



**City of San Ramon
California**



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2017



CELEBRATING 150 YEARS AS A COMMUNITY!

For information about upcoming events and San Ramon's history

Visit www.SanRamon150.com

**“WE PROVIDE EFFICIENT DELIVERY OF QUALITY PUBLIC SERVICES THAT ARE ESSENTIAL TO THOSE WHO LIVE AND WORK
IN SAN RAMON”**



(This Page intentionally left blank.)

CITY OF SAN RAMON, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal year ended June 30, 2017

Prepared by the
Administrative Services Department, Finance Division
Eva Phelps, Director of Administrative Services



(This Page intentionally left blank.)

CITY OF SAN RAMON, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2017

T A B L E O F C O N T E N T S

	<i>Page</i>
INTRODUCTORY SECTION	
Letter of Transmittal	i
Certificate of Achievement for Excellence in Financial Reporting	viii
Staff Directory	ix
Organization Chart.....	x
 FINANCIAL SECTION	
Independent Auditors’ Report.....	1
Management Discussion and Analysis	5
 Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	17
Statement of Activities.....	18
Fund Financial Statements:	
Balance Sheet – Governmental Funds	20
Reconciliation of the Governmental Funds – Balance Sheet with the Statement of Net Position.....	23
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	24
Reconciliation of the Net Change in Fund Balances – Total Governmental Funds with the Statement of Activities	26
Statement of Net Position – Proprietary Funds.....	28
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	29
Statement of Cash Flows – Proprietary Funds.....	30
Statement of Fiduciary Net Position	34
Statement of Changes in Fiduciary Net Position	35
Notes to the Financial Statements	37
 Required Supplementary Information:	
Schedule of Changes in the Net Pension Liability and Related	
Ratios – Miscellaneous Plan.....	86
Schedule of Contributions – Miscellaneous Plan	87
Schedule of the Plan’s Proportionate Share of the Net Pension Liability and Related	
Ratios – Safety Plan	88
Schedule of Contributions – Safety Plan	89
Schedule of Funding Progress – Other Post-Employment Benefits.....	90
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
General Fund	91
Dougherty Valley Fund	92
San Ramon Housing Fund	93
Notes to Required Supplementary Information.....	94

CITY OF SAN RAMON, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2017

T A B L E O F C O N T E N T S (C O N T I N U E D)

	<i>Page</i>
Supplementary Information:	
Major Funds:	
Schedules of Revenues, Expenditures and Changes in Fund Balance –	
Budget and Actual:	
COP # 12 Fund	96
Capital Improvements Fund.....	97
Nonmajor Governmental Funds:	
Descriptions of Nonmajor Governmental Funds	99
Combining Balance Sheets	100
Combining Statements of Revenues, Expenditures and Changes in	
Fund Balances	106
Nonmajor Funds:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual:	
Special Revenue Funds:	
Planning Cost Recovery.....	111
Geographic Information System	112
CFD 2014-1 Fund	113
Development Mitigation	114
Gas Tax	115
Park Development.....	116
Crow Canyon Project.....	117
SCCJEPA.....	118
Street Maintenance/Improvements	119
Traffic Improvements	120
Tri-Valley Transportation	121
Public Education and Government	122
Citywide Lighting and Landscaping.....	123
Special Landscaping Zones.....	124
Canyon Park.....	125
Village Center Common Area	126
Solid Waste	127
GHAD	128
Non-Point Drainage District	129
Street Smarts	130
TDM Programs	131
Police Services Donation	132
Debt Service Funds:	
Pension Obligation Bonds	133
LED Lights	134
COP # 11.....	135
Internal Service Funds:	
Descriptions of Internal Service Funds.....	137
Combining Statements of Net Position.....	138
Combining Statements of Revenues, Expenses and Changes in Fund	
Net Position	140
Combining Statement of Cash Flows	142

CITY OF SAN RAMON, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2017

T A B L E O F C O N T E N T S (C O N T I N U E D)

	<i>Page</i>
Fiduciary Funds:	
Descriptions of Agency Funds.....	147
Statement of Changes in Assets and Liabilities – Agency Funds.....	148
 STATISTICAL SECTION (Unaudited):	
Miscellaneous Statistical Section – Table of Contents.....	153
Government-Wide Revenues by Source – Last Ten Fiscal Years.....	154
Government-Wide Expenses by Function – Last Ten Fiscal Years.....	155
General Governmental Revenues by Source – Last Ten Fiscal Years.....	156
Tax Revenue by Source – Last Ten Fiscal Years.....	157
General Governmental Expenditures by Function – Last Ten Fiscal Years.....	158
Net Position by Component – Last Ten Fiscal Years.....	159
Changes in Net Position – Last Ten Fiscal Years.....	160
Fund Balances of Governmental Funds – Last Ten Fiscal Years.....	162
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years.....	164
Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years.....	166
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years.....	167
Principal Sales Tax Producers.....	169
Principal Property Taxpayers – Current Fiscal Year and Nine Years Ago.....	170
Property Tax Levies and Collections – Last Ten Fiscal Years.....	172
Ratios of Debt Outstanding – Last Ten Fiscal Years.....	173
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years.....	174
Direct and Overlapping Debt.....	175
Legal Debt Margin Information – Last Ten Fiscal Years.....	176
Pledged-Revenue Coverage – Last Ten Fiscal Years.....	179
Demographics Statistics – Last Ten Fiscal Years.....	180
Annual Average Employment and Unemployment Rates – Last Ten Fiscal Years.....	183
Principal Employers – Current Fiscal Year and Nine Years Ago.....	184
Full-Time Equivalent City Government Employees by Function – Last Ten Fiscal Years.....	187
Operating Indicators by Function/Program – Last Ten Fiscal Years.....	188
Capital Assets Statistics by Function – Last Ten Fiscal Years.....	190
Miscellaneous Statistical Data.....	192



(This Page intentionally left blank.)

INTRODUCTORY SECTION



(This Page intentionally left blank.)



CITY OF SAN RAMON

7000 BOLLINGER CANYON ROAD
SAN RAMON, CALIFORNIA 94583
PHONE: (925) 973-2500
WEB SITE: www.sanramon.ca.gov

November 27, 2017

To the Citizens of the City of San Ramon,
Honorable Mayor and Members of the
City Council

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of San Ramon for the fiscal year ended June 30, 2017 with the Independent Auditors' Report. The CAFR was prepared by the City's Finance Division of the Administrative Services Department. To provide a reasonable basis for making these representations, management of the City of San Ramon has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of San Ramon's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, San Ramon's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with City management. Management asserts that to the best of our knowledge and belief, the information as presented is accurate in all material respects, that the presentation fairly shows the financial position and the results of the City's operations as measured by the financial activity of the various funds, and that the included disclosures will provide the reader with an understanding of the City's financial affairs.

This report is published in accordance with State law requirements that financial statements be presented in conformity with accounting principles generally accepted in the United States of America and audited by a firm of licensed certified public accountants. The City of San Ramon has continued to comply with recent pronouncements of the Governmental Accounting Standards Board (GASB), which is the authoritative body in establishing U.S. generally accepted accounting principles (GAAP) for local governments.

The analysis of the financial condition and the result of operations can be found in the financial section of the Management's Discussion and Analysis (MD&A) document. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Government Profile

The City of San Ramon, incorporated in 1983, is located in Contra Costa County, a growing area in the eastern portion of the San Francisco Bay Area. The City occupies a land and area of 18.56 square miles and serves a population of 80,550 as of January 2017. San Ramon continues to show strength as a major employer and a community with high quality residential neighborhoods. San Ramon is considered to be one of the most desirable living areas in the Bay Area.

The City of San Ramon is a Charter City that operates under the Council-Manager form of government. Policy making and legislative authority are vested in the City Council, which consists of an elected Mayor for two-years and a four member Council elected to four-year terms. The governing Council is responsible for the City's ordinances, operation resolutions, adoption of the annual budget, appointing commissions and committees and hiring the City Manager and City Attorney.

The City Manager is responsible for implementing the policies, ordinances and directives of the City Council, for overseeing the day-to-day operations of the City and for appointing the Directors of City's departments. The City provides a number of services and activities summarized as follows:

- Police protection
- Maintenance of streets and roads
- Maintenance of parks and landscaping
- Recreation activities
- Senior activities
- Planning and building services
- Engineering
- Storm water and drainage services
- Economic Development
- Other general government services

Financial Information

Budgeting Controls:

The City operates on a fiscal year basis, beginning July 1 and ending June 30. The budget is prepared under the supervision of the City Manager and transmitted to the City Council for deliberation and adoption prior to the beginning of the fiscal year.

Upon adoption by the City Council, the City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. The City's budgetary procedures are further discussed in the Notes to the Basic Financial Statements and can be found in the Financial Section of this report.

Activities of all funds of the City are included in the annual appropriated budget except for the capital projects fund, which adopts a project length budget. In addition, a five-year Capital Improvement Program is updated annually, at which time budgets for new projects and revisions for existing projects are adopted. The level of budgetary control is by fund, although budgets are adopted within funds at the department/division level in all operating funds and at the project level in the capital projects funds. Only the City Council has the authority to increase total appropriations subject only to the appropriation limitations established by State law. Budget appropriations lapse at the end of the fiscal year, with the exception of contract commitments and capital improvement projects, which are carried over until the commitment is met, or the project has been completed.

Financial Policies:

Throughout the years, the City has followed a fiscally conservative philosophy of building and maintaining healthy reserves. This practice has allowed the City to continue providing quality services to its residents in a time when many local agencies were being forced to cut back due to fiscal constraints. On an annual basis, the Council approves financial policies designed to promote sound financial management and ensure fiscal integrity over time. This CAFR reflects the implementation of these financial guidelines and presents all fund reserves and designations in an effort to define fund balance commitments and obligations as of the financial report date.

The City Council updated its General Fund Reserve policy changing the required reserve amount from 50% of the General Fund expenditures to 40%. The reserve amount is calculated using the actual expenditures from the prior fiscal year.

Internal Controls:

City management is responsible for establishing and maintaining fiscal internal controls designed to safeguard the assets of the government from loss, theft or misuse, and to ensure that accounting data is accurately compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. In order to strengthen internal controls the City formalized a fraud prevention policy which was adopted by the City Council. The intent of the policy is to facilitate the development of controls which will aid in the prevention and detection of fraud against the City of San Ramon.

Cash Management:

In order to maximize investment leverage, it is the City's practice to "pool" available cash from all funds for investment purposes. In accordance with the annually adopted investment policy, available cash is invested with the goal of safety, meaning protection of principal, as the first priority, ensuring adequate liquidity as the second priority and maximizing yield as the third priority. The City's investments generally include federal agencies, treasuries, certificates of deposit, corporate notes, commercial paper, and supranationals. The duration of the investments in the city's investment pool as of June

30, 2017 was 1.42 percent. The average return realized on the pooled investments increased from 0.97 percent in fiscal year 2015-16 to 1.27 percent in fiscal year 2016-17. This past year continued to display low interest rates; however, it is anticipated that the Federal Reserve System may raise interest rates in December 2017.

Factors Affecting Financial Condition

Local Economic Conditions:

The City of San Ramon economy has continued to show steady growth from last fiscal year. Some examples of the relative strength of the local economy are as follows:

- The California statewide unemployment was 4.3%, but the San Ramon residential unemployment rate that has been measured by the State Employment Development Department as of October 2017 was approximately 2.3%
- San Ramon has a relatively high median household income level of \$151,327, which is more than twice the State of California level of \$67,739, per the US Census Bureau 2016 American Community Survey 1-Year Estimates
- Positive growth in property tax, property transfer tax, transient occupancy taxes, franchise fees, and licenses and permits
- Median home values have risen 4.1% over the past year and it has been predicted that they will continue to rise 0.7% over the next year. The average sales price for single family homes and townhouse/condo style homes has risen 14.6% and 7.3% respectfully from September 2016 to September 2017

For the Future:

The City has experienced increases in property tax, property transfer tax, transient occupancy taxes, franchise fees, and licenses and permits. However, there was decreases in charges for services due to the timing of revenue received from developer projects, and sales tax revenue declined due to the final reconciliation of sales tax in-lieu. It is anticipated that these major revenue sources will continue to increase over the next few years and the ones that have experienced decline will recover. As the City navigates fiscal year 2017-18 and beyond, effort will be made to remain conservative with resources in order to maintain the desired level of reserves. The State of California economy continues to remain strong. The Governor Brown's fiscal year 2017-18 Budget includes preparing for the end of economic expansion, investing in education, counteracting the effects of poverty, and improving the state's streets, roads and transportation infrastructure.

Other factors that impacted the City's budget for the fiscal year 2017-18 and beyond are local area economies, increases in pension plan costs, contract services, and maintaining aging infrastructure.

A budget was presented to the City Council which required employees to make additional contributions to the pension. The City has continued to rely on additional contracting for services to cover the expansion of municipal services in the Dougherty Valley area of the City. During 2017-18 service expansion includes: to implement the DV Tree and Turf Strip Master Plan, continue replacement and renovation of declining plant material, accept conversion of old Dougherty Road to trail, pedestrian and bicycle use, begin landscape maintenance of new acceptances, replace pool heaters at the Dougherty Valley Aquatic center, replenish 576 cubic yards of fibar at the Rancho San Ramon Park playground to maintain safety requirements, replaster the 50 meter and children's pool at the Dougherty Valley Aquatic center, and replace Vista Grande Room lights at the Dougherty Valley Station Community center kitchen. In an effort to meet future service level needs, the 2017-18 budget included the following staffing level increases:

- The Public Works Department added one (1) new Maintenance Technician
- The Police Services Department added three (3) new Police Officers, one (1) new Police Services Technician, reclassified one (1) Records Supervisor to a Program Manager and reclassified one (1) Lieutenant to a Captain
- The Administrative Services Department added one (1) new Network Analyst
- The Planning/Community Development Department added funding for one (1) limited term Building Inspector (previously unfunded), reinstated the Director position, and unfunded one (1) lower level planning position
- The City Attorney position is funded as an in-house position instead of contracting out

The City Council has been proactive in planning for an uncertain financial future by:

- Establishing and maintaining a 40% General Contingency Reserve
- Setting aside funds to cover the future cost of retiree health benefits
- Maintaining an internal service fund to accumulate funds for maintenance of publicly owned buildings
- Fully funding vehicle and Information Technology replacement funds

These types of actions help to preserve the financial health of the City of San Ramon and to provide the flexibility to make up for revenue shortfalls as the State puts pressure on City resources. As a result of efforts to preserve the financial health of the City long-term debt ratings for the General Fund continues to receive an "AAA" rating by Standard and Poor's.

Annual Audit

Maze and Associates, a firm of licensed certified public accountants, has audited the City of San Ramon's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of San Ramon for the fiscal year ended June 30, 2017 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded that there was a reasonable basis for rendering an unqualified opinion that the City of San Ramon's financial statements for the year ended June 30, 2017, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

The City of San Ramon was not required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget's Circular A-133, Audits of State and Local Governments.

Awards for Excellence in Financial Reporting

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 San Ramon for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR), whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

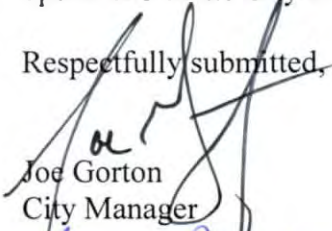
A Certificate of Achievement is valid for a period of one year only. The City of San Ramon has received a Certificate of Achievement for the last thirteen (13) consecutive years. We believe our current report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation and development of the CAFR could not have been accomplished without the year-round efficiency and dedication of the Finance Division staff and their special efforts, working in conjunction with the City's independent auditors.

We would like to express our appreciation to all members of City staff who contributed to the final product. We want to thank Maze and Associates, our independent auditors, for their professionalism in performing this year-end financial audit. A special thanks and acknowledgment is due to Candace Daniels, Finance Division Manager, Vivian Gong, Senior Finance Analyst and Marshall Yamamoto, Finance Analyst who devoted extensive time and energy preparing this report. We would also like to thank the Mayor and City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Joe Gorton", written over the text "Respectfully submitted,".

Joe Gorton
City Manager

A handwritten signature in blue ink, appearing to read "Eva Phelps", written below the signature of Joe Gorton.

Eva Phelps
Administrative Services Director



Government Finance Officers Association

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

Presented to

**City of San Ramon
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO



STAFF DIRECTORY

EXECUTIVE MANAGEMENT

City Manager
Assistant City Manager
City Attorney
City Clerk
Director of Administrative Services
Director of Public Works
Director of Parks & Community Services (Interim)
Director of Planning/Community Development
Chief of Police

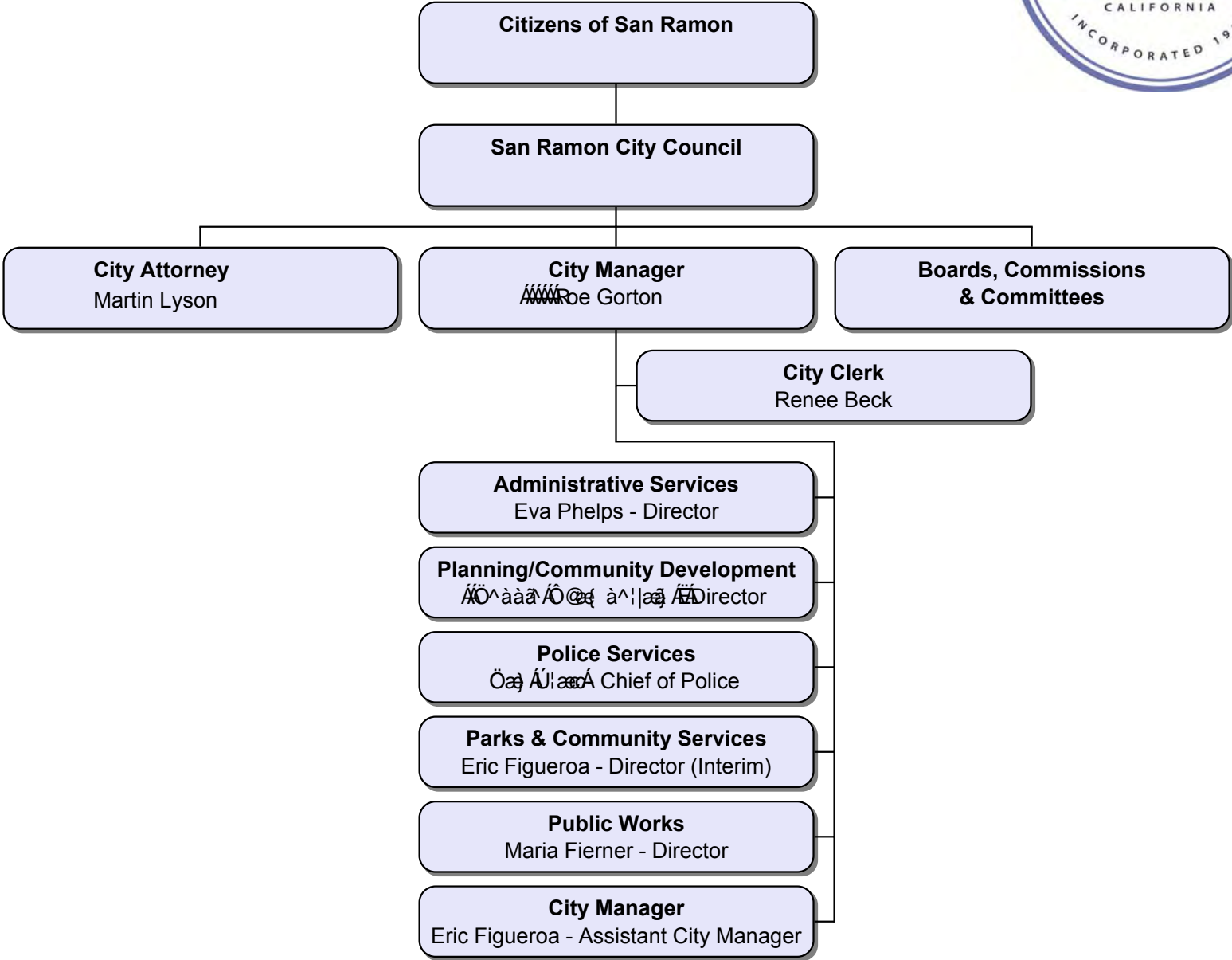
Joe Gorton
Eric Figueroa
Martin Lyson
Renee Beck
Eva Phelps
Maria Fierner
Eric Figueroa
Debbie Chamberlain
Dan Pratt

FINANCE

Finance Manager
Senior Administrative Analyst
Administrative Analyst
Administrative Analyst
Administrative Coordinator
Administrative Coordinator
Accounting Specialist
Accounting Specialist

Candace L. Daniels
Vivian Gong
Marshall Yamamoto
Julie Glaser
Carla Hayden
Glenda Broadfoot
Kristine Olsen
Andrea Stein

City of San Ramon Organization Chart



FINANCIAL SECTION



(This Page intentionally left blank.)



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of San Ramon

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of San Ramon, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinions, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2017, 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 Management's Discussion and Analysis, and other Required Supplementary Information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

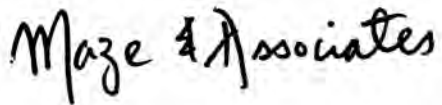
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The Introductory Section, Supplementary Information, and Statistical Section as listed in the Table of Contents are presented for purposes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

The Supplementary Information 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 Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Pleasant Hill, California
November 27, 2017



(This Page intentionally left blank.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City's Comprehensive Annual Financial Report presents an overview of the City's financial activities for the fiscal year ended June 30, 2017. To obtain a complete understanding of the City's financial condition, this document should be read in conjunction with the accompanying Transmittal Letter and Basic Financial Statements.

FINANCIAL HIGHLIGHTS

Financial highlights of fiscal year 2017 include the following:

- Overall, the assets of the City exceeded its liabilities at the close of Fiscal Year 2016-17 by \$504.3 million (net position). Of this amount, (\$11.6) million represents unrestricted net position. \$76.7 million is restricted for specific purposes, and \$439.2 million is the net investment in capital assets. The City's total net position increased by \$17.7 million over the prior fiscal year.
- The City's governmental funds reported combined ending fund balances of \$86.6 million, an increase of \$1.7 million in comparison with the prior year.
- Long-term liabilities were \$25.7 million at the end of the year, which was \$2.1 million less than last fiscal year reflecting reductions from the annual principal debt service payments.
- Net pension liability was \$23.4 million, which was \$8.9 million more than the previous fiscal year
- The revenues available for expenditure were \$0.1 million less than the final budget in the General Fund due to revenue shortfalls in charges for services. This revenue source is dependent on the timing of developer projects. The City kept General Fund expenditures within spending limits by \$2.3 million.
- The available General Fund ending balance of \$9.9 million was \$2.0 million higher than estimated in the final budget.

THE FINANCIAL STATEMENTS

The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the Basic Financial Statements. Each of these components is discussed below.

Government-Wide Financial Statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities separately. Additionally, certain eliminations have occurred as prescribed by the GASB statements with regard to inter-fund activity, payables and receivables.

The *Statement of Net Position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as an indicator of whether the financial health of the City of San Ramon is improving or deteriorating. The City's pension liability is also recorded on the statement of net position per GASB Statement No. 68.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All of the current year revenues and expenses are taken into account, regardless of the timing of related cash flows (accrual basis of accounting). In the statement of activities, we separate the City activities as follows:

- **Governmental activities** – Most of the City's basic services are reported in this category, including General Government (City Manager, City Clerk, Council, City Attorney and Administrative Services), Community Development (Planning and Building), Police Services, Public Works (streets, facilities, parks, Engineering, Transportation, etc.), and Parks and Community Services (recreation and culture). These activities are generally financed by property and sales taxes, user fees, interest income, franchise fees, and State and Federal shared revenues and grants.

The Government-wide Financial Statements can be found on pages 17 to 18 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, 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 can be divided into three categories of activities: governmental funds, proprietary funds and fiduciary funds.

Governmental funds – are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financials 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 fund balance sheet and governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 30 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, Dougherty Valley Fund, San Ramon Housing Fund, COP#12, and Capital Improvement Project Fund, all of which are considered to be major funds. Data from the other 25 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the Supplemental Information section of this report.

An annual appropriated budget is adopted each year for each governmental fund. A budgetary comparison statement has been provided for several key governmental funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 20 to 26 of this report

Proprietary funds – When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Internal service funds are an accounting device used to accumulate costs internally among the City’s various functions. The City uses internal service funds to account for its City’s investments, equipment replacement, information systems replacement, insurance liability, healthcare, and building maintenance.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. All six internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements on pages 28-31. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The combining statements referred to earlier in connection with non-major governmental funds, proprietary and internal service funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 100 to 145 of this report.

Fiduciary funds – The City is the trustee, or *fiduciary*, for certain funds held on behalf of developers and other community funds such as the San Ramon Valley Tourism Improvement District. 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 resources of those funds are not available to support the City’s own programs. City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The Fiduciary fund financials can be found on pages 34-35.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37 to 83 of this report.

