042,405	2,168,092
LICENSES AND PERMITS				
Bicycle License	-	-	73	73
Building permits	800,000	800,000	820,882	20,882
Street & curb permits	150,000	250,000	247,567	(2,433)
Wide vehicle/overload	7,500	7,500	7,136	(364)
Technology fee	22,500	22,500	21,791	(709)
Energy Inspection Fee	22,500	22,500	21,680	(820)
Pool Safety Fee	500	800	1,127	327
Accessibility Fee (Non-Resident)	2,000	2,000	2,405	405
Green Bldg Verification & Compliance	25,000	25,000	26,953	1,953
Total licenses and permits	1,030,000	1,130,300	1,149,614	19,314
FINES AND PENALTIES				
Vehicle code fines	35,000	45,000	56,857	11,857
Non-traffic fines	7,000	32,000	46,695	14,695
Total fines and penalties	42,000	77,000	103,552	26,552
INVESTMENT INCOME AND RENTALS				
Investment income	40,000	85,000	244,413	159,413
Rent and concessions	463,410	463,410	468,928	5,518
Total investment income and rentals	503,410	548,410	713,341	164,931
REVENUE FROM OTHER AGENCIES				
Homeowners property tax relief	70,000	70,000	81,413	11,413
P.O.S.T. reimbursements	12,000	6,053	6,459	406
State mandated reimbursements	-	93,577	156,816	63,239
Grant reimbursements	710,673	614,487	718,496	104,009
Total revenue from other agencies	792,673	784,117	963,184	179,067

(Continued)

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2016

Schedule of Revenues and Transfers In - General Fund

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
FUNCTION/ACTIVITY, Continued:				
CURRENT SERVICE CHARGES				
Administrative services	51,200	51,200	50,201	(999)
Special police services	869,492	885,992	892,884	6,892
False alarm fees	54,000	76,200	94,946	18,746
Plan checking fees	445,000	463,000	467,440	4,440
Planning fees	19,000	20,600	22,820	2,220
Inspection fees	250,000	50,000	39,849	(10,151)
Certificate Access Special Consultation	-	-	35	35
Special public works services	2,000	2,000	1,281	(719)
Other service charges	15,480	18,125	63,314	45,189
Assessment fees	135,000	123,100	141,780	18,680
Charges for services	7,309,728	7,340,290	6,590,964	(749,326)
Billings to Department	281,072	272,919	233,745	(39,174)
Total current service charges	9,431,972	9,303,426	8,599,259	(704,167)
OTHER REVENUES				
Miscellaneous revenue	802,540	2,529,743	2,575,326	45,583
OTHER FINANCING SOURCES				
Transfers in:				
Gas Tax Fund	1,010,000	810,000	810,000	-
Pollution Elimination	270,225	270,225	270,225	-
Street Impact	1,144,440	1,144,440	1,144,440	-
Street Light and Landscape Maintenance Districts	411,400	411,400	411,400	-
Supplementary Law Enforcement Grant	100,000	162,850	162,851	1
Local Law Enforcement Block Grant	45,010	45,010	53,809	8,799
Traffic Safety	80,000	80,000	80,000	-
Water Fund	319,000	319,000	-	(319,000)
Sewer Fund	319,000	319,000	-	(319,000)
Total transfers in	3,699,075	3,561,925	2,932,725	(629,200)
Total other financing sources	3,699,075	3,561,925	2,932,725	(629,200)
Total general fund revenues and other financing sources	\$ 56,919,786	\$ 58,809,234	\$ 60,079,406	\$ 1,270,172

(Concluded)

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2016

Schedule of Expenditures and Transfers Out - General Fund

	Budget		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
FUNCTION/ACTIVITY:				
City Council	\$ 157,126	\$ 159,633	\$ 151,740	\$ 7,893
City Attorney	555,159	567,057	406,232	160,825
City Manager	582,500	612,998	574,532	38,466
City Clerk	184,105	382,045	274,461	107,584
City Treasurer	246,062	246,234	203,842	42,392
Personnel Services	758,973	778,073	753,466	24,607
Economic Development	398,175	400,329	331,625	68,704
Finance/Purchasing	1,659,264	1,718,251	1,671,962	46,289
Warehouse & Central Stores	14,847	14,897	14,798	99
Non-Departmental	2,802,075	3,753,352	3,366,451	386,901
Total general government	7,358,286	8,632,869	7,749,109	883,760
PUBLIC WORKS				
Maintenance Administration	408,054	380,471	373,689	6,782
General Maintenance Services	62,086	62,319	57,850	4,469
Street Maintenance	1,777,412	1,609,210	1,184,752	424,458
Engineering and Land Development	1,253,813	1,317,836	1,207,220	110,616
Signal & Street Lighting	845,244	878,375	735,218	143,157
Striping & Signing	816,684	834,815	760,992	73,823
Facilities Maintenance	737,236	745,983	593,582	152,401
Park Maintenance	1,367,473	1,368,281	1,223,759	144,522
Median and General Landscape	483,547	484,165	437,558	46,607
Capital Improv/Engineering Administration	152,501	153,771	117,345	36,426
Engineering Services	201,872	204,013	156,456	47,557
Work Alternative	155,714	156,061	140,762	15,299
Total public works	8,261,636	8,195,300	6,989,183	1,206,117
PUBLIC SAFETY				
Administration	4,597,449	4,767,017	4,657,928	109,089
Police Reserve	10,193	14,942	14,020	922
Prisoner Custody	669,092	318,266	310,502	7,764
Community Policing Division	14,505,243	13,329,404	13,687,065	(357,661)
Community Policing Division - Measure C Funded	6,434,518	6,677,866	6,108,340	569,526
Traffic Division	224,317	211,522	210,224	1,298
Investigation	3,981,086	4,460,665	4,428,517	32,148
Special Operations Unit	1,020,756	737,251	724,733	12,518
Communications	3,087,205	2,884,232	2,843,948	40,284
Emergency Services	26,535	9,835	7,685	2,150
Community Volunteer	94,242	73,906	71,967	1,939
Facility Maintenance	615,715	564,571	531,612	32,959
Total public safety	35,266,351	34,049,477	33,596,541	452,936

(Continued)

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2016

Schedule of Expenditures and Transfers Out - General Fund

	Budget		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
COMMUNITY DEVELOPMENT				
Office of the Director	814,207	823,436	790,822	32,614
Land Planning Services	822,161	890,018	612,010	278,008
Code Enforcement	382,991	527,446	401,382	126,064
Code Enforcement - Measure C Funded	162,498	201,619	201,619	-
Building Inspections	789,808	793,845	703,012	90,833
Total community development	2,971,665	3,236,364	2,708,845	527,519
Total current expenditures	53,857,938	54,114,010	51,043,678	3,070,332
CAPITAL OUTLAY				
General Government:				
Public Works:				
Striping & Signing	22,000	22,000	-	22,000
Park Maintenance	-	77,681	77,681	-
Public Safety:				
Community Policing	450,000	443,298	423,111	20,187
Communications	-	625,651	567,504	58,147
Community Development:				
Code Enforcement - Measure C Funded	-	87,765	87,765	-
Total capital outlay	472,000	1,256,395	1,156,061	100,334
OTHER FINANCING USES:				
Transfers out:				
Animal Control	508,521	639,373	580,990	58,383
Antioch WaterPark	328,800	388,800	717,500	(328,700)
Antioch Marina	359,716	-	-	-
Equipment Maintenance	100,000	-	-	-
Recreation	652,370	712,370	689,226	23,144
Downtown Street Light & Landscape District	175,000	175,000	130,000	45,000
Honeywell Capital Lease	36,573	36,573	36,572	1
Total transfers out	2,160,980	1,952,116	2,154,288	(202,172)
Total general fund expenditures and other financing uses	\$ 56,490,918	\$ 57,322,521	\$ 54,354,027	\$ 2,968,494

(Concluded)

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2016

Special Revenue Fund - Housing and Community Development

	Budget		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 1,200	\$ 1,200	\$ 3,909	\$ 2,709
Revenue from other agencies	727,250	727,250	800,222	72,972
Current service charges	50,000	50,000	97,495	47,495
Other	144,282	144,282	108,590	(35,692)
Total revenues	922,732	922,732	1,010,216	87,484
EXPENDITURES:				
Current:				
Community development	1,017,360	778,033	531,370	246,663
Total expenditures	1,017,360	778,033	531,370	246,663
REVENUES OVER (UNDER) EXPENDITURES	(94,628)	144,699	478,846	334,147
Net change in fund balances	\$ (94,628)	\$ 144,699	478,846	\$ 334,147
FUND BALANCES:				
Beginning of year			5,832,932	
End of year			\$ 6,311,778	

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2016

Special Revenue Fund - Gas Tax

	Budget		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 2,250,287	\$ 2,250,287	\$ 2,245,632	\$ (4,655)
Investment income and rentals	20,000	20,000	27,144	7,144
Revenues from other agencies	88,000	152,450	152,450	-
Total revenues	2,358,287	2,422,737	2,425,226	2,489
EXPENDITURES:				
Current:				
Public works	327,060	2,110,495	2,132,655	(22,160)
Capital outlay	1,030,000	937,175	906,478	30,697
Total expenditures	1,357,060	3,047,670	3,039,133	8,537
REVENUES OVER (UNDER) EXPENDITURES	1,001,227	(624,933)	(613,907)	11,026
OTHER FINANCING (USES):				
Transfers (out)	(1,560,047)	(1,360,047)	(1,360,048)	(1)
Total other financing (uses)	(1,560,047)	(1,360,047)	(1,360,048)	(1)
SPECIAL ITEMS:				
Extraordinary item	-	(1,000,000)	(1,000,000)	-
Net change in fund balances	\$ (558,820)	\$ (2,984,980)	(2,973,955)	\$ 11,025
FUND BALANCES:				
Beginning of year			4,162,644	
End of year			\$ 1,188,689	

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2016

Special Revenue Fund - Housing Successor

	Budget		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 1,000	\$ 5,500	\$ 20,240	\$ 14,740
Other	275,033	275,033	350,975	75,942
Total revenues	276,033	280,533	371,215	90,682
EXPENDITURES:				
Current:				
Community development	829,359	829,359	146,054	683,305
Total expenditures	829,359	829,359	146,054	683,305
REVENUES OVER (UNDER) EXPENDITURES	(553,326)	(548,826)	225,161	773,987
Net change in fund balances	\$ (553,326)	\$ (548,826)	225,161	\$ 773,987
FUND BALANCES:				
Beginning of year			19,042,492	
End of year			\$ 19,267,653	

**City of Antioch
Required Supplementary Information
For the Fiscal Year Ended June 30, 2016**

**Miscellaneous Employees Retirement System,
an Agent Multiple-Employer Defined Benefit Pension Plan
As of June 30, 2016
Last 10 Years***

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	2014	2015
Total Pension Liability		
Service Cost	\$ 2,275,615	\$ 2,281,384
Interest on total pension liability	10,868,782	11,178,491
Difference between expected and actual experience	0	(1,909,680)
Changes in assumptions	0	(2,712,350)
Changes in benefits	0	0
Benefit payments, including refunds of employee contributions	(7,232,184)	(7,404,372)
Net change in total pension liability	5,912,213	1,433,473
Total pension liability - beginning	147,395,383	153,307,596
Total pension liability - ending (a)	\$ 153,307,596	\$ 154,741,069
 Plan fiduciary net position		
Contributions - employer	2,667,605	3,289,258
Contributions - employee	1,105,584	1,003,111
Plan to plan resource movement	-	387
Net Investment income	16,670,267	2,321,856
Benefit payments	(7,232,184)	(7,404,372)
Net change in plan fiduciary net position	13,211,272	(789,760)
Plan fiduciary net position - beginning	97,110,375	110,321,647
Plan fiduciary net position - ending (b)	\$ 110,321,647	\$ 109,531,887
 Net pension liability - ending (a) - (b)	\$ 42,985,949	\$ 45,209,182
 Plan fiduciary net position as a percentage of the total pension liability	71.96%	70.78%
 Covered payroll	12,054,961	12,390,746
 Net pension liability as a percentage of covered payroll	356.58%	364.86%

Notes to Schedule:

Benefit changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit.

Changes in assumptions: For 2015, the discount rate was changed from 7.5% (net of administrative expense) to 7.65%.

*Fiscal year 2015 was the 1st year of implementation, therefore only two years are shown.

**City of Antioch
Required Supplementary Information
For the Fiscal Year Ended June 30, 2016**

**Miscellaneous Employees Retirement System,
an Agent Multiple-Employer Defined Benefit Pension Plan
As of June 30, 2016
Last 10 Years*
SCHEDULE OF CONTRIBUTIONS**

	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 3,697,065	\$ 3,289,258
Contributions in Relation to the Actuarially Determined Contribution	<u>(3,697,065)</u>	<u>(3,289,258)</u>
Contribution Deficiency (Excess)	\$ -	\$ -
 Covered Payroll	 13,457,695	 12,390,746
 Contributions as a Percentage of Covered Payroll	 27.47%	 26.55%

*Fiscal year 2015 was the 1st year of implementation, therefore only two years are shown.

**City of Antioch
Required Supplementary Information
For the Fiscal Year Ended June 30, 2016**

**Public Safety Employees Retirement System,
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
As of June 30, 2016
Last 10 Years***

SCHEDULE OF THE LOCAL GOVERNMENTS PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	2014	2015
Proportion of the net pension liability	.537714%	.547227%
Proportionate share of the net pension liability	\$ 33,459,081	\$ 37,561,170
Covered payroll	\$ 10,649,187	\$ 11,368,228
Proportionate share of the net pension liability as percentage of covered payroll	314.19%	330.40%
Plan fiduciary net position as a percentage of of the total pension liability	79.82%	78.40%

Notes to Schedule:

Benefit changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit.

Changes in assumptions: For 2015, the discount rate was changed from 7.5% (net of administrative expense) to 7.65%.

*Fiscal year 2015 was the 1st year of implementation, therefore only two years are shown.

**City of Antioch
Required Supplementary Information
For the Fiscal Year Ended June 30, 2016**

**Public Safety Employees Retirement System,
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
As of June 30, 2016
Last 10 Years*
SCHEDULE OF CONTRIBUTIONS**

	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 4,113,904	\$ 3,652,991
Contributions in Relation to the Actuarially Determined Contribution	<u>(4,113,904)</u>	<u>(3,652,991)</u>
Contribution Deficiency (Excess)	\$ -	\$ -
 Covered Employee Payroll	 12,074,088	 11,368,228
 Contributions as a Percentage of Covered Payroll	 34.07%	 32.13%

*Fiscal year 2015 was the 1st year of implementation, therefore only two years are shown.

**City of Antioch
Required Supplementary Information
For the Fiscal Year Ended June 30, 2016**

**Supplementary Retirement Plan
As of June 30, 2016
Last 10 Years***

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	<u>2016</u>	<u>2015</u>
Total Pension Liability		
Service Cost	\$ -	\$ -
Interest on total pension liability	89,649	76,000
Difference between expected and actual experience	36,011.00	-
Changes in assumptions	(439,207)	(23,000)
Changes in benefits	-	-
Benefit payments, including refunds of employee contributions	(83,627)	(82,000)
Net change in total pension liability	<u>(397,174)</u>	<u>(29,000)</u>
Total pension liability - beginning	<u>2,075,000</u>	<u>2,104,000</u>
Total pension liability - ending (a)	<u><u>\$ 1,677,826</u></u>	<u><u>\$ 2,075,000</u></u>
Plan fiduciary net position		
Contributions - employer	627,588	91,667
Contributions - employee	-	-
Net Investment income	29,508	-
Administrative expense	(34,983)	(5,000)
Benefit payments	(83,627)	(82,000)
Net change in plan fiduciary net position	<u>538,486</u>	<u>4,667</u>
Plan fiduciary net position - beginning	<u>73,667</u>	<u>69,000</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 612,153</u></u>	<u><u>\$ 73,667</u></u>
 Net pension liability - ending (a) - (b)	 \$ 1,065,673	 \$ 2,001,333
 Plan fiduciary net position as a percentage of the total pension liability	 36.48%	 3.55%
 Covered payroll	 -	 -
 Net pension liability as a percentage of covered payroll	 n/a	 n/a

Notes to Schedule:

Covered payroll: This is a closed plan and thus there is no covered employee payroll

*Fiscal year 2015 was the 1st year of implementation, therefore only two years are shown.

**City of Antioch
Required Supplementary Information
For the Fiscal Year Ended June 30, 2016**

**Supplementary Retirement Plan
As of June 30, 2016
Last 10 Years*
SCHEDULE OF CONTRIBUTIONS**

	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 182,000	\$ 184,000
Contributions in Relation to the Actuarially Determined Contribution	<u>(627,588)</u>	<u>(91,667)</u>
Contribution Deficiency (Excess)	\$ (445,588)	\$ 92,333
 Covered Payroll	 -	 -
 Contributions as a Percentage of Covered Payroll	 n/a	 n/a

*Fiscal year 2015 was the 1st year of implementation, therefore only two years are shown.

**City of Antioch
Required Supplementary Information
For the Fiscal Year Ended June 30, 2016**

**California Employers' Retiree Benefit Trust
Funded Status of Plan**

Valuation Date	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability (UAAL)	Funded Status		Annual Covered Payroll	Unfunded Liability as a % of Payroll
				AVA	MVA		
7/1/2011	\$ 38,433,174	\$ 7,454,949	\$ 30,978,225	19.4%	19.4%	\$ 18,786,946	164.9%
7/1/2013	45,996,778	8,328,210	37,668,568	18.1%	18.1%	19,548,456	192.7%
7/1/2015	67,831,215	9,709,462	58,121,753	14.3%	14.3%	23,146,273	251.1%

City of Antioch
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2016

BUDGETARY BASIS OF ACCOUNTING

The City follows these procedures in establishing the budgetary data reflected in the required supplementary information:

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a minute order.
4. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that increase the total expenditures of any fund must be approved by the City Council. Expenditures may not legally exceed budgeted appropriations at the fund level without City Council approval.
5. The City adopts a two year budget for its General Fund, Special Revenue Funds and Capital Projects Funds. Debt Service Funds budgetary control is achieved through bond indenture provisions.
6. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Amounts presented include amendments approved by the City Council.
7. Encumbrance accounting is employed as an extension of formal budgetary integration in the City's governmental funds. Encumbrances outstanding at year end are reported as assignments of fund balances, since they do not yet constitute expenditures or liabilities. Encumbrances are reappropriated in the following year. Unexpended appropriations lapse at year end.

SUPPLEMENTAL INFORMATION

City of Antioch
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2016

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
ASSETS				
Cash and investments	\$ 15,207,998	\$ -	\$ 4,461,321	\$ 19,669,319
Receivables:				
Accounts, net	153,524	868,899	694,059	1,716,482
Tax	393,681	-	-	393,681
Prepaid items	92,258	257	-	92,515
Restricted cash and investments	-	25	-	25
Total assets	\$ 15,847,461	\$ 869,181	\$ 5,155,380	\$ 21,872,022
LIABILITIES				
Liabilities:				
Accounts payable	\$ 427,420	\$ -	\$ 237,983	\$ 665,403
Accrued payroll	118,279	-	4,161	122,440
Deposits	650,361	-	1,515,283	2,165,644
Due to other funds	178,645	865,680	446,798	1,491,123
Unearned revenue	60,120	-	-	60,120
Total liabilities	1,434,825	865,680	2,204,225	4,504,730
DEFERRED INFLOWS OF RESOURCES				
Unavailable Abandoned Vehicle receipts	13,581	-	-	13,581
Unavailable AAPFFA receipts	-	-	201,975	201,975
Total deferred inflows of resources	13,581	-	201,975	215,556
Fund Balances:				
Nonspendable:				
Petty cash and prepaid items	92,698	257	-	92,955
Restricted for:				
Debt service	-	3,244	-	3,244
Public Facilities	-	-	53,283	53,283
Streets	4,297,341	-	-	4,297,341
Parks	178,780	-	-	178,780
PEG Programming	1,204,382	-	-	1,204,382
Storm Channels	2,580,423	-	-	2,580,423
Landscape Maintenance	1,379,709	-	-	1,379,709
Tidelands Areas Protection	132,071	-	-	132,071
Law Enforcement	146,283	-	-	146,283
Traffic Safety	25,745	-	-	25,745
Parks & Recreation	163,948	-	-	163,948
Animal Shelter Maintenance /Operation	213,787	-	-	213,787
Abandoned Vehicle	224,204	-	-	224,204
Committed to:				
Parks	1,378,843	-	-	1,378,843
Landscape Maintenance	72,109	-	-	72,109
Arts & Cultural Activities	31,242	-	-	31,242
Recreation Programs	-	-	-	-
Field Maintenance	155,876	-	-	155,876
Memorial Field Maintenance	21,316	-	-	21,316
Road Repair	150,233	-	-	150,233
Waste Reduction	414,428	-	-	414,428
Youth Activities/Building Maintenance	76,293	-	-	76,293
Traffic Signals	938,186	-	-	938,186
Post Retirement Medical	476,569	-	-	476,569
Assigned to:				
Parks & Recreation	44,589	-	-	44,589
Capital Projects	-	-	1,621,814	1,621,814
Community Benefit Programs	-	-	406,011	406,011
AD 26	-	-	374,811	374,811
AD 27	-	-	477,302	477,302
Unassigned	-	-	(184,041)	(184,041)
Total fund balances	14,399,055	3,501	2,749,180	17,151,736
Total liabilities, deferred inflows of resources and fund balances	\$ 15,847,461	\$ 869,181	\$ 5,155,380	\$ 21,872,022

City of Antioch
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2016

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
REVENUES:				
Taxes	\$ 1,726,745	\$ -	\$ 400,000	\$ 2,126,745
Fines and penalties	87,408	-	-	87,408
Investment income and rentals	596,468	347,368	53,263	997,099
Revenue from other agencies	1,961,423	-	812,603	2,774,026
Current service charges	2,774,247	-	47,337	2,821,584
Special assessment revenue	2,993,631	-	-	2,993,631
Other	157,536	-	279,766	437,302
Total revenues	10,297,458	347,368	1,592,969	12,237,795
EXPENDITURES:				
Current:				
General government	869,385	4,120	-	873,505
Public works	1,021,662	-	449,666	1,471,328
Public safety	1,392,660	-	-	1,392,660
Parks and recreation	3,710,999	-	-	3,710,999
Community development	391,491	-	579	392,070
Capital outlay	528,138	-	1,036,157	1,564,295
Debt service:				
Principal retirement	-	560,337	-	560,337
Interest and fiscal charges	-	314,638	-	314,638
Bond issuance costs	-	-	-	-
Total expenditures	7,914,335	879,095	1,486,402	10,279,832
REVENUES OVER (UNDER) EXPENDITURES	2,383,123	(531,727)	106,567	1,957,963
OTHER FINANCING SOURCES (USES):				
Transfers in	1,482,599	527,374	1,369,395	3,379,368
Transfers (out)	(2,257,138)	-	(1,069,395)	(3,326,533)
Total other financing sources (uses)	(774,539)	527,374	300,000	52,835
Net change in fund balances	1,608,584	(4,353)	406,567	2,010,798
FUND BALANCES:				
Beginning of year	12,790,471	7,854	2,342,613	15,140,938
End of year	\$ 14,399,055	\$ 3,501	\$ 2,749,180	\$ 17,151,736

NON-MAJOR SPECIAL REVENUE FUNDS

These funds account for the proceeds derived from special revenue sources, which are legally restricted to expenditures for specified purposes.

Delta Fair Property Fund

This fund accounts for revenues resulting from the sale or lease of surplus right-of-way property acquired from the State. In accordance with agreements with the State, expenditures must be for park and recreational facilities.

Recreation Programs

This fund accounts for revenue received to cover the costs of recreation programs provided by the City's Leisure Services Divisions.

Animal Control Fund

This fund accounts for revenues and expenditures of the City's animal services program. A portion of the revenues required to operate this function comes from animal licenses and shelter, adoption, handling, and impound fees. The remainder comes from a subsidy transfer from the General Fund.

Civic Arts Fund

This fund accounts for money specifically set aside for art programs and projects. Revenues come from a percentage of the City's Transient Occupancy Tax. Expenditures are for a variety of programs in the fund and performing arts, as well as projects such as Art in Public Places.

Park in Lieu Fund

This fund accounts for revenues from park dedication fees required of all new construction. Monies are accumulated in accounts allocated to certain parks on the basis of the area in which the construction is taking place. These funds are then appropriated and spent for park development.

Senior Bus Fund

This fund accounts for the City's Senior Bus Program, which provides door-to-door transportation to frail, elderly, and disabled individuals. Revenue sources are grant funds through the Metropolitan Transportation Commission and fees paid by riders and the Antioch Committee on Aging.

Abandoned Vehicles Fund

This fund accounts for revenue from AB 4114, which charges a \$1.00 fee on the registration of all vehicles located in the City. The funds are received from the County and are used to remove abandoned vehicles from City streets.

Traffic Signal Fee Fund

This fund accounts for fees from developers for all new traffic signal construction.

Asset Forfeitures Fund

This fund was established to account for the proceeds from sales of assets seized in connection with drug enforcement. These proceeds are to be used for law enforcement purposes.

Measure J Growth Management Program Fund

This fund accounts for Measure J Funds, which are used to construct roads.

NON-MAJOR SPECIAL REVENUE FUNDS, Continued

Child Care Fund

This fund accounts for lease revenue received and City expenditures relating to the child care center leased from the City by the YWCA.

Tidelands Assembly Bill 1900

In 1990, the California State Legislature passed legislation that created tidelands entitlement areas. Funds are generated by payments from the lessees of the City's tidelands areas. This revenue is limited to improving accessibility and/or protection of the City's waterfront areas.

Maintenance Districts

Established to account for revenue and related expenditures of lighting and landscape activities.

Solid Waste Reduction AB 939

Under AB 939, a special fee is levied by the State against each ton of solid waste, which is disposed at landfill sites. A portion of this fee goes back to the cities on a quarterly basis for use in achieving AB 939 goals.

Pollution Elimination

This fund was established to account for activities related to the National Pollution Discharge Elimination Program. The purpose of this program is to monitor and reduce storm water pollution.

Supplemental Law Enforcement

This fund accounts for supplemental public safety funding allocated in AB 3229. Funds must be used for front-line police services and must supplement and not supplant existing funding for law enforcement services.

Street Impact Fund

This fund accounts for franchise taxes received.

Traffic Safety Fund

This fund accounts for fines and forfeitures received under Section 1463 of the Penal Code. Funds shall be used exclusively for official traffic control devices, the maintenance thereof, equipment and supplies for traffic law enforcement and traffic accident prevention.

PEG Franchise Fee Fund

This fund accounts for a 1% fee collected from video franchises to support local Public, Educational and Governmental Programming (PEG).

Post Retirement Medical

This fund is used to pay post retirement medical benefits for retirees under the following categories: Miscellaneous, Police, and Management employees.

City of Antioch
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2016

	Delta Fair Property	Recreation Programs	Animal Control	Civic Arts	Park in Lieu	Senior Bus	Abandoned Vehicles
ASSETS							
Cash and investments	\$ 178,780	\$ 738,267	\$ 307,082	\$ 17,225	\$ 1,378,843	\$ 208,537	\$ 212,793
Receivables:							
Accounts, net	-	6,055	3,564	-	-	-	25,482
Taxes	-	-	-	14,017	-	-	-
Prepaid items	-	841	151	-	-	-	-
Total assets	\$ 178,780	\$ 745,163	\$ 310,797	\$ 31,242	\$ 1,378,843	\$ 208,537	\$ 238,275
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ 121,225	\$ 25,470	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	52,900	19,185	-	-	-	490
Deposits	-	332,445	52,204	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Unavailable revenue	-	60,120	-	-	-	-	-
Total liabilities	-	566,690	96,859	-	-	-	490
DEFERRED INFLOWS OF RESOURCES							
Unavailable Abandoned Vehicle receipts	-	-	-	-	-	-	13,581
Total deferred inflows of resources	-	-	-	-	-	-	13,581
Fund balances:							
Nonspendable:							
Petty cash and prepaid items	-	1,281	151	-	-	-	-
Restricted for:							
Streets	-	-	-	-	-	-	-
Parks	178,780	-	-	-	-	-	-
PEG Programming	-	-	-	-	-	-	-
Storm Channels	-	-	-	-	-	-	-
Landscape Maintenance	-	-	-	-	-	-	-
Tidelands Areas Protection	-	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-	-
Traffic Safety	-	-	-	-	-	-	-
Parks & Recreation	-	-	-	-	-	163,948	-
Animal Shelter Maintenance /Operation	-	-	213,787	-	-	-	-
Abandoned Vehicle	-	-	-	-	-	-	224,204
Committed to:							
Parks	-	-	-	-	1,378,843	-	-
Landscape Maintenance	-	-	-	-	-	-	-
Arts & Cultural Activities	-	-	-	31,242	-	-	-
Recreation Programs	-	-	-	-	-	-	-
Field Maintenance	-	155,876	-	-	-	-	-
Memorial Field Maintenance	-	21,316	-	-	-	-	-
Road Repair	-	-	-	-	-	-	-
Waste Reduction	-	-	-	-	-	-	-
Youth Activities/Building Maintenance	-	-	-	-	-	-	-
Traffic Signals	-	-	-	-	-	-	-
Post Retirement Medical	-	-	-	-	-	-	-
Assigned to:							
Parks & Recreation	-	-	-	-	-	44,589	-
Total fund balances	178,780	178,473	213,938	31,242	1,378,843	208,537	224,204
Total liabilities and fund balances	\$ 178,780	\$ 745,163	\$ 310,797	\$ 31,242	\$ 1,378,843	\$ 208,537	\$ 238,275

Traffic Signal Fee	Asset Forfeitures	Measure J Growth Management Program	Child Care	Tidelands Assembly Bill - 1900	Lighting & Landscape District	Park 1A Maintenance District	Solid Waste Reduction AB 939	Pollution Elimination
\$ 938,186	\$ 320,008	\$ 4,320,102	\$ 82,293	\$ 132,071	\$ 1,577,447	\$ 75,307	\$ 436,294	\$ 2,616,505
-	-	-	-	-	-	708	42,535	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>\$ 938,186</u>	<u>\$ 320,008</u>	<u>\$ 4,320,102</u>	<u>\$ 82,293</u>	<u>\$ 132,071</u>	<u>\$ 1,577,447</u>	<u>\$ 76,015</u>	<u>\$ 478,829</u>	<u>\$ 2,616,505</u>
\$ -	\$ 21,248	\$ 15,127	\$ -	\$ -	\$ 170,939	\$ 3,820	\$ 40,807	\$ 25,373
-	-	4,114	-	-	26,799	86	3,996	10,709
-	236,594	3,520	6,000	-	-	-	19,598	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	257,842	22,761	6,000	-	197,738	3,906	64,401	36,082
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	4,297,341	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	2,580,423
-	-	-	-	-	1,379,709	-	-	-
-	-	-	-	132,071	-	-	-	-
-	62,166	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	72,109	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	414,428	-
-	-	-	76,293	-	-	-	-	-
938,186	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>938,186</u>	<u>62,166</u>	<u>4,297,341</u>	<u>76,293</u>	<u>132,071</u>	<u>1,379,709</u>	<u>72,109</u>	<u>414,428</u>	<u>2,580,423</u>
<u>\$ 938,186</u>	<u>\$ 320,008</u>	<u>\$ 4,320,102</u>	<u>\$ 82,293</u>	<u>\$ 132,071</u>	<u>\$ 1,577,447</u>	<u>\$ 76,015</u>	<u>\$ 478,829</u>	<u>\$ 2,616,505</u>