Required Supplementary Information is in addition to the basic financial statements and accompanying notes. This report also presents certain “Required Supplementary Information” concerning the City’s pension liability, other post-employment benefits, and budget-to-actual financial comparisons for the General Fund and other major Special Revenue funds which can be found on pages 86 to 94.

Supplemental Information includes information for Certificates of Participation, major capital projects, non-major governmental, internal service, and agency funds, and is presented immediately following the required supplementary information pages 96 to 149.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City has presented its financial statements under the reporting model required by Governmental Accounting Standards Board Statement No. 34 (GASB 34). The following analysis of the Government-Wide statements includes a comparison between current and prior year results of operations and year-end balances.

Statement of Net Position

Table 1 below focuses on the net position. The City's combined net position increased \$17.7 million ending at \$504.3 million.

	<u>Governmental Activities</u>	
	<u>2017</u>	<u>2016</u>
Current and Restricted Assets	\$104,446,115	\$ 102,743,300
Capital Assets	<u>448,636,763</u>	<u>437,731,209</u>
Total Assets	<u>553,082,878</u>	<u>540,474,509</u>
Deferred Outflows of Resources	<u>17,425,177</u>	<u>9,087,708</u>
Long-term Liabilities Outstanding	25,672,456	27,750,915
Net Pension Liability	23,392,462	14,491,230
Other Liabilities	<u>14,490,836</u>	<u>15,745,039</u>
Total Liabilities	<u>63,555,754</u>	<u>57,987,184</u>
Deferred Inflows of Resources	<u>2,674,396</u>	<u>5,044,990</u>
Net Investment in Capital Assets	439,179,307	426,734,431
Restricted	76,664,534	71,688,071
Unrestricted	<u>(11,565,936)</u>	<u>(11,892,459)</u>
Total Net Position	<u>\$504,277,905</u>	<u>\$486,530,043</u>

The City's net position is made-up of three components: Net Investment in Capital Assets, Restricted Net Position and Unrestricted Net Position. Restricted Net Position, the part of net position that is restricted for specific purposes, accounted for the majority of the City's governmental activities net position.

Total liabilities are \$63.6 million, the majority of which is non-current and due in more than one year. The non-current liability portion due in more than one year totals \$25.7 million for certificates of participation debt and pension obligation bonds, and \$23.4 million for the net pension liability required by GASB 68.

Statement of Activities

The Statement of Net Position provides a measure of the financial health of an entity at a specific date in time (i.e. year-end). In contrast, the Statement of Activities provides details of how net position changed from the prior year. Generally, it indicates whether the financial health of the City as a whole is better at June 30, 2017, in relation to a year earlier. Table 2 below focuses on the changes in net position.

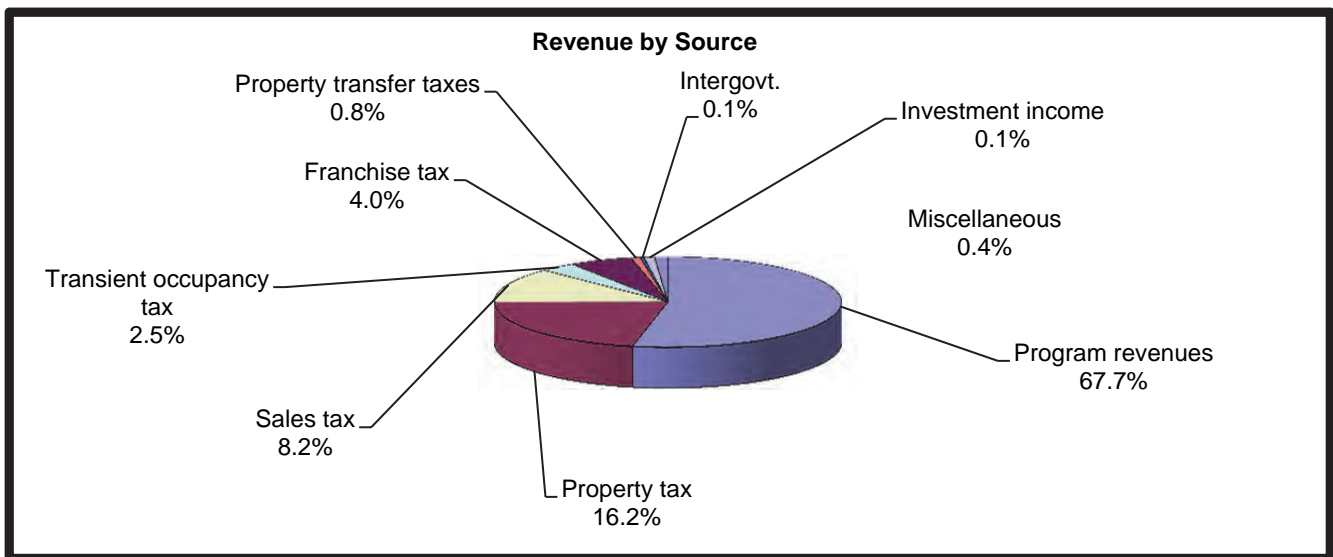
Table 2		
STATEMENT OF ACTIVITIES		
As of June 30, 2017 and 2016		
	<u>Governmental Activities</u>	
	<u>2017</u>	<u>2016</u>
REVENUES:		
Program Revenues:		
Charges for Services	\$11,214,119	\$12,975,507
Operating Contributions and Grants	35,947,470	33,628,638
Capital Contributions and Grants	30,233,200	18,300,560
General Revenues:		
Property Tax	18,478,700	17,240,799
Sales Tax	9,328,801	10,484,639
Transient Occupancy Tax	2,894,303	2,807,649
Franchise Tax	4,579,568	4,491,196
Property Transfer Taxes	915,674	845,912
Intergovernmental, Unrestricted	47,706	100,286
Investment Income	175,776	605,093
Miscellaneous	<u>471,260</u>	<u>436,250</u>
Total Revenues	<u>114,286,577</u>	<u>101,916,529</u>
EXPENSES:		
General Government	5,511,125	5,447,838
Community Development	3,811,113	4,312,666
Housing	532,789	857,894
Police Services	18,497,953	16,951,992
Public Works	57,528,031	53,235,400
Parks and Community Services	9,235,946	9,376,348
Interest	<u>1,421,758</u>	<u>1,480,226</u>
Total Expenses	<u>96,538,715</u>	<u>91,662,364</u>
Change in Net Position	17,747,862	10,254,165
Net Position, July 1	<u>486,530,043</u>	<u>476,275,878</u>
Net Position, June 30	<u>\$504,277,905</u>	<u>\$486,530,043</u>

Revenue Highlights

Total revenues for governmental activities were \$114.3 million, an increase of \$12.4 million from prior year. The increase was accounted for primarily by an increase of \$12.0 million in capital contributions from annexed infrastructure. Program revenue includes charges for services, grants and contributions. Program revenue provided \$77.4 million (67.7% of the total). General Revenues include taxes, intergovernmental revenues and investment income not restricted to specific programs. General revenues provided \$36.9 million (32.3% of the total).

The largest component of general revenue is property taxes at \$18.5 million, making up 16.2% of total revenue in the governmental funds. This is consistent with the nature and purpose of governmental funds, particularly in the General Fund, where programs are largely supported by general taxes. The highest tax revenues received by the General Fund include property tax, sales tax, transient occupancy taxes and franchise fees.

The chart below presents revenue by source for Governmental Activities.

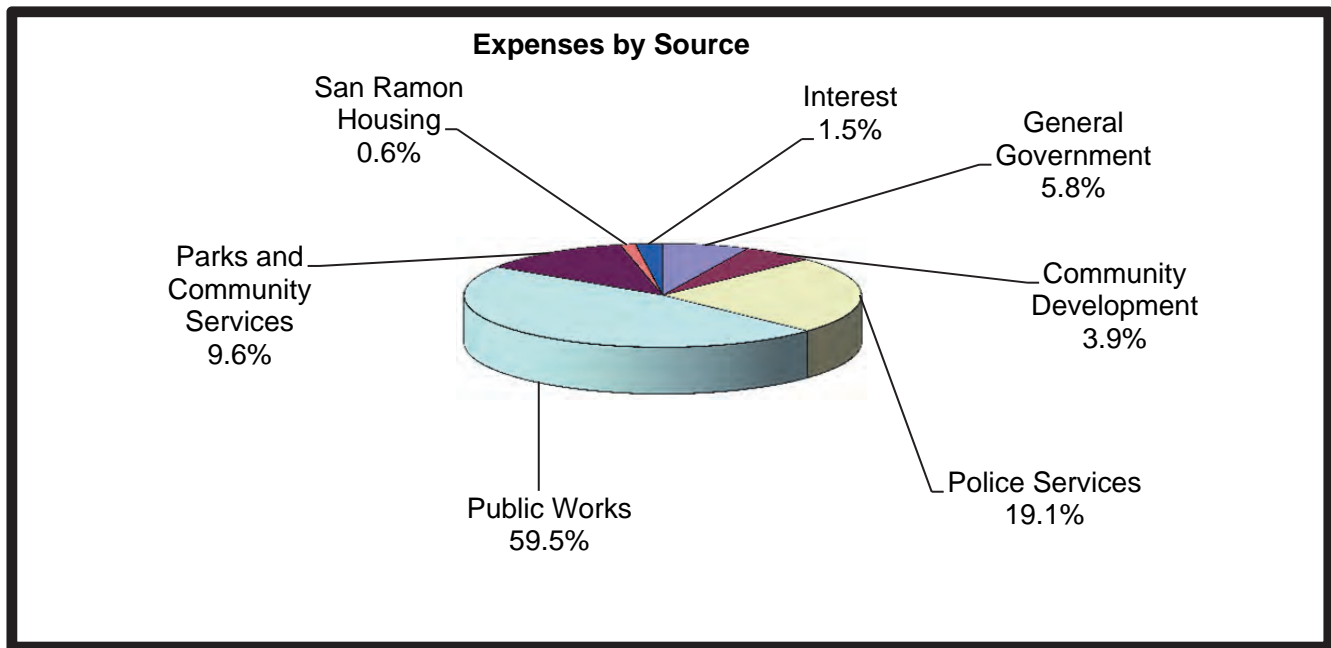


Expense Highlights

Functional expenses for the year totaled \$96.5 million, an increase \$4.9 million from the prior year. The increase is primary reflected in the Public Works department due to depreciation expense on infrastructure and capital assets.

Public Works represents \$57.5 million (59.5%) of the total. A large portion of Public Works costs are funded from general revenues, primarily taxes and restricted revenues, such as special assessments and operating contributions.

The chart below presents expenses by source of Governmental Activities.



FUND FINANCIAL ANALYSIS

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

Governmental funds – The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority by assigning resources for use for a particular purpose by the City’s Council.

As of the end of the current fiscal year, the City’s governmental funds reported a combined ending fund balance of \$86.6 million, an increase of \$1.7 million from the prior year. This total includes a General Fund balance of \$9.9 million. The General Fund balance decreased \$3.2 million from the prior year. The General Fund is \$2.0 million stronger than estimated due to keeping expenditures below budget estimates.

Other major funds and non-major funds significant balance changes are noted below:

- The Dougherty Valley fund balance decreased by \$1.3 million due to an increase in costs to cover expansion of services for newly annexed infrastructure.
- The San Ramon Housing fund balance decreased by \$0.5 million which reflects expenditures for Housing Programs and staffing.

- The COP #12 fund balance decreased by \$1.0 million reflecting payments made for principal and interest.
- The Capital Improvement fund balance increased by \$8.2 million due to funding for streets and facility projects, and proceeds from the sale of property.
- The Gas Tax fund balance decreased \$0.3 million which reflects funds spent on Capital Improvement Projects.
- The Park Development fund balance decreased \$0.8 million which reflects funds spent on Capital Improvement Projects.
- The SCCJEPA fund balance increased \$0.9 million reflecting an increase in revenue from developer fees.
- The Public Education and Government fund balance increased by \$0.2 million due to an accumulation of intergovernmental revenue received.
- The GHAD fund balance decreased by \$0.2 million which reflects funds spent on Capital Improvement Projects.
- The Special Landscaping Zones fund balance decreased by \$0.4 million reflecting funds spent on Capital Improvement Projects.

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

At the end of the fiscal year, total net position was \$10.7 million. Of that, the unrestricted net position was \$7.6 million and the net investment in capital assets was \$3.1 million. Net position of the proprietary funds increased by \$0.8 million due to an increase in funding transferred from the General fund to the Infrastructure Maintenance fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund is the main operating fund of the City. At end of the fiscal year, fund balance of the General Fund was \$9.9 million, compared to \$13.1 million in the prior year. The fund balance has been classified as \$0.5 million nonspendable and \$9.4 million as unassigned.

Revenues

The General Fund revenues are primarily derived from taxes, charges for services, and license and permits. The General Fund Revenues totaled \$48.0 million at year-end, which were \$0.1 million lower than the final budgeted revenues of \$48.1 million (see table 3).

<u>Revenues</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Taxes	\$ 35,933,789	\$ 35,933,789	\$ 36,197,046	\$ 263,257
License and permits	1,948,750	1,948,750	2,005,548	56,798
Intergovernmental	197,970	227,027	346,197	119,170
Charges for services	7,229,211	7,229,211	6,537,626	(691,585)
Fines and forfeitures	397,500	397,500	341,487	(56,013)
Investment income	75,000	75,000	59,969	(15,031)
Miscellaneous	<u>2,310,817</u>	<u>2,310,817</u>	<u>2,558,531</u>	<u>247,714</u>
Total Revenues	<u>\$ 48,093,037</u>	<u>\$ 48,122,094</u>	<u>\$ 48,046,404</u>	<u>\$ (75,690)</u>

- Taxes were \$0.3 million above the budget reflecting increases in property tax, property transfer tax, transient occupancy tax, and franchise fees; offset by a decrease in sales tax.
- Licenses and permits were \$0.1 million above budget reflecting an increase in building permits.
- Intergovernmental revenue was \$0.1 million above budget reflecting an increase in grants.
- Charges for services were \$0.7 million below budget reflecting a decrease in inspection and plan check fees due to a delay in development projects, and decreases in recreation programs.
- Investment income was \$0.1 million below budget due to a decrease in investment earnings.
- Miscellaneous revenue was \$0.2 million above budget reflecting an increase in facility rentals and damage reimbursements.

Expenditures

The General Fund expenditures totaled \$43.7 million, which were \$2.3 million less than the final budget of \$46.1 million. There were \$0.2 million of changes to the original budget compared to the final budget during the year. The actual spending coming in below budget reflected savings from vacant positions and a continued effort by the City to carefully control spending.

<u>Expenditures</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
General Government	\$ 6,390,381	\$ 6,410,381	\$ 5,943,627	\$ 466,754
Community Development	3,341,361	3,341,361	3,051,027	290,334
Police Services	13,029,943	13,065,467	12,579,008	486,459
Public Works	14,255,011	14,384,879	14,054,064	330,815
Parks & Community Svcs	8,860,131	8,860,131	8,052,418	807,713
Debt Service	<u>0</u>	<u>0</u>	<u>43,311</u>	<u>(43,311)</u>
Total Expenditures	<u>\$ 45,846,827</u>	<u>\$ 46,062,219</u>	<u>\$ 43,723,455</u>	<u>\$ 2,338,764</u>

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Table 5 below summarizes the City's capital assets by class. Capital assets are reported at historical cost, net of accumulated depreciation. These amounts do not represent the market value or replacement cost of City assets, which would be significantly higher. Historical cost is used, pursuant to accounting standards, to provide an objective basis for reporting capital assets.

At the end of 2017, the City had \$448.6 million invested in a broad range of capital assets, including land, streets, bridges, drainage systems, traffic lights, parks, buildings, vehicles and equipment.

	<u>Governmental Activities</u>	
	<u>2017</u>	<u>2016</u>
Non Depreciable		
Land	\$40,233,536	\$40,633,536
Construction in Progress	14,984,000	12,327,479
Depreciable, Net of Accumulated Depreciation		
Park Improvements	27,699,992	29,762,083
Buildings and Improvements	64,728,298	67,184,693
Machinery, Furniture and Equipment	3,074,644	2,731,517
Infrastructure	<u>297,916,293</u>	<u>285,091,901</u>
Total Capital Assets	<u>\$448,636,763</u>	<u>\$437,731,209</u>

The City’s fiscal year 2017-2018 capital budget calls for spending \$13.8 million for capital projects. The majority of spending is for the Financial System upgrade project, pavement management, Alcosta Blvd. pavement rehabilitation, Dougherty Valley Aquatic Center equipment replacement, and the Police and Permit center building energy savings improvements project. Most of the projects will be financed with funds that have been designated by an outside party for specific use. Additional information about the capital assets can be found in Note 7 to the Notes to the Financial Statements.

Debt Administration

At year-end, the City’s governmental activities had \$25.7 million in bonds, notes and contracts as shown in Table 6. This was \$2.1 million less than 2016 reflecting reductions for payments of annual principal on debt. Additional information about the City’s long-term obligations can be found in Note 8 in the Notes to the Financial Statements.

Table 6 OUTSTANDING DEBT As of June 30, 2017 and 2016		
	<u>Governmental Activities</u>	
	<u>2017</u>	<u>2016</u>
Certificates of Participation	\$7,421,889	\$8,936,500
Pension Obligation Bonds	16,215,000	16,520,000
Capital Lease	<u>2,035,567</u>	<u>2,294,415</u>
Total Debt	<u>\$25,672,456</u>	<u>\$27,750,915</u>

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

In preparing the budget for 2017-2018, management looked at the following economic factors:

- The economy is showing steady economic growth at the national, state and regional level. Locally, the City expects to see slow revenue growth and is still taking a conservative approach to spending which is reflected in the FY 2017-18 budget. The budget also includes uses of reserves for additional staffing needs, Dougherty Valley subsidy, debt service, a new Enterprise Resource Planning system, pavement management, and deferred infrastructure maintenance. The details of department staffing increases are as follows:
 - The Police Services Department added one (1) Police Services Technician to assist with vehicle fleet maintenance, and added three (3) Police Officers to enhance patrol
 - The Public Works Department added one (1) Maintenance Technician in the Public Services Division for traffic signals and lighting maintenance
 - The Administrative Services Department added one (1) Senior Network Analyst in the Information Technology Division to oversee the maintenance and security of the City’s network system

- Employees are required to make an additional contribution to their retirement plan which helps to offset the increase in pension costs.
- State budget: In the State Adopted 2017-18 Budget, it was reported that California’s budget will remain in balance through fiscal year 2019-20, with fiscal year 2020-21 projected to end with a modest deficit fund balance. Senate Bill SB-1, the Road Repair and Accountability Act was signed in April 2017 and is anticipated to provide additional funding to cities for road repairs annually. State unemployment rates have decreased by 0.9% from 5.2% in October 2016 to 4.3% in October 2017. The City does not anticipate a negative impact from the State on City resources.
- Continued growth is expected in major revenue sources such as Property tax, Sales tax, Transient Occupancy taxes, and Franchise fees.
- Continued expansion of City services in the Dougherty Valley area east of the current City limits, a County Service Area per existing agreements with the Contra Costa County, will have increases in special assessment revenues over the next few years as well as cost increases for delivering services to the area.

The City budget plan will continue to maintain reserves in the General Fund and the special funds (Dougherty Valley and Bond Funds) well in excess of the 40% combined reserve policy level. The expenditure budget was developed to maintain core City services. This required expenditure adjustments in various categories to offset benefits increasing due to rising pension costs.

The City continues to grow with significant additions of land and population through annexations in the Dougherty Valley area. The 2017-2018 budget is a reflection of the City’s commitment to the residents of San Ramon. The City’s historically conservative approach of maintaining a high level of operating reserves has provided a cushion against economic uncertainties. For the 2017-2018 fiscal year, the City has made a commitment to allocate resources for public safety, cultural/social programs, and infrastructure improvements. A copy of the City’s 2017-2018 budget can be obtained by contacting the City Administrative Services Department (See below) or via the City’s website at www.ci.san-ramon.ca.us.

CONTACTING THE CITY’S FINANCIAL MANAGMENT

This Financial Report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City’s finances and to show the City’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Administrative Services Department, City of San Ramon, 7000 Bollinger Canyon Road, San Ramon, California 94583 or by calling (925) 973-2514.

CITY OF SAN RAMON
STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities
ASSETS	
Cash and investments (Note 3)	\$78,438,274
Restricted cash and investments (Note 3)	233,444
Receivables:	
Accounts	12,522,551
Interest	209,199
Notes and loans (Note 5)	5,818,298
Inventories	
Loan receivable from Successor Agency (Note 6)	3,483,624
Net OPEB assets (Note 12)	235,125
Prepaid and deposits	412,932
Land held for resale (Note 1 (k))	3,092,668
Capital assets (Note 7):	
Capital assets not being depreciated	55,217,536
Capital assets being depreciated, net	393,419,227
Total assets	553,082,878
DEFERRED OUTFLOWS	
Related to pension (Note 10)	17,217,055
Unamortized loss on refunding of debt (Note 8)	208,122
Total Deferred Outflows	17,425,177
LIABILITIES	
Accounts payable and accrued expenses	8,048,203
Interest payable	117,238
Deposits payable	910,884
Unearned revenue	1,050,947
Claims and judgments payable (Note 13):	47,187
Compensated absences (Note 1 (j)):	
Due within one year	481,544
Due in more than one year	3,834,833
Long-term liabilities (Note 8):	
Due within one year	2,188,753
Due in more than one year	23,483,703
Net Pension Liability (Note 10)	23,392,462
Total liabilities	63,555,754
DEFERRED INFLOWS	
Related to pension (Note 10)	2,674,396
Total Deferred Inflows	2,674,396
NET POSITION (Note 9):	
Net investment in capital assets	439,179,307
Restricted for:	
Housing	11,755,752
Public, educational, and governmental programs	555,108
Capital projects	21,642,850
Public works	9,873,887
Debt service	14,266,504
Streets and roads	13,823,413
Public safety	142,982
Culture and recreation	939,941
Lighting, Landscaping, and Special Zones	3,664,097
Total restricted net position	76,664,534
Unrestricted net position	(11,565,936)
Total net position	\$504,277,905

See accompanying notes to financial statements

CITY OF SAN RAMON
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

Functions/Programs	Expenses	Program Revenues		Capital Grants and Contributions	Net (Expense)
		Charges for Services	Operating Grants and Contributions		Revenue and Change Net Position
					Governmental Activities
Governmental Activities:					
General government	\$5,511,125	\$316,360	\$1,336,916		(\$3,857,849)
Community development	3,811,113	3,069,601	405,384		(336,128)
San Ramon Housing	532,789	6,156			(526,633)
Police services	18,497,953	476,105	334,609		(17,687,239)
Public works	57,528,031	2,335,628	33,812,249	\$30,233,200	8,853,046
Parks and community services	9,235,946	5,010,269	58,312		(4,167,365)
Interest expense and other charges	1,421,758				(1,421,758)
Total Governmental Activities	\$96,538,715	\$11,214,119	\$35,947,470	\$30,233,200	(19,143,926)
General revenues:					
Taxes:					
Property					18,478,700
Sales and use					9,328,801
Transient occupancy					2,894,303
Franchise					4,579,568
Property transfer					915,674
Intergovernmental, unrestricted					47,706
Interest income					175,776
Miscellaneous					471,260
Total general revenues					36,891,788
Change in Net Position					17,747,862
Net Position-Beginning					486,530,043
Net Position-Ending					\$504,277,905

See accompanying notes to financial statements

FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The funds described below were determined to be Major Funds by the City in fiscal year 2017. Individual nonmajor funds may be found in the Supplementary Information section.

General Fund

Accounts for all financial resources of the City, except those required to be accounted for in another fund.

Dougherty Valley Special Revenue Fund

Accounts for revenue received from Contra Costa County as reimbursements for a variety of municipal services, including police protection, and street and park maintenance, to be provided by the City. Per a Memorandum of Understanding with the County, the City is required to separately track the costs of service provided in the Dougherty Valley Area and submit claims for reimbursements for costs to the County.

San Ramon Housing Special Revenue Fund

Accounts for expenditures for housing activities of the City of San Ramon. The City Council adopted Resolution No. 2013-063, on June 11, 2013, thereby electing to assume the housing functions from the Successor Agency's Low/Mod Income Housing Set Aside fund.

COP # 12 Debt Service

Accounts for debt service activity relating to the 2011 Certificates of Participation.

Capital Improvements Capital Projects Fund

Accounts for expenditures for major infrastructure improvements of roads; sidewalks; City facilities, including parks; as well as for the procurement of major pieces of equipment.