City of Antioch
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2016

	Supplemental		Street	Traffic	PEG Fanchise	Post		
	Law	LLEBG	Street	Traffic	PEG Fanchise	Retirement		
	Enforcement	Byrne Grant	Impact	Safety	Fee	Medical		Total
ASSETS								
Cash and investments	\$ 41,412	\$ -	\$ -	\$ 10,810	\$ 1,136,887	\$ 479,149		\$ 15,207,998
Receivables:								
Accounts, net	42,644	16,770	-	14,935	-	831		153,524
Taxes	-	-	312,169	-	67,495	-		393,681
Prepaid items	-	-	-	-	-	91,266		92,258
Total assets	\$ 84,056	\$ 16,770	\$ 312,169	\$ 25,745	\$ 1,204,382	\$ 571,246		\$ 15,847,461
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,411		\$ 427,420
Accrued payroll	-	-	-	-	-	-		118,279
Deposits	-	-	-	-	-	-		650,361
Due to other funds	-	16,709	161,936	-	-	-		178,645
Unavailable revenue	-	-	-	-	-	-		60,120
Total liabilities	-	16,709	161,936	-	-	3,411		1,434,825
DEFERRED INFLOWS OF RESOURCES								
Unavailable Abandoned Vehicle receipts	-	-	-	-	-	-		13,581
Total deferred inflows of resources	-	-	-	-	-	-		13,581
Fund balances:								
Nonspendable:								
Petty cash and prepaid items	-	-	-	-	-	91,266		92,698
Restricted for:								
Streets	-	-	-	-	-	-		4,297,341
Parks	-	-	-	-	-	-		178,780
PEG Programming	-	-	-	-	1,204,382	-		1,204,382
Storm Channels	-	-	-	-	-	-		2,580,423
Landscape Maintenance	-	-	-	-	-	-		1,379,709
Tidelands Areas Protection	-	-	-	-	-	-		132,071
Law Enforcement	84,056	61	-	-	-	-		146,283
Traffic Safety	-	-	-	25,745	-	-		25,745
Parks & Recreation	-	-	-	-	-	-		163,948
Animal Shelter Maintenance /Operation	-	-	-	-	-	-		213,787
Abandoned Vehicle	-	-	-	-	-	-		224,204
Committed to:								
Parks	-	-	-	-	-	-		1,378,843
Landscape Maintenance	-	-	-	-	-	-		72,109
Arts & Cultural Activities	-	-	-	-	-	-		31,242
Recreation Programs	-	-	-	-	-	-		-
Field Maintenance	-	-	-	-	-	-		155,876
Memorial Field Maintenance	-	-	-	-	-	-		21,316
Road Repair	-	-	150,233	-	-	-		150,233
Waste Reduction	-	-	-	-	-	-		414,428
Youth Activities/Building Maintenance	-	-	-	-	-	-		76,293
Traffic Signals	-	-	-	-	-	-		938,186
Post Retirement Medical	-	-	-	-	-	476,569		476,569
Assigned to:								
Parks & Recreation	-	-	-	-	-	-		44,589
Total fund balances	84,056	61	150,233	25,745	1,204,382	567,835		14,399,055
Total liabilities and fund balances	\$ 84,056	\$ 16,770	\$ 312,169	\$ 25,745	\$ 1,204,382	\$ 571,246		\$ 15,847,461

City of Antioch
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2016

	Delta Fair Property	Recreation Programs	Animal Control	Civic Arts	Park in Lieu	Senior Bus	Abandoned Vehicles
REVENUES:							
Taxes	\$ -	\$ -	\$ -	\$ 47,497	\$ -	\$ -	\$ -
Fines and penalties	-	-	-	-	-	-	-
Investment income and rentals	51,448	243,121	140	183	17,274	2,667	2,614
Revenue from other agencies	-	-	60,000	-	-	-	58,453
Current service charges	-	795,821	270,913	-	49,810	4,437	-
Special assessment revenue	-	-	-	-	-	-	-
Other	-	47,731	50,008	3,145	19,740	-	-
Total revenues	51,448	1,086,673	381,061	50,825	86,824	7,104	61,067
EXPENDITURES:							
Current:							
General Government	-	-	-	-	-	-	-
Public works	648	-	-	-	3,746	-	-
Public safety	-	-	818,134	-	-	-	15,441
Parks and recreation	-	1,788,786	-	45,923	-	453	-
Community development	-	-	-	-	-	-	-
Capital outlay	50,000	-	-	-	-	-	-
Total expenditures	50,648	1,788,786	818,134	45,923	3,746	453	15,441
REVENUES OVER							
(UNDER) EXPENDITURES	800	(702,113)	(437,073)	4,902	83,078	6,651	45,626
OTHER FINANCING SOURCES (USES):							
Transfers in	-	731,926	580,990	-	-	-	-
Transfers (out)	-	(10,259)	(573)	-	-	(7,700)	-
Total other financing sources (uses)	-	721,667	580,417	-	-	(7,700)	-
Net change in fund balances	800	19,554	143,344	4,902	83,078	(1,049)	45,626
FUND BALANCES:							
Beginning of year	177,980	158,919	70,594	26,340	1,295,765	209,586	178,578
End of year	\$ 178,780	\$ 178,473	\$ 213,938	\$ 31,242	\$ 1,378,843	\$ 208,537	\$ 224,204

City of Antioch
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2016

	Traffic Signal Fee	Asset Forfeitures	Measure J Growth Management Program	Child Care	Tidelands Assembly Bill - 1900	Lighting & Landscape District	Park 1A Maintenance District
REVENUES:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,105
Fines and penalties	-	-	-	-	-	-	-
Investment income and rentals	11,905	4,302	46,703	77,843	8,892	22,173	44,097
Revenue from other agencies	-	-	1,496,907	-	-	-	260
Current service charges	20,773	-	-	-	-	-	-
Special assessment revenue	-	-	-	-	-	2,135,266	-
Other	-	14,641	-	-	-	5,830	95
Total revenues	32,678	18,943	1,543,610	77,843	8,892	2,163,269	77,557
EXPENDITURES:							
Current:							
General Government	-	-	-	-	-	-	-
Public works	23,406	-	422,674	-	562	-	-
Public safety	-	7,961	-	-	-	-	-
Parks and recreation	-	-	-	1,634	-	1,828,841	45,362
Community development	-	-	-	-	-	-	-
Capital outlay	-	-	425,340	-	-	-	-
Total expenditures	23,406	7,961	848,014	1,634	562	1,828,841	45,362
REVENUES OVER (UNDER) EXPENDITURES	9,272	10,982	695,596	76,209	8,330	334,428	32,195
OTHER FINANCING SOURCES (USES):							
Transfers in	-	-	-	-	-	139,683	-
Transfers (out)	-	-	-	(70,000)	-	(447,599)	(9,682)
Total other financing sources (uses)	-	-	-	(70,000)	-	(307,916)	(9,682)
Net change in fund balances	9,272	10,982	695,596	6,209	8,330	26,512	22,513
FUND BALANCES:							
Beginning of year	928,914	51,184	3,601,745	70,084	123,741	1,353,197	49,596
End of year	\$ 938,186	\$ 62,166	\$ 4,297,341	\$ 76,293	\$ 132,071	\$ 1,379,709	\$ 72,109

Solid Waste Reduction AB 939	Pollution Elimination	Supplemental Law Enforcement	LLEBG Byrne Grant	Street Impact	Traffic Safety	PEG Fanchise Fee	Post Retirement Medical	Total
\$ 160,000	\$ -	\$ -	\$ -	\$ 1,215,261	\$ -	\$ 270,882	\$ -	\$ 1,726,745
-	-	-	-	-	87,408	-	-	87,408
6,089	33,539	480	79	3,245	468	13,567	5,639	596,468
100,561	-	189,016	56,226	-	-	-	-	1,961,423
-	-	-	-	-	-	-	1,632,493	2,774,247
-	858,365	-	-	-	-	-	-	2,993,631
16,122	224	-	-	-	-	-	-	157,536
282,772	892,128	189,496	56,305	1,218,506	87,876	284,449	1,638,132	10,297,458
-	-	-	-	-	-	12,590	856,795	869,385
-	569,782	-	-	844	-	-	-	1,021,662
-	-	140	2,435	-	88	-	548,461	1,392,660
-	-	-	-	-	-	-	-	3,710,999
292,935	98,556	-	-	-	-	-	-	391,491
-	52,798	-	-	-	-	-	-	528,138
292,935	721,136	140	2,435	844	88	12,590	1,405,256	7,914,335
(10,163)	170,992	189,356	53,870	1,217,662	87,788	271,859	232,876	2,383,123
-	30,000	-	-	-	-	-	-	1,482,599
-	(270,225)	(162,851)	(53,809)	(1,144,440)	(80,000)	-	-	(2,257,138)
-	(240,225)	(162,851)	(53,809)	(1,144,440)	(80,000)	-	-	(774,539)
(10,163)	(69,233)	26,505	61	73,222	7,788	271,859	232,876	1,608,584
424,591	2,649,656	57,551	-	77,011	17,957	932,523	334,959	12,790,471
\$ 414,428	\$ 2,580,423	\$ 84,056	\$ 61	\$ 150,233	\$ 25,745	\$ 1,204,382	\$ 567,835	\$ 14,399,055

City of Antioch
Budgetary Comparison Schedule
Delta Fair Property Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 54,650	\$ 54,650	\$ 51,448	\$ (3,202)
Total revenues	<u>54,650</u>	<u>54,650</u>	<u>51,448</u>	<u>(3,202)</u>
EXPENDITURES:				
Current:				
Public works	501	481	648	(167)
Capital outlay	50,000	50,000	50,000	-
Total expenditures	<u>50,501</u>	<u>50,481</u>	<u>50,648</u>	<u>(167)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>4,149</u>	<u>4,169</u>	<u>800</u>	<u>(3,369)</u>
Net change in fund balances	<u><u>\$ 4,149</u></u>	<u><u>\$ 4,169</u></u>	<u>800</u>	<u><u>\$ (3,369)</u></u>
FUND BALANCES:				
Beginning of year			<u>177,980</u>	
End of year			<u><u>\$ 178,780</u></u>	

City of Antioch
Budgetary Comparison Schedule
Recreation Programs Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 290,500	\$ 290,500	\$ 243,121	\$ (47,379)
Current service charges	892,450	832,450	795,821	(36,629)
Other	47,100	47,100	47,731	631
Total revenues	<u>1,230,050</u>	<u>1,170,050</u>	<u>1,086,673</u>	<u>(83,377)</u>
EXPENDITURES:				
Current:				
Parks and recreation	1,834,241	1,837,680	1,788,786	48,894
Capital outlay	10,000	9,460	-	9,460
Total expenditures	<u>1,844,241</u>	<u>1,847,140</u>	<u>1,788,786</u>	<u>58,354</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(614,191)</u>	<u>(677,090)</u>	<u>(702,113)</u>	<u>(25,023)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	695,070	755,070	731,926	(23,144)
Transfers (out)	(10,259)	(10,259)	(10,259)	-
Total other financing sources (uses)	<u>684,811</u>	<u>744,811</u>	<u>721,667</u>	<u>(23,144)</u>
Net change in fund balances	<u>\$ 70,620</u>	<u>\$ 67,721</u>	19,554	<u>\$ (48,167)</u>
FUND BALANCES:				
Beginning of year			<u>158,919</u>	
End of year			<u>\$ 178,473</u>	

City of Antioch
Budgetary Comparison Schedule
Animal Control Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Revenue from other agencies	\$ 40,000	\$ 40,000	\$ 60,000	\$ 20,000
Current service charges	312,000	312,000	270,913	(41,087)
Other	11,000	25,476	50,008	24,532
Total revenues	363,000	377,476	381,061	3,585
EXPENDITURES:				
Current:				
Public safety	870,948	956,181	818,134	138,047
Total expenditures	870,948	956,181	818,134	138,047
REVENUES OVER (UNDER) EXPENDITURES	(507,948)	(578,705)	(437,073)	141,632
OTHER FINANCING SOURCES (USES):				
Transfers in	508,521	639,373	580,990	(58,383)
Transfers (out)	(573)	(573)	(573)	-
Total other financing sources (uses)	507,948	638,800	580,417	(58,383)
Net change in fund balances	\$ -	\$ 60,095	143,344	\$ 83,249
FUND BALANCES:				
Beginning of year			70,594	
End of year			\$ 213,938	

City of Antioch
Budgetary Comparison Schedule
Civic Arts Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 34,285	\$ 34,285	\$ 47,497	\$ 13,212
Investment income and rentals	25	45	183	138
Other	-	-	3,145	3,145
Total revenues	<u>34,310</u>	<u>34,330</u>	<u>50,825</u>	<u>16,495</u>
EXPENDITURES:				
Current:				
Parks and recreation	<u>46,721</u>	<u>46,782</u>	<u>45,923</u>	<u>859</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(12,411)</u>	<u>(12,452)</u>	<u>4,902</u>	<u>17,354</u>
Net change in fund balances	<u>\$ (12,411)</u>	<u>\$ (12,452)</u>	<u>4,902</u>	<u>\$ 17,354</u>
FUND BALANCES:				
Beginning of year			<u>26,340</u>	
End of year			<u>\$ 31,242</u>	

City of Antioch
Budgetary Comparison Schedule
Park in Lieu Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 6,500	\$ 6,500	\$ 17,274	\$ 10,774
Current service charges	110,000	110,000	49,810	(60,190)
Other	-	-	19,740	19,740
Total revenues	<u>116,500</u>	<u>116,500</u>	<u>86,824</u>	<u>(29,676)</u>
EXPENDITURES:				
Current:				
Public works	6,874	6,881	3,746	3,135
Total expenditures	<u>6,874</u>	<u>6,881</u>	<u>3,746</u>	<u>3,135</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>109,626</u>	<u>109,619</u>	<u>83,078</u>	<u>(26,541)</u>
Net change in fund balances	<u>\$ 109,626</u>	<u>\$ 109,619</u>	<u>83,078</u>	<u>\$ (26,541)</u>
FUND BALANCES:				
Beginning of year			<u>1,295,765</u>	
End of year			<u>\$ 1,378,843</u>	

City of Antioch
Budgetary Comparison Schedule
Senior Bus Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 1,000	\$ 1,000	\$ 2,667	\$ 1,667
Current service charges	4,000	4,000	4,437	437
Total revenues	5,000	5,000	7,104	2,104
EXPENDITURES:				
Current:				
Parks and recreation	500	500	453	47
Total expenditures	500	500	453	47
REVENUES OVER (UNDER) EXPENDITURES	4,500	4,500	6,651	2,151
OTHER FINANCING (USES):				
Transfers (out)	(7,700)	(7,700)	(7,700)	-
Total other financing (uses)	(7,700)	(7,700)	(7,700)	-
Net change in fund balances	\$ (3,200)	\$ (3,200)	(1,049)	\$ 2,151
FUND BALANCES:				
Beginning of year			209,586	
End of year			\$ 208,537	

City of Antioch
Budgetary Comparison Schedule
Abandoned Vehicle Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 1,000	\$ 1,000	\$ 2,614	\$ 1,614
Revenue from other agencies	47,000	47,000	58,453	11,453
Total revenues	48,000	48,000	61,067	13,067
EXPENDITURES:				
Current:				
Public safety	67,891	68,121	15,441	52,680
REVENUES OVER (UNDER) EXPENDITURES	(19,891)	(20,121)	45,626	65,747
Net change in fund balances	\$ (19,891)	\$ (20,121)	45,626	\$ 65,747
FUND BALANCES:				
Beginning of year			178,578	
End of year			\$ 224,204	

City of Antioch
Budgetary Comparison Schedule
Traffic Signal Fee Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 5,000	\$ 5,000	\$ 11,905	\$ 6,905
Current service charges	75,000	75,000	20,773	(54,227)
Total revenues	80,000	80,000	32,678	(47,322)
EXPENDITURES:				
Current:				
Public works	2,516	32,517	23,406	9,111
Capital outlay	300,000	-	-	-
Total expenditures	302,516	32,517	23,406	9,111
REVENUES OVER (UNDER) EXPENDITURES	(222,516)	47,483	9,272	(38,211)
Net change in fund balances	\$ (222,516)	\$ 47,483	9,272	\$ (38,211)
FUND BALANCES:				
Beginning of year			928,914	
End of year			\$ 938,186	

City of Antioch
Budgetary Comparison Schedule
Asset Forfeitures Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 500	\$ 500	\$ 4,302	\$ 3,802
Other	12,000	12,000	14,641	2,641
Total revenues	<u>12,500</u>	<u>12,500</u>	<u>18,943</u>	<u>6,443</u>
EXPENDITURES:				
Current:				
Public safety	13,966	14,038	7,961	6,077
Total expenditures	<u>13,966</u>	<u>14,038</u>	<u>7,961</u>	<u>6,077</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,466)</u>	<u>(1,538)</u>	<u>10,982</u>	<u>12,520</u>
Net change in fund balances	<u><u>\$ (1,466)</u></u>	<u><u>\$ (1,538)</u></u>	<u>10,982</u>	<u><u>\$ 12,520</u></u>
FUND BALANCES:				
Beginning of year			<u>51,184</u>	
End of year			<u><u>\$ 62,166</u></u>	

City of Antioch
Budgetary Comparison Schedule
Measure J Growth Management Program Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 22,000	\$ 22,000	\$ 46,703	\$ 24,703
Revenue from other agencies	1,123,252	1,494,524	1,496,907	2,383
Total revenues	1,145,252	1,516,524	1,543,610	27,086
EXPENDITURES:				
Current:				
Public works	257,090	440,187	422,674	17,513
Capital outlay	100,000	642,938	425,340	217,598
Total expenditures	357,090	1,083,125	848,014	235,111
REVENUES OVER (UNDER) EXPENDITURES	788,162	433,399	695,596	262,197
Net change in fund balances	\$ 788,162	\$ 433,399	695,596	\$ 262,197
FUND BALANCES:				
Beginning of year			3,601,745	
End of year			\$ 4,297,341	

City of Antioch
Budgetary Comparison Schedule
Child Care Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 76,604	\$ 76,604	\$ 77,843	\$ 1,239
Total revenues	76,604	76,604	77,843	1,239
EXPENDITURES:				
Current:				
Parks and recreation	2,662	2,664	1,634	1,030
REVENUES OVER (UNDER) EXPENDITURES	73,942	73,940	76,209	2,269
OTHER FINANCING (USES):				
Transfers (out)	(70,000)	(70,000)	(70,000)	-
Total other financing (uses)	(70,000)	(70,000)	(70,000)	-
Net change in fund balances	\$ 3,942	\$ 3,940	6,209	\$ 2,269
FUND BALANCES:				
Beginning of year			70,084	
End of year			\$ 76,293	

City of Antioch
Budgetary Comparison Schedule
Tidelands Assembly Bill-1900 Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 7,870	\$ 7,870	\$ 8,892	\$ 1,022
Total revenues	<u>7,870</u>	<u>7,870</u>	<u>8,892</u>	<u>1,022</u>
EXPENDITURES:				
Current:				
Public works	20,675	20,678	562	20,116
REVENUES OVER (UNDER) EXPENDITURES	<u>(12,805)</u>	<u>(12,808)</u>	<u>8,330</u>	<u>21,138</u>
Net change in fund balances	<u>\$ (12,805)</u>	<u>\$ (12,808)</u>	<u>8,330</u>	<u>\$ 21,138</u>
FUND BALANCES:				
Beginning of year			123,741	
End of year			<u>\$ 132,071</u>	

City of Antioch
Budgetary Comparison Schedule
Lighting & Landscape District Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 3,000	\$ 3,000	\$ 22,173	\$ 19,173
Special assessment revenue	2,102,104	2,102,104	2,135,266	33,162
Other	-	-	5,830	5,830
Total revenues	<u>2,105,104</u>	<u>2,105,104</u>	<u>2,163,269</u>	<u>58,165</u>
EXPENDITURES:				
Current:				
Parks and recreation	<u>1,791,419</u>	<u>1,790,869</u>	<u>1,828,841</u>	<u>(37,972)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>313,685</u>	<u>314,235</u>	<u>334,428</u>	<u>20,193</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	886,048	186,110	139,683	(46,427)
Transfers (out)	<u>(1,147,536)</u>	<u>(447,598)</u>	<u>(447,599)</u>	<u>(1)</u>
Total other financing sources (uses)	<u>(261,488)</u>	<u>(261,488)</u>	<u>(307,916)</u>	<u>(46,428)</u>
Net change in fund balances	<u>\$ 52,197</u>	<u>\$ 52,747</u>	26,512	<u>\$ (26,235)</u>
FUND BALANCES:				
Beginning of year			<u>1,353,197</u>	
End of year			<u>\$ 1,379,709</u>	

City of Antioch
Budgetary Comparison Schedule
Park 1A Maintenance District Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 21,825	\$ 21,825	\$ 33,105	\$ 11,280
Investment income and rentals	40,125	40,125	44,097	3,972
Revenue from other agencies	115	115	260	145
Total revenues	<u>62,065</u>	<u>62,065</u>	<u>77,557</u>	<u>15,492</u>
EXPENDITURES:				
Current:				
Parks and recreation	57,471	57,539	45,362	12,177
REVENUES OVER (UNDER) EXPENDITURES	<u>4,594</u>	<u>4,526</u>	<u>32,195</u>	<u>27,669</u>
OTHER FINANCING (USES):				
Transfers (out)	(11,100)	(11,100)	(9,682)	(1,418)
Total other financing (uses)	<u>(11,100)</u>	<u>(11,100)</u>	<u>(9,682)</u>	<u>(1,418)</u>
Net change in fund balances	<u>\$ (6,506)</u>	<u>\$ (6,574)</u>	22,513	<u>\$ 26,251</u>
FUND BALANCES:				
Beginning of year			49,596	
End of year			<u>\$ 72,109</u>	

City of Antioch
Budgetary Comparison Schedule
Solid Waste Reduction AB 939 Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 160,000	\$ 160,000	\$ 160,000	\$ -
Investment income and rentals	1,500	3,150	6,089	2,939
Revenue from other agencies	56,000	27,230	100,561	73,331
Other	5,000	5,000	16,122	11,122
Total revenues	<u>222,500</u>	<u>195,380</u>	<u>282,772</u>	<u>87,392</u>
EXPENDITURES:				
Current:				
Community development	293,210	507,853	292,935	214,918
Total expenditures	<u>293,210</u>	<u>507,853</u>	<u>292,935</u>	<u>214,918</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(70,710)</u>	<u>(312,473)</u>	<u>(10,163)</u>	<u>302,310</u>
Net change in fund balances	<u>\$ (70,710)</u>	<u>\$ (312,473)</u>	<u>(10,163)</u>	<u>\$ 302,310</u>
FUND BALANCES:				
Beginning of year			<u>424,591</u>	
End of year			<u>\$ 414,428</u>	

City of Antioch
Budgetary Comparison Schedule
Pollution Elimination Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 10,000	\$ 10,000	\$ 33,539	\$ 23,539
Special assessment revenue	825,000	825,000	858,365	33,365
Other	-	-	224	224
Total revenues	<u>835,000</u>	<u>835,000</u>	<u>892,128</u>	<u>57,128</u>
EXPENDITURES:				
Current:				
Public works	628,309	642,756	569,782	72,974
Community development	260,825	261,143	98,556	162,587
Capital outlay	310,000	203,000	52,798	150,202
Total expenditures	<u>1,199,134</u>	<u>1,106,899</u>	<u>721,136</u>	<u>385,763</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(364,134)</u>	<u>(271,899)</u>	<u>170,992</u>	<u>442,891</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	30,000	30,000	30,000	-
Transfers (out)	(270,225)	(270,225)	(270,225)	-
Total other financing sources (uses)	<u>(240,225)</u>	<u>(240,225)</u>	<u>(240,225)</u>	<u>-</u>
Net change in fund balances	<u>\$ (604,359)</u>	<u>\$ (512,124)</u>	<u>(69,233)</u>	<u>\$ 442,891</u>
FUND BALANCES:				
Beginning of year			<u>2,649,656</u>	
End of year			<u>\$ 2,580,423</u>	

City of Antioch
Budgetary Comparison Schedule
Supplemental Law Enforcement Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ -	\$ 300	\$ 480	\$ 180
Revenue from other agencies	100,000	100,000	189,016	89,016
Total revenues	100,000	100,300	189,496	89,196
EXPENDITURES:				
Current:				
Public Safety	-	150	140	10
REVENUES OVER (UNDER) EXPENDITURES	100,000	100,150	189,356	89,206
OTHER FINANCING (USES):				
Transfers (out)	(100,000)	(162,850)	(162,851)	(1)
Total other financing (uses)	(100,000)	(162,850)	(162,851)	(1)
Net change in fund balances	\$ -	\$ (62,550)	26,505	\$ 89,195
FUND BALANCES:				
Beginning of year			57,551	
End of year			\$ 84,056	

City of Antioch
Budgetary Comparison Schedule
Local Law Enforcement Byrne Grant fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Revenue from other agencies	\$ 47,001	\$ 47,001	\$ 56,226	\$ 9,225
Total revenues	47,001	47,001	56,305	9,304
EXPENDITURES:				
Current:				
Public Safety	1,991	1,991	2,435	(444)
REVENUES OVER (UNDER) EXPENDITURES	45,010	45,010	53,870	8,860
OTHER FINANCING (USES):				
Transfers (out)	(45,010)	(45,010)	(53,809)	(8,799)
Total other financing (uses)	(45,010)	(45,010)	(53,809)	(8,799)
Net change in fund balances	\$ 1,991	\$ 1,991	61	\$ 505
FUND BALANCES:				
Beginning of year			-	
End of year			\$ 61	

City of Antioch
Budgetary Comparison Schedule
Street Impact Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 1,144,440	\$ 1,144,440	\$ 1,215,261	\$ 70,821
Investment income and rentals	2,000	2,000	3,245	1,245
Total revenues	1,146,440	1,146,440	1,218,506	72,066
EXPENDITURES:				
Current:				
Public works	700	700	844	(144)
REVENUES OVER (UNDER) EXPENDITURES	1,145,740	1,145,740	1,217,662	71,922
OTHER FINANCING (USES):				
Transfers (out)	(1,144,440)	(1,144,440)	(1,144,440)	-
Total other financing (uses)	(1,144,440)	(1,144,440)	(1,144,440)	-
Net change in fund balances	\$ 1,300	\$ 1,300	73,222	\$ 71,922
FUND BALANCES:				
Beginning of year			77,011	
End of year			\$ 150,233	

City of Antioch
Budgetary Comparison Schedule
Traffic Safety Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Fines and penalties	\$ 80,000	\$ 80,000	\$ 87,408	\$ 7,408
Investment income and rentals	100	100	468	368
Total revenues	80,100	80,100	87,876	7,776
EXPENDITURES:				
Current:				
Public Safety	90	90	88	2
REVENUES OVER (UNDER) EXPENDITURES	80,010	80,010	87,788	7,778
OTHER FINANCING (USES):				
Transfers (out)	(80,000)	(80,000)	(80,000)	-
Total other financing (uses)	(80,000)	(80,000)	(80,000)	-
Net change in fund balances	\$ 10	\$ 10	7,788	\$ 7,778
FUND BALANCES:				
Beginning of year			17,957	
End of year			\$ 25,745	

City of Antioch
Budgetary Comparison Schedule
PEG Franchise Fee Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 240,000	\$ 240,000	\$ 270,882	\$ 30,882
Investment income and rentals	6,500	6,500	13,567	7,067
Total revenues	246,500	246,500	284,449	37,949
EXPENDITURES:				
Current:				
General Government	82,702	91,498	12,590	78,908
Capital outlay	50,000	41,250	-	41,250
Total expenditures	132,702	132,748	12,590	120,158
REVENUES OVER (UNDER) EXPENDITURES	113,798	113,752	271,859	158,107
Net change in fund balances	\$ 113,798	\$ 113,752	271,859	\$ 158,107
FUND BALANCES:				
Beginning of year			932,523	
End of year			\$ 1,204,382	

City of Antioch
Budgetary Comparison Schedule
Post Retirement Medical Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 700	\$ 700	\$ 5,639	\$ (4,939)
Charges for services	1,513,000	1,513,000	1,632,493	3,145,493
Total revenues	1,513,700	1,513,700	1,638,132	3,140,554
EXPENDITURES:				
General Government	920,089	921,377	856,795	64,582
Public safety	558,506	558,992	548,461	10,531
Total expenditures	1,478,595	1,480,369	1,405,256	75,113
REVENUES OVER (UNDER) EXPENDITURES	35,105	33,331	232,876	3,065,441
Net change in fund balances	\$ 35,105	\$ 33,331	232,876	\$ 3,065,441
FUND BALANCES:				
Beginning of year			334,959	
End of year			\$ 567,835	

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NON-MAJOR DEBT SERVICE FUNDS

Debt Service Funds are used to account for the payment of principal and interest on the general debt service of the City and related entities.

Golf Course Clubhouse/Irrigation

In 1985 and 1994, the City of Antioch participated in the Association of Bay Area Governments' pooled Certificates of Participation to fund improvements to the clubhouse at the City's golf course and irrigation system, respectively. The fund accumulates monies for the payment of principal and interest from a portion of the fees collected and transmitted by the Antioch Public Golf Corporation. These bonds were refinanced in fiscal year 2015 with the issuance of the Antioch Public Financing Authority 2015A Lease Revenue Refunding Bonds.

Honeywell Capital Lease

In 2009, the City entered into a lease agreement with Bank of America for funding of interior building lighting retrofit, and street and park lighting retrofit. Energy savings as a result of the project are used to pay debt service.

City of Antioch
Combining Balance Sheet
Non-Major Debt Service Funds
June 30, 2016

	ABAG/ 2015 Lease Revenue	Honeywell Capital Lease	Total
ASSETS			
Accounts receivable, net	\$ 868,899	\$ -	\$ 868,899
Prepaid items	257	-	257
Restricted cash and investments	25	-	25
Total assets	\$ 869,181	\$ -	\$ 869,181
LIABILITIES AND FUND BALANCES			
Liabilities:			
Due to other funds	\$ 865,680	\$ -	\$ 865,680
Total liabilities	865,680	-	865,680
Fund balances:			
Nonspendable:			
Prepaid items	257	-	257
Restricted for:			
Debt service	3,244	-	3,244
Total fund balances	3,501	-	3,501
Total liabilities and fund balances	\$ 869,181	\$ -	\$ 869,181

City of Antioch

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-Major Debt Service Funds

For the Fiscal Year Ended June 30, 2016

	ABAG/ 2015 Lease Revenue	Honeywell Capital Lease	Total
REVENUES:			
Investment income and rentals	\$ 347,368	\$ -	\$ 347,368
Total revenues	<u>347,368</u>	<u>-</u>	<u>347,368</u>
EXPENDITURES:			
Current:			
General government	4,120	-	4,120
Debt service:			
Principal retirements	140,000	420,337	560,337
Interest and fiscal charges	207,601	107,037	314,638
Bond issuance costs	-	-	-
Total expenditures	<u>351,721</u>	<u>527,374</u>	<u>879,095</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(4,353)</u>	<u>(527,374)</u>	<u>(531,727)</u>
OTHER FINANCING SOURCES :			
Transfer in	-	527,374	527,374
Total other financing sources	<u>-</u>	<u>527,374</u>	<u>527,374</u>
Net change in fund balances	(4,353)	-	(4,353)
FUND BALANCES:			
Beginning of year	7,854	-	7,854
End of year	<u>\$ 3,501</u>	<u>\$ -</u>	<u>\$ 3,501</u>

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NON-MAJOR CAPITAL PROJECTS FUNDS

Capital Projects Funds are utilized to account for resources used for the acquisition and construction of capital facilities by the City, with the exception of those assets financed by proprietary funds.