CITY OF SAN RAMON
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2017

	General Fund	Special Revenue	
		Dougherty Valley	San Ramon Housing
ASSETS			
Cash and investments (Note 3)	\$9,011,848		\$9,243
Restricted cash and investments (Note 3)			
Receivables:			
Accounts	2,807,112	\$8,038,586	
Notes and loans (Note 5)	107,510		5,705,863
Interest	26,415		
Due from other funds (Note 4 (a))	3,097,743		
Advances to other funds (Note 4 (b))	300,000		
Loan receivable from Successor Agency (Note 6)			3,483,624
Land held for resale (Note 1 (k))			3,092,668
Prepays and deposits	102,627	21,813	
Total Assets	<u>\$15,453,255</u>	<u>\$8,060,399</u>	<u>\$12,291,398</u>
LIABILITIES			
Accounts payable	\$1,704,547	\$1,279,955	\$1,232
Accrued payroll	2,436,714	627,438	39,414
Due to other funds (Note 4 (a))		2,967,930	
Deposits payable	351,244		195,000
Unearned revenue	1,050,947		
Advances from other funds (Note 4 (b))			300,000
Total Liabilities	<u>5,543,452</u>	<u>4,875,323</u>	<u>535,646</u>
FUND BALANCES (Note 9)			
Nonspendable	510,137	21,813	9,189,487
Restricted		3,163,263	2,566,265
Committed			
Unassigned	9,399,666		
TOTAL FUND BALANCES	<u>9,909,803</u>	<u>3,185,076</u>	<u>11,755,752</u>
Total liabilities and fund balances	<u>\$15,453,255</u>	<u>\$8,060,399</u>	<u>\$12,291,398</u>

See accompanying notes to financial statements

<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor</u>	<u>Total</u>
<u>COPS #12</u>	<u>Capital</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Improvements</u>	<u>Funds</u>	<u>Funds</u>
\$12,617,089	\$22,502,915	\$26,520,244	\$70,661,339
		233,444	233,444
		1,589,531	12,435,229
		4,925	5,818,298
32,625	57,338	73,262	189,640
			3,097,743
			300,000
			3,483,624
			3,092,668
	231,697	1,366	357,503
<u>\$12,649,714</u>	<u>\$22,791,950</u>	<u>\$28,422,772</u>	<u>\$99,669,488</u>
	\$815,898	\$673,897	\$4,475,529
	23,435	133,047	3,260,048
		129,813	3,097,743
	313,908	50,732	910,884
			1,050,947
			300,000
	<u>1,153,241</u>	<u>987,489</u>	<u>13,095,151</u>
	231,697	1,366	9,954,500
\$12,649,714	21,407,012	26,424,151	66,210,405
		1,010,791	1,010,791
		(1,025)	9,398,641
<u>12,649,714</u>	<u>21,638,709</u>	<u>27,435,283</u>	<u>86,574,337</u>
<u>\$12,649,714</u>	<u>\$22,791,950</u>	<u>\$28,422,772</u>	<u>\$99,669,488</u>



(This Page intentionally left blank.)

CITY OF SAN RAMON
RECONCILIATION OF
GOVERNMENTAL FUNDS - BALANCE SHEET
WITH THE
STATEMENT OF NET POSITION
JUNE 30, 2017

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$86,574,337

Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:

CAPITAL ASSETS

Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds. 445,562,119

LONG-TERM ASSETS AND LIABILITIES

The assets and liabilities below are not due and payable in the current period and therefore are not reported in the funds:

Long-term debt	(25,672,456)
Unamortized loss on refunding of debt	208,122
Interest payable	(117,238)
Deferred outflow related to pension	17,217,055
Net Pension liability	(23,392,462)
Deferred inflow related to pension	(2,674,396)
Compensated absences	(4,316,377)
Net OPEB asset	235,125
Claims payable	(47,187)

Internal service funds are used by management to charge the costs of certain activities, such as equipment management, to individual funds. The assets and liabilities of the internal service funds must be added to the Statement of Net Position

10,701,263

NET POSITION OF GOVERNMENTAL ACTIVITIES

\$504,277,905

See accompanying notes to financial statements

CITY OF SAN RAMON
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	Special Revenue	
		Dougherty Valley	San Ramon Housing
REVENUES			
Taxes	\$36,197,046		
Licenses and permits	2,005,548		
Intergovernmental	346,197	\$14,454,266	
Developer fees			
Charges for services	6,537,626		
Fines and forfeitures	341,487		
Investment income	59,969		\$7
Special assessments			
Miscellaneous	2,558,531	59,801	
Total Revenues	<u>48,046,404</u>	<u>14,514,067</u>	<u>7</u>
EXPENDITURES			
Current:			
General government	5,943,627		
Community development	3,051,027		
Housing			523,133
Police services	12,579,008	7,364,380	
Public works	14,054,064	10,202,217	
Parks and community service	8,052,418		
Capital outlay			
Debt service:			
Principal	38,648	22,698	
Interest and fees	4,663	2,739	
Total Expenditures	<u>43,723,455</u>	<u>17,592,034</u>	<u>523,133</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>4,322,949</u>	<u>(3,077,967)</u>	<u>(523,126)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of property			
Transfers in (Note 4 (c))	2,278,004	2,000,000	
Transfers (out) (Note 4 (c))	(9,837,779)	(255,838)	
Total Other Financing Sources (Uses)	<u>(7,559,775)</u>	<u>1,744,162</u>	
NET CHANGE IN FUND BALANCES	(3,236,826)	(1,333,805)	(523,126)
FUND BALANCE AT THE BEGINNING OF YEAR	<u>13,146,629</u>	<u>4,518,881</u>	<u>12,278,878</u>
FUND BALANCES AT END OF YEAR	<u>\$9,909,803</u>	<u>\$3,185,076</u>	<u>\$11,755,752</u>

See accompanying notes to financial statements

<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor</u>	<u>Total</u>
<u>COPS #12</u>	<u>Capital</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Improvements</u>	<u>Funds</u>	<u>Funds</u>
		\$5,760	\$36,202,806
			2,005,548
	\$1,005,392	3,295,957	19,101,812
		2,611,460	2,611,460
		156,385	6,694,011
		88,138	429,625
	52,247	75,298	187,521
		6,295,969	6,295,969
	368,535	1,931,079	4,917,946
	<u>1,426,174</u>	<u>14,460,046</u>	<u>78,446,698</u>
			5,943,627
		604,473	3,655,500
			523,133
		16,516	19,959,904
		5,108,878	29,365,159
			8,052,418
	9,689,377	6,055	9,695,432
\$1,260,000		712,502	2,033,848
320,576		1,121,615	1,449,593
<u>1,580,576</u>	<u>9,689,377</u>	<u>7,570,039</u>	<u>80,678,614</u>
<u>(1,580,576)</u>	<u>(8,263,203)</u>	<u>6,890,007</u>	<u>(2,231,916)</u>
	5,606,679		5,606,679
567,290	11,426,741	2,763,637	19,035,672
	(530,278)	(10,046,903)	(20,670,798)
<u>567,290</u>	<u>16,503,142</u>	<u>(7,283,266)</u>	<u>3,971,553</u>
(1,013,286)	8,239,939	(393,259)	1,739,637
<u>13,663,000</u>	<u>13,398,770</u>	<u>27,828,542</u>	<u>84,834,700</u>
<u>\$12,649,714</u>	<u>\$21,638,709</u>	<u>\$27,435,283</u>	<u>\$86,574,337</u>

CITY OF SAN RAMON
RECONCILIATION OF THE
NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
WITH THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$1,739,637

Amounts reported for governmental activities in the Statement of Activities
are different because of the following:

CAPITAL ASSETS TRANSACTIONS

Governmental Funds report capital outlays as expenditures. However,
in the Statement of Activities the cost of those assets is capitalized and allocated over
their estimated useful lives and reported as depreciation expense.

Capital outlay is therefore added back to fund balance	9,695,432
Non-capitalized expenditures is deducted from fund balance	(6,468,957)
Contributed capital assets are added to fund balance	30,233,200
Depreciation expense is deducted from the fund balance	(21,475,114)
Net of internal service fund depreciation of \$836,251 which has already been allocated to internal service funds	
Loss on disposal is deducted from fund balance	(1,422,134)

LONG-TERM DEBT PROCEEDS AND PAYMENTS

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

Repayment of debt principal is added back to fund balance	2,033,848
Amortization of premium is added back to fund balance	44,611
Amortization of loss on refunding is deducted from fund balance	(26,015)

ACCRUAL OF NON-CURRENT ITEMS

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

Long-term compensated absences	(337,573)
Interest payable and accrued liabilities, included in accrued liabilities	9,239
Net OPEB asset	46,554
Claims payable	1,065,458

Net Pension Liability Transactions

Governmental funds record pension expense as it is paid. However,
in the Statement of Activities those costs are reversed as deferred outflows/(inflows)
and an increase/(decrease) in net pension liability. 1,832,846

Internal service funds are used by management to charge the costs
of certain activities, such as equipment management, to individual
funds. The net revenues (expenses) of the internal service funds is
reported with governmental activities. 776,830

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$17,747,862

See accompanying notes to financial statements

PROPRIETY FUNDS

Proprietary funds account for City operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that the cost of providing goods and services be financed primarily through user charges.

CITY OF SAN RAMON
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2017

	Governmental Activities
	Internal Service Funds
ASSETS	
Current assets:	
Cash and investments (Note 3)	\$7,776,935
Accounts receivable	87,322
Interest receivable	19,559
Prepays	55,429
Total Current Assets	7,939,245
Non-current assets:	
Depreciable capital assets, net of accumulated depreciation (Note 7)	3,074,644
Total Assets	11,013,889
LIABILITIES	
Current liabilities	
Accounts payable	218,058
Accrued payroll	94,568
Total Liabilities	312,626
NET POSITION (Note 9)	
Net investment in capital assets	3,074,644
Unrestricted	7,626,619
Total Net Position	\$10,701,263

See accompanying notes to financial statements

CITY OF SAN RAMON
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2017

	Governmental Activities
	Internal Service Funds
Operation revenues:	
Charges for services	\$10,597,817
Miscellaneous	1,029
Total operating revenues	10,598,846
Operating expenses:	
Personnel services	1,465,381
Services and supplies	7,295,157
Claims and insurance	2,086,580
Depreciation	836,251
Total operating expenses	11,683,369
Operating loss	(1,084,523)
Non-operating revenue:	
Investment income	66,973
Intergovernmental	159,254
Total non-operating revenues	226,227
Loss before transfers	(858,296)
Transfers:	
Transfer in (Note 4 (c))	2,206,223
Transfer (out) (Note 4 (c))	(571,097)
Total transfers	1,635,126
Change in net position	776,830
Net position - beginning of year	9,924,433
Net position - end of year	\$10,701,263

See accompanying notes to financial statements

CITY OF SAN RAMON
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2017

	Governmental Activities
	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from department users	\$10,625,524
Cash payments to suppliers of goods and services	(7,244,442)
Cash payments to employees and services	(3,572,692)
Net cash provided by operating activities	(191,610)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Intergovernmental	159,254
Transfers in	2,206,223
Transfers (out)	(571,097)
Cash Flows from Noncapital Financing Activities	1,794,380
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(1,276,932)
Cash Flows from Capital and Related Financing Activities	(1,276,932)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment earnings received	66,973
Cash Flows from Investing Activities	66,973
Net change in cash and cash equivalents	392,811
Cash and investments at beginning of year	7,384,124
Cash and investments at end of year	\$7,776,935

CITY OF SAN RAMON
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS, CONTINUED
 FOR THE YEAR ENDED JUNE 30, 2017

	Governmental Activities
	Internal Service
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating income	(\$1,084,523)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	836,251
Change in assets and liabilities:	
Accounts receivable	28,975
Interest receivable	(2,297)
Prepays and deposits	(9,186)
Accounts payable	59,901
Accrued payroll	(20,731)
	(20,731)
Net cash provided by operating activities	(\$191,610)

See accompanying notes to financial statements



(This Page intentionally left blank.)

FIDUCIARY FUNDS

Private-purpose trust fund is used to account for monies received from the Contra Costa County Auditor Controller for the repayment of the enforceable obligations of the San Ramon Successor Agency. These funds are restricted for the sole purpose of payment of items on an approved Recognized Payment Obligation Schedule.

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations and other governments. The financial activities of these funds are excluded from the Entity-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

CITY OF SAN RAMON
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET POSITION
 JUNE 30, 2017

	Private-Purpose Trust Fund	Agency Funds
ASSETS		
Cash and investments (Note 3)	\$4,248,884	\$382,282
Restricted cash and investments (Note 3)	5,365	
Accounts Receivable	222	
Prepays	651	
Notes and loans	11,100	
Interest receivable	9,617	194
Capital assets, not depreciated	6,788,453	
Total Assets	11,064,292	\$382,476
LIABILITIES		
Accounts payable	22,775	\$1,700
Accrued payroll	12,205	
Interest payable	959,172	
Due to bondholders		86,858
Due to other governments		293,918
Loan payable to City (Note 6)	3,483,624	
Long-term debt:		
Due in less than one year	1,740,000	
Due in more than one year	62,300,148	
Total Liabilities	68,517,924	\$382,476
NET POSITION		
Held in trust for private purpose	(\$57,453,632)	

See accompanying notes to financial statements

CITY OF SAN RAMON
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2017

	Private-Purpose Trust Funds
ADDITIONS	
Taxes	\$4,182,014
Investment income	17,496
Total additions	4,199,510
DEDUCTIONS	
Community development	244,825
Debt service:	
Interest and fiscal charges	2,053,610
Total deductions	2,298,435
Change in net position	1,901,075
Net position - beginning of year	(59,354,707)
Net position - end of year	(\$57,453,632)

See accompanying notes to financial statements



(This Page intentionally left blank.)

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

1. Summary of Significant Accounting Policies

(a) Reporting Entity

The City of San Ramon (the “City”) was incorporated in 1983 as a Charter City and operates under a Council/Manager form of government. The Council is composed of five members. As required by generally accepted accounting principles, the financial statements present the government and its component unit for which the government is considered financially accountable. A blended component unit, although a legally separate entity, is, in substance, part of the government’s operations and so data from this unit is combined with the data of the primary government. The blended component unit as described below has a June 30 year end.

Blended Component Unit

The San Ramon Public Financing Authority (the “Authority”) was formed in 1987 as a joint powers authority between the City and the Authority in order to provide financial assistance to the City and the Authority by issuing debt and financing the construction of public facilities. The members of the City Council also act as the governing board of the Authority. Separate financial statements are not issued for the Authority.

(b) Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements and eliminations have been made to minimize the double counting of internal activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

1. Summary of Significant Accounting Policies, continued

(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds, however, are unlike all other fund types, reporting only assets and liabilities. They do, however, use the accrual basis of accounting to recognize receivables and payables.

Governmental fund financial statements 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. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments are recorded only when payment is due.

Property taxes, franchise taxes, licenses, charges for services, intergovernmental revenue and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government. Inventories are reported in the governmental funds using the purchase method. Inventories are valued on a first-in-first-out basis and since they are held for the City's own use, they are not adjusted to reflect changes in their market value.

The City reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The Dougherty Valley Special Revenue Fund is used to account for revenue received from Contra Costa County as reimbursements for a variety of municipal services, including police protection, and street and park maintenance, to be provided by the City. Per a Memorandum of Understanding with the County, the City is required to separately track the costs of service provided in the Dougherty Valley Area, and submit claims for reimbursements for costs to the County.

The San Ramon Housing Special Revenue Fund is used to account for expenditures for housing activities of the City of San Ramon. The City Council adopted Resolution No. 2013-063, on June 11, 2013, thereby electing to assume the housing functions from the Successor Agency's Low/Mod Income Housing Set Aside Fund.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

1. Summary of Significant Accounting Policies, continued

(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

The COP # 12 Debt Service Fund is used to account for debt service activity related to the 2011 Certificates of Participation.

The Capital Improvement Capital Projects Fund is used to account for expenditures for major infrastructure improvements of roads, sidewalks, City facilities, including parks, as well as for the procurement of major pieces of equipment.

In addition, the City reports the following fund types:

Proprietary Fund Type

Internal Service Funds are used to account for the financing of goods or services provided by one department of the City to other departments on a cost-reimbursement basis. The City has six internal service funds – The Investment Fund is for investment management, the Equipment Replacement Fund is for recording the equipment and depreciation thereon, the Information Systems Replacement Fund is for recording computer equipment, the Insurance Liability Fund is used to provide for the general liability and other claims against the City, the Healthcare Fund is used for payment of medical, dental, vision premiums and claims, and the Building Maintenance Fund is used for the cost of maintaining City buildings.

Fiduciary Fund Types

Private-purpose Trust Fund is used to account for monies received from the Contra Costa County Auditor Controller for repayment of the enforceable obligations of the San Ramon Successor Agency. These funds are restricted for the sole purpose of payment of items on an approved Recognized Payment Obligation Schedule.

Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, and/or - other governments, in accordance with the conditions of the agreements. Agency funds are purely custodial and thus do not involve measurement of results of operations. The City has five agency funds – Fostoria Assessment District Fund, Cree Court Assessment District Fund, Southern Contra Costa Joint Exercise of Powers Agreement (SCCJEPA) Trust Fund, San Ramon Valley Tourism Improvement District (TID), and Dougherty Valley (DV) Performing Arts Theater Fund.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to members, customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

1. Summary of Significant Accounting Policies, continued

(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the government's internal service funds are charges to customers for sales and services. Operating expenses for internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then use unrestricted resources as needed.

(d) New Accounting Pronouncements

Governmental Accounting Standards Board (GASB) Statement No. 73 - *Accounting and Financial Reporting for Pensions and Related Assets that are not within the scope of GASB Statement 68*. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, Financial Reporting for Pension Plans, and Statement 68 for pension plans and pensions that are within their respective scopes. The statement is effective for the 2016-2017 fiscal year.

Governmental Accounting Standards Board (GASB) Statement No. 74 - *Financial Reporting for Postemployment Benefit Plans other than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement replaces Statements No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, as amended, Statement 43, and Statement No. 50, Pension Disclosures. The statement is effective for the 2016-2017 fiscal year.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

1. Summary of Significant Accounting Policies, continued

(d) New Accounting Pronouncements, continued

Governmental Accounting Standards Board (GASB) Statement No. 77 - *Tax Abatement Disclosures*. For financial reporting purposes, this Statement defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. This Statement requires governments that enter into tax abatement agreements to disclose information about the agreements, including (1) brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients, (2) the gross dollar amount of taxes abated during the period, and (3) commitments made by a government, other than to abate taxes, as part of a tax abatement agreement. The statement is effective for the 2016-2017 fiscal year.

Governmental Accounting Standards Board (GASB) Statement No. 78 - *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of GASB Statement No. 68, Accounting and Financial Reporting for Pensions—an amendment to GASB Statement No. 27. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to State or local governmental employers who employees are provided with such pensions. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. This Statement had no impact on the City's financial statements.

Governmental Accounting Standards Board Statement (GASB) No. 80 - *Blending Requirements for Certain Component Unit –an amendment to GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of GASB Statement No. 14, The Financial Reporting Entity. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of GASB Statement No. 39, Determining Whether Certain Organizations Are Component Units – an amendment to GASB Statement No. 14. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016 and had no impact on the City's financial statements.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

1. Summary of Significant Accounting Policies, continued

(d) New Accounting Pronouncements, continued

Governmental Accounting Standards Board Statement (GASB) No. 82, - *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to GASB Statement No. 67, Financial Reporting for Pension Plans—an amendment to GASB Statement No. 25, GASB Statement No. 68, Accounting and Financial Reporting for Pensions—an amendment to GASB Statement No. 27, and GASB Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information; (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes; and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. This statement had no significant impact on the City's financial statements.

(e) Cash and Investments

For purposes of the statement of cash flows of the proprietary funds, all cash and investments with an original maturity of 90 days or less are considered to be cash and cash equivalents. The City pools its investment funds for maximum return.

Investments are included within the financial statement classifications of “Cash and investments” and “Cash and investments – restricted” and are stated at fair value.

The City has adopted the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Pools* (GASB 31), which require governmental entities to report certain investments at fair value in the financial statements and recognize the corresponding change in the fair value of investments in the year in which the change occurred. In accordance with GASB 31, the City has adjusted certain investments to fair value.

(f) Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

1. Summary of Significant Accounting Policies, continued

(g) Capital Assets

Capital assets, which include land, machinery, equipment (vehicles, computers, etc.), buildings and improvements, and infrastructure assets (roads, bridges, etc.), are reported in the statements of net position. Capital assets are defined by the City as all land and buildings; vehicles, and equipment with an initial individual cost of more than \$5,000; improvements and infrastructure assets with costs of more than \$100,000. Contributed capital assets are valued at their estimated fair market value on the date contributed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value. All other capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

Depreciation is recorded on a straight-line basis over the useful life of the assets as follows:

Parks improvements	25 years
Buildings and improvements	25 to 50 years
Machinery, improvements and equipment	3 to 10 years
Infrastructure assets	10 to 100 years

Infrastructure assets includes pavement/roads, storm drains, sidewalks, landscaping, curb and gutters, street lights, traffic signals, bridges, culverts, catch basins, retaining and sound walls, v-ditches, drainage structures and fencing.

Some capital assets may be acquired using Federal and State grant funds, or they may be contributed by developers or other governments. GASB Statement 34 requires that these contributions be accounted for as revenues at the time the capital assets are contributed.

(h) Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position or balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position or balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow or resources (revenue) until that time.

(i) Long-Term Debt

In the government-wide statements long-term debt is recorded as liability in the Statement of Net Position and is also shown in the proprietary fund statements.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

1. Summary of Significant Accounting Policies, continued

(j) Employee Compensated Absences

City employees may receive from twelve to twenty two days vacation time each year, depending upon length of service. An employee may accumulate earned vacation time up to a maximum of two years' worth of accrued vacation leave. Upon termination, employees are paid the full value of their unused vacation and compensatory time at their existing salary. City employees may accrue twelve days of sick leave each year. Upon termination, employees are paid 25-50 percent depending on length of service, of the value of their unused sick leave balance at their existing salary. There is no fixed payment schedule for employee compensated absences. The liability will be paid from future resources primarily from the insurance liability internal service fund.

The changes of the compensated absences in fiscal year 2016-17 were as follows:

	Governmental Activities
Beginning Balance	\$3,978,804
Additions	953,742
Payments	(616,169)
Ending Balance	\$4,316,377
Current Portion	\$481,544

(k) Land Held for Resale

Land held for resale of \$3,092,668 at June 30, 2017 is stated as the lowest of historical cost, net realizable value or agreed-upon sales price if a disposition agreement has been made with a developer performing housing projects.

(l) Property Taxes

Property taxes are assessed, collected and allocated by the County of Contra Costa.

The duties of assessing and collecting property taxes are performed by the County of Contra Costa Assessor and Tax Collector, respectively. Under the County's "Teeter Plan," the County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Tax levies cover the period from July 1 to June 30 of each year. All tax liens attach annually on the first day in January proceeding the fiscal year for which the taxes are levied. Taxes are levied on both real and personal property, as it exists on that date.

Secured property taxes are levied against real property and are due and payable in two equal installments. The first installment is due on November 1 and becomes delinquent if not paid by December 10. The second installment is due on February 1 and becomes delinquent if not paid by April.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

1. Summary of Significant Accounting Policies, continued

(m) Claims and Judgments

When it is probable that a claim liability has been incurred, and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any insurance coverage under its self-insurance program. At June 30, 2017, in the opinion of the City Attorney, the City had no material claims, which require loss provisions in the financial statements. Small claims and judgments are recorded as expenditures when paid.

The City's self-insurance program is administered through the Municipal Pooling Authority (the MPA), which is described at Note 13(a). The MPA is a public entity risk pool, which is accounted for under the provisions of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues* (GASB 10). Claim losses recorded in the MPA include both current claims and Incurred But Not Reported (IBNR) claims. Deposits to the MPA are recorded by the City as insurance expenditures in the General Fund when paid. These deposits are subject to retrospective adjustment. Favorable claims experience result in a refund of deposits from the MPA and such refunds, if any, are recorded as a reduction of insurance expenditures in the year received. Adverse claims experience result in the payment of additional deposits and such deposits, if any, are recorded as insurance expenditures when paid.

(n) Allocation of Investment Earnings Among Funds

The City pools all nonrestricted cash for investment purchases and allocates interest income and gains and losses in market value based on month-end cash balances. Funds that have restricted cash record interest income in the respective fund.

(o) Estimates

The preparation of 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.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

1. Summary of Significant Accounting Policies, continued

(p) Fair Value Measurements

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

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

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

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

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

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

2. Stewardship, Compliance and Accountability

(a) Budgetary Accounting

The City Council adopts an Annual Budget, in accordance with generally accepted accounting principles, no later than the second meeting of June of each year for the fiscal year commencing the following July 1. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. During May of each year, the City Manager submits to the City Council a proposed budget for the next fiscal year. Copies are made available to the public, the press, and staff members.
2. A series of Council work sessions are held at which the recommended budget is reviewed in detail and the departments (as requested) provide additional information.
3. After review by the City Council, a public hearing is conducted for the purpose of receiving public input on the recommended operating and capital budgets, the Master Fee Schedule, and the Appropriation Limit.
4. Upon completion of the hearings and modifications, if any, to the proposed budget, it is adopted, in late June, by the City Council through passage of appropriate resolutions.
5. Generally, the budget is amended in the middle of the year and at the end of the year. All approved additional appropriations are added to the adopted budget and an amended budget is presented to the City Council, which adopts it after due review. Expenditures may not exceed budgeted appropriations at the fund level.

Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2017, based on calculations by City Management, proceeds of taxes did not exceed related appropriations.

(b) Expenditures in Excess of Appropriations

The City had the following fund with expenditures in excess of appropriations for the year ended June 30, 2017:

Fund Name	Amount
<i>Governmental Major Funds:</i>	
COP #12 Debt Service Fund	\$2,026
<i>Governmental Non-Major Funds:</i>	
Planning Cost Recovery Special Revenue Fund	3,364
Police Services Donation Special Revenue Fund	16,516

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

3. Cash and Investments

Cash and investments as of June 30, 2017 are classified in the accompanying financial statements as follows:

<i>Statement of Net Position</i>	Amount
Cash and investments	\$78,438,274
Cash and investments - restricted	233,444
<i>Statement of Fiduciary Net Position</i>	
Cash and investments:	
Private Purpose Trust Funds	4,248,884
Agency Funds	382,282
Cash and investments - restricted:	
Private Purpose Trust Funds	5,365
Total Cash and investments	\$83,308,249

Cash and investments as of June 30, 2017 consisted of the following:

Cash on hand	\$5,575
Deposits with financial institutions	5,799,200
Investments	77,503,474
	\$83,308,249

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

3. Cash and Investments, continued

(a) Investments Authorized by the California Government Code and the City's Investment Policy

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investment of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy; nor does the table address the investment of funds set aside for the payment of retiree health care benefits which are governed by a separate less restrictive section of the California Government Code.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality**	Maximum Percentage of Portfolio *	Maximum Investment in One Issuer
Bankers' Acceptances	180 days	P-1/ A-1+	40%	2%
Commercial Paper	270 days	A-1/P-1/F-1	25%	2%
FDIC Insured Certificates of Deposit	5 years	None	None	\$250,000
Federal Agency Securities	5 years	None	None	50%
				10% San Ramon / 2% other Municipal Securities
Local Agency Bonds	5 years	Aa3/AA-/AA-	None	
Local Agency Investment Fund (LAIF)	N/A	None	15%	\$40 million
Medium-Term Corporate Notes	5 years	Aa3/AA-/AA-	30%	2%
Money Market Mutual Funds	None	Aaa/AAA	20%	10%
Negotiable Order of Withdrawal	N/A	AA	\$3,500,000	None
Negotiable Time Certificates of Deposit	5 years	Aa2/AA	30%	2%
Repurchase Agreements	30 days	None	30%	50%
State of CA Bonds	5 years	Aa2/AA/AA	None	None
Supranational Debt Organizations	5 years	AA	30%	5%
U.S. Treasury Obligations	5 years	None	None	None

* Excluding amounts held by bond trustee and funds invested for the payment of retiree health care benefits.

** At time of purchase

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

3. Cash and Investments, continued

(b) Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Allowed</u>	<u>Maximum Investment in One Issuer</u>	<u>Minimum Credit Quality</u>
Bankers' Acceptances	366 days	None	40%	A-1
Commercial Paper	270 days	None	None	A-1, AAA
Federal Agency Obligations	3 years	None	None	AAA
Federal Agency Securities	None	None	None	None
Investment Agreements	30 years	None	None	None
Local Agency Bonds	None	None	None	None
Local Agency Investment Fund (LAIF)	N/A	None	15%	None
Medium-Term Corporate Notes	5 years	None	None	None
Money Market Funds	N/A	None	None	AAA
Mortgage-backed Securities	None	None	None	None
Municipal Bonds	None	None	None	AAA
U.S. Treasury Obligations	None	None	None	None

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

3. Cash and Investments, continued

(c) Disclosures Relating to Interest Rate Risk

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

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

Investment Type	12 Months or less	13 to 24 Months	25 to 60 Months	Total
Federal Agency Securities	\$14,990,415	\$13,132,897	\$13,865,470	\$41,988,782
U.S. Treasury Notes	3,996,560	4,989,530	2,992,390	11,978,480
Municipal Securities			501,135	501,135
Medium-Term Corporate Notes	5,000,170	998,410	1,995,880	7,994,460
Negotiable Time Certificates of Deposit	2,453,683	743,742	1,713,053	4,910,478
Commercial Paper	3,986,260			3,986,260
Money Market Mutual Funds	1,769,715			1,769,715
Supranational Obligations		1,000,380	2,996,260	3,996,640
Local Agency Investment Fund (LAIF)	144,079			144,079
Held by bond trustee: Money Market Mutual Funds	233,445			233,445
Total Investments	<u>\$32,574,327</u>	<u>\$20,864,959</u>	<u>\$24,064,188</u>	77,503,474
Cash in banks and on hand				<u>5,804,775</u>
Total Cash and Investments				<u><u>\$83,308,249</u></u>

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

3. Cash and Investments, continued

(d) Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating as of year-end for each investment type, as provided by Moody's investment rating system:

Investment Type	Ratings as of June 30, 2017				Total
	Aaa	Aa1 to Aa3	A-1 to A-3	P-1	
Commercial Paper				\$3,986,260	\$3,986,260
Federal Agency Securities	\$41,988,782				41,988,782
Municipal Securities		\$501,135			501,135
Medium-Term Corporate Notes	3,004,280	3,990,680	\$999,500		7,994,460
Money Market Mutual Funds	1,769,715				1,769,715
Supranational Obligations	3,996,640				3,996,640
Held by bond trustee:					
Money Market Mutual Funds	233,445				233,445
Totals	\$50,992,862	\$4,491,815	\$999,500	\$3,986,260	60,470,437
<i>Not Rated:</i>					
Local Agency Investment Fund					144,079
Negotiable Time Certificates of Deposit					4,910,478
<i>Exempt from credit rate disclosure:</i>					
U.S. Treasury Notes					11,978,480
Total Investments					\$77,503,474

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

3. Cash and Investments, continued

(e) Fair Value Hierarchy

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

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of June 30, 2017:

	Level 1	Level 2	Total
<i>Investments by Fair Value Level:</i>			
Federal Agency Securities		\$41,988,782	\$41,988,782
Municipal Securities		501,135	501,135
Medium-Term Corporate Notes		7,994,460	7,994,460
Negotiable Time Certificates of Deposit		4,910,478	4,910,478
Supranational Obligations		3,996,640	3,996,640
Commercial Paper		3,986,260	3,986,260
U.S. Treasury Notes	\$11,978,480		11,978,480
Subtotal	\$11,978,480	\$63,377,755	75,356,235
<i>Investments Measured at Amortized Cost:</i>			
Money Market Mutual Funds			1,769,715
Held by bond trustee:			
Money Market Mutual Funds			233,445
<i>Investments Exempt from Fair Value Hierarchy:</i>			
Local Agency Investment Fund (LAIF)			144,079
Total Investments			\$77,503,474

Investments classified in Level 1 of the fair value hierarchy, valued at \$12 million are valued using prices quoted in active markets for those securities or offer same day liquidity at a price of par. Federal agency securities totaling \$42 million, municipal securities totaling \$500 thousand, medium-term corporate notes totaling \$8 million, negotiable time certificates of deposit totaling \$5 million, supranational obligations totaling \$4 million and commercial paper totaling \$4 million, classified in Level 2 of the fair value hierarchy, are valued using a matrix pricing technique. Matrix pricing is the process of estimating the market price of a bond based on the quoted prices of more frequently traded comparable bonds. The Local Agency Investment Fund is exempt from GASB 72 classifications. GASB 72 paragraph 69c indicates that Money Market Funds should be reported at amortized cost.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

3. Cash and Investments, continued

(f) Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

Issuer	Investment Type	Amount
Federal National Mortgage Association	Federal Agency Securities	\$18,102,812
Federal Home Loan Mortgage Corporation	Federal Agency Securities	9,920,530
Federal Home Loan Bank	Federal Agency Securities	6,985,360
Federal Farm Credit Bank	Federal Agency Securities	6,980,080

(g) Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2017, \$5,533,836 of the City's deposits with financial institutions in excess of Federal Depository Insurance Limits were collateralized.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

3. Cash and Investments, continued

(h) Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The book value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The total amount invested by all public agencies in LAIF as of June 30, 2017 was \$22.8 billion. LAIF is a part of the California Pooled Money Investment Act (PMIA), which at June 30, 2017 had a portfolio balance of \$77.6 billion. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. The average maturity of PMIA investments was 194 days as of June 30, 2017.

4. Interfund Transactions

(a) Interfund Balances

The purpose of the interfund receivables and payables is to make short-term loans from the General Fund to various funds. This interfund loan is to provide for operating cash flow. At June 30, 2017, interfund balances were as follows:

Due From Other Funds	Due to Other Funds	Amount
General Fund	Dougherty Valley Fund	\$2,967,930
	Non-major governmental funds	129,813
	Total	\$3,097,743

(b) Interfund Advances

The City Council authorized an advance from the General Fund to the San Ramon Housing Fund to continue housing programs through June 30, 2017. The advance is to be paid back to the General Fund once housing properties are sold. City Council also authorized an advance from the General Fund to the Capital Improvements Fund to fund various constructions in progress projects. The advance was repaid during fiscal year 2016-2017.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

4. Interfund Transactions, continued

Interfund advances for the year ended June 30, 2017 consisted of the following:

Fund Receiving Advance	Fund Making Advance	Amount of Advance
San Ramon Housing Fund	General Fund	\$300,000
Total		\$300,000

(c) Interfund Transfers

Interfund transfers for the year ended June 30, 2017 consisted of the following:

Fund Receiving Transfers	Fund Making Transfers	Amount Transferred	
General Fund	Capital Improvements Capital Projects Fund	\$104,495	(A)
	Non-major Governmental Funds	2,173,509	(A), (B)
Dougherty Valley Special Revenue Fund	General Fund	2,000,000	(A)
COPS #12 Debt Service Fund	General Fund	567,290	(B)
Capital Improvements Capital Projects Fund	General Fund	3,517,767	(C)
	Non-major Governmental Funds	7,337,877	(A), (C)
	Internal Service Funds	571,097	(C)
Nonmajor Governmental Funds	General Fund	1,629,665	(A), (B)
	Dougherty Valley Special Revenue Fund	183,472	(B)
	Capital Improvements Capital Projects Fund	425,783	(D)
	Non-major Governmental Funds	524,717	(A), (B)
Internal Service Funds	General Fund	2,123,057	(A), (C), (E)
	Dougherty Valley Special Revenue Fund	72,366	(E)
	Non-major Governmental Funds	10,800	(E)
Total Interfund Transfers		<u>\$21,241,895</u>	

- (A) Transfers to fund operation expenditures
- (B) Transfers to fund debt service
- (C) Transfers to fund capital improvements
- (D) Transfers to return excess CIP funding
- (E) Transfer to Internal Service Funds

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

5. Notes and Loans Receivable

Notes and loans receivable activities for the year ended June 30, 2017 is as follows:

	Balance at June 30, 2016	Additions	Deletions	Balance at June 30, 2017
Greystone Homes, Inc.	\$9,925			\$9,925
American Baptist Homes	5,500,000			5,500,000
REHAB Loan Program	207,019		(\$6,156)	200,863
Cree Court	81,771		(5,451)	76,320
Computer Loans	23,509	\$34,063	(26,382)	31,190
Total receivable	<u>\$5,822,224</u>	<u>\$34,063</u>	<u>(\$37,989)</u>	<u>\$5,818,298</u>

(a) Greystone Homes, Inc.

In January 1996, the City entered into an Affordable Housing Agreement with Greystone Homes, Inc. The agreement provides for various restrictions on the project to facilitate the affordability of housing units to qualifying low and moderate-income residents. The agreement calls for the reduction of the purchase price of affordable units by \$5,000. Upon initial sale of each affordable unit, the homebuyer will execute a promissory note to the City for \$9,925, accruing annually compounded interest at 3 percent for a term not to exceed thirty years. The homebuyer agrees to repay the note, together with interest accrued and deferred, upon sale or transfer of the affordable unit. For each note, \$4,925 represents the deferred payment of the San Ramon Valley Boulevard Widening Fee to the City.

(b) American Baptist Homes

In April 2007, the former Redevelopment Agency approved a loan to American Baptist Homes in the amount of \$5,500,000 for the development and improvement of real property for the purpose of developing 105 units of multifamily housing for seniors to very-low-income and low-income households in the City of San Ramon. The \$5,500,000 includes a \$750,000 loan from the State of California to the former Redevelopment Agency which was then loaned by the Agency to American Baptist Homes. The loan is due and payable in full to the San Ramon Housing Fund no later than fifty-five (55) years from the Completion Date.

(c) REHAB Loan Program

In November 2007, the former Redevelopment Agency implemented a Home Rehabilitation Loan Program to fund existing Home Rehabilitation Grants and the Exterior Enhancement Rebate Program from the 2006 Housing Bond proceeds. The Housing Rehabilitation Loan Program proposes a \$35,000 deferred loan be made available to medium, low, very-low and extremely-low income households at 3% interest. The loan would accrue interest for thirty years and be due upon sale, transfer, or refinance of the property. It is anticipated that repayments will start in year four of the program. Recycled funds will be used to fund future housing rehabilitation loans. During fiscal year 2016-17, no new loans were issued and \$6,156 in loan repayments were collected.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

5. Notes and Loan Receivable, continued

(d) Cree Court

The City provided home improvement loans to three homeowners within the City. These individuals make principal and interest payments through their property taxes. See Developer Agreement Note 14(d) for additional information.

(e) Computer Loans

The City's Computer Loan Program provides a financing alternative for employees wishing to purchase personal computer hardware and software similar to what they may be asked to use for City business. As of June 30, 2017, 34 City employees had loans outstanding totaling \$31,190.

6. Loan Receivable from Successor Agency

During May 2010, the San Ramon Redevelopment Agency (the "RDA") authorized a loan from the Low/Mod Housing Fund to the former Redevelopment Special Revenue Fund in the amount of \$2,888,859 for five years at the City pool interest rate. These funds were to supplement the State's Supplemental Educational Revenue Augmentation Fund for 2009-2010.

During April 2011, the former RDA authorized an additional loan from the Low/Mod Housing Fund to the Redevelopment Special Revenue Fund in the amount of \$594,765 for five years at the City pool interest rate. These additional funds were to supplement the State's Supplemental Educational Revenue Augmentation Fund for 2010-2011.

In fiscal year 2011-2012, the former RDA was dissolved (per Assembly Bill AB X1 26) and all loans were transferred from the RDA to the San Ramon Successor Agency (the "Successor Agency"). During the fiscal year 2012-2013, the City took over ownership of the Low/Mod Housing Fund from the Successor Agency, thereby taking ownership of the two loans. The fund name was changed to the San Ramon Housing Fund and the outstanding amount of the two loans totaled \$3,483,624 at June 30, 2017.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

7. Capital Assets

The following table presents the capital assets activities for the year ended June 30, 2017:

	<u>Balance at June 30, 2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance at June 30, 2017</u>
<i>Governmental activities</i>					
Capital assets not being depreciated:					
Land	\$40,633,536		(\$400,000)		\$40,233,536
Construction in progress	12,327,479	\$3,223,942	(31,966)	(\$535,455)	14,984,000
Total capital assets not being depreciated	<u>52,961,015</u>	<u>3,223,942</u>	<u>(431,966)</u>	<u>(535,455)</u>	<u>55,217,536</u>
Capital assets being depreciated:					
Park improvements	55,544,419				55,544,419
Buildings and improvements	87,947,022		(2,504,798)	535,455	85,977,679
Machinery, improvements and equipment	10,152,666	1,181,911	(336,345)		10,998,232
Infrastructure:					
Pavement/roads	199,615,904	7,770,300			207,386,204
Curb and gutters	34,675,536	1,071,500			35,747,036
Sidewalks	51,927,717	2,194,800			54,122,517
Catch basins	10,665,163				10,665,163
Storm drains	77,460,883	2,609,800			80,070,683
V-ditches	1,174,294				1,174,294
Street lights	32,953,623	1,182,500			34,136,123
Traffic signals	21,577,384	1,034,000			22,611,384
Bridges	14,322,591	13,297,000			27,619,591
Culverts	10,512,415				10,512,415
Retaining/soundwalls	4,355,567	265,000			4,620,567
Drainage structures	3,055,100				3,055,100
Fencing	1,428,709	26,300			1,455,009
Landscaping	53,568,290	782,000			54,350,290
Total capital assets being depreciated	<u>670,937,283</u>	<u>31,415,111</u>	<u>(2,841,143)</u>	<u>535,455</u>	<u>700,046,706</u>
Less accumulated depreciation for:					
Park improvements	(25,782,336)	(2,062,091)			(27,844,427)
Buildings and improvements	(20,762,329)	(2,004,215)	1,517,163		(21,249,381)
Machinery, improvements and equipment	(7,421,149)	(836,251)	333,812		(7,923,588)
Infrastructure:					
Pavement/roads	(109,332,504)	(9,039,087)			(118,371,591)
Curb and gutters	(11,912,656)	(574,870)			(12,487,526)
Sidewalks	(28,446,554)	(1,547,246)			(29,993,800)
Catch basins	(3,696,962)	(213,303)			(3,910,265)
Storm drains	(24,411,813)	(1,601,414)			(26,013,227)
V-ditches	(385,898)	(21,453)			(407,351)
Street lights	(15,726,267)	(780,258)			(16,506,525)
Traffic signals	(13,743,807)	(405,790)			(14,149,597)
Bridges	(3,893,864)	(552,392)			(4,446,256)
Culverts	(1,513,106)	(210,248)			(1,723,354)
Retaining/soundwalls	(1,502,150)	(184,823)			(1,686,973)
Drainage structures	(301,068)	(61,102)			(362,170)
Fencing	(375,329)	(72,750)			(448,079)
Landscaping	(16,959,297)	(2,144,072)			(19,103,369)
Total accumulated depreciation	<u>(286,167,089)</u>	<u>(22,311,365)</u>	<u>1,850,975</u>		<u>(306,627,479)</u>
Net governmental-type activities					
Capital assets being depreciated	384,770,194	9,103,746	(990,168)	535,455	393,419,227
Governmental activity capital assets, net	<u>\$437,731,209</u>	<u>\$12,327,688</u>	<u>(\$1,422,134)</u>		<u>\$448,636,763</u>

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

7. Capital Assets, continued

Depreciation expense is charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or programs are as follows:

Governmental Activities	Amount
General government	\$406,272
Community development	132,652
Police	128,866
Public works	19,649,644
Parks and community services	1,157,680
Internal service funds	<u>836,251</u>
 Total	 <u><u>\$22,311,365</u></u>

8. Long-Term Debt

Long-term debt liabilities activity for the year ended June 30, 2017 is as follows:

	Balance June 30, 2016	Retirements	Balance June 30, 2017	Amount due within one year
Certificates of Participation:				
2003 COPS #11 Refunding Bonds	\$430,000	\$210,000	\$220,000	\$220,000
2011 COPS #12 Refunding Bonds	8,105,000	1,260,000	6,845,000	1,295,000
Premium on Debt	401,500	44,611	356,889	44,611
Pension Obligation Bonds	16,520,000	305,000	16,215,000	355,000
Bank of America Capital Lease - LED Lighting	2,103,162	197,502	1,905,660	210,421
Capital Lease - Police Radios	<u>191,253</u>	<u>61,346</u>	<u>129,907</u>	<u>63,721</u>
Total Debt	<u><u>\$27,750,915</u></u>	<u><u>\$2,078,459</u></u>	<u><u>\$25,672,456</u></u>	<u><u>\$2,188,753</u></u>

(a) 2003 Certificates of Participation (COP #11)

On February 19, 2003, the San Ramon Public Financing Authority issued \$2,580,000 of refunding certificates of participation. These certificates were issued to repay the City's 1993 Certificates of Participation to take advantage of the substantially lower prevailing interest rates. The 1993 Certificates of Participation of \$3,000,000 was issued to refund a 1987 Certificate of Participation and restructure the debt for economic reasons. Interest on the certificates accrues at 2.50% to 4.40% and is payable semiannually on September 1 and March 1. Principal is payable each March 1.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

8. Long-Term Debt, continued

(a) 2003 Certificates of Participation (COP #11), continued

Debt service payments on the 2003 Certificates of Participation will be made from a non-major debt service fund. Annual debt service requirements to maturity are as follows:

For the Year Ending June 30	2003 COP #11 Refunding		
	Principal	Interest	Total
2018	\$220,000	\$9,680	\$229,680
Totals	\$220,000	\$9,680	\$229,680

(b) 2011 Certificates of Participation (COP #12)

On July 12, 2011, the San Ramon Public Financing Authority issued \$11,585,000 of refunding certificates of participation. These certificates were issued to repay the City's 2001 Certificates of Participation in the amount of \$8,415,000 and the City's 1996 Certificates of Participation in the amount of \$4,915,000. The 1996 and 2001 Certificates financed the expansion of Central Park and construction of the Community Center. As a result of this current refunding, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net position. Interest on the certificates accrues at 2.50% to 5.00% and is payable semiannually on June 1 and December 1. Principal is payable each June 1.

The reacquisition price exceeded the net carrying amount of the old debt by \$364,212, resulting in a deferred loss on refunding. This amount, with a balance of \$208,122 as of June 30, 2017, is being netted against the new debt and amortized over the remaining life of the new debt, which is shorter than the life of the refunded debt, and recorded as a deferred outflow of resources on the Statement of Net Position.

Debt service payments on the 2011 Certificates of Participation will be made from a debt service fund. Annual debt service requirements to maturity are as follows:

For the Year Ending June 30	2011 COP #12 Refunding		
	Principal	Interest	Total
2018	\$1,295,000	\$284,050	\$1,579,050
2019	1,340,000	232,250	1,572,250
2020	1,405,000	165,250	1,570,250
2021	1,455,000	116,075	1,571,075
2022	430,000	65,150	495,150
2023-2024	920,000	64,800	984,800
Totals	\$6,845,000	\$927,575	\$7,772,575

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

8. Long-Term Debt, continued

(c) Pension Obligation Bonds

On January 21, 2010, taxable pension obligation bonds in the amount of \$17,650,000 were issued to prepay the unfunded CALPERS pension obligation. Interest on the bonds accrues at 4 to 6.4 percent and is payable semiannually on June 1 and December 1. Principal is payable each June 1. Term bonds maturing February 1, 2039 are subject to mandatory sinking fund redemption at par commencing June 1, 2015.

Debt service payments on the Pension Obligation Bonds will be made from a non-major debt service fund. Annual debt service requirements to maturity are as follows:

For the Year Ending June 30	2010 Taxable Pension Obligation Bonds		
	Principal	Interest	Total
2018	\$355,000	\$1,028,783	\$1,383,783
2019	385,000	1,008,846	1,393,846
2020	405,000	987,225	1,392,225
2021	430,000	964,480	1,394,480
2022	455,000	936,960	1,391,960
2023 - 2027	2,755,000	4,208,320	6,963,320
2028 - 2032	3,765,000	3,206,080	6,971,080
2033 - 2037	5,125,000	1,836,800	6,961,800
2038 - 2039	2,540,000	246,400	2,786,400
Totals	<u>\$16,215,000</u>	<u>\$14,423,894</u>	<u>\$30,638,894</u>

(d) Bank of America Capital Lease

On June 28, 2012, the City entered into a twelve-year lease agreement in the amount of \$2,687,302 for the lease/purchase of LED lights for the Citywide lighting project. The total monthly payments range from \$18,105 to \$25,940 including interest at 2.34%. Annual debt service requirements to maturity are as follows:

For the Year Ending June 30	Bank of America Capital Lease		
	Principal	Interest	Total
2018	\$210,421	\$42,369	\$252,790
2019	223,895	37,302	261,197
2020	237,941	31,913	269,854
2021	252,583	26,192	278,775
2022	267,841	20,117	287,958
2023-2025	712,979	21,298	734,277
Totals	<u>\$1,905,660</u>	<u>\$179,191</u>	<u>\$2,084,851</u>

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

8. Long-Term Debt, continued

(e) Capital Lease – Police Radios

On August 1, 2012, the City entered into a seven year lease agreement in the amount of \$425,788 for the lease/purchase of police radio equipment. The total payment of \$68,748 including interest at 3.87% is due annually on August 1. Annual debt service requirements to maturity are as follows:

For the Year Ending June 30	Capital Lease - Police Radios		
	Principal	Interest	Total
2018	\$63,721	\$5,027	\$68,748
2019	66,186	2,561	68,747
Totals	<u>\$129,907</u>	<u>\$7,588</u>	<u>\$137,495</u>

9. Net Position and Fund Balances

(a) Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as invested in capital assets (net of related debt), restricted, and unrestricted.