Capital Improvement Fund

This fund records all revenues, expenditures, assets and liabilities associated with City capital projects. It accounts for resources used to construct or acquire capital assets and make capital improvements.

Prewett Community Park

This fund accounts for the construction of the Prewett Community Center. The City is reimbursed for expenses by the Antioch Area Public Facilities Financing Agency through mello roos bond proceeds.

Special Assessment Districts

These funds were established to account for construction and acquisition of land and public improvements in various assessment districts. Financing is provided by assessment bond proceeds.

Hillcrest Bridge District

This fund accounts for developer fees collected to fund bridge construction in the Hillcrest Area.

Residential Development Allocation

This fund accounts for contributions by developers for various projects as determined by the City Council.

Development Impact Fee

This fund accounts for Development Impact Fees established pursuant to Ordinance 2079-C-S in order to defray the costs of certain public facilities required to serve new development within the City.

City of Antioch
Combining Balance Sheet
Non-Major Capital Project Funds
June 30, 2016

			Special Assessment Districts		
			Prewett	Special Assessment Districts	
				Capital Improvement	Hillcrest District #26
ASSETS					
Cash and investments	\$ 2,913,786	\$ 97,500	\$ 374,811	\$ 477,302	
Accounts receivable, net	-	694,059	-	-	
Total assets	\$ 2,913,786	\$ 791,559	\$ 374,811	\$ 477,302	
LIABILITIES					
Liabilities:					
Accounts payable	\$ 28,164	\$ 209,819	\$ -	\$ -	
Accrued payroll	2,436	1,725	-	-	
Deposits	1,400,000	115,283	-	-	
Due to other funds	-	446,798	-	-	
Total liabilities	1,430,600	773,625	-	-	
DEFERRED INFLOWS OF RESOURCES					
Unavailable AAPFFA receipts	-	201,975	-	-	
Total deferred inflows of resources	-	201,975	-	-	
FUND BALANCES					
Fund Balances:					
Restricted	-	-	-	-	
Assigned for:					
Capital Projects	1,483,186	-	-	-	
Community Benefit Programs	-	-	-	-	
AD 26	-	-	374,811	-	
AD 27	-	-	-	477,302	
Unassigned	-	(184,041)	-	-	
Total fund balances	1,483,186	(184,041)	374,811	477,302	
Total liabilities, deferred inflows of resources and fund balances	\$ 2,913,786	\$ 791,559	\$ 374,811	\$ 477,302	



Hillcrest Bridge District	Residential Development Allocation	Development Impact Fee	Total
\$ 138,628	\$ 406,011	\$ 53,283	\$ 4,461,321
-	-	-	694,059
<u>\$ 138,628</u>	<u>\$ 406,011</u>	<u>\$ 53,283</u>	<u>\$ 5,155,380</u>

\$ -	\$ -	\$ -	\$ 237,983
-	-	-	4,161
-	-	-	1,515,283
-	-	-	446,798
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,204,225</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>201,975</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>201,975</u>

-	-	53,283	53,283
138,628	-	-	1,621,814
-	406,011	-	406,011
-	-	-	374,811
-	-	-	477,302
-	-	-	(184,041)
<u>138,628</u>	<u>406,011</u>	<u>53,283</u>	<u>2,749,180</u>
<u>\$ 138,628</u>	<u>\$ 406,011</u>	<u>\$ 53,283</u>	<u>\$ 5,155,380</u>

City of Antioch
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Capital Project Funds
For the Fiscal Year Ended June 30, 2016

	Capital Improvement	Prewett Community Park	Special Assessment Districts		Hillcrest Bridge District
			Hillcrest District #26	Lone Diamond	
REVENUES:					
Taxes	\$ 400,000	\$ -	\$ -	\$ -	\$ -
Investment income and rentals	32,154	329	4,779	9,403	1,764
Revenue from other agencies	-	812,603	-	-	-
Current service charges	22,342	-	-	21,516	-
Other	6,766	-	-	-	-
Total revenues	461,262	812,932	4,779	30,919	1,764
EXPENDITURES:					
Current:					
Public works	403,837	33,186	5,843	6,359	327
Community development	-	-	-	-	-
Capital outlay	174,073	862,084	-	-	-
Total expenditures	577,910	895,270	5,843	6,359	327
REVENUES OVER (UNDER) EXPENDITURES	(116,648)	(82,338)	(1,064)	24,560	1,437
OTHER FINANCING SOURCES:					
Transfers in	1,369,395	-	-	-	-
Transfers (out)	-	-	-	(1,069,395)	-
Total other financing sources	1,369,395	-	-	(1,069,395)	-
Net change in fund balances	1,252,747	(82,338)	(1,064)	(1,044,835)	1,437
FUND BALANCES:					
Beginning of year	230,439	(101,703)	375,875	1,522,137	137,191
End of year	\$ 1,483,186	\$ (184,041)	\$ 374,811	\$ 477,302	\$ 138,628

Residential Development Allocation	Development Impact Fee	Total
\$ -	\$ -	\$ 400,000
4,156	678	53,263
-	-	812,603
-	3,479	47,337
273,000	-	279,766
277,156	4,157	1,592,969
-	114	449,666
579	-	579
-	-	1,036,157
579	114	1,486,402
276,577	4,043	106,567
-	-	1,369,395
-	-	(1,069,395)
-	-	300,000
276,577	4,043	406,567
129,434	49,240	2,342,613
\$ 406,011	\$ 53,283	\$ 2,749,180

City of Antioch
Budgetary Comparison Schedule
Capital Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 400,000	\$ 400,000	\$ 400,000	\$ -
Investment income and rentals	500	500	32,154	31,654
Revenue from other agencies	2,997,300	-	-	-
Current service charges	5,000	5,000	22,342	17,342
Other	12,000	12,000	6,766	(5,234)
Total revenues	<u>3,414,800</u>	<u>417,500</u>	<u>461,262</u>	<u>43,762</u>
EXPENDITURES:				
Current:				
Public works	29,840	332,450	403,837	(71,387)
Capital outlay	360,150	161,645	174,073	(12,428)
Total expenditures	<u>389,990</u>	<u>494,095</u>	<u>577,910</u>	<u>(83,815)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>3,024,810</u>	<u>(76,595)</u>	<u>(116,648)</u>	<u>(40,053)</u>
OTHER FINANCING SOURCES:				
Transfers in	1,350,000	1,369,395	1,369,395	-
Total other financing sources	<u>1,350,000</u>	<u>1,369,395</u>	<u>1,369,395</u>	<u>-</u>
Net change in fund balances	<u>\$ 4,374,810</u>	<u>\$ 1,292,800</u>	1,252,747	<u>\$ (40,053)</u>
FUND BALANCES:				
Beginning of year			<u>230,439</u>	
End of year			<u>\$ 1,483,186</u>	

City of Antioch
Budgetary Comparison Schedule
Prewett Community Park Capital Projects Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 1,300	\$ 1,300	\$ 329	\$ (971)
Revenue from other agencies	1,545,000	1,836,453	812,603	(1,023,850)
Total revenues	<u>1,546,300</u>	<u>1,837,753</u>	<u>812,932</u>	<u>(1,024,821)</u>
EXPENDITURES:				
Public works	45,000	45,000	33,186	11,814
Capital outlay	1,500,000	1,803,466	862,084	941,382
Total expenditures	<u>1,545,000</u>	<u>1,848,466</u>	<u>895,270</u>	<u>953,196</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,300</u>	<u>(10,713)</u>	<u>(82,338)</u>	<u>(71,625)</u>
Net change in fund balances	<u>\$ 1,300</u>	<u>\$ (10,713)</u>	<u>(82,338)</u>	<u>\$ (71,625)</u>
FUND BALANCES:				
Beginning of year			<u>(101,703)</u>	
End of year			<u>\$ (184,041)</u>	

City of Antioch
Budgetary Comparison Schedule
Hillcrest District #26 Capital Projects Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 800	\$ 800	\$ 4,779	\$ 3,979
Total revenues	800	800	4,779	3,979
EXPENDITURES:				
Public works	1,068	1,488	5,843	(4,355)
Capital outlay	230,000	4,305	-	4,305
Total expenditures	231,068	5,793	5,843	(50)
REVENUES OVER (UNDER) EXPENDITURES	(230,268)	(4,993)	(1,064)	3,929
Net change in fund balances	\$ (230,268)	\$ (4,993)	(1,064)	\$ 3,929
FUND BALANCES:				
Beginning of year			375,875	
End of year			\$ 374,811	

City of Antioch
Budgetary Comparison Schedule
Lone Diamond Capital Projects Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 1,000	\$ 1,000	\$ 9,403	\$ 8,403
Revenue from other agencies	10,000	10,000	-	(10,000)
Current service charges	-	-	21,516	21,516
Total revenues	<u>11,000</u>	<u>11,000</u>	<u>30,919</u>	<u>19,919</u>
EXPENDITURES:				
Public works	3,598	15,136	6,359	8,777
Capital outlay	3,000,000	382,923	-	382,923
Total expenditures	<u>3,003,598</u>	<u>398,059</u>	<u>6,359</u>	<u>391,700</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(2,992,598)</u>	<u>(387,059)</u>	<u>24,560</u>	<u>411,619</u>
OTHER FINANCING SOURCES:				
Transfers (out)	(1,050,000)	(1,069,395)	(1,069,395)	-
Total other financing sources	<u>(1,050,000)</u>	<u>(1,069,395)</u>	<u>(1,069,395)</u>	<u>-</u>
Net change in fund balances	<u>\$ (4,042,598)</u>	<u>\$ (1,456,454)</u>	<u>(1,044,835)</u>	<u>\$ 411,619</u>
FUND BALANCES:				
Beginning of year			<u>1,522,137</u>	
End of year			<u>\$ 477,302</u>	

City of Antioch
Budgetary Comparison Schedule
Hillcrest Bridge District Capital Projects Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 700	\$ 700	\$ 1,764	\$ 1,064
Current service charges	25,000	25,000	-	(25,000)
Total revenues	<u>25,700</u>	<u>25,700</u>	<u>1,764</u>	<u>(23,936)</u>
EXPENDITURES:				
Public works	281	282	327	(45)
REVENUES OVER (UNDER) EXPENDITURES	<u>25,419</u>	<u>25,418</u>	<u>1,437</u>	<u>(23,981)</u>
Net change in fund balances	<u>\$ 25,419</u>	<u>\$ 25,418</u>	<u>1,437</u>	<u>\$ (23,981)</u>
FUND BALANCES:				
Beginning of year			<u>137,191</u>	
End of year			<u>\$ 138,628</u>	

City of Antioch
Budgetary Comparison Schedule
Residential Development Allocation Capital Projects Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 100	\$ 1,900	\$ 4,156	\$ 2,256
Others	-	168,000	273,000	105,000
Total revenues	<u>100</u>	<u>169,900</u>	<u>277,156</u>	<u>107,256</u>
EXPENDITURES:				
Community development	50	700	579	121
Total expenditures	<u>50</u>	<u>700</u>	<u>579</u>	<u>121</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>50</u>	<u>169,200</u>	<u>276,577</u>	<u>107,377</u>
Net change in fund balances	<u>\$ 50</u>	<u>\$ 169,200</u>	<u>276,577</u>	<u>\$ 107,377</u>
FUND BALANCES:				
Beginning of year			<u>129,434</u>	
End of year			<u>\$ 406,011</u>	

City of Antioch
Budgetary Comparison Schedule
Development Impact Fee Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 500	\$ 500	\$ 678	\$ 178
Current service charges	49,000	49,000	3,479	(45,521)
Total revenues	<u>49,500</u>	<u>49,500</u>	<u>4,157</u>	<u>(45,343)</u>
EXPENDITURES:				
Public Works	50	50	114	(64)
Total expenditures	<u>50</u>	<u>50</u>	<u>114</u>	<u>(64)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>49,450</u>	<u>49,450</u>	<u>4,043</u>	<u>(45,407)</u>
Net change in fund balances	<u>\$ 49,450</u>	<u>\$ 49,450</u>	4,043	<u>\$ (45,407)</u>
FUND BALANCES:				
Beginning of year			<u>49,240</u>	
End of year			<u>\$ 53,283</u>	

INTERNAL SERVICE FUNDS

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

Vehicle Repair and Replacement

This fund accounts for the maintenance and replacement of vehicles and equipment used by all City departments. The source of revenue for this fund is rental fees charged to the various departments.

Office Equipment Replacement

This fund accounts for the costs incurred for the operation, maintenance, and replacement of office equipment used by City departments. The source of revenue for this fund is rental fees charged to the various user departments.

Loss Control Fund

These funds are used to pay workers' compensation insurance premiums and the salary of the administrative analyst.

City of Antioch
Combining Statement of Net Position
Internal Services Funds
June 30, 2016

	Vehicle Repair & Replacement	Office Equipment Replacement	Loss Control	Total
ASSETS				
Current assets:				
Cash and investments	\$ 2,515,407	\$ 1,942,402	\$ 368,369	\$ 4,826,178
Accounts receivable, net	871	7,137	-	8,008
Materials, parts and supplies	199,185	-	-	199,185
Prepaid items	1,037	102	-	1,139
Total current assets	<u>2,716,500</u>	<u>1,949,641</u>	<u>368,369</u>	<u>5,034,510</u>
Noncurrent assets:				
Capital assets:				
Vehicles and equipment	8,930,067	2,886,305	-	11,816,372
Less accumulated depreciation	<u>(7,011,520)</u>	<u>(2,404,857)</u>	<u>-</u>	<u>(9,416,377)</u>
Net capital assets	<u>1,918,547</u>	<u>481,448</u>	<u>-</u>	<u>2,399,995</u>
Total assets	<u>4,635,047</u>	<u>2,431,089</u>	<u>368,369</u>	<u>7,434,505</u>
LIABILITIES				
Current liabilities:				
Accounts payable	44,210	8,455	-	52,665
Accrued payroll	20,230	41,654	-	61,884
Current portion of compensated absences	<u>6,617</u>	<u>8,255</u>	<u>-</u>	<u>14,872</u>
Total current liabilities	<u>71,057</u>	<u>58,364</u>	<u>-</u>	<u>129,421</u>
Long-term liabilities:				
Compensated absences	<u>59,548</u>	<u>74,290</u>	<u>-</u>	<u>133,838</u>
Total long-term liabilities	<u>59,548</u>	<u>74,290</u>	<u>-</u>	<u>133,838</u>
Total liabilities	<u>130,605</u>	<u>132,654</u>	<u>-</u>	<u>263,259</u>
NET POSITION				
Net investment in capital assets	1,918,547	481,448	-	2,399,995
Unrestricted	<u>2,585,895</u>	<u>1,816,987</u>	<u>368,369</u>	<u>4,771,251</u>
Total net position	<u>\$ 4,504,442</u>	<u>\$ 2,298,435</u>	<u>\$ 368,369</u>	<u>\$ 7,171,246</u>

City of Antioch
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Services Funds
For the Fiscal Year Ended June 30, 2016

	Vehicle Repair & Replacement	Office Equipment Replacement	Loss Control	Total
OPERATING REVENUES:				
Charges for services	\$ 2,150,250	\$ 1,594,865	\$ 2,129,518	\$ 5,874,633
Other revenue	3,404	193,297	-	196,701
Total operating revenues	2,153,654	1,788,162	2,129,518	6,071,334
OPERATING EXPENSES:				
Wages and benefits	467,972	956,610	-	1,424,582
Contractual services	236,805	455,049	1,870,878	2,562,732
Tools and supplies	408,803	301,037	869	710,709
Depreciation	493,997	59,520	-	553,517
Repairs and maintenance	279,542	49,942	-	329,484
Total operating expenses	1,887,119	1,822,158	1,871,747	5,581,024
OPERATING INCOME (LOSS)	266,535	(33,996)	257,771	490,310
NONOPERATING REVENUES (EXPENSES):				
Gain (loss) on sale of property	50,344	-	-	50,344
Investment income	30,931	20,268	2,682	53,881
Total nonoperating revenues	81,275	20,268	2,682	104,225
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS				
CONTRIBUTIONS AND TRANSFERS	347,810	(13,728)	260,453	594,535
Transfers in	-	329,820	-	329,820
Net income (loss)	347,810	316,092	260,453	924,355
NET POSITION:				
Beginning of year	4,156,632	1,982,343	107,916	6,246,891
End of year	\$ 4,504,442	\$ 2,298,435	\$ 368,369	\$ 7,171,246

City of Antioch
Combining Statement of Cash Flows
Internal Services Funds
For the Fiscal Year Ended June 30, 2016

	Vehicle Repair & Replacement	Office Equipment Replacement	Loss Control	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash receipt from other funds	\$ 2,752,783	\$ 1,898,352	\$ 2,129,518	\$ 6,780,653
Cash payment to suppliers for goods and services	(1,003,896)	(826,275)	(1,871,747)	(3,701,918)
Cash payment to employees for services	(419,059)	(953,242)	-	(1,372,301)
Net cash provided by (used in) operating activities	1,329,828	118,835	257,771	1,706,434
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers in	-	329,820	-	329,820
Net cash provided by (used in) noncapital financing activities	-	329,820	-	329,820
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital asset additions	(646,429)	(82,923)	-	(729,352)
Net cash provided by (used in) capital and related financing activities	(596,085)	(82,923)	-	(679,008)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest received (paid)	30,931	20,268	2,682	53,881
Net cash provided by (used in) investing activities	30,931	20,268	2,682	53,881
Net change in cash and cash equivalents	764,674	386,000	260,453	1,411,127
Cash and cash equivalents, beginning of year	1,750,733	1,556,402	107,916	3,415,051
Cash and cash equivalents, end of year	<u>\$ 2,515,407</u>	<u>\$ 1,942,402</u>	<u>\$ 368,369</u>	<u>\$ 4,826,178</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	\$ 266,535	\$ (33,996)	\$ 257,771	\$ 490,310
Adjustments to reconcile operating income (loss) to cash flows from operating activities:				
Depreciation	493,997	59,520	-	553,517
Decrease (increase) in:				
Accounts receivable	599,129	110,190	-	709,319
Materials, parts, and supplies	(5,498)	-	-	(5,498)
Prepaid items	(1,037)	3,239	-	2,202
Increase (decrease) in:				
Accounts payable	(72,211)	(23,486)	-	(95,697)
Accrued payroll	5,872	2,586	-	8,458
Accrued compensated absences	43,041	782	-	43,823
Net cash provided by (used in) operating activities	\$ 1,329,828	\$ 118,835	\$ 257,771	\$ 1,706,434

AGENCY FUNDS

Agency Funds account for assets held by a governmental unit in the capacity of agent for individuals, governmental entities, and nonpublic organizations.

Employee Benefits

This fund serves as a clearing account for certain employee benefits. Funds come from payroll expenditures and are disbursed to the different employee benefit providers.

Storm Drain Districts D55 and D56

The City collects storm drain fees from developers and builders. This fund accounts for all the fees collected and sent to the County on quarterly basis. The City receives an administrative fee equal to 0.5% of the total fees collected.

Refundable Cash Bond

The Engineering Department requires developers to post a bond for certain projects. This fund serves as a holding account for the bonds issued and deposited in a noninterest bearing checking account.

Fire Protection

The City has entered into an agreement with the Contra Costa Consolidated Fire District whereby the City collects fire protection facility fees from developers based on the number of units built. Fees are to provide fire protection facilities only.

East County Water Management Association

The Governing Board of the East County Water Management Association has authorized the City to account for the financial operations of the association. The City's Finance Director uses this fund to record collections and disbursements of funds as authorized by the Association.

City of Antioch
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
Employee Benefits				
Assets:				
Cash and investments	\$ 781,515	\$ 44,794	\$ (722,304)	\$ 104,005
Accounts receivable	37	-	(37)	-
Total assets	\$ 781,552	\$ 44,794	\$ (722,341)	\$ 104,005
Liabilities:				
Accounts payable	\$ 722,341	\$ 44,044	\$ (722,341)	\$ 44,044
Due to others	59,211	750	-	59,961
Total Liabilities	\$ 781,552	\$ 44,794	\$ (722,341)	\$ 104,005
Storm Drain Districts D55 & D56				
Assets:				
Cash and investments	\$ 115,350	\$ 4,337	\$ (115,350)	\$ 4,337
Liabilities:				
Accounts payable	\$ 115,350	\$ 4,337	\$ (115,350)	\$ 4,337
Refundable Cash Bond				
Assets:				
Cash and investments	\$ 689,462	\$ 81,679	\$ (69,540)	\$ 701,601
Liabilities:				
Due to others	\$ 689,462	\$ 81,679	\$ (69,540)	\$ 701,601
Fire Protection				
Assets:				
Cash and investments	\$ 150,260	\$ 57,606	\$ (28,362)	\$ 179,504
	\$ 150,260	\$ 57,606	\$ (28,362)	\$ 179,504
Liabilities:				
Due to others	\$ 150,260	\$ 57,606	\$ (28,362)	\$ 179,504
Total liabilities	\$ 150,260	\$ 57,606	\$ (28,362)	\$ 179,504
ECWMA				
Assets:				
Cash and investments	\$ 9,419	\$ 4,293	\$ (1,170)	\$ 12,542
Liabilities:				
Due to others	\$ 9,419	\$ 4,293	\$ (1,170)	\$ 12,542
Total - All Agency Funds				
Assets:				
Cash and investments	\$ 1,746,006	\$ 192,709	\$ (936,726)	\$ 1,001,989
Accounts receivable	37	-	(37)	-
Total assets	\$ 1,746,043	\$ 192,709	\$ (936,763)	\$ 1,001,989
Liabilities:				
Accounts payable	\$ 837,691	\$ 48,381	\$ (837,691)	\$ 48,381
Due to others	908,352	144,328	(99,072)	953,608
Total liabilities	\$ 1,746,043	\$ 192,709	\$ (936,763)	\$ 1,001,989

STATISTICAL SECTION

Contents	Page
<i>Financial Trends</i> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	158
<i>Revenue Capacity</i> These schedules contain information to help the reader assess the City's most significant local revenues. Property tax is the City's most significant revenue.	163
<i>Debt Capacity</i> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and its ability to issue additional debt in the future.	168
<i>Demographic and Economic Information</i> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	173
<i>Operating Information</i> These schedules contain service and infrastructure data to help the reader understand how the information in the financial report relates to the services the City provides and the activities it performs.	175

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

CITY OF ANTIOCH
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
Net investment in capital assets	\$266,225	\$280,385	\$279,610	\$292,426	\$295,764	\$302,099	\$325,151	\$329,692	\$326,664	\$323,132
Restricted	39,373	44,710	46,710	44,812	48,611	43,431	43,227	41,108	38,858	37,657
Unrestricted	40,466	27,922	22,500	19,453	14,010	21,104	16,543	15,064	(49,846)	(40,948)
Total governmental activities net position	<u>\$346,064</u>	<u>\$353,017</u>	<u>\$348,820</u>	<u>\$356,691</u>	<u>\$358,385</u>	<u>\$366,634</u>	<u>\$384,921</u>	<u>\$385,864</u>	<u>\$315,676</u>	<u>\$319,841</u>
Business-type activities										
Net investment in capital assets	\$144,521	\$149,526	\$150,985	\$149,207	\$150,008	\$149,127	\$148,026	\$148,514	\$148,726	\$148,729
Restricted	2,414	2,655	2,456	1,673	1,476	1,554	1,432	0	0	0
Unrestricted	22,087	21,210	21,979	25,411	31,856	33,195	38,130	41,634	26,144	31,387
Total business-type activities net position	<u>\$169,022</u>	<u>\$173,391</u>	<u>\$175,420</u>	<u>\$176,291</u>	<u>\$183,340</u>	<u>\$183,876</u>	<u>\$187,588</u>	<u>\$190,148</u>	<u>\$174,870</u>	<u>\$180,116</u>
Primary government										
Net investment in capital assets	\$410,746	\$429,911	\$430,595	\$441,633	\$445,772	\$451,226	\$473,177	\$478,206	\$475,390	\$471,861
Restricted	41,788	47,365	49,166	46,485	50,087	44,985	44,659	41,108	38,858	37,657
Unrestricted	62,553	49,132	44,479	44,864	45,866	54,299	54,673	56,698	(23,702)	(9,561)
Total primary government net position	<u>\$515,087</u>	<u>\$526,408</u>	<u>\$524,240</u>	<u>\$532,982</u>	<u>\$541,725</u>	<u>\$550,510</u>	<u>\$572,509</u>	<u>\$576,012</u>	<u>\$490,546</u>	<u>\$499,957</u>

Source: City of Antioch Annual Financial Report

CITY OF ANTIOCH
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government	\$9,038	\$8,926	\$9,338	\$7,379	\$6,640	\$6,736	\$5,937	\$8,802	\$6,912	\$8,932
Public works	15,109	15,764	19,452	13,305	16,147	13,671	17,438	15,359	19,043	17,564
Public safety	24,716	28,875	30,296	28,228	26,376	25,637	27,303	26,453	30,900	31,563
Parks and recreation	4,489	4,401	4,497	4,397	4,203	4,134	3,964	3,827	4,185	4,264
Community development	8,323	8,905	8,683	8,052	7,013	3,204	2,121	2,571	3,657	2,942
Interest on long-term liabilities	2,298	2,251	2,195	2,206	2,316	1,865	422	397	427	262
Total governmental activities	<u>63,973</u>	<u>69,122</u>	<u>74,461</u>	<u>63,567</u>	<u>62,695</u>	<u>55,247</u>	<u>57,185</u>	<u>57,409</u>	<u>65,124</u>	<u>65,527</u>
Business-type activities										
Water	20,415	23,087	22,900	20,371	18,948	25,244	23,123	25,751	23,308	22,334
Sewer	2,509	2,820	2,973	3,464	3,118	3,112	4,007	4,668	5,439	5,528
Marina	1,180	1,208	1,175	1,012	1,005	1,050	1,129	1,076	1,016	1,108
Prewett Water Park	1,922	2,089	2,299	2,084	1,740	1,762	1,878	1,920	1,983	2,024
Total business-type activities	<u>26,026</u>	<u>29,204</u>	<u>29,347</u>	<u>26,931</u>	<u>24,811</u>	<u>31,168</u>	<u>30,137</u>	<u>33,415</u>	<u>31,746</u>	<u>30,994</u>
Total primary government expenses	<u>89,999</u>	<u>98,326</u>	<u>103,808</u>	<u>90,498</u>	<u>87,506</u>	<u>86,415</u>	<u>87,322</u>	<u>90,824</u>	<u>96,870</u>	<u>96,521</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	2,548	1,645	2,850	2,536	1,360	1,474	1,642	1,824	3,752	2,098
Public works	993	3,012	1,572	2,895	3,369	2,429	1,745	3,152	1,666	1,573
Public safety	1,408	1,346	1,621	1,678	1,270	1,254	1,303	1,401	1,407	1,482
Community development	3,814	4,208	2,755	1,262	1,147	2,018	3,174	1,479	2,809	2,812
Other activities	2,779	687	637	646	560	701	700	789	872	816
Operating grants and contributions	7,303	7,772	6,136	5,971	9,846	9,802	8,742	5,879	8,880	5,515
Capital grants and contributions	2,974	7,856	8,789	17,425	8,568	1,896	2,308	8,118	1,836	2,324
Total governmental activities program revenues	<u>21,819</u>	<u>26,526</u>	<u>24,360</u>	<u>32,413</u>	<u>26,120</u>	<u>19,574</u>	<u>19,614</u>	<u>22,642</u>	<u>21,222</u>	<u>16,620</u>
Business-type activities:										
Fines, forfeitures and charges for services										
Water	20,906	20,842	20,180	19,293	21,687	23,395	25,129	25,907	24,430	26,192
Sewer	3,744	3,738	3,816	4,050	4,320	4,453	4,523	4,714	5,013	5,395
Marina	749	807	811	711	658	681	645	591	516	471
Prewett Water Park	812	835	955	927	1,040	910	854	866	789	730
Capital grants and contributions:										
Water	1,532	2,449	1,214	918	1,159	939	1,328	1,008	1,235	831
Sewer	2,276	2,714	1,397	714	1,004	393	524	1,193	1,063	1,387
Marina	0	0	0	0	0	0	747	304	0	185
Total business-type activities program revenues	<u>30,019</u>	<u>31,385</u>	<u>28,373</u>	<u>26,613</u>	<u>29,868</u>	<u>30,771</u>	<u>33,750</u>	<u>34,583</u>	<u>33,046</u>	<u>35,191</u>
Total primary government program revenues	<u>51,838</u>	<u>57,911</u>	<u>52,733</u>	<u>59,026</u>	<u>55,988</u>	<u>50,345</u>	<u>53,364</u>	<u>57,225</u>	<u>54,268</u>	<u>51,811</u>
Net (expense)/revenue										
Governmental activities	-42,154	-42,596	-50,101	-31,154	-36,575	-35,673	-37,571	-34,767	-43,902	-48,907
Business-type activities	3,993	2,181	-974	-318	5,057	-397	3,613	1,168	1,300	4,197
Total primary government net expense	<u>-38,161</u>	<u>-40,415</u>	<u>-51,075</u>	<u>-31,472</u>	<u>-31,518</u>	<u>-36,070</u>	<u>-33,958</u>	<u>-33,599</u>	<u>-42,602</u>	<u>-44,710</u>

CITY OF ANTIOCH
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands) - Continued