- *Net Investment in Capital Assets* – groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.
- *Restricted* – reflects net position that are subject to constraints either (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources and includes a *legally enforceable* requirement that those resources be used only for the specific purposes stipulated in the legislation. A legally enforceable enabling legislation restriction is one that a party external to a government – such as citizens, public interest groups, or the judiciary – can compel a government to honor.
- *Unrestricted* – represents net position of the City that are not restricted for any project or purpose.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

9. Net Position and Fund Balances, continued

(b) Fund Balances

As prescribed by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2017, fund balances for government funds are made up of the following:

- *Nonspendable* – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.
- *Restricted* – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- *Committed* – includes amounts that can only be used for the specific purposes determined by a formal action of the City’s highest level of decision-making authority, through the adoption of a resolution. Commitments may be changed or lifted only by the City taking the same formal action that imposed the constraint originally. As of June 30, 2017, the City has committed fund balance in the amount of \$1,010,791. Of the committed fund balance \$916,196 was held in the Planning Cost Recovery Fund and \$94,595 in the GIS Fund. The City established the Planning Cost Recovery Fund to separate the General Plan Recovery Fee that is collected with each building permit to cover the costs of ongoing implementation, monitoring, and maintenance of the General Plan.
- *Assigned* – comprises amounts intended to be used by the City for specific purposes that are neither restricted nor committed. *Intent* is expressed by (1) the City Council or (b) a body (for example: a budget or finance committee) or the City Manager to which the City Council has delegated the authority to assign amounts to be used for specific purposes.
- *Unassigned* – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

9. Net Position and Fund Balances, continued

(b) Fund Balances, continued

Fund balances for all the major and nonmajor governmental funds as of June 30, 2017, were distributed as follows:

<u>Classifications</u>	<u>General Fund</u>	<u>Dougherty Valley</u>	<u>San Ramon Housing</u>	<u>COP #12</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Nonspendable:							
Notes and loans	\$107,510		\$9,189,487				\$9,296,997
Advances to other funds	300,000						300,000
Prepays	102,627	\$21,813			\$231,697	\$1,366	357,503
Total Nonspendable	510,137	21,813	9,189,487		231,697	1,366	9,954,500
Restricted for:							
Community development projects						841,231	841,231
Streets and roads projects						18,647,440	18,647,440
Developers related activities						229,645	229,645
Debt services				\$12,649,714		1,523,508	14,173,222
Park and facilities projects		3,163,263				922,497	4,085,760
Lighting and landscape projects						3,664,097	3,664,097
Capital projects					21,407,012		21,407,012
Police services						125,538	125,538
Solid waste projects						470,195	470,195
Housing projects			2,566,265				2,566,265
Total Restricted		3,163,263	2,566,265	12,649,714	21,407,012	26,424,151	66,210,405
Committed to:							
Community development projects						916,196	916,196
Capital projects						94,595	94,595
Total Committed						1,010,791	1,010,791
Unassigned	9,399,666					(1,025)	9,398,641
Total Fund Balances	\$9,909,803	\$3,185,076	\$11,755,752	\$12,649,714	\$21,638,709	\$27,435,283	\$86,574,337

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

9. Net Position and Fund Balances, continued

(c) Policies

The City considers restricted amounts to have been spent first when an expenditure is incurred for purposes of which both restricted and unrestricted fund balance is available. Additionally, the City considers committed amounts to have been spent first, assigned amounts to have been spent second, and unassigned amounts to have been spent last when an expenditure is incurred for purposes of which committed, assigned, and unassigned fund balance is available.

The City's General Fund Reserve Policy requires the General Fund reserves to maintain a minimum of 40% of General Fund Operating Expenditures. The uses of these reserves are restricted unless approved by resolution of the City Council.

10. Pension Plans

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. 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.

(a) General Information about the Pension Plans

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the City's separate Safety (police) cost-sharing and Miscellaneous (all other) agent multiple-employer defined benefit pension plans, administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

10. Pension Plans, continued

(a) General Information about the Pension Plans, continued

The Plans' provisions and benefits in effect at June 30, 2017, are summarized as follows:

	Miscellaneous		
	Prior to July 1, 2012	Between July 1, 2012 and January 1, 2013	On or after January 1, 2013
Hire date			
Benefit formula	2.7% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-55	50-60	52-62
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.092% to 2.0%	1.0% to 2.0%
Required employee contribution rates	8.0%	7.0%	6.25%
Required employer contribution rates	15.261%	15.261%	15.261%

	Safety		
	Prior to July 1, 2012	Between July 1, 2012 and January 1, 2013	On or after January 1, 2013
Hire date			
Benefit formula	3% @ 50	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50-55	50-57
Monthly benefits, as a % of eligible compensation	3%	2.4% to 3.0%	2.0% to 2.7%
Required employee contribution rates	9%	9%	12.25%
Required employer contribution rates	21.230%	18.301%	12.821%

(b) Miscellaneous Agent Multiple-Employer Defined Benefit Pension Plan

Employees Covered – As of the June 30, 2015 actuarial valuation date and June 30, 2016 measurement date, the following employees were covered by the benefit terms for the Miscellaneous (agent multiple-employer plan):

	<u>Miscellaneous</u>
Inactive employees or beneficiaries currently receiving benefits	128
Inactive employees entitled to but not yet receiving benefits	191
Active employees	218
Total	<u><u>537</u></u>

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

10. Pension Plans, continued

(b) Miscellaneous Agent Multiple-Employer Defined Benefit Pension Plan, continued

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 are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Net Pension Liability

The City’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability for each 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.

Changes in the Net Pension Liability

The changes in the Net Pension Liability for the Miscellaneous Plan are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2015	\$115,635,997	\$105,006,502	\$10,629,495
Changes in the year:			
Service cost	3,098,911		3,098,911
Interest on the total pension liability	8,844,191		8,844,191
Differences between actual and expected experience	269,589		269,589
Changes in assumptions			
Changes in benefit terms			
Plan to plan resource movement			
Contribution - employer		2,609,080	(2,609,080)
Contribution - employee		1,411,367	(1,411,367)
Net investment income		542,297	(542,297)
Administrative expenses		(63,996)	63,996
Benefit payments, including refunds of employee contributions	(3,689,418)	(3,689,418)	
Net changes	<u>8,523,273</u>	<u>809,330</u>	<u>7,713,943</u>
Balance at June 30, 2016	<u>\$124,159,270</u>	<u>\$105,815,832</u>	<u>\$18,343,438</u>

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

10. Pension Plans, continued

(b) Miscellaneous Agent Multiple-Employer Defined Benefit Pension Plan, continued

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 each Plan, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous
1% Decrease	6.65%
Net Pension Liability	\$35,772,448
Current Discount Rate	7.65%
Net Pension Liability	\$18,343,438
1% Increase	8.65%
Net Pension Liability (Asset)	\$3,927,317

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

For the year ended June 30, 2017, the City recognized pension expense of \$3,181,100. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$2,755,597	
Changes in assumptions		(\$976,716)
Differences between actual and expected experience	591,764	
Net differences between projected and actual earnings on plan investments	5,855,964	
Total	\$9,203,325	(\$976,716)

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

10. Pension Plans, continued

(b) Miscellaneous Agent Multiple-Employer Defined Benefit Pension Plan, continued

\$2,755,597 million 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, 2018. 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	Annual Amortization
2018	\$607,130
2019	709,778
2020	2,659,754
2021	1,494,350
2022	0
Thereafter	0

(c) Safety Cost-Sharing Multiple-Employer Defined Benefit Plan

Beginning in fiscal year 2016, CalPERS collects employer contributions for the cost-sharing plan as a percentage of payroll for the normal cost portion as noted in Note 10(a) and as a dollar amount for contributions toward the unfunded liability and side fund. The dollar amounts are billed on a monthly basis. The City's required contribution for the unfunded liability and side fund was \$145,121 in fiscal year 2017.

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 are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2017, the contributions recognized as part of pension expense for the Safety (cost-sharing plan) were as follows:

	Tier 1	Tier 2	PEPRA	Total
Contributions - employer	\$1,534,179	\$215,657	\$120,756	\$1,870,592

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

10. Pension Plans, continued

(c) Safety Cost-Sharing Multiple-Employer Defined Benefit Plan, continued

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions – For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pensions expense, information about the fiduciary net position of the Plans and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

As of June 30, 2017, the City reported net pension liabilities of \$5,049,024 for its proportionate shares of the net pension liability of the Plan, which totaled \$5,179,218,090.

The City’s net pension liability for the 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, 2016, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City’s proportionate share of the net pension liability for the Plan as of June 30, 2015 and 2016 was as follows:

	Safety
Proportion - June 30, 2015	0.09372%
Proportion - June 30, 2016	0.09749%
Change - Increase (Decrease)	0.00377%

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

10. Pension Plans, continued

(c) Safety Cost-Sharing Multiple-Employer Defined Benefit Plan, continued

For the year ended June 30, 2017, the City recognized a negative pension expense of \$387,757. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$1,870,592	
Differences between actual and expected experience		(\$136,832)
Changes in assumptions		(596,597)
Net differences between projected and actual earnings on plan investments	2,931,052	
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	3,212,086	(964,251)
Total	\$8,013,730	(\$1,697,680)

\$1,870,592 million 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, 2018. 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	Annual Amortization
2018	\$1,159,826
2019	1,188,645
2020	1,333,948
2021	763,039
2022	0
Thereafter	0

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

10. Pension Plans, continued

(c) Safety Cost-Sharing Multiple-Employer Defined Benefit Plan, continued

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City’s proportionate share of the net pension liability for each Plan, calculated using the discount rate for each 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
1% Decrease	6.65%
Net Pension Liability	\$8,727,345
Current Discount Rate	7.65%
Net Pension Liability	\$5,049,024
1% Increase	8.65%
Net Pension Liability	\$2,029,499

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

10. Pension Plans, continued

(d) Information Common to the Miscellaneous and Safety Plans

Actuarial Assumptions – For the measurement period ended June 30, 2016, the total pension liabilities were determined by rolling forward the June 30, 2015 total pension liability. The June 30, 2015 total pension liabilities were based on the following actuarial methods and assumptions:

	Miscellaneous & Safety
Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Projected Salary Increase	Varies by Entry Age and Service Derived using CalPERS Membership
Mortality	Data for all Funds (1)
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power applies, 2.75% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the CalPERS 2014 experience study report available on the CalPERS website under Forms and Publications.

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

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

10. Pension Plans, continued

(d) Information Common to the Miscellaneous and Safety Plans, continued

Discount Rate – The discount rate used to measure the total pension liability was 7.65% for each 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% 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% 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. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound geometric returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects 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. These rates of return are net of administrative expenses.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

10. Pension Plans, continued

(d) Information Common to the Miscellaneous and Safety Plans, continued

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	20.0%	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	1.0%	-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.

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

11. Post-Employment Health Care Benefits – Dougherty Regional Fire Authority

The City provides certain health care benefits for Dougherty Regional Fire Authority retirees as required under contract signed with PERS and the dissolution agreement of the Authority. The cost of retiree health care benefits is recognized as expenditure as premiums are paid. For the year ended June 30, 2017, those cost totaled \$74,051. See Note 12 for additional disclosures on the City retiree health care benefits.

12. Post-Employment Healthcare Plan

Plan Description: The City administers a single-employer defined benefit healthcare plan (the plan) which provides medical insurance benefits to eligible retirees and their spouses in accordance with various labor agreements. The City reports the financial activity of the plan as a trust fund, and no separate financial report is prepared.

Summary of Significant Accounting Policies: The Plan is reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

12. Post-Employment Healthcare Plan, continued

The benefits and refunds of the plan are recognized when due and payable in accordance with the terms of the plan.

Eligibility: Employees are eligible for retiree health benefits if they retire from the City on or after age 50 with at least 4 years of service, and are eligible for a PERS pension. Membership of the plan consisted of the following as of June 30, 2017.

Retirees		77
Active plan members		198
Total		275

Funding Policy: The contribution requirements of plan members and the City are established and may be amended by the City Council. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the City Council. For fiscal year 2016-2017, the City contributed \$1,481,175 to the plan and \$825,307 for current premiums (100% of total premiums). Plan members receiving benefits contributed \$77,230 (approximately 8.6% of total premiums) through their required contribution. The City pays up to the entire cost of health benefits for eligible retirees and their spouses until age 65 subject to the City's vesting schedule. After age 65, the City pays up to \$410 per month for any health coverage, also subject to the vesting schedule.

Annual OPEB Cost and Net OPEB Obligation: The City's annual other post-employment benefit (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 No. 45. *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (GASB 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) not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB asset as of June 30, 2017:

Annual Required Contribution (ARC)		\$1,661,160
Interest on net OPEB assets		(121)
Adjustment to ARC		134
Annual Pension Cost		1,661,173
Contributions made		
Paid to trust		1,481,175
Implicit subsidy benefits		226,552
Total Contributions		1,707,727
Increase in net OPEB (asset)		(46,554)
Net OPEB (asset) at June 30, 2016		(188,571)
Net OPEB (asset) at June 30, 2017		(\$235,125)

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

12. Post-Employment Healthcare Plan, continued

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB Obligation/ (Asset) for 2017 and the two preceding years were as follows:

<u>Fiscal Year</u>	<u>Annual OPEB Cost</u>	<u>Actual Payments</u>	<u>Percentage Of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
6/30/2015	\$1,980,350	\$1,899,847	96%	\$1,865
6/30/2016	1,661,173	1,847,879	111%	(188,571)
6/30/2017	1,661,173	1,707,727	103%	(235,125)

Funded Status and Progress: As of June 30, 2015, the most recent valuation date, the actuarial accrued liability for benefits was \$25.1 million, and the actuarial value of assets was \$22.6 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$2.5 million and a funded ratio (actuarial value of assets as a percentage of the actuarial accrued liability) of 90%. The covered payroll (annual payroll of active employees covered by plan) was \$25.7 million, and the ratio of the UAAL to the covered payroll was 10%.

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

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between 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 assets, consistent with the long-term perspective of the calculations.

The actuarial cost method used for determining the benefit obligations is the Projected Unit Credit Cost Method. The actuarial assumptions included a 6.50 % investment rate of return, which is a blended rate of the expected long-term investment returns on plan assets and on the City's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 3.5 percent initially, reduced by decrements of .25% per year. Both rates included a 4 percent inflation assumption. The UAAL is being amortized on an open basis as a level percentage of projected payrolls over 30 years.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

13. Risk Management

(a) Description of Participation in the Municipal Pooling Authority

The City is exposed to various risks of less related to torts; theft or damage to, and destruction of assets; natural disasters; errors and omissions; injury to employees; and unemployment claims. The City is a member of the Municipal Pooling Authority (MPA). MPA is comprised of over 19 California member cities and is organized under a Joint Powers Agreement pursuant to the California Government Code. The purpose of the MPA is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage. Each member city has a representative on the Board of Directors. The accounting methods used by the MPA are more fully described at Note 1(m).

The City pays an annual premium to the MPA for its Liability (\$29 million coverage, \$5,000 deductible), Fire and Property (\$1 billion coverage, \$25,000 deductible all-risk and copper claims, \$150,000 deductible water intrusions claims, \$100,000 minimum deductible flood claims per occurrence, except Zone A & V, which have \$250,000 minimum deductible and \$25 million limit, others \$25,000 deductible), Auto (\$250,000 coverage; police \$3,000 deductible; all others \$2,000 deductible), Workers' Compensation (Statutory limit, workers compensation liability equals \$4.5 million, \$500,000 insured retention, zero deductible), Cyber Liability (\$2 million coverage, \$50,000 deductible), Pollution Liability (\$1 million per pollution condition, \$100,000 deductible), and Boiler & Machinery (\$100 million, \$5,000 deductible). The Agreement provides that the MPA will be self-sustaining through member premiums and assessments. The MPA purchases commercial insurance in excess of those amounts covered by the MPA's self-insurance pool.

Audited financial information can be obtained from the MPA at 1911 San Miguel Drive, Walnut Creek, CA 94596. A summary of the latest audited annual financial information as of and for the year ended June 30, 2016 is as follows:

	MPA
Total assets and deferred outflows	\$51,128,042
Total liabilities and deferred inflows	42,292,378
Total net position	\$8,835,664
Total revenue	\$25,341,149
Total expenditures/ expenses	24,287,028
Net (decrease) in net position	\$1,054,121

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

13. Risk Management, continued

(b) Liability for Uninsured Claims

The City provides for the uninsured portion of claims and judgments in the General Fund and Insurance Liability Fund. Claims and Judgments, including a provision for claims incurred but not reported, are recorded when a loss is deemed probably of assertion and the amount of the loss is reasonably determinable. The City’s liability for uninsured claims at June 30, 2017 was estimated by management and based on MPA’s claims experience, and was computed as follows:

	Liability
Beginning claims payable balance	\$1,112,645
Claims incurred	5,973,500
Increase (decrease) in estimated liability	(1,178,145)
Claims paid	(5,860,813)
Ending claims payable balance	\$47,187
Current portion	\$47,187

14. Developer Agreements and Tax Sharing Agreements

(a) Bishop Ranch Agreement

In November 1987, the City entered into an annexation and development agreement with Sunset Development Company (et al.) relative to the development known as Bishop Ranch. The agreement was subsequently amended eight different times (September 1991, September 1996, April 1998, May 2002, January 2008, December 2008, December 2009, and August 2014). The agreement and amendments outline provisions for the development of the 585-acre business park community known as Bishop Ranch. The development included the installation of numerous public improvements that serve both the project and adjoining areas of the City.

In the Third Amendment dated April 14, 1998, the developer of Bishop Ranch agreed to dedicate 11.19 acres of land to the City when building permits are obtained for the fourth office building of the BR# 3 office project by June 30, 2001, whichever shall occur first. This transaction was consummated on June 29, 2001. The use of the property is restricted by the development agreement and limited to the development of public buildings. If the City elected to sell or transfer any or all of its interests in the property at any time before December 31, 2010, the developer had the right to purchase the property from the City for \$5,000,000 (with a consumer price index escalation clause) plus the actual out-of-pocket costs incurred by the City in constructing improvements to the property. If the City did not commence construction of a civic center complex on the property by December 31, 2010, the developer had until July 1, 2011 to repurchase the property under the same terms as the pre December 31, 2010 right to purchase clause.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

14. Developer Agreements and Tax Sharing Agreements, continued

(a) Bishop Ranch Agreement, continued

The Fifth Amendment dated January 25, 2008 was entered into in connection with the approval of the City Center Project and contained a termination clause if certain property transfers between the Bishop Ranch Ownership and the City, for construction of the City Center Project, did not occur prior to January 1, 2010.

In the Seventh Amendment dated December 15, 2009, the termination date was extended to January 1, 2015 and Sunset's right to exercise its option for reacquisition of the dedicated land was extended to July 1, 2015.

The Eighth Amendment dated August 13, 2014 was entered into to incorporate the amended City Center approvals into the Project, vest the rights to proceed with development of the City Center Project on portions of the project site covered by the development agreement, and to clarify the transfer of ownership, thus ensuring the terms of the development agreement, and all its amendments, were extended to December 31, 2020.

(b) Bishop Ranch Tax Exchange Agreement with Contra Costa County

On June 3, 1986 pursuant to resolutions adopted by the City Council of the City San Ramon and the Board of Supervisors of the County of Contra Costa, the City and County entered into the Master Property Tax Exchange Agreement for Allocation of Property Tax between the two agencies upon annexations of County Service Area to the City (LAFCO Nos 87-58 and 87-60).

On December 1, 1987, the City and County entered into the first amendment to the Master Agreement to specify provisions which govern the administration of property, sales, and transient occupancy taxes and for the sharing of tax revenues in the 585-acre business park known as the Bishop Ranch.

On July 24, 2007, a second amendment was made to exclude the residential component of the City Center Project from provisions of the Master Property Tax Exchange Agreement for a period of 25 years. The second amendment terminated automatically on November 2, 2010 when construction of the City Center Project was delayed by the economic downturn.

On June 14, 2016, a third amendment was made to continue the operative terms of the second amendment to exclude residential units from the tax sharing formula and facilitate the development of jobs and housing in the revised City Center Project area.

The agreement provides that the property tax revenue allocation to the City for parcels in the Bishop Ranch business park would be reduced by 50% of the total sales and transient occupancy taxes collected in the Bishop Ranch area. The agreement limits the amount of property tax revenues transferred to the County to the amount of property taxes allocable to the City for the Bishop Ranch area. During fiscal year 2017, the amount of property taxes received by the Contra Costa County under the agreement was \$1,595,907.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

14. Developer Agreements and Tax Sharing Agreements , continued

(c) *Dougherty Valley Development Memorandum of Understanding*

On October 15, 1997, the City entered into a Memorandum of Understanding with Contra Costa County, Shapell Industries, and Windermere Partners related to the development of Dougherty Valley, an area on the eastern borders of the City. The Memorandum of Understanding is an instrument of compliance with a May 11, 1994 settlement agreement. Under the Memorandum of Understanding, the City will be annexing land that will include up to approximately 11,000 housing units. Contra Costa County has established a County Service Area assessment district in Dougherty Valley that is intended to pay for a variety of municipal services including police protection, street and park maintenance. The City will be providing service in the area and under the agreement will be reimbursed for a portion of those services from the County Service Area Assessment. Under the agreement, the City is required to separately track the costs of services in the Dougherty Valley Area, and submit claims for reimbursements for costs from the County. On December 13, 2005, the City Council approved the formal reimbursement agreement.

(d) *Cree Court Assessment District*

The Cree Court Assessment District has issued debt to finance infrastructure improvements and facilities within its boundaries. The City is the collecting and paying agent for the debt issued by this District, but has no direct or contingent liability or moral obligation for the payment of this debt. Accordingly, the unretired principal at June 30, 2017 of \$76,320 has not been recorded as a long-term liability in the statement of net position.

(e) *Property Tax Sharing with San Ramon Valley Fire Protection District*

On September 28, 2007 the City of San Ramon and San Ramon Valley Fire Protection District (District) entered into a property tax sharing agreement related to development of City Center Project. The agreement provides a formula for sharing of property tax revenue between the District and the City. During fiscal year 2016-17 the City received payments totaling \$46,313.

(f) *Use Tax Sharing Agreement with San Ramon Valley Fire Protection District*

On November 25, 2014, the City and San Ramon Valley Fire Protection District (District) entered into an agreement whereby the City agreed to share with the District, on a 50/50 basis, the additional amount of California state use tax received by the City and attributable to use tax paid directly by the District to the California State Board of Equalization on purchases from out-of-state vendors.

(g) *PG&E Energy Efficiency Retrofit Loan Program*

On April 7, 2017, the City entered into an Energy Efficiency Retrofit On-Bill financing loan agreement with Pacific Gas & Electric (PG&E) for the cost of energy efficiency/demand response equipment and services to upgrade and repair the current HVAC Mechanical System and Window Inserts and re-lamp the current lighting fixtures to LED. In lieu of actual payments, the zero-interest bearing loan, which totaled \$1,035,734, will be repaid through energy savings reflected on the City's PG&E utility bills.

CITY OF SAN RAMON, CALIFORNIA
NOTES TO THE FINANCIAL STATEMENTS

Fiscal year ended June 30, 2017

15. Contingencies and Commitments

In the normal course of operations, the City has been named as a defendant in various claims and legal actions. In the opinion of management and legal counsel, the ultimate liability for these legal actions and claims will not have a material adverse effect on the City's basic financial statements.

The City participates in Federal and State grant programs. These programs are subject to 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 expected such amounts, if any, to be immaterial.

16. Subsequent Event

On August 8, 2017, the City developed the Home Safe and Vehicle Vault/Security System Loan Program to provide a financing alternative for sworn San Ramon police officers wishing to purchase secure firearm storage products for their home and personal vehicles. As of October 2017, there were no loans outstanding.



(This Page intentionally left blank.)