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Revenues and Other Changes										
In Net Position										
Governmental activities:										
Taxes:										
Property taxes	18,284	18,576	17,927	15,381	14,425	10,638	6,752	7,340	8,902	10,143
Transient lodging tax	372	360	242	113	80	120	116	136	150	158
Franchise	2,889	3,595	3,466	4,172	3,901	4,166	4,042	4,188	4,406	4,616
Business license fees based on gross receipts	1,150	1,243	1,024	1,084	1,010	1,048	1,165	1,172	1,964	3,121
Property transfer taxes	508	333	432	344	255	283	313	363	382	461
Sales and use tax	11,843	11,725	9,909	9,476	9,340	10,476	11,074	12,532	17,597	19,925
Motor vehicle in lieu	8,031	8,356	7,538	5,928	5,823	5,025	4,977	5,330	6,270	6,698
Park in lieu	283	148	388	49	45	215	443	338	120	50
Investment income not restricted	3,237	3,508	2,042	595	454	355	177	305	278	582
Other	2,344	2,391	3,900	1,881	2,867	2,765	3,761	3,956	3,455	6,168
Special item - Contribution from Successor Agy	0	0	0	0	0	638	0	0	0	1,467
Extraordinary items - Redevelopment Dissolution	0	0	0	0	0	7,719	0	0	0	0
Transfers	426	-687	-965	3	69	473	183	191	798	-317
Total government activities	<u>49,367</u>	<u>49,548</u>	<u>45,903</u>	<u>39,026</u>	<u>38,269</u>	<u>43,921</u>	<u>33,003</u>	<u>35,851</u>	<u>44,322</u>	<u>53,072</u>
Business-type activities:										
Investment income not restricted	1,590	1,305	825	360	349	315	204	392	334	630
Other	305	193	1,214	831	1,711	1,091	78	1,190	117	102
Transfers	-426	687	965	-3	-69	-473	-183	-191	-798	317
Total business type activities	<u>1,469</u>	<u>2,185</u>	<u>3,004</u>	<u>1,188</u>	<u>1,991</u>	<u>933</u>	<u>99</u>	<u>1,391</u>	<u>-347</u>	<u>1,049</u>
Total primary government	<u>50,836</u>	<u>51,733</u>	<u>48,907</u>	<u>40,214</u>	<u>40,260</u>	<u>44,854</u>	<u>33,102</u>	<u>37,242</u>	<u>43,975</u>	<u>54,121</u>
Change in Net Position										
Governmental activities	7,213	6,952	-4,198	7,872	1,694	8,248	-4,568	1,084	420	4,165
Business-type activities	5,462	4,366	2,030	870	7,048	536	3,712	2,559	953	5,246
Total primary government	<u>\$12,675</u>	<u>\$11,318</u>	<u>-\$2,168</u>	<u>\$8,742</u>	<u>\$8,742</u>	<u>\$8,784</u>	<u>-\$856</u>	<u>\$3,643</u>	<u>\$1,373</u>	<u>\$9,411</u>

Source: City of Antioch Financial Report

CITY OF ANTIOCH
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Reserved	\$239	\$872	\$894	\$259	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	11,694	8,534	4,392	5,488	-	-	-	-	-	-
Nonspendable	-	-	-	-	34	60	91	206	38	224
Committed	-	-	-	-	102	94	602	1,497	4,524	4,946
Assigned	-	-	-	-	92	298	277	126	1,086	144
Unassigned	-	-	-	-	6,557	8,037	9,140	9,006	11,531	17,590
Total general fund	\$11,933	\$9,406	\$5,286	\$5,747	\$6,785	\$8,489	\$10,110	\$10,835	\$17,179	\$22,904
All other governmental funds										
Reserved	\$23,095	\$22,507	\$15,430	\$13,428	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	13,409	14,912	18,253	20,496	-	-	-	-	-	-
Capital projects funds	6,611	2,912	3,767	2,034	-	-	-	-	-	-
Nonspendable	-	-	-	-	3,562	35	363	142	134	132
Restricted	-	-	-	-	21,494	23,294	22,447	20,807	38,440	37,332
Committed	-	-	-	-	5,566	6,017	3,446	2,869	3,275	3,715
Assigned	-	-	-	-	4,675	4,636	3,521	2,296	2,432	2,925
Unassigned	-	-	-	-	(2,412)	-	-	(4)	(102)	(184)
Total all other governmental funds	\$43,115	\$40,331	\$37,450	\$35,958	\$32,885	\$33,982	\$29,777	\$26,110	\$44,179	\$43,920

Note: Fiscal years 2007 through 2010 are pre-implementation of GASB 54. Fiscal year 2011 represents new fund balance classifications post implementation of GASB 54.

Source: City of Antioch Annual Financial Report

CITY OF ANTIOCH
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes	\$44,917	\$45,979	\$42,165	\$37,744	\$37,384	\$34,424	\$30,792	\$34,300	\$42,635	\$47,415
Licenses and permits	1,463	1,400	735	857	798	1,096	1,655	1,303	1,178	1,149
Fines and penalties	301	214	362	306	189	154	142	146	134	191
Investment income and rentals	3,480	3,794	2,491	1,380	1,064	1,065	1,437	1,520	1,485	1,762
Revenue from other agencies	5,722	7,756	10,667	20,602	14,699	8,470	9,952	10,244	5,598	4,690
Current service charges	13,229	11,614	11,106	9,418	8,391	8,323	8,112	10,335	11,011	11,518
Special assessment revenue	2,845	2,802	2,731	2,793	2,775	2,879	2,850	2,904	2,985	2,994
Contribution from Successor Agency Trust	0	0	0	0	0	638	0	0	0	0
Other	1,634	1,575	3,852	1,161	2,253	2,315	1,238	1,754	2,368	3,472
Total Revenues	73,591	75,134	74,109	74,261	67,553	59,364	56,178	62,506	67,394	73,191
Expenditures										
Current:										
General government	8,738	8,331	8,976	6,971	6,073	5,702	5,331	6,357	6,109	8,623
Public works	9,233	9,269	12,888	7,159	8,587	6,652	7,803	8,450	11,128	10,593
Public safety	26,159	29,629	31,202	29,340	26,928	26,065	26,959	28,786	31,826	34,989
Parks and recreation	4,365	4,076	4,023	3,776	3,594	3,641	3,209	3,331	3,491	3,711
Community development	10,557	11,390	11,308	9,685	8,856	3,968	3,094	3,005	4,527	3,778
Capital outlay	13,739	13,840	8,176	20,331	13,183	4,614	10,753	14,562	4,945	3,627
Debt service:										
Principal retirement	1,249	1,170	1,255	1,345	1,764	2,115	509	536	5,310	560
Interest	2,271	2,219	2,167	2,133	2,290	1,999	412	390	359	311
Fiscal charges	15	16	14	14	19	18	9	6	3	4
Bond issuance costs	0	0	0	29	0	0	0	0	59	0
Total Expenditures	76,326	79,940	80,009	80,783	71,294	54,774	58,079	65,423	67,757	66,196
Excess (deficiency) of revenues over (under) expenditures	-2,735	-4,806	-5,900	-6,522	-3,741	4,590	-1,901	-2,917	-363	6,995
Other financing sources (uses)										
Transfers in	12,208	13,212	13,130	12,380	11,264	9,438	6,355	7,408	5,990	6,312
Transfer out	(12,011)	(13,717)	(14,231)	(11,147)	(11,430)	(9,285)	(6,397)	(7,433)	(5,871)	(6,841)
Capital lease	0	0	0	2,177	1,873	0	0	0	0	0
Proceeds of bonds	0	0	0	2,081	0	0	0	0	3,840	0
Bond premium									583	0
Extraordinary item	0	0	0	0	0	(1,942)	0	0	0	(1,000)
Total other financing sources (uses)	197	(505)	(1,101)	5,491	1,707	(1,789)	(42)	(25)	4,542	(1,529)
Net change in fund balances	-\$2,538	-\$5,311	-\$7,001	-\$1,031	-\$2,034	\$2,801	-\$1,943	-\$2,942	\$4,179	\$5,466
Debt service as a percentage of non-capital expenditures	5.62%	5.13%	4.76%	5.75%	6.98%	8.20%	1.95%	1.82%	9.03%	1.39%

Source: City of Antioch Annual Financial Report

CITY OF ANTIOCH
Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years - General Fund
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Tax	Sales Tax (1)	Sales Tax Measure C (2)	Motor Vehicle In Lieu Tax (VLF)	Gax Tax	Transient Lodging Tax	Franchise Taxes	Business License Tax	Property Transfer Tax	Total
2007	\$18,284	\$11,843	\$0	\$8,031	\$1,840	\$372	\$2,888	\$1,151	\$508	\$44,917
2008	18,577	11,725	0	8,355	1,790	170	3,596	1,243	333	45,789
2009	17,927	9,909	0	7,537	1,627	242	3,466	1,024	432	42,164
2010	15,381	9,476	0	5,928	1,660	113	3,757	1,084	344	37,743
2011	14,425	9,340	0	5,823	2,550	80	3,900	1,010	255	37,383
2012	10,638	10,476	0	5,025	2,876	120	3,958	1,048	283	34,424
2013	6,752	11,074	0	4,977	2,353	116	4,042	1,165	313	30,792
2014	7,340	11,587	899	5,330	3,286	136	4,188	1,171	363	34,300
2015	8,902	12,014	5,584	6,270	2,966	150	4,406	1,964	382	42,638
2016	10,143	12,573	6,821	6,653	2,246	158	4,616	3,121	461	46,792

(1) Sales tax is levied at 8.5% on retail sales and/or consumption of personal property, 1% of the total tax rate is allocated to the City.

(2) Measure C is a half-cent sales tax on retail sales and/or consumption of personal property which became effective April 1, 2014 .

Source: City of Antioch Annual Financial Report

CITY OF ANTIOCH
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year	Total Secured Tax Roll	Unsecured Tax Roll	Less Homeowners' Exemptions	Less Other Tax Exempt Property	Total Taxable Assessed Value	Less Redevelopment Assessed Valuation	Value of Taxable Property	Amount Allocated to City (a)
2007	9,883,012	183,270	-131,886	-197,614	9,736,782	-654,506	9,082,276	10.18%
2008	10,949,191	178,902	-128,392	-533,214	10,466,487	-704,753	9,761,734	10.19%
2009	10,108,077	224,814	-126,214	-674,711	9,531,966	-754,155	8,777,811	10.01%
2010	8,011,789	235,898	-123,979	-687,894	7,435,814	-765,856	6,669,958	9.66%
2011	7,662,034	220,183	-121,652	-691,413	7,069,152	-724,248	6,344,904	9.65%
2012	7,155,541	205,339	-116,601	-683,407	6,560,872	-723,955	5,836,917	(a)
2013	7,109,642	196,571	-111,761	-696,290	6,498,162	-641,397	5,856,765	(a)
2014	7,616,910	189,173	-106,871	-711,013	6,988,199	-613,598	6,374,601	(a)
2015	8,904,098	176,385	-103,063	-721,103	8,256,317	-592,222	7,664,095	10.05%
2016	9,552,650	200,649	-100,989	-728,610	8,923,700	-600,330	8,323,370	(a)

NOTE: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold.

(a) California cities do not set their own direct tax rate. The State Constitution establishes the rate at 1% and allocates a portion of that amount, by annual calculation, to all the taxing entities within a tax rate area. The City of Antioch includes 39 tax rate areas. The percentage presented is the City's share of the 1%. The County could not provide data for these fiscal years.

Source: Contra Costa County Certificate of Assessed Valuations

City of Antioch
Principal Property Taxpayers
FY 2015-16 Compared To FY 2006-07
(amounts expressed in thousands, except for Rank and Percentages)

2015-2016 Local Secured Assessed Valuation - \$9,548,442,214

Taxpayer	2016			2007		
	Total Secured Assessed Value (A)	Rank	Percentage of Total Secured Assessed Value	Total Secured Assessed Value (A)	Rank	Percentage of Total Secured Assessed Value
Kaiser Foundation Hospitals/Health Plan-Sand Creek	399,615	1	4.185%			
Sutter East Bay Hospital	112,785	2	1.181%			
Sequoia Equities - Cross Pointe	34,274	3	0.359%			
Runaway Bay LLC	27,900	4	0.292%			
Camden Village LLC	24,702	5	0.259%	37,975	3	0.400%
Kaiser Foundation Hospitals/Health Plan-Delta Fair	23,901	6	0.250%	22,350	10	0.240%
Georgia-Pacific Gypsum LLC	21,771	7	0.228%			
Costco Wholesale Corporation	19,174	8	0.201%			
Lakeshore Antioch	19,041	9	0.199%			
Deer Creek Partnership	17,851	10	0.187%			
Sears Roebuck & Co.	0.00		0.000%	22,963	9	0.240%
GWF Power Systems Limited Partnership	0.00		0.000%	49,081	2	0.510%
ESC Skepner LLC	0.00		0.000%	35,168	6	0.370%
DDR MDT MV Slatten Ranch	0.00		0.000%	54,818	1	0.570%
Fairfield Antioch LLC	0.00		0.000%	36,045	5	0.380%
Chiu Gabriel H & Ali Har	0.00		0.000%	36,070	4	0.380%
Macerich Partnership	0.00		0.000%	30,938	7	0.320%
Bluerock Partners	0.00		0.000%	23,766	8	0.250%
	\$701,014		7.342%	\$349,174		3.660%

The amounts shown above include assessed value data for both the City and the Antioch Development Agency

(A) Amounts listed for top ten taxpayers only.

Source: County Assessor's Office via ParcelQuest

**CITY OF ANTIOCH
PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year	Basic County Wide Levy	BART	East Bay Regional Park	Community College 2002 Bonds	Community College 2006 Bonds	Community College 2014 Bonds	Total
2007	1.0000	0.0076	0.0080	0.0038	0.0070	-	1.0264
2008	1.0000	0.0076	0.0080	0.0038	0.0070	-	1.0264
2009	1.0000	0.0090	0.01	0.0040	0.0026	-	1.0256
2010	1.0000	0.0057	0.0108	0.0046	0.0080	-	1.0291
2011	1.0000	0.0031	0.0084	0.0049	0.0084	-	1.0248
2012	1.0000	0.0041	0.0071	0.0049	0.0095	-	1.0256
2013	1.0000	0.0043	0.0051	0.0047	0.0040	-	1.0181
2014	1.0000	0.0075	0.0078	0.0043	0.0090	-	1.0286
2015	1.0000	0.0026	0.0067	0.0034	0.0076	0.0110	1.0313
2016	1.0000	0.0026	0.0067	0.0034	0.0076	0.0110	1.0313

Source: Contra Cost County Assessors Office

City of Antioch
Property Tax Levies and Collections (1)
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year	City Property Tax Levied and Collected	Development Agency Property Tax Levied and Collected	Total Tax Levied and Collected	Percentage of Levy Collected (3)	Value of City Property Subject To Local Tax Rate	Value of Development Agency Property Subject to Local Tax Rate	Total Value of Property Subject To Local Tax Rate
2007	\$21,028	\$7,015	28,043	100%	\$9,082,277	\$654,506	9,736,783
2008	20,865	7,375	28,240	100%	9,761,734	704,753	\$10,466,487
2009	19,704	7,952	27,656	100%	8,777,811	754,155	9,531,966
2010	16,940	7,759	24,699	100%	6,669,959	765,856	7,435,815
2011	16,574	7,348	23,922	100%	6,344,904	724,248	7,069,152
2012	14,187	3,877 (2)	18,064	100%	5,836,917	723,955	6,560,872
2013	15,919	0 (2)	15,919	100%	5,856,765	641,397	6,498,162
2014	16,765	0 (2)	16,765	100%	6,374,601	613,598	6,988,199
2015	14,927	0 (2)	14,927	100%	7,664,094	592,222	8,256,316
2016	12,143	0 (2)	12,143	100%	8,323,370	600,330	8,923,700

(1) Figures include data for property within the city, redevelopment project areas and for assessments.

(2) Figure represent taxes levied and collected for development agency through January 31, 2012 prior to dissolution of redevelopment with the passage of ABx 1 26, therefore no redevelopment levies after dissolution are provided to the City.

(3) Taxes collected are the same as the amounts levied because Contra Costa County follows California's alternate method of apportionment (the Teeter Plan). Under the Teeter Plan, all amounts levied are apportioned to the County and other taxing agencies regardless of whether they are collected in the current year or not.

Source: Contra Costa County Assessed Valuation Report and Tax Reconciliation Sheet

City of Antioch
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Estimated Actual Value of Taxable Property (1)	Per Capita (2)
	Lease Revenue Bonds	Tax Allocation Bonds (3)	Capital Leases	Water Bonds	Marina Loans			
2007	\$29,523	\$12,955	\$ -	\$4,780	\$3,932	\$51,190	0.56%	507
2008	29,309	12,035	-	4,160	3,816	49,320	0.51%	493
2009	29,054	11,070	-	3,525	3,695	47,344	0.54%	473
2010	28,754	12,141	2,177	2,869	3,568	49,509	0.74%	485
2011	28,369	10,981	3,867	2,195	3,436	48,848	0.77%	474
2012	27,934	-	3,541	1,511	3,297	36,283	0.62%	349
2013	5,002	-	3,192	770	3,152	12,116	0.21%	115
2014	4,841	-	2,821	-	3,001	10,663	0.17%	101
2015	4,386	-	2,425	-	2,843	9,654	0.13%	89
2016	4,214	-	2,005	-	2,678	8,897	0.11%	82

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

Source: City of Antioch Financial Report

- (1) See the schedule of Assessed Value and Estimated Actual Value of Taxable Property.
- (2) Population data can be found in the Demographic and Economic Statistics schedule
- (3) Tax Allocation Bonds have become an obligation of the Successor Agency to the Antioch Development Agency and no longer on City books.

**City of Antioch
Ratios of General Bonded Debt Outstanding**

The City of Antioch has not had any outstanding general obligation bond debt since 2001-02.

CITY OF ANTIOCH
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit	\$1,509,942	\$1,669,214	\$1,549,934	\$1,237,153	\$1,182,333	\$1,104,132	\$1,095,932	\$1,170,913	\$1,362,072	\$1,462,995
Total net debt applicable to limit	0	0	0	0	0	0	0	0	0	0
Legal debt margin	\$1,509,942	\$1,669,214	\$1,549,934	\$1,318,322	\$1,182,333	\$1,104,132	\$1,095,932	\$1,170,913	\$1,362,072	\$1,462,995
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%

Legal Debt Margin Calculation for Fiscal Year 2016

The following numbers are not expressed in thousands:

Assessed value	\$8,923,700,106
Add back: exempt real property	<u>829,598,847</u>
Total assessed value	<u>9,753,298,953</u>

Debt limit (15% of total assessed value)	1,462,994,843
Debt applicable to limit:	
General obligation bonds	0
Less: Amount set aside for repayment of general obligation debt	<u>0</u>
Total net debt applicable to limit	<u>0</u>
Legal debt margin	<u>\$1,462,994,843</u>

Source: City of Antioch Finance Department and Contra Costa County Certificate of Assessed Valuations for fiscal year 2015-16

Note: Beginning in Fiscal Year 2000-01, the City of Antioch did not have any general obligation debt. However, under State finance law, the City of Antioch's outstanding general obligation debt should not exceed 15% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

**City of Antioch
Pledged Revenue Coverage
Last Ten Fiscal Years**

Fiscal Year	Water Revenue Bonds (1) (in thousands)						Special Assessment Bonds		
	Gross Water Charges And Other	Less: Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Debt Service Coverage	Special Assessment Collections (2)	Outstanding (in thousands)	
				Principal	Interest			Hillcrest	Lone Diamond
2007	\$22,264	\$18,297	\$3,967	\$1,850	\$181	1.95%	\$7,546,480	\$1,708	\$51,020
2008	21,796	20,174	1,622	640	142	2.07%	7,550,756	-	46,795
2009	21,585	19,804	1,781	655	126	2.28%	7,464,602	-	41,170
2010	20,226	17,390	2,836	675	108	3.62%	7,401,685	-	35,045
2011	22,103	16,609	5,494	695	88	7.02%	7,476,123	-	26,905
2012	23,652	22,924	728	720	66	0.93%	7,425,102	-	20,905
2013	25,369	20,628	4,741	745	41	6.03%	7,436,553	-	13,915
2014	27,297	23,328	3,969	770	14	5.06%	7,472,192	-	2,405
2015	24,711	21,137	3,574	0	0	n/a	-	-	-
2016	26,865	20,049	6,816	0	0	n/a	-	-	-

(1) Details regarding the City of Antioch's outstanding debt can be found in the notes to the financial statements. Water Charges and Other includes investment earnings but not tap fees. Operating expenses do not include interest or depreciation.

(2) Special Assessment Debt without City Commitment: The City was the collecting and paying agent for other special assessment debt, but has no direct or contingent liability or moral obligation for the payment of this debt. Therefore, this debt was not included in the City's financial statements and was fully repaid in 2014.

Source: City of Antioch Financial Statements

CITY OF ANTIOCH
Direct and Overlapping Debt
June 30, 2016

2015-16 Assessed Valuation	\$8,923,700,106
Antioch Development Agency Incremental Valuation:	600,330,482
Adjusted Assessed Valuation:	<u>\$8,323,369,624</u>

JURISDICTION	Total Debt 6/30/2016	Percent Applicable (1)	City's Share of Debt 6/30/2016
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Bay Area Rapid Transit District	\$527,065,000	1.498%	\$7,895,434
Contra Costa Community College District	432,135,000	5.256%	22,713,016
Antioch Unified School District Schools Facilities Improvement District No.	92,765,467	79.936%	74,153,004
Liberty Union High School District	46,475,000	2.383%	1,107,499
Brentwood Union School District	39,909,704	4.256%	1,698,557
East Bay Regional Park District	149,945,000	2.296%	3,442,737
Antioch Area Community Facilities District No. 1989-1	15,660,000	100.000%	15,660,000
Total Overlapping Tax and Assessment Debt			<u>\$126,670,246</u>
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	\$23,098,489	100.000%	\$23,098,489
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Direct Debt:			
City of Antioch Capital Lease	\$2,005,038	100.000%	\$2,005,038
City of Antioch Lease Revenue Bonds	4,213,998	100.000%	4,213,998
Subtotal Direct General Fund Debt			<u>\$6,219,036</u>
Overlapping Debt:			
Contra Costa County General Fund Obligations	\$253,715,570	5.236%	\$13,284,547
Contra Costa County Pension Obligation Bonds	212,765,000	5.236%	11,140,375
Contra Costa Community College District Certificates of Participation	525,000	5.256%	27,594
Antioch Unified School District Certificates of Participation	42,315,735	86.070%	36,421,153
Brentwood Union School District Certificates of Participation	13,409,920	4.250%	569,922
Contra Costa Fire Protection District Pension Obligation Bonds	84,695,000	11.395%	9,650,995
Subtotal gross overlapping General Fund Debt			<u>\$71,094,587</u>
Less: Contra Costa County Obligations supported from revenue funds			3,594,045
Subtotal net overlapping General Fund Debt			<u>\$67,500,542</u>
COMBINED TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			<u>\$73,719,578 (2)</u>
COMBINED TOTAL NET DEBT			<u>\$223,488,313 (2)</u>

NOTES:

(1) 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 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. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease and pension obligations

Ratios to 2015-16 Assessed Valuation:

Total Overlapping Tax and Assessment Debt: 1.40%

Ratios to Adjusted Assessed Valuation:

Combined Direct Debt (\$6,219,036): 0.007%

Gross Combined Total Debt: 2.72%

Net Combined Total Debt: 2.68%

Ratios to Redevelopment Successor Agency Incremental Valuation:

Total Overlapping Tax Increment Debt: 3.88%

Source: California Municipal Statistics, Inc.

**City of Antioch
Demographic and Economic Statistics
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>City of Antioch Population(1)</u>	<u>Contra Costa County Population (1)</u>	<u>Personal Income (in thousands) (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate (3)</u>
2007	100,150	1,009,152	58,043,926	57,518	5.3%
2008	100,361	1,023,344	59,914,142	58,547	7.6%
2009	100,957	1,037,890	55,781,843	53,745	12.20%
2010	102,330	1,052,605	57,700,398	54,817	12.80%
2011	103,054	1,066,096	60,778,675	57,011	12.50%
2012	103,833	1,065,117	66,544,007	61,638	10.20%
2013	105,117	1,074,702	69,375,880	63,403	8.70%
2014	106,455	1,087,008	70,849,779	63,752	6.90%
2015	108,298	1,102,871	*	*	6.80%
2016	112,968	1,123,429	*	*	6.80%

*No Data Available

Data Sources:

(1) State Department of Finance

(2) U.S. Department of Commerce, Bureau of Economic Analysis (data shown is for Contra Costa County)

- Last updated: 11/20/14 - new estimates for 2013; revised estimates for 2001-2012.

(3) State of California Employee Development Dept., Labor Market Info, Data Library

**City of Antioch
Principal Employers
Current Year and Nine Years Ago**

Employer	2016		2006	
	Approx. Number of Employees¹	Percentage Of Total City Employment	Number of Employees	Percentage Of Total City Employment
Kaiser Permanente	2,014	3.99%	663	1.39%
Antioch Unified School District	1,817	3.60%	1,882	3.94%
Sutter Delta Medical Center ²	1,200	2.38%	804	1.68%
Contra Costa County Social Services	525	1.04%	500	1.05%
Wal-Mart	423	0.84%	408	0.85%
Target	299	0.59%	-	0.00%
Costco ²	305	0.60%	190	0.40%
City of Antioch	262	0.52%	370	0.77%
Antioch Auto Center	240	0.48%	-	0.00%
Safeway	126	0.25%	200	0.42%
Long's Drugs (corporate office)	-	0.00%	255	0.53%
Mervyn's	-	0.00%	210	0.44%

¹ As of 10/2/15 Source: City of Antioch Economic Development Department

² Includes contract employees

**City of Antioch
Operating Indicators by Function
Last Ten Fiscal Years**

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Physical arrests	6,471 (1)	6,734	7,288	5,990	4,830	4,296	4,047	4,018	4,707	4,954
Parking violations	2,256 (1)	1,188	1,391	1,241	963	1,310	1,319	2,318	2,311	2,551
Traffic violations	4,703 (1)	7,049	12,664	5,905	3,320	2,123	1,396	1,479	2,246	4,261
Sworn Officers	125	126	126	126	126	126	126	87 (3)	102(3)	102(3)
Reserve Personnel	4	4	4	4	4	4	3	3	3	3
Support Personnel	58	59	59	59	59	59	59	26 (3)	29	32
Highways and streets										
Street resurfacing, sq ft	209,269	128,685	387,760	164,929	879,575	711,900	105,820	1,408,525	342,269	3,371,090
Potholes repaired	2,022	3,076	170	n/a	(2)	(2)	(2)	(2)	(2)	(2)
Culture and recreation										
Athletic sports complex admissions	32,693	31,429	33,650	33,640	40,000	41,500	42,000	60,000	60,000	(4)
Water Park Guests/Program Participants	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	71,241
Recreation Classes/Program Participants	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	6,000
Worth Shaw Sports Complex										
Number of Tournaments	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	40
Number of Participants in City Programs	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	1,500
Number of Turf Field Rentals	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	459
Community center admissions/Facility Rentals										
Nick Rodriguez Community Center	819,324	558,624	173	314,731	127,545	46,233	10,500	12,800	14,300	365 (5)
Antioch Community Center	NA	NA	NA	NA	150,937	234,102	384,602	100,000	100,000	806 (5)
Prewett Community Center	133,138	129,250	120,121	80,591	80,041	83,556	68,766	92,000	71,241	129 (5)
Water										
New connections	209	236	170	207	139	169	289	206	158	97
Water main breaks	25	18	18	28	17	39	36	22	31	33
Average daily consumption (thousands of gallons)	18,473	19,519	17,195	15,190	15,539	16,043	16,478	16,221	12,065	11,010
Sewer**										
New connections	166	184	140	181	106	144	259	180	123	67

(1) Of the City's 5 Traffic Unit Officers, one Traffic Unit Officer was transferred to patrol in July 2006 and four were transferred to patrol in October 2006. Therefore, there was an increase in physical arrests and decreases in traffic and parking violations.

(2) The City no longer tracks this data.

(3) 2014 and beyond represents total funded positions only. 2013 and prior years data includes frozen positions.

(4) Recreation Dept has changed information reporting beginning in 2016. Prior year data not available.

(5) In 2016, Recreation began reporting number of facility rentals verses number of visitors as in prior years

**The City does not process daily sewage - it maintains the sewer line that connects to the main sewer. Delta Diablo Sanitation District is responsible for sewage treatment.

Source: Various City Departments

CITY OF ANTIOCH
FULL TIME CITY EMPLOYEES
BY FUNCTION

Last Ten Fiscal Years

FUNCTION	2007	2008⁴	2009⁴	2010⁴	2011⁴	2012⁴	2013⁴	2014³	2015³	2016³
General government	51	50	52	52	52	52	46	25	30	31
Public safety ¹										
Sworn Police Officers	126	126	126	126	126	126	126	87	102	102
Community Service Officers	19	20	20	20	20	20	20	4	5	8
Administrative Staff	39	39	39	39	39	39	39	30	28	28
Public works	41	42	42	54	55	60	63	39	36	36
Community Development	47	43	42	30	30	30	28	10	13	16
Capital Improvement ²	-	5	5	5	5	-	-	-	-	-
Recreation	18	18	18	18	18	18	16	8	9	10
Water	38	41	41	41	41	41	47	47	47	48
Wastewater	12	15	15	15	15	15	21	21	24	25
Total employees	391	399	400	400	401	401	406	271	294	304

¹ Fire services are provided by Contra Costa Fire Protection District

² Capital Improvement was part of Community Development prior to 2008, and became part of Public Works in 2012

³ Data is only funded positions for fiscal year

⁴ Includes frozen positions

Source: City of Antioch budgets

**City of Antioch
Capital Asset Statistics by Function
Last Ten Fiscal Years**

Function	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	41	43	43	43	42	39	39	40	42	44
Fire Stations*	4	4	4	4	4	4	4	4	4	4
Highways and streets										
Streets (miles)	339.16	352.62	360.02	482.618	566.31	566.31	595.16	724.55	853.95	885.19
Streetlights	6,501	6,486	8,600	8,649	8,697	8,714	8,731	8,738	8,745	8,758
Traffic Signals, City Owned	42	99	100	101	101	101	102	102	102	107
Culture and recreation										
Parks acreage	308	308	308	308	308	308	328	237	237	237
Parks	32	33	33	33	33	33	33	33	33	33
Swimming pools	7	7	7	7	7	7	7	7	7	7
Community centers	3	3	3	3	4	4	4	4	4	4
Water										
Water lines (miles)	285.35	278.80	340.00	341.68	341.68	341.68	341.68	343.45	345.23	346.58
Number of water meters	30,683	31,061	31,231	30,931	31,468	31,254	31,583	31,803	31,803	30,926
Maximum daily treatment capacity (millions of gallons)	31.55	30.02	27.01	26.49	29.00	26.13	27.01	36.00	36.00	36.00
Fire hydrants	3,443	3,443	3,443	3,443	3,522	3,537	3,537	3,589	3,589	3,594
Sewer**										
Sanitary sewer lines (miles)	250.87	255.70	300.00	300.68	300.68	300.68	300.68	300.68	300.68	302.17
Number of sewer connections	29,480	29,664	29,804	29,535	29,657	29,818	30,171	30,377	30,377	30,660
Storm drains (miles)	157.14	161.42	220.00	221.01	221.01	221.01	221.01	221.46	221.46	223.25

*The City of Antioch's fire protection is provided by the Contra Costa Fire Protection District

**The City does not process daily sewage - it maintains the sewer line that connects to the main sewer. Delta Diablo Sanitation District is responsible for sewage treatment.

Sources: Various City departments.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

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

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Antioch, California (City), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 27, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Honorable Mayor and Members of the City Council
of the City of Antioch
Antioch, California
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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi and Associates
Certified Public Accountants
Oakland, California
December 27, 2016