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SAN RAMON, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION

Fiscal year ended June 30, 2017

MISCELLANEOUS PLAN
An Agent Multiple-Employer Defined Pension Plan
Last 10 Years*

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

Measurement Date	6/30/2014	6/30/2015	6/30/2016
Total Pension Liability			
Service Cost	\$3,065,874	\$2,878,989	\$3,098,911
Interest on total pension liability	7,616,515	8,236,308	8,844,191
Changes of benefit terms			
Changes of assumptions		(2,125,794)	
Differences between expected and actual experience		859,787	269,589
Benefit payments, including refunds of employee contributions	(3,016,709)	(3,407,918)	(3,689,418)
Net change in total pension liability	7,665,680	6,441,372	8,523,273
Total pension liability - beginning	101,528,945	109,194,625	115,635,997
Total pension liability - ending (a)	\$109,194,625	\$115,635,997	\$124,159,270
Plan fiduciary net position			
Contributions - employer	\$2,161,339	\$2,324,159	\$2,609,080
Contributions - employee	1,685,116	1,335,799	1,411,367
Net investment income	15,156,953	2,250,869	542,297
Benefit payments, including refunds of employee contributions	(3,016,709)	(3,407,918)	(3,689,418)
Plan to plan resource movement		18	
Administrative expense		(118,214)	(63,996)
Net change in plan fiduciary net position	15,986,699	2,384,713	809,330
Plan fiduciary net position - beginning	86,635,090	102,621,789	105,006,502
Plan fiduciary net position - ending (b)	\$102,621,789	\$105,006,502	\$105,815,832
Net pension liability - ending (a)-(b)	\$6,572,836	\$10,629,495	\$18,343,438
Plan fiduciary net position as a percentage of the total pension liability	93.98%	90.81%	85.23%
Covered payroll	\$15,815,866	\$16,576,119	\$17,838,272
Net pension liability as percentage of covered payroll	41.56%	64.13%	102.83%

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the 6/30/15 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in assumptions. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

*Fiscal year 2015 was the 1st year of implementation.

CITY OF SAN RAMON, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION

Fiscal year ended June 30, 2017

MISCELLANEOUS PLAN
An Agent Multiple-Employer Defined Pension Plan
Last 10 Years*
SCHEDULE OF CONTRIBUTIONS

Fiscal Year Ended June 30	2015	2016	2017
Actuarially determined contribution	\$2,230,199	\$2,601,374	\$2,755,597
Contributions in relation to the actuarially determined contributions	(2,230,199)	(2,601,374)	(2,755,597)
Contribution deficiency (excess)	\$0	\$0	\$0
Covered payroll	\$16,576,119	\$17,838,272	\$18,178,704
Contributions as a percentage of covered payroll	13.45%	14.58%	15.16%
Notes to Schedule			
Valuation date:	6/30/2012	6/30/2013	6/30/2014
Methods and assumptions used to determine contribution rates:			
Actuarial cost method	Entry age normal		
Amortization method	Level percentage of payroll		
Remaining amortization period	13 years as of the Valuation Date		
Asset valuation method	15-year smoothed market		
Inflation	2.75%		
Salary increases	Varies by entry age and service		
Investment rate of return	7.50% , net of pension plan investment expense, including inflation		
Retirement age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007		
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries		

*Fiscal year 2015 was the 1st year of implementation.

CITY OF SAN RAMON, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION

Fiscal year ended June 30, 2017

SAFETY PLAN
Cost-Sharing Multiple-Employer Defined Pension Plan
Last 10 Years*

**SCHEDULE OF THE PLAN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND
RELATED RATIOS AS OF THE MEASUREMENT DATE**

Measurement Date	<u>6/30/2014</u>	<u>6/30/2015</u>	<u>6/30/2016</u>
Safety - Total			
Plan's proportion of the Net Pension Liability (Asset)	0.05854%	0.93720%	0.97490%
Plan's proportion share of the Net Pension Liability (Asset)	<u>\$3,642,576</u>	<u>\$3,861,735</u>	<u>\$5,049,024</u>
Plan's Covered Payroll	<u>\$7,069,736</u>	<u>\$7,654,536</u>	<u>\$8,472,705</u>
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	51.52%	50.45%	59.59%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	81.42%	83.54%	81.37%

*Fiscal year 2015 was the 1st year of implementation.

CITY OF SAN RAMON, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION

Fiscal year ended June 30, 2017

SAFETY PLAN
Cost-Sharing Multiple-Employer Defined Pension Plan
Last 10 Years*
SCHEDULE OF CONTRIBUTIONS

Fiscal Year Ended June 30	<u>2015</u>	<u>2016</u>	<u>2017</u>
Safety			
Actuarially determined contribution	\$2,070,229	\$1,750,732	\$1,870,592
Contributions in relation to the actuarially determined contributions	<u>(2,070,229)</u>	<u>(1,750,732)</u>	<u>(1,870,592)</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Covered payroll	\$7,654,536	\$8,472,705	\$8,940,160
Contributions as a percentage of covered payroll	27.05%	20.66%	20.92%

*Fiscal year 2015 was the 1st year of implementation.

CITY OF SAN RAMON, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION

Fiscal year ended June 30, 2017

Other-Post Employment Benefits
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (B)	Overfunded (Underfunded) Actuarial Accrued Liability (A – B)	Funded Ratio (A/B)	Covered Payroll (C)	Overfunded (Underfunded) Actuarial Liability as Percentage of Covered Payroll [(A – B)/C]
01/01/2012	\$10,164,507	\$17,225,823	(\$7,061,316)	59%	\$21,506,540	33%
01/01/2014	17,577,448	22,858,160	(5,280,712)	77%	20,129,237	26%
06/30/2015	22,566,723	25,110,009	(2,543,287)	90%	25,663,195	10%

CITY OF SAN RAMON
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$35,933,789	\$35,933,789	\$36,197,046	\$263,257
Licenses and permits	1,948,750	1,948,750	2,005,548	56,798
Intergovernmental	197,970	227,027	346,197	119,170
Charges for services	7,229,211	7,229,211	6,537,626	(691,585)
Fines and forfeitures	397,500	397,500	341,487	(56,013)
Investment income	75,000	75,000	59,969	(15,031)
Miscellaneous	2,310,817	2,310,817	2,558,531	247,714
TOTAL REVENUES	<u>48,093,037</u>	<u>48,122,094</u>	<u>48,046,404</u>	<u>(75,690)</u>
EXPENDITURES				
Current:				
General Government:				
Community development	6,390,381	6,410,381	5,943,627	466,754
Police services	3,341,361	3,341,361	3,051,027	290,334
Public works	13,029,943	13,065,467	12,579,008	486,459
Parks and community services	14,225,011	14,384,879	14,054,064	330,815
Debt service:	8,860,131	8,860,131	8,052,418	807,713
Principal retirement			38,648	(38,648)
Interest and fees			4,663	(4,663)
TOTAL EXPENDITURES	<u>45,846,827</u>	<u>46,062,219</u>	<u>43,723,455</u>	<u>2,338,764</u>
Excess (deficiency) of revenue over (under) expenditures	<u>2,246,210</u>	<u>2,059,875</u>	<u>4,322,949</u>	<u>2,263,074</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,191,509	2,198,509	2,278,004	79,495
Transfers (out)	(5,482,225)	(9,500,075)	(9,837,779)	(337,704)
Total Other Financing Sources (Uses)	<u>(3,290,716)</u>	<u>(7,301,566)</u>	<u>(7,559,775)</u>	<u>(258,209)</u>
NET CHANGE IN FUND BALANCE	<u>(\$1,044,506)</u>	<u>(\$5,241,691)</u>	<u>(3,236,826)</u>	<u>\$2,004,865</u>
Fund balance at beginning of year			<u>13,146,629</u>	
Fund balance at end of year			<u>\$9,909,803</u>	

CITY OF SAN RAMON
DOUGHERTY VALLEY FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$15,836,141	\$15,853,206	\$14,454,266	(\$1,398,940)
Miscellaneous	<u>171,000</u>	<u>171,000</u>	<u>59,801</u>	<u>(111,199)</u>
TOTAL REVENUES	<u>16,007,141</u>	<u>16,024,206</u>	<u>14,514,067</u>	<u>(1,510,139)</u>
EXPENDITURES				
Current:				
Police services	7,491,616	7,514,135	7,364,380	149,755
Public works	10,830,601	10,830,601	10,202,217	628,384
Debt service:				
Principal			22,698	(22,698)
Interest and fees			<u>2,739</u>	<u>(2,739)</u>
TOTAL EXPENDITURES	<u>18,322,217</u>	<u>18,344,736</u>	<u>17,592,034</u>	<u>752,702</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(2,315,076)</u>	<u>(2,320,530)</u>	<u>(3,077,967)</u>	<u>(757,437)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,000,000	2,000,000	2,000,000	
Transfers (out)	<u>(183,472)</u>	<u>(183,472)</u>	<u>(255,838)</u>	<u>(72,366)</u>
Total Other Financing Sources (Uses)	<u>1,816,528</u>	<u>1,816,528</u>	<u>1,744,162</u>	<u>(72,366)</u>
NET CHANGE IN FUND BALANCE	<u><u>(\$498,548)</u></u>	<u><u>(\$504,002)</u></u>	<u><u>(1,333,805)</u></u>	<u><u>(\$829,803)</u></u>
Fund balance at beginning of year			<u>4,518,881</u>	
Fund balance at end of year			<u><u>\$3,185,076</u></u>	

CITY OF SAN RAMON
SAN RAMON HOUSING FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment income			\$7	\$7
Miscellaneous	\$1,500,000	\$1,500,000		(1,500,000)
TOTAL REVENUES	<u>1,500,000</u>	<u>1,500,000</u>	<u>7</u>	<u>(1,499,993)</u>
EXPENDITURES				
Current:				
Housing	626,889	626,889	523,133	103,756
TOTAL EXPENDITURES	<u>626,889</u>	<u>626,889</u>	<u>523,133</u>	<u>103,756</u>
Excess (deficiency) of revenue over (under) expenditures	<u>873,111</u>	<u>873,111</u>	<u>(523,126)</u>	<u>(1,396,237)</u>
NET CHANGE IN FUND BALANCE	<u>\$873,111</u>	<u>\$873,111</u>	<u>(523,126)</u>	<u>(\$1,396,237)</u>
Fund balance at beginning of year			<u>12,278,878</u>	
Fund balance at end of year			<u>\$11,755,752</u>	

CITY OF SAN RAMON, CALIFORNIA

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2017

1. Budgets and Budgetary Accounting

The City Council adopts and Annual Budget, in accordance with generally accepted accounting principles, no later than the second meeting of June of each year for the fiscal year commencing the following July 1. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1) During May of each year, the City Manager submits to the City Council a proposed budget for the next following fiscal year. Copies are made available to the public, the press, and staff members.
- 2) A series of Council work sessions are held at which the recommended budget is reviewed in detail and the departments (as requested) provide additional information.
- 3) After review by the city Council, a public hearing is conducted for the purpose of receiving public input on the recommended operating and capital budgets, the Master Fee Schedule, and the Gann Appropriation Limit.
- 4) Upon completion of the hearings and modifications, if any, to the proposed budget, it is adopted, in late June, by the City Council through passage of appropriate resolutions.
- 5) Generally, the budget is amended in the middle of the year and at the end of the year. All approved additional appropriations are added to the adopted budget and an amended budget is presented to the City Council, which adopts it after due review.

SUPPLEMENTARY INFORMATION

CITY OF SAN RAMON
COP #12 FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
EXPENDITURES			
Debt service:			
Principal	\$1,260,000	\$1,260,000	
Interest and fees	318,550	320,576	(\$2,026)
TOTAL EXPENDITURES	1,578,550	1,580,576	(2,026)
Excess (deficiency) of revenue over (under) expenditures	(1,578,550)	(1,580,576)	(2,026)
OTHER FINANCING SOURCES (USES)			
Transfers in	567,290	567,290	
Total Other Financing Sources (Uses)	567,290	567,290	
NET CHANGE IN FUND BALANCE	(\$1,011,260)	(1,013,286)	(\$2,026)
Fund balance at beginning of year		13,663,000	
Fund balance at end of year		\$12,649,714	

CITY OF SAN RAMON
 CAPITAL IMPROVEMENTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$105,000	\$1,005,392	\$900,392
Investment income	25,000	52,247	27,247
Miscellaneous		368,535	368,535
	<u>130,000</u>	<u>1,426,174</u>	<u>1,296,174</u>
EXPENDITURES			
Current:			
Capital outlay	10,291,594	9,689,377	602,217
	<u>10,291,594</u>	<u>9,689,377</u>	<u>602,217</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(10,161,594)</u>	<u>(8,263,203)</u>	<u>1,898,391</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of property		5,606,679	5,606,679
Transfers in	11,937,572	11,426,741	(510,831)
Transfers (out)	(25,000)	(530,278)	(505,278)
	<u>11,912,572</u>	<u>16,503,142</u>	<u>4,590,570</u>
NET CHANGE IN FUND BALANCE	<u>\$1,750,978</u>	<u>8,239,939</u>	<u>\$6,488,961</u>
Fund balance at beginning of year		<u>13,398,770</u>	
Fund balance at end of year		<u>\$21,638,709</u>	



(This Page intentionally left blank.)

CITY OF SAN RAMON, CALIFORNIA
DESCRIPTIONS OF NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for revenue which, by law or administrative action, is designed to finance particular projects and activities in the City's Capital Improvement Program. These funds are the Development mitigation Funds, Gas Tax Fund, Park Development Fund, Crow Canyon Project Fund, SCCJEPA Fund, Street Maintenance/Improvements Fund, Traffic Improvements Fund, and Tri-Valley Transportation Fund.

The City has several special revenue funds which are funded by special assessments collected annually to pay for specific operating programs. These funds are Citywide Lighting and Landscaping Funds, Special Landscaping Zones Fund, Canyon Park Fund, Village Center Common Area Fund, Solid Waste Fund, Geologic Hazard Abatement District (GHAD) Fund, Non-Point Drainage District Fund and CFD 2014-1 Fund.

The City has set up separate special revenue funds for recording transactions for special projects and programs. These are the Street Smarts Fund, TDM Programs Fund, Police Services Donation Fund, Geographic Information Systems Fund, Planning Cost Recovery Fund and Public Education and Government Fund.

The CFD 2014-1 Fund is used to account for the acquisition, construction, and improvements of police and public safety facilities, park and recreational facilities, and open space facilities for future annexation areas.

Debt Service Funds

The Debt Service Funds are used to account for the payment of principal and interest on long-term debt of the City and related entities.

The Pension Obligation Bonds Debt Service Fund is used to account for debt service activity related to the 2010 Taxable Pension Obligation Bonds.

The COP #11 Fund is used to account for debt service activity relating to the 2003 Certificates of Participation.

The LED Lights Fund is used to account for debt service activity relating to the LED Lights conversion (CIP 5499).

CITY OF SAN RAMON
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2017

	SPECIAL REVENUE FUNDS			
	Planning Cost Recovery	Geographic Information System	CFD 2014-1	Development Mitigation
ASSETS				
Cash and investments	\$917,509	\$94,360	\$34,801	\$229,055
Restricted cash and investments				
Receivable, net:				
Accounts				
Notes				
Interest	2,336	235	87	590
Prepaid items				
Total Assets	\$919,845	\$94,595	\$34,888	\$229,645
LIABILITIES				
Accounts payable				
Accrued payroll	\$3,649			
Due to other funds				
Deposits payable				
Total Liabilities	3,649			
FUND BALANCES				
Nonspendable				
Restricted			\$34,888	\$229,645
Committed	916,196	\$94,595		
Unassigned				
TOTAL FUND BALANCES	916,196	94,595	34,888	229,645
TOTAL LIABILITIES AND FUND BALANCE	\$919,845	\$94,595	\$34,888	\$229,645

SPECIAL REVENUE FUNDS

<u>Gas Tax</u>	<u>Park Development</u>	<u>Crow Canyon Project</u>	<u>SCCJEPA</u>	<u>Street Maintenance/ Improvements</u>	<u>Traffic Improvements</u>	<u>Tri-Valley Transportation</u>
\$19,711	\$944,472	\$4,130	\$7,554,771	\$191,068	\$125,989	\$123,661
141,462				862,159		
1,037	2,446	11	19,560	4,925 784	222	163
<u>\$162,210</u>	<u>\$946,918</u>	<u>\$4,141</u>	<u>\$7,574,331</u>	<u>\$1,058,936</u>	<u>\$126,211</u>	<u>\$123,824</u>
	<u>\$24,421</u>					
	<u>24,421</u>					
\$162,210	922,497	\$4,141	\$7,574,331	\$1,058,936	\$126,211	\$123,824
<u>162,210</u>	<u>922,497</u>	<u>4,141</u>	<u>7,574,331</u>	<u>1,058,936</u>	<u>126,211</u>	<u>123,824</u>
<u>\$162,210</u>	<u>\$946,918</u>	<u>\$4,141</u>	<u>\$7,574,331</u>	<u>\$1,058,936</u>	<u>\$126,211</u>	<u>\$123,824</u>

(Continued)

CITY OF SAN RAMON
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2017

		SPECIAL REVENUE FUNDS			
		Public Education and Government	Citywide Lighting and Landscaping	Special Landscaping Zones	Canyon Park
ASSETS					
Cash and investments		\$493,663	\$1,492,115	\$2,485,139	\$214,330
Restricted cash and investments					
Receivable, net:					
Accounts		60,259	88,566	6,869	
Notes					
Interest		1,186	3,919	6,511	556
Prepaid items					
Total Assets		\$555,108	\$1,584,600	\$2,498,519	\$214,886
LIABILITIES					
Accounts payable			\$133,119	\$228,003	\$1,080
Accrued payroll			23,461	34,439	\$291
Due to other funds					
Deposits payable					
Total Liabilities			156,580	262,442	1,371
FUND BALANCES					
Nonspendable					
Restricted		\$555,108	1,428,020	2,236,077	213,515
Committed					
Unassigned					
TOTAL FUND BALANCES (DEFICITS)		555,108	1,428,020	2,236,077	213,515
TOTAL LIABILITIES AND FUND BALANCE		\$555,108	\$1,584,600	\$2,498,519	\$214,886

SPECIAL REVENUE FUNDS

Village Center Common Area	Solid Waste	GHAD	Non-Point Drainage District	Street Smarts	TDM Programs	Police Services Donation
\$51,841	\$542,556	\$9,266,024		\$295,735		\$155,983
	35,424	2,139	\$323,488		\$69,165	
129	1,411 101	24,163 240		779	1,025	404
<u>\$51,970</u>	<u>\$579,492</u>	<u>\$9,292,566</u>	<u>\$323,488</u>	<u>\$296,514</u>	<u>\$70,190</u>	<u>\$156,387</u>
\$216	\$102,001 7,195	\$135,978 18,266	\$69,476 27,509 66,955	\$3,496 6,895	\$528 6,804 62,858	\$4,538
						26,311
<u>216</u>	<u>109,196</u>	<u>154,244</u>	<u>163,940</u>	<u>10,391</u>	<u>70,190</u>	<u>30,849</u>
51,754	101 470,195	240 9,138,082	159,548	286,123	1,025	125,538
					(1,025)	
<u>51,754</u>	<u>470,296</u>	<u>9,138,322</u>	<u>159,548</u>	<u>286,123</u>	<u></u>	<u>125,538</u>
<u>\$51,970</u>	<u>\$579,492</u>	<u>\$9,292,566</u>	<u>\$323,488</u>	<u>\$296,514</u>	<u>\$70,190</u>	<u>\$156,387</u>

(Continued)

CITY OF SAN RAMON
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2017

				DEBT SERVICE FUNDS			
				Pension Obligation Bonds	LED Lights	COP #11	Total Nonmajor Governmental Funds
ASSETS							
Cash and investments				\$156,636	\$1,274	\$1,125,421	\$26,520,244
Restricted cash and investments				917		232,527	233,444
Receivable, net:							
Accounts							1,589,531
Notes							4,925
Interest				3,784	39	2,910	73,262
Prepaid items							1,366
				<u>\$161,337</u>	<u>\$1,313</u>	<u>\$1,360,858</u>	<u>\$28,422,772</u>
LIABILITIES							
Accounts payable							\$673,897
Accrued payroll							133,047
Due to other funds							129,813
Deposits payable							50,732
							<u>987,489</u>
FUND BALANCES							
Nonspendable							1,366
Restricted				\$161,337	\$1,313	\$1,360,858	26,424,151
Committed							1,010,791
Unassigned							(1,025)
				<u>161,337</u>	<u>1,313</u>	<u>1,360,858</u>	<u>27,435,283</u>
TOTAL FUND BALANCE (DEFICITS)				<u>161,337</u>	<u>1,313</u>	<u>1,360,858</u>	<u>27,435,283</u>
TOTAL LIABILITIES AND FUND BALANCE				<u>\$161,337</u>	<u>\$1,313</u>	<u>\$1,360,858</u>	<u>\$28,422,772</u>



(This Page intentionally left blank.)

CITY OF SAN RAMON
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	<u>SPECIAL REVENUE FUNDS</u>			
	<u>Planning Cost Recovery</u>	<u>Geographic Information System</u>	<u>CFD 2014-1</u>	<u>Development Mitigation</u>
REVENUES				
Licenses and permits				
Intergovernmental				
Developer fees		\$42,566		\$87,681
Charges for services	\$154,885			
Fines and forfeitures				
Investment income	2,457	252	\$3	650
Special assessments			31,630	
Miscellaneous				
Total Revenues	<u>157,342</u>	<u>42,818</u>	<u>31,633</u>	<u>88,331</u>
EXPENDITURES				
Current:				
Community development	75,853			
Police services				
Public works				
Capital outlay				
Debt service:				
Principal				
Interest and fees				
Total Expenditures	<u>75,853</u>			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>81,489</u>	<u>42,818</u>	<u>31,633</u>	<u>88,331</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers (out)	<u>(162,645)</u>	<u>(70,000)</u>		<u>(184,328)</u>
Total Other Financing Sources (Uses)	<u>(162,645)</u>	<u>(70,000)</u>		<u>(184,328)</u>
Net change in fund balances	(81,156)	(27,182)	31,633	(95,997)
Fund balances at the beginning of the period	<u>997,352</u>	<u>121,777</u>	<u>3,255</u>	<u>325,642</u>
Fund balances at the end of period	<u><u>\$916,196</u></u>	<u><u>\$94,595</u></u>	<u><u>\$34,888</u></u>	<u><u>\$229,645</u></u>

SPECIAL REVENUE FUNDS

Gas Tax	Park Development	Crow Canyon Project	SCCJEPA	Street Maintenance/ Improvements	Traffic Improvements	Tri-Valley Transportation
\$1,522,109			\$2,297,476	\$1,045,337	\$113,407	\$70,330
2,929	\$3,680	\$11	17,448	3,198	176	133
<u>1,525,038</u>	<u>3,680</u>	<u>11</u>	<u>2,314,924</u>	<u>1,048,535</u>	<u>113,583</u>	<u>70,463</u>
<u>1,525,038</u>	<u>3,680</u>	<u>11</u>	<u>2,314,924</u>	<u>1,048,535</u>	<u>113,583</u>	<u>70,463</u>
39,776 (1,839,801)	(798,920)		187,488 (1,556,068)	185,779 (1,190,669)	12,740 (65,496)	
(1,800,025)	(798,920)		(1,368,580)	(1,004,890)	(52,756)	
(274,987)	(795,240)	11	946,344	43,645	60,827	70,463
437,197	1,717,737	4,130	6,627,987	1,015,291	65,384	53,361
<u>\$162,210</u>	<u>\$922,497</u>	<u>\$4,141</u>	<u>\$7,574,331</u>	<u>\$1,058,936</u>	<u>\$126,211</u>	<u>\$123,824</u>

(Continued)

CITY OF SAN RAMON
NON-MAJOR GOVERNMENT FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	<u>SPECIAL REVENUE FUNDS</u>			
	<u>Public Education and Government</u>	<u>Citywide Lighting and Landscaping</u>	<u>Special Landscaping Zones</u>	<u>Canyon Park</u>
REVENUES				
Licenses and permits				
Intergovernmental	\$248,313	\$9,428		
Developer fees				
Charges for services				
Fines and forfeitures				
Investment income	940	2,337	\$6,367	\$570
Special assessments		2,365,504	1,230,052	10,749
Miscellaneous		51,773		
	<u>249,253</u>	<u>2,429,042</u>	<u>1,236,419</u>	<u>11,319</u>
Total Revenues				
EXPENDITURES				
Current:				
Community development				
Police services				
Public works		1,592,392	1,466,740	25,286
Capital outlay	6,055			
Debt service:				
Principal				
Interest and fees				
	<u>6,055</u>	<u>1,592,392</u>	<u>1,466,740</u>	<u>25,286</u>
Total Expenditures				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>243,198</u>	<u>836,650</u>	<u>(230,321)</u>	<u>(13,967)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in		61,799	406,654	
Transfers (out)		(818,133)	(610,467)	(2,517)
		<u>(756,334)</u>	<u>(203,813)</u>	<u>(2,517)</u>
Total Other Financing Sources (Uses)				
Net change in fund balances	243,198	80,316	(434,134)	(16,484)
Fund balances at the beginning of the period	<u>311,910</u>	<u>1,347,704</u>	<u>2,670,211</u>	<u>229,999</u>
Fund balances at the end of period	<u><u>\$555,108</u></u>	<u><u>\$1,428,020</u></u>	<u><u>\$2,236,077</u></u>	<u><u>\$213,515</u></u>

SPECIAL REVENUE FUNDS

Village Center Common Area	Solid Waste	GHAD	Non-Point Drainage District	Street Smarts	TDM Programs	Police Services Donation
	\$20,104	\$5,760		\$104,106	\$346,560	
			\$1,500			\$88,138
\$121	1,309	24,711	402	622		1,181
6,006	441,100	1,641,729	1,016,305	55,500		779
6,127	462,513	40,911	7,040	160,228	346,560	90,098
				182,060	346,560	16,516
3,905	354,393	613,092	1,053,070			
3,905	354,393	613,092	1,053,070	182,060	346,560	16,516
2,222	108,120	1,100,019	(27,823)	(21,832)		73,582
		(1,347,672)	(32,325)	35,000		(10,800)
		(1,347,672)	(32,325)	35,000		(10,800)
2,222	108,120	(247,653)	(60,148)	13,168		62,782
49,532	362,176	9,385,975	219,696	272,955		62,756
\$51,754	\$470,296	\$9,138,322	\$159,548	\$286,123		\$125,538

(Continued)

CITY OF SAN RAMON
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	<u>DEBT SERVICE FUNDS</u>			Total Nonmajor Governmental Funds
	Pension Obligation Bonds	LED Lights	COP #11	
REVENUES				
Licenses and permits				\$5,760
Intergovernmental				3,295,957
Developer fees				2,611,460
Charges for services				156,385
Fines and forfeitures				88,138
Investment income	\$5,464	\$337		75,298
Special assessments				6,295,969
Miscellaneous	1,327,970			1,931,079
Total Revenues	<u>1,333,434</u>	<u>337</u>		<u>14,460,046</u>
EXPENDITURES				
Current:				
Community development				604,473
Police services				16,516
Public works				5,108,878
Capital outlay				6,055
Debt service:				
Principal	305,000	197,502	\$210,000	712,502
Interest and fees	1,051,876	47,128	22,611	1,121,615
Total Expenditures	<u>1,356,876</u>	<u>244,630</u>	<u>232,611</u>	<u>7,570,039</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(23,442)</u>	<u>(244,293)</u>	<u>(232,611)</u>	<u>6,890,007</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,357,062	244,629	232,710	2,763,637
Transfers (out)	(1,357,062)			(10,046,903)
Total Other Financing Sources (Uses)		<u>244,629</u>	<u>232,710</u>	<u>(7,283,266)</u>
Net change in fund balances	(23,442)	336	99	(393,259)
Fund balances at the beginning of the period	<u>184,779</u>	<u>977</u>	<u>1,360,759</u>	<u>27,828,542</u>
Fund balances at the end of period	<u>\$161,337</u>	<u>\$1,313</u>	<u>\$1,360,858</u>	<u>\$27,435,283</u>

CITY OF SAN RAMON
 PLANNING COST RECOVERY FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$137,000	\$154,885	\$17,885
Investment income		2,457	2,457
TOTAL REVENUES	137,000	157,342	20,342
EXPENDITURES			
Current:			
Community development	72,489	75,853	(3,364)
TOTAL EXPENDITURES	72,489	75,853	(3,364)
Excess (deficiency) of revenue over (under) expenditures	64,511	81,489	16,978
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(162,645)	(162,645)	
Total Other Financing Sources (Uses)	(162,645)	(162,645)	
NET CHANGE IN FUND BALANCE	(\$98,134)	(81,156)	\$16,978
Fund balance (deficit) at beginning of year		997,352	
Fund balance (deficit) at end of year		\$916,196	

CITY OF SAN RAMON
GEOGRAPHIC INFORMATION SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Developer fees	\$55,500	\$42,566	(\$12,934)
Investment income		252	252
	<u>55,500</u>	<u>42,818</u>	<u>(12,682)</u>
Total revenues			
Excess (deficiency) of revenue over (under) expenditures	<u>55,500</u>	<u>42,818</u>	<u>(12,682)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(70,000)</u>	<u>(70,000)</u>	
Total Other Financing Sources (Uses)	<u>(70,000)</u>	<u>(70,000)</u>	
NET CHANGE IN FUND BALANCE	<u><u>(\$14,500)</u></u>	<u>(27,182)</u>	<u><u>(\$12,682)</u></u>
Fund balance at beginning of year		<u>121,777</u>	
Fund balance at end of year		<u><u>\$94,595</u></u>	

CITY OF SAN RAMON
 CFD 2014-1 FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Special assessments		\$31,630	\$31,630
Investment income		3	3
TOTAL REVENUES		31,633	31,633
Excess (deficiency) of revenue over (under) expenditures		31,633	31,633
NET CHANGE IN FUND BALANCE		31,633	\$31,633
Fund balance at beginning of year		3,255	
Fund balance at end of year		\$34,888	

CITY OF SAN RAMON
DEVELOPMENT MITIGATION FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Developer fees	\$723,906	\$87,681	(\$636,225)
Investment income		650	650
	723,906	88,331	(635,575)
Total revenues			
Excess (deficiency) of revenue over (under) expenditures	723,906	88,331	(635,575)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(199,328)	(184,328)	15,000
Total Other Financing Sources (Uses)	(199,328)	(184,328)	15,000
NET CHANGE IN FUND BALANCE	\$524,578	(95,997)	(\$620,575)
Fund balance at beginning of year		325,642	
Fund balance at end of year		\$229,645	

CITY OF SAN RAMON
GAS TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$1,609,127	\$1,522,109	(\$87,018)
Investment income		2,929	2,929
	<u>1,609,127</u>	<u>1,525,038</u>	<u>(84,089)</u>
Total revenues			
Excess (deficiency) of revenue over (under) expenditures	<u>1,609,127</u>	<u>1,525,038</u>	<u>(84,089)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in		39,776	39,776
Transfers (out)	(1,839,801)	(1,839,801)	
	<u>(1,839,801)</u>	<u>(1,800,025)</u>	<u>39,776</u>
Total Other Financing Sources (Uses)			
NET CHANGE IN FUND BALANCE	<u>(\$230,674)</u>	<u>(274,987)</u>	<u>(\$44,313)</u>
Fund balance at beginning of year		<u>437,197</u>	
Fund balance at end of year		<u>\$162,210</u>	

CITY OF SAN RAMON
 PARK DEVELOPMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2017

	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Investment income		\$3,680	\$3,680
Total revenues		<u>3,680</u>	<u>3,680</u>
Excess (deficiency) of revenue over (under) expenditures		<u>3,680</u>	<u>3,680</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(\$798,920)	(798,920)	
Total Other Financing Sources (Uses)	<u>(798,920)</u>	<u>(798,920)</u>	
NET CHANGE IN FUND BALANCE	<u><u>(\$798,920)</u></u>	<u>(795,240)</u>	<u><u>\$3,680</u></u>
Fund balance at beginning of year		<u>1,717,737</u>	
Fund balance at end of year		<u><u>\$922,497</u></u>	

CITY OF SAN RAMON
CROW CANYON PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income		\$11	\$11
Total revenues		11	11
Excess (deficiency) of revenue over (under) expenditures		11	11
 NET CHANGE IN FUND BALANCE	 	 11	 \$11
Fund balance at beginning of year		4,130	
Fund balance at end of year		\$4,141	

CITY OF SAN RAMON
 SCCJEP A FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2017

	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Developer fees	\$2,318,433	\$2,297,476	(\$20,957)
Investment income		17,448	17,448
	<u>2,318,433</u>	<u>2,314,924</u>	<u>(3,509)</u>
Total revenues			
Excess (deficiency) of revenue over (under) expenditures	<u>2,318,433</u>	<u>2,314,924</u>	<u>(3,509)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in		187,488	187,488
Transfers (out)	<u>(1,743,556)</u>	<u>(1,556,068)</u>	<u>187,488</u>
Total Other Financing Sources (Uses)	<u>(1,743,556)</u>	<u>(1,368,580)</u>	<u>374,976</u>
NET CHANGE IN FUND BALANCE	<u><u>\$574,877</u></u>	<u>946,344</u>	<u><u>\$371,467</u></u>
Fund balance at beginning of year		<u>6,627,987</u>	
Fund balance at end of year		<u><u>\$7,574,331</u></u>	

CITY OF SAN RAMON
STREET MAINTENANCE/ IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$962,733	\$1,045,337	\$82,604
Investment income		3,198	3,198
	962,733	1,048,535	85,802
Total revenues			
Excess (deficiency) of revenue over (under) expenditures	962,733	1,048,535	85,802
OTHER FINANCING SOURCES (USES)			
Transfers in		185,779	185,779
Transfers (out)	(1,190,669)	(1,190,669)	
	(1,190,669)	(1,004,890)	185,779
Total Other Financing Sources (Uses)			
NET CHANGE IN FUND BALANCE	(\$227,936)	43,645	\$271,581
Fund balance at beginning of year		1,015,291	
Fund balance at end of year		\$1,058,936	

CITY OF SAN RAMON
 TRAFFIC IMPROVEMENTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2017

	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Developer fees	\$854,399	\$113,407	(\$740,992)
Investment income		176	176
	<u>854,399</u>	<u>113,583</u>	<u>(740,816)</u>
Total revenues			
Excess (deficiency) of revenue over (under) expenditures	<u>854,399</u>	<u>113,583</u>	<u>(740,816)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in		12,740	12,740
Transfers (out)	<u>(351,239)</u>	<u>(65,496)</u>	<u>285,743</u>
Total Other Financing Sources (Uses)	<u>(351,239)</u>	<u>(52,756)</u>	<u>298,483</u>
NET CHANGE IN FUND BALANCE	<u><u>\$503,160</u></u>	60,827	<u><u>(\$442,333)</u></u>
Fund balance at beginning of year		<u>65,384</u>	
Fund balance at end of year		<u><u>\$126,211</u></u>	

CITY OF SAN RAMON
 TRI-VALLEY TRANSPORTATION FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2017

	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Developer fees	\$232,360	\$70,330	(\$162,030)
Investment income		133	133
	<u>232,360</u>	<u>70,463</u>	<u>(161,897)</u>
Total revenues			
Excess (deficiency) of revenue over (under) expenditures	<u>232,360</u>	<u>70,463</u>	<u>(161,897)</u>
 NET CHANGE IN FUND BALANCE	 <u><u>\$232,360</u></u>	 <u>70,463</u>	 <u><u>(\$161,897)</u></u>
Fund balance at beginning of year		<u>53,361</u>	
Fund balance at end of year		<u><u>\$123,824</u></u>	

CITY OF SAN RAMON
PUBLIC EDUCATION AND GOVERNMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income		\$940	\$940
Intergovernmental	\$250,000	248,313	(1,687)
	250,000	249,253	(747)
TOTAL REVENUES			
EXPENDITURES			
Current:			
General Government	35,712		35,712
Capital outlay	100,000	6,055	93,945
	135,712	6,055	129,657
TOTAL EXPENDITURES			
Excess (deficiency) of revenue over (under) expenditures	114,288	243,198	128,910
NET CHANGE IN FUND BALANCE	\$114,288	243,198	\$128,910
Fund balance at beginning of year		311,910	
Fund balance at end of year		\$555,108	

CITY OF SAN RAMON
CITYWIDE LIGHTING AND LANDSCAPING FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Special assessments	\$2,384,223	\$2,365,504	(\$18,719)
Intergovernmental	7,650	9,428	1,778
Investment income		2,337	2,337
Miscellaneous		51,773	51,773
	<u>2,391,873</u>	<u>2,429,042</u>	<u>37,169</u>
TOTAL REVENUES			
EXPENDITURES			
Current:			
Public works	1,649,953	1,592,392	57,561
	<u>1,649,953</u>	<u>1,592,392</u>	<u>57,561</u>
TOTAL EXPENDITURES			
Excess (deficiency) of revenue over (under) expenditures	741,920	836,650	94,730
	<u>741,920</u>	<u>836,650</u>	<u>94,730</u>
OTHER FINANCING SOURCES (USES)			
Transfers in		61,799	61,799
Transfers (out)	(818,133)	(818,133)	
	<u>(818,133)</u>	<u>(756,334)</u>	<u>61,799</u>
Total Other Financing Sources (Uses)			
NET CHANGE IN FUND BALANCE	<u>(\$76,213)</u>	<u>80,316</u>	<u>\$156,529</u>
Fund balance at beginning of year		<u>1,347,704</u>	
Fund balance at end of year		<u>\$1,428,020</u>	

CITY OF SAN RAMON
SPECIAL LANDSCAPING ZONES FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
REVENUES			
Special assessments	\$1,212,888	\$1,230,052	\$17,164
Investment income		6,367	6,367
	<u>1,212,888</u>	<u>1,236,419</u>	<u>23,531</u>
TOTAL REVENUES			
EXPENDITURES			
Current:			
Public works	1,709,709	1,466,740	242,969
	<u>1,709,709</u>	<u>1,466,740</u>	<u>242,969</u>
TOTAL EXPENDITURES			
Excess (deficiency) of revenue over (under) expenditures	<u>(496,821)</u>	<u>(230,321)</u>	<u>266,500</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	406,654	406,654	
Transfers (out)	<u>(548,668)</u>	<u>(610,467)</u>	<u>(61,799)</u>
Total Other Financing Sources (Uses)	<u>(142,014)</u>	<u>(203,813)</u>	<u>(61,799)</u>
NET CHANGE IN FUND BALANCE	<u><u>(\$638,835)</u></u>	<u>(434,134)</u>	<u><u>\$204,701</u></u>
Fund balance at beginning of year		<u>2,670,211</u>	
Fund balance at end of year		<u><u>\$2,236,077</u></u>	

CITY OF SAN RAMON
CANYON PARK FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Special assessments	\$10,990	\$10,749	(\$241)
Investment income		570	570
	10,990	11,319	329
TOTAL REVENUES			
EXPENDITURES			
Current:			
Public works	57,918	25,286	32,632
	57,918	25,286	32,632
TOTAL EXPENDITURES			
Excess (deficiency) of revenue over (under) expenditures	(46,928)	(13,967)	32,961
	(46,928)	(13,967)	32,961
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(2,517)	(2,517)	
	(2,517)	(2,517)	
Total Other Financing Sources (Uses)			
	(2,517)	(2,517)	
NET CHANGE IN FUND BALANCE	(\$49,445)	(16,484)	\$32,961
Fund balance at beginning of year		229,999	
Fund balance at end of year		\$213,515	

CITY OF SAN RAMON
VILLAGE CENTER COMMON AREA FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income		\$121	\$121
Miscellaneous	\$6,187	6,006	(181)
TOTAL REVENUES	6,187	6,127	(60)
EXPENDITURES			
Current:			
Public works	10,452	3,905	6,547
TOTAL EXPENDITURES	10,452	3,905	6,547
Excess (deficiency) of revenue over (under) expenditures	(4,265)	2,222	6,487
NET CHANGE IN FUND BALANCE	(\$4,265)	2,222	\$6,487
Fund balance at beginning of year		49,532	
Fund balance at end of year		\$51,754	

CITY OF SAN RAMON
SOLID WASTE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$20,000	\$20,104	\$104
Investment income		1,309	1,309
Miscellaneous	417,500	441,100	23,600
TOTAL REVENUES	437,500	462,513	25,013
EXPENDITURES			
Current:			
Public works	612,208	354,393	257,815
TOTAL EXPENDITURES	612,208	354,393	257,815
Excess (deficiency) of revenue over (under) expenditures	(174,708)	108,120	282,828
NET CHANGE IN FUND BALANCE	(\$174,708)	108,120	\$282,828
Fund balance at beginning of year		362,176	
Fund balance at end of year		\$470,296	

CITY OF SAN RAMON
GHAD FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Special assessments	\$1,645,754	\$1,641,729	(\$4,025)
Investment income	91,481	24,711	(66,770)
Licenses and permits	6,000	5,760	(240)
Miscellaneous	39,319	40,911	1,592
	1,782,554	1,713,111	(69,443)
EXPENDITURES			
Current:			
Public works	700,370	613,092	87,278
	700,370	613,092	87,278
Excess (deficiency) of revenue over (under) expenditures	1,082,184	1,100,019	17,835
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(1,347,672)	(1,347,672)	
	(1,347,672)	(1,347,672)	
NET CHANGE IN FUND BALANCE	(\$265,488)	(247,653)	\$17,835
Fund balance at beginning of year		9,385,975	
Fund balance at end of year		\$9,138,322	

CITY OF SAN RAMON
NON-POINT DRAINAGE DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services		\$1,500	\$1,500
Special assessments	\$1,155,733	1,016,305	(139,428)
Investment income		402	402
Miscellaneous	6,000	7,040	1,040
	<u>1,161,733</u>	<u>1,025,247</u>	<u>(136,486)</u>
TOTAL REVENUES			
EXPENDITURES			
Current:			
Public works	1,187,058	1,053,070	133,988
	<u>1,187,058</u>	<u>1,053,070</u>	<u>133,988</u>
TOTAL EXPENDITURES			
Excess (deficiency) of revenue over (under) expenditures	<u>(25,325)</u>	<u>(27,823)</u>	<u>(2,498)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(32,325)</u>	<u>(32,325)</u>	
Total Other Financing Sources (Uses)	<u>(32,325)</u>	<u>(32,325)</u>	
NET CHANGE IN FUND BALANCE	<u>(\$57,650)</u>	<u>(60,148)</u>	<u>(\$2,498)</u>
Fund balance at beginning of year		<u>219,696</u>	
Fund balance at end of year		<u>\$159,548</u>	

CITY OF SAN RAMON
STREET SMARTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$208,600	\$104,106	(\$104,494)
Investment income		622	622
Miscellaneous	39,500	55,500	16,000
TOTAL REVENUES	248,100	160,228	(87,872)
EXPENDITURES			
Current:			
Community development	248,100	182,060	66,040
TOTAL EXPENDITURES	248,100	182,060	66,040
Excess (deficiency) of revenue over (under) expenditures		(21,832)	(21,832)
OTHER FINANCING SOURCES (USES)			
Transfers in	35,000	35,000	
Total Other Financing Sources (Uses)	35,000	35,000	
NET CHANGE IN FUND BALANCE	\$35,000	13,168	(\$21,832)
Fund balance at beginning of year		272,955	
Fund balance at end of year		\$286,123	

CITY OF SAN RAMON
TDM PROGRAMS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$603,316	\$346,560	(\$256,756)
TOTAL REVENUES	603,316	346,560	(256,756)
EXPENDITURES			
Current:			
Community development	603,316	346,560	256,756
TOTAL EXPENDITURES	603,316	346,560	256,756
Excess (deficiency) of revenue over (under) expenditures	_____	_____	_____
NET CHANGE IN FUND BALANCE	_____		_____
Fund balance at beginning of year		_____	
Fund balance at end of year		_____	

CITY OF SAN RAMON
POLICE SERVICES DONATION FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Fines and forfeitures		\$88,138	\$88,138
Investment income		1,181	1,181
Miscellaneous		779	779
TOTAL REVENUES		90,098	90,098
EXPENDITURES			
Current:			
Police services		16,516	(16,516)
TOTAL EXPENDITURES		16,516	(16,516)
Excess (deficiency) of revenue over (under) expenditures		73,582	73,582
OTHER FINANCING SOURCES (USES)			
Transfers (out)		(10,800)	(10,800)
Total Other Financing Sources (Uses)		(10,800)	(10,800)
NET CHANGE IN FUND BALANCE		62,782	\$62,782
Fund balance at beginning of year		62,756	
Fund balance at end of year		\$125,538	

CITY OF SAN RAMON
PENSION OBLIGATION BONDS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income		\$5,464	\$5,464
Miscellaneous	\$1,357,062	1,327,970	(29,092)
TOTAL REVENUES	1,357,062	1,333,434	(23,628)
EXPENDITURES			
Debt service:			
Principal	305,000	305,000	
Interest and fees	1,052,062	1,051,876	186
TOTAL EXPENDITURES	1,357,062	1,356,876	186
Excess (deficiency) of revenue over (under) expenditures		(23,442)	(23,442)
OTHER FINANCING SOURCES (USES)			
Transfers in	1,357,062	1,357,062	
Transfers (out)	(1,357,062)	(1,357,062)	
Total Other Financing Sources (Uses)			
NET CHANGE IN FUND BALANCE		(23,442)	(\$23,442)
Fund balance at beginning of year		184,779	
Fund balance at end of year		\$161,337	

CITY OF SAN RAMON
LED LIGHTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income		\$337	\$337
TOTAL REVENUES		<u>337</u>	<u>337</u>
EXPENDITURES			
Debt service:			
Principal	\$197,501	197,502	(1)
Interest and fees	47,128	47,128	
TOTAL EXPENDITURES	<u>244,629</u>	<u>244,630</u>	<u>(1)</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(244,629)</u>	<u>(244,293)</u>	<u>336</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>244,629</u>	<u>244,629</u>	
Total Other Financing Sources (Uses)	<u>244,629</u>	<u>244,629</u>	
NET CHANGE IN FUND BALANCE		<u>336</u>	<u>\$336</u>
Fund balance at beginning of year		<u>977</u>	
Fund balance at end of year		<u>\$1,313</u>	

CITY OF SAN RAMON
COP #11 FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Final	Actual	Variance with Final Budget Positive (Negative)
EXPENDITURES			
Debt service:			
Principal	\$210,000	\$210,000	
Interest and fees	22,710	22,611	\$99
TOTAL EXPENDITURES	232,710	232,611	99
Excess (deficiency) of revenue over (under) expenditures	(232,710)	(232,611)	99
OTHER FINANCING SOURCES (USES)			
Transfers in	232,710	232,710	
Total Other Financing Sources (Uses)	232,710	232,710	
NET CHANGE IN FUND BALANCE	99	99	\$99
Fund balance at beginning of year		1,360,759	
Fund balance at end of year		\$1,360,858	



(This Page intentionally left blank.)

CITY OF SAN RAMON, CALIFORNIA
DESCRIPTIONS OF INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one City department or agency to other departments or agencies of the City, or to other governmental units on a cost reimbursement basis (including depreciation).

The Investment Fund is used to account for the management of investments.

The Equipment Replacement Fund is used to account for replacement of major equipment and vehicles. Revenues are derived from allocated charges to the department's general fund.

The Information System Replacement Fund is used to account for replacement of computer related equipment.

The Insurance Liability Fund is used to administer the City employee's leave payouts, retiree medical benefits, general insurance, and safety programs with the goals of reducing insurance-related costs, maintain appropriate levels of coverage and to build contingent loss reserves.

The Healthcare Fund is used to account for City employee's healthcare premiums and claims.

The Building Maintenance Fund is used to account for the cost of maintaining City buildings.

CITY OF SAN RAMON
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF NET POSITION
JUNE 30, 2017

	<u>Investment Fund</u>	<u>Equipment Replacement Fund</u>	<u>Information System Replacement Fund</u>
ASSETS			
Current Assets:			
Cash and investments	\$9,627	\$3,242,783	\$1,095,229
Receivables, net:			
Accounts			
Interest		8,342	2,809
Prepays			
Total Current Assets	<u>9,627</u>	<u>3,251,125</u>	<u>1,098,038</u>
Noncurrent Assets:			
Capital assets, net of accumulated depreciation		<u>3,074,644</u>	
Total Assets	<u>9,627</u>	<u>6,325,769</u>	<u>1,098,038</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	6,291	141,704	41,339
Accrued payroll	<u>3,336</u>		
Total Liabilities	<u>9,627</u>	<u>141,704</u>	<u>41,339</u>
NET POSITION			
Net investment in capital asset Unrestricted		<u>3,074,644</u> <u>3,109,421</u>	<u>1,056,699</u>
Total Net Position		<u><u>\$6,184,065</u></u>	<u><u>\$1,056,699</u></u>

<u>Insurance Liability Fund</u>	<u>Healthcare Fund</u>	<u>Building Maintenance Fund</u>	<u>Totals</u>
\$1,882,472	\$46,741	\$1,500,083	\$7,776,935
81,057	6,265		87,322
4,553	1	3,854	19,559
	55,429		55,429
<u>1,968,082</u>	<u>108,436</u>	<u>1,503,937</u>	<u>7,939,245</u>
			<u>3,074,644</u>
<u>1,968,082</u>	<u>108,436</u>	<u>1,503,937</u>	<u>11,013,889</u>
26,509	2,215		218,058
91,232			94,568
<u>117,741</u>	<u>2,215</u>		<u>312,626</u>
			3,074,644
<u>1,850,341</u>	<u>106,221</u>	<u>1,503,937</u>	<u>7,626,619</u>
<u>\$1,850,341</u>	<u>\$106,221</u>	<u>\$1,503,937</u>	<u>\$10,701,263</u>

CITY OF SAN RAMON
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2017

	Investment Fund	Equipment Replacement Fund	Information System Replacement Fund
OPERATING REVENUES			
Charges for services		\$840,396	\$291,210
Miscellaneous			1,029
Total Operating Revenues		840,396	292,239
OPERATING EXPENSES			
Personnel services	\$53,009		
Services and supplies		75,536	87,222
Claims and insurance			
Depreciation		836,251	
Total Operating Expenses	53,009	911,787	87,222
Operating Income (Loss)	(53,009)	(71,391)	205,017
NONOPERATING REVENUES (EXPENSES)			
Investment income (expenses)	53,009	9,063	2,599
Intergovernmental			
Net Nonoperating Revenues (Expenses)	53,009	9,063	2,599
Income (Loss) Before Contributions and Transfers		(62,328)	207,616
Transfers in		420,870	
Transfers (out)			(50,000)
Net Transfers		420,870	(50,000)
Change in net position		358,542	157,616
Total net position-beginning of year		5,825,523	899,083
Total net position-end of year		\$6,184,065	\$1,056,699

<u>Insurance Liability Fund</u>	<u>Healthcare Fund</u>	<u>Building Maintenance Fund</u>	<u>Totals</u>
\$2,892,524	\$6,562,137	\$11,550	\$10,597,817
			1,029
<u>2,892,524</u>	<u>6,562,137</u>	<u>11,550</u>	<u>10,598,846</u>
1,412,372			1,465,381
66,933	7,065,466		7,295,157
2,086,580			2,086,580
			836,251
<u>3,565,885</u>	<u>7,065,466</u>		<u>11,683,369</u>
<u>(673,361)</u>	<u>(503,329)</u>	<u>11,550</u>	<u>(1,084,523)</u>
(1,016)	2,770	548	66,973
<u>159,254</u>			<u>159,254</u>
<u>158,238</u>	<u>2,770</u>	<u>548</u>	<u>226,227</u>
<u>(515,123)</u>	<u>(500,559)</u>	<u>12,098</u>	<u>(858,296)</u>
85,353		1,700,000	2,206,223
		(521,097)	(571,097)
85,353		1,178,903	1,635,126
(429,770)	(500,559)	1,191,001	776,830
<u>2,280,111</u>	<u>606,780</u>	<u>312,936</u>	<u>9,924,433</u>
<u>\$1,850,341</u>	<u>\$106,221</u>	<u>\$1,503,937</u>	<u>\$10,701,263</u>

CITY OF SAN RAMON
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Investment Fund</u>	<u>Equipment Replacement Fund</u>	<u>Information System Replacement Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from department users		\$842,092	\$291,459
Cash payments to suppliers of goods and services	(\$293)	(75,536)	(47,447)
Cash payments to employees and services	<u>(52,623)</u>		
Net cash provided by operating activities	<u>(52,916)</u>	<u>766,556</u>	<u>244,012</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental Transfers in		420,870	
Transfers (out)			<u>(50,000)</u>
Cash Flows from Noncapital Financing Activities		<u>420,870</u>	<u>(50,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets, net		<u>(1,276,932)</u>	
Cash Flows from Capital and Related Financing Activities		<u>(1,276,932)</u>	
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings received (paid)	<u>53,009</u>	<u>9,063</u>	<u>2,599</u>
Cash Flows from Investing Activities	<u>53,009</u>	<u>9,063</u>	<u>2,599</u>
Net increase (decrease) in cash and cash equivalents	93	(80,443)	196,611
Cash and investments at beginning of period	<u>9,534</u>	<u>3,323,226</u>	<u>898,618</u>
Cash and investments at end of period	<u>\$9,627</u>	<u>\$3,242,783</u>	<u>\$1,095,229</u>
		(343,127)	

Insurance Liability Fund	Healthcare Fund	Building Maintenance Fund	Totals
\$2,888,262	\$6,595,358	\$8,353	\$10,625,524
(46,239)	(7,074,927)		(7,244,442)
(3,520,069)			(3,572,692)
(678,046)	(479,569)	8,353	(191,610)
159,254			159,254
85,353		1,700,000	2,206,223
		(521,097)	(571,097)
244,607		1,178,903	1,794,380
			(1,276,932)
			(1,276,932)
(1,016)	2,770	548	66,973
(1,016)	2,770	548	66,973
(434,455)	(476,799)	1,187,804	392,811
2,316,927	523,540	312,279	7,384,124
\$1,882,472	\$46,741	\$1,500,083	\$7,776,935

CITY OF SAN RAMON
INTERNAL SERVICES FUND
COMBINING STATEMENT OF CASH FLOW, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Investment Fund</u>	<u>Equipment Replacement Fund</u>	<u>Information System Replacement Fund</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO			
NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income (loss)	(\$53,009)	(\$71,391)	\$205,017
Nonoperating income (expense), other than those from financing, capital related, or investing activities			
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization		836,251	
Change in assets and liabilities:			
Accounts receivable		2,363	
Interest receivable		(667)	(780)
Prepays and deposits			
Accounts payable	(293)		39,775
Accrued payroll	386		
	<u>386</u>	<u>836,251</u>	<u>39,775</u>
Net cash provided by operating activities	<u>(\$52,916)</u>	<u>\$766,556</u>	<u>\$244,012</u>

<u>Insurance Liability Fund</u>	<u>Healthcare Fund</u>	<u>Building Maintenance Fund</u>	<u>Totals</u>
(\$673,361)	(\$503,329)	\$11,550	(\$1,084,523)
			836,251
(5,194)	31,806		28,975
932	1,415	(3,197)	(2,297)
	(9,186)		(9,186)
20,694	(275)		59,901
<u>(21,117)</u>			<u>(20,731)</u>
<u>(\$678,046)</u>	<u>(\$479,569)</u>	<u>\$8,353</u>	<u>(\$191,610)</u>



(This Page intentionally left blank.)

CITY OF SAN RAMON, CALIFORNIA
DESCRIPTIONS OF FIDUCIARY FUNDS

GASB Statement 34 requires that Agency Funds be presented separately from the Government –wide and Fund financial statements.

Agency Funds

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

The Agency Funds used to account for monies held by the City in a fiduciary capacity are as follows:

The *Fostoria Assessment District Fund* is used to account for the special assessment bonds issued for the purpose of public improvements by the Fostoria Parkway Assessment District.

The *Cree Court Assessment District Fund* is used to account for the debt issued to finance infrastructure improvements and facilities within its boundaries.

The *SCCJEPA Trust Fund* is used to account for the collection of development related impact fees for distribution to the Town of Danville and Contra Costa County per the SCCJEPA agreement.

The *San Ramon Valley Tourism Improvement District Fund* is used to account for the collection of Tri-Valley Tourism Business Improvement District assessment on lodging business for which the City is acting only as an agent.

The *DV Performing Arts Theater Fund* is used to account for funds related to cultural and theater arts.

CITY OF SAN RAMON
 AGENCY FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2017

	Balance June 30, 2016	Additions	Reductions	Balance June 30, 2017
<hr/> <i>Fostoria Assessment District Fund</i> <hr/>				
ASSETS				
Cash and investments	\$21,097			\$21,097
Total Assets	<u>\$21,097</u>			<u>\$21,097</u>
LIABILITIES				
Due to bondholders	\$21,097			\$21,097
Total Liabilities	<u>\$21,097</u>			<u>\$21,097</u>
<hr/> <i>Cree Court Assessment District Fund</i> <hr/>				
ASSETS				
Cash and investments	\$65,686	\$8,760	\$8,855	\$65,591
Interest receivable	152	170	152	170
Total Assets	<u>\$65,838</u>	<u>\$8,930</u>	<u>\$9,007</u>	<u>\$65,761</u>
LIABILITIES				
Due to bondholders	\$65,838	\$8,930	\$9,007	\$65,761
Total Liabilities	<u>\$65,838</u>	<u>\$8,930</u>	<u>\$9,007</u>	<u>\$65,761</u>
<hr/> <i>SCCJEP A Trust Fund</i> <hr/>				
ASSETS				
Cash and investments	\$51	\$98,483	\$24	\$98,510
Interest receivable		24		24
Total Assets	<u>\$51</u>	<u>\$98,507</u>	<u>\$24</u>	<u>\$98,534</u>
LIABILITIES				
Due to other governments	\$51	\$98,507	\$24	\$98,534
Total Liabilities	<u>\$51</u>	<u>\$98,507</u>	<u>\$24</u>	<u>\$98,534</u>

(Continued)

	Balance June 30, 2016	Additions	Reductions	Balance June 30, 2017
--	--------------------------	-----------	------------	--------------------------

San Ramon Valley Tourism Improvement District

ASSETS

Cash and investments	\$77,435	\$84,917	\$77,435	\$84,917
Total Assets	<u>\$77,435</u>	<u>\$84,917</u>	<u>\$77,435</u>	<u>\$84,917</u>

LIABILITIES

Accounts payable	\$968	\$1,700	\$968	\$1,700
Due to other governments	<u>76,467</u>	<u>83,217</u>	<u>76,467</u>	<u>83,217</u>
Total Liabilities	<u>\$77,435</u>	<u>\$84,917</u>	<u>\$77,435</u>	<u>\$84,917</u>

DV Performing Arts Theater

ASSETS

Cash and investments	\$124,966	\$37,590	\$50,389	\$112,167
Total Assets	<u>\$124,966</u>	<u>\$37,590</u>	<u>\$50,389</u>	<u>\$112,167</u>

LIABILITIES

Accounts payable	\$27,789		\$27,789	
Due to other governments	<u>97,177</u>	<u>\$37,590</u>	<u>22,600</u>	<u>\$112,167</u>
Total Liabilities	<u>\$124,966</u>	<u>\$37,590</u>	<u>\$50,389</u>	<u>\$112,167</u>

Total Agency Funds

ASSETS

Cash and investments	\$289,235	\$229,750	\$136,703	\$382,282
Interest receivable	<u>152</u>	<u>194</u>	<u>152</u>	<u>194</u>
Total Assets	<u>\$289,387</u>	<u>\$229,944</u>	<u>\$136,855</u>	<u>\$382,476</u>

LIABILITIES

Accounts payable	\$28,757	\$1,700	\$28,757	\$1,700
Due to bondholders	86,935	8,930	9,007	86,858
Due to other governments	<u>173,695</u>	<u>219,314</u>	<u>99,091</u>	<u>293,918</u>
Total Liabilities	<u>\$289,387</u>	<u>\$229,944</u>	<u>\$136,855</u>	<u>\$382,476</u>



(This Page intentionally left blank.)

STATISTICAL SECTION



(This Page intentionally left blank.)

CITY OF SAN RAMON, CALIFORNIA
MISCELLANEOUS STATISTICAL DATA
JUNE 30, 2017

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

CONTENTS

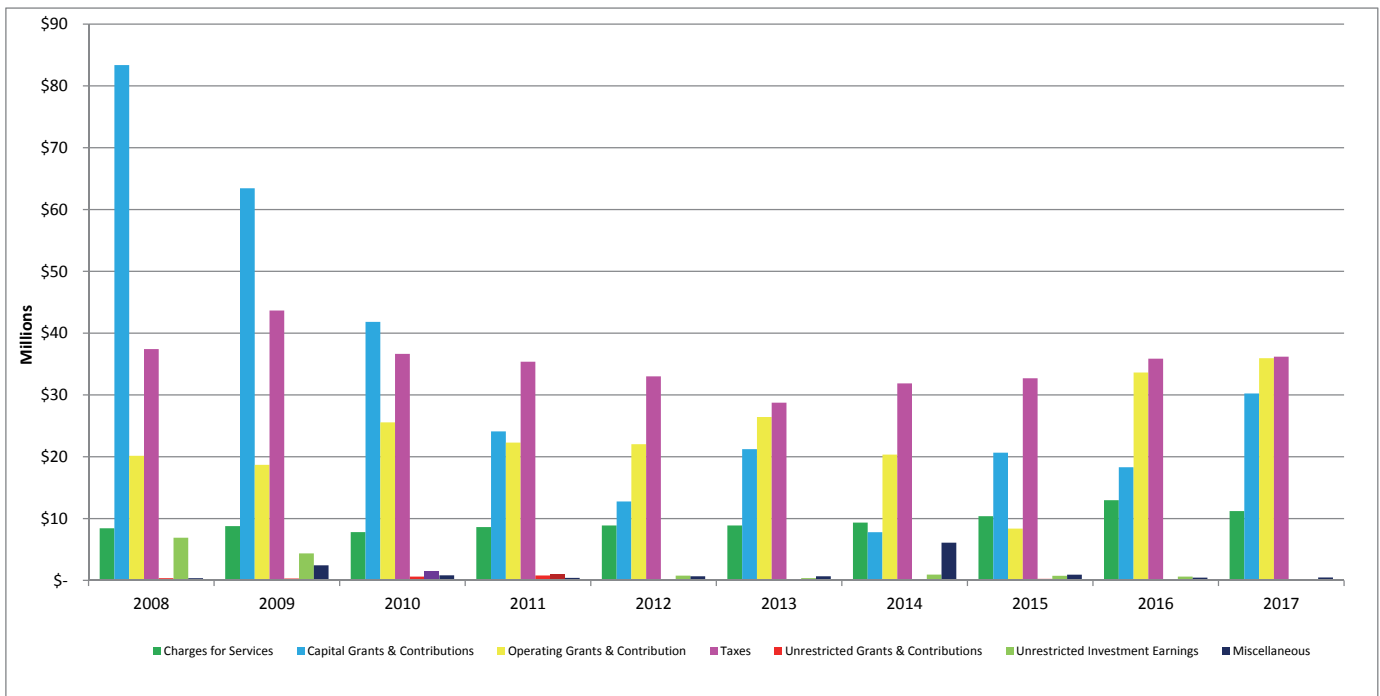
	Page(s)
Financial Trends	
These schedules contain trend information to help the reader understand how the City of San Ramon's financial performance and well-being have changed over time.....	154-165
Revenue Capacity	
These schedules contain information to help the reader assess the City of San Ramon's most significant local revenue source, the property tax.	166-172
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City of San Ramon's current levels of outstanding debt and our ability to issue additional debt in the future.....	173-179
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City of San Ramon's financial activities take place.	180-187
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City of San Ramon's financial report relates to the services the City of San Ramon provides and the activities it performs.	188-192

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

**CITY OF SAN RAMON
GOVERNMENT-WIDE REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year	Program Revenues			General Revenues					Total
	Charges for Services	Operating Grants & Contribution	Capital Grants & Contributions	Taxes	Unrestricted Grants & Contributions	Unrestricted Investment Earnings	Miscellaneous		
2008	\$ 8,427,787	\$ 20,157,260	\$ 83,368,962	\$ 37,425,269	\$ 349,903	\$ 6,899,560	\$ 354,417	\$ 156,983,158	
2009	8,772,167	18,686,921	63,437,561	43,657,423	296,468	4,366,204	2,435,411	141,652,155	
2010	7,801,868	25,564,895	41,818,078	36,641,877	615,652	1,571,949	815,954	114,830,273	
2011	8,627,637	22,290,276	24,096,911	35,379,385	795,738	979,570	408,728	92,578,245	
2012	8,886,433	22,027,560	12,769,956	33,004,871	68,725	765,755	658,223	78,181,523	
2013	8,885,884	26,430,414	21,224,331	28,752,577	38,128	364,864	658,478	86,354,676	
2014	9,348,125	20,344,930	7,792,579	31,873,118	44,552	934,329	6,103,351	76,440,984	
2015	10,379,205	8,375,452	20,661,559	32,701,787	249,649	738,368	919,352	74,025,372	
2016	12,975,507	33,628,638	18,300,560	35,870,195	100,286	605,093	436,250	101,916,529	
2017	11,214,119	35,947,470	30,233,200	36,197,046	47,706	175,776	471,260	114,286,577	

Source: City of San Ramon Finance Department.

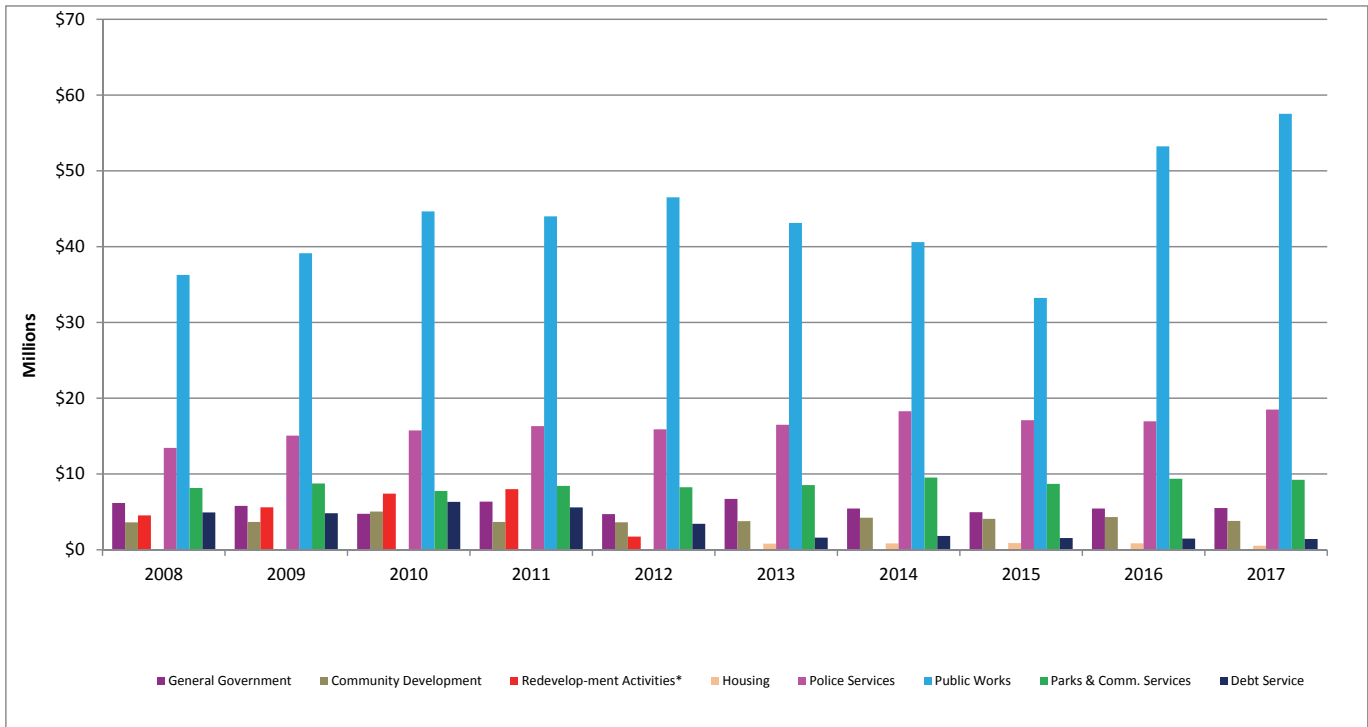


**CITY OF SAN RAMON
GOVERNMENT-WIDE EXPENSES BY FUNCTION
LAST TEN FISCAL YEARS**

Fiscal Year	General Government	Community Development	Redevelopment Activities*	Housing	Police Services	Public Works	Parks & Comm. Services	Debt Service	Total
2008	\$ 6,171,414	\$ 3,621,282	\$ 4,541,600	\$ -	\$ 13,447,852	\$ 36,268,552	\$ 8,157,575	\$ 4,924,869	\$ 77,133,144
2009	5,788,545	3,668,601	5,606,182	-	15,060,970	39,132,983	8,745,298	4,818,092	82,820,671
2010	4,752,394	5,046,559	7,409,543	-	15,752,533	44,650,311	7,756,449	6,323,261	91,691,050
2011	6,348,129	3,667,864	8,001,831	-	16,322,304	43,994,027	8,429,240	5,595,791	92,359,186
2012	4,705,554	3,629,772	1,739,062	-	15,891,547	46,502,699	8,257,793	3,430,515	84,156,942
2013	6,706,998	3,778,893	-	808,780	16,501,843	43,125,287	8,534,078	1,602,570	81,058,449
2014	5,448,270	4,231,229	-	839,689	18,280,088	40,595,096	9,534,445	1,828,930	80,757,747
2015	4,958,010	4,087,620	-	884,366	17,098,714	33,230,480	8,690,941	1,549,984	70,500,115
2016	5,447,838	4,312,666	-	857,894	16,951,992	53,235,400	9,376,348	1,480,226	91,662,364
2017	5,511,125	3,811,113	-	532,789	18,497,953	57,528,031	9,235,946	1,421,758	96,538,715

Source: City of San Ramon Finance Department.

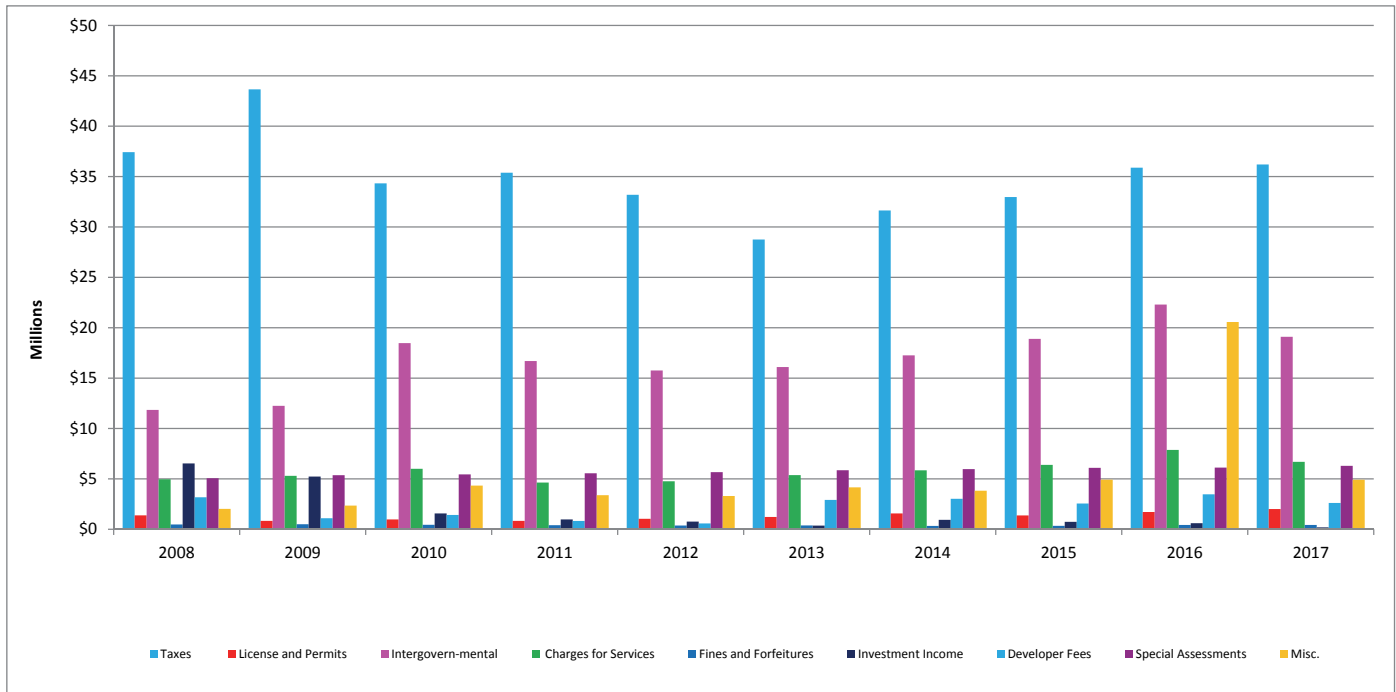
* The Redevelopment Agency was dissolved as of January 31, 2012.



**CITY OF SAN RAMON
GENERAL GOVERNMENTAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year	Taxes	License and Permits	Intergovernmental	Charges for Services	Fines and Forfeitures	Investment Income	Developer Fees	Special Assessments	Misc.	Total
2008	\$ 37,425,270	\$ 1,379,798	\$ 11,840,753	\$ 4,958,357	\$ 479,942	\$ 6,532,710	\$ 3,173,952	\$ 5,062,682	\$ 2,026,250	\$ 72,879,714
2009	43,657,423	836,242	12,248,364	5,303,292	500,815	5,229,847	1,099,258	5,367,469	2,353,447	76,596,157
2010	34,329,295	973,817	18,470,532	6,000,557	443,864	1,569,096	1,419,413	5,447,926	4,338,019	72,992,519
2011	35,379,385	833,665	16,697,696	4,633,575	405,786	979,570	826,865	5,554,986	3,381,455	68,692,983
2012	33,191,038	1,043,217	15,759,165	4,766,958	373,238	765,755	578,995	5,666,933	3,300,832	65,446,131
2013	28,752,577	1,224,339	16,097,509	5,375,093	377,084	364,864	2,916,545	5,861,999	4,160,335	65,130,345
2014	31,639,628	1,568,690	17,262,900	5,848,351	332,225	934,395	3,024,213	5,970,067	3,823,506	70,403,975
2015	32,968,914	1,371,771	18,892,429	6,390,025	342,759	738,365	2,552,619	6,099,794	4,924,543	74,281,219
2016	35,880,275	1,712,228	22,302,225	7,872,024	424,930	605,112	3,472,736	6,120,389	20,567,310	98,957,229
2017	36,202,806	2,005,548	19,101,812	6,694,011	429,625	187,521	2,611,460	6,295,969	4,917,946	78,446,698

Source: City of San Ramon Finance Department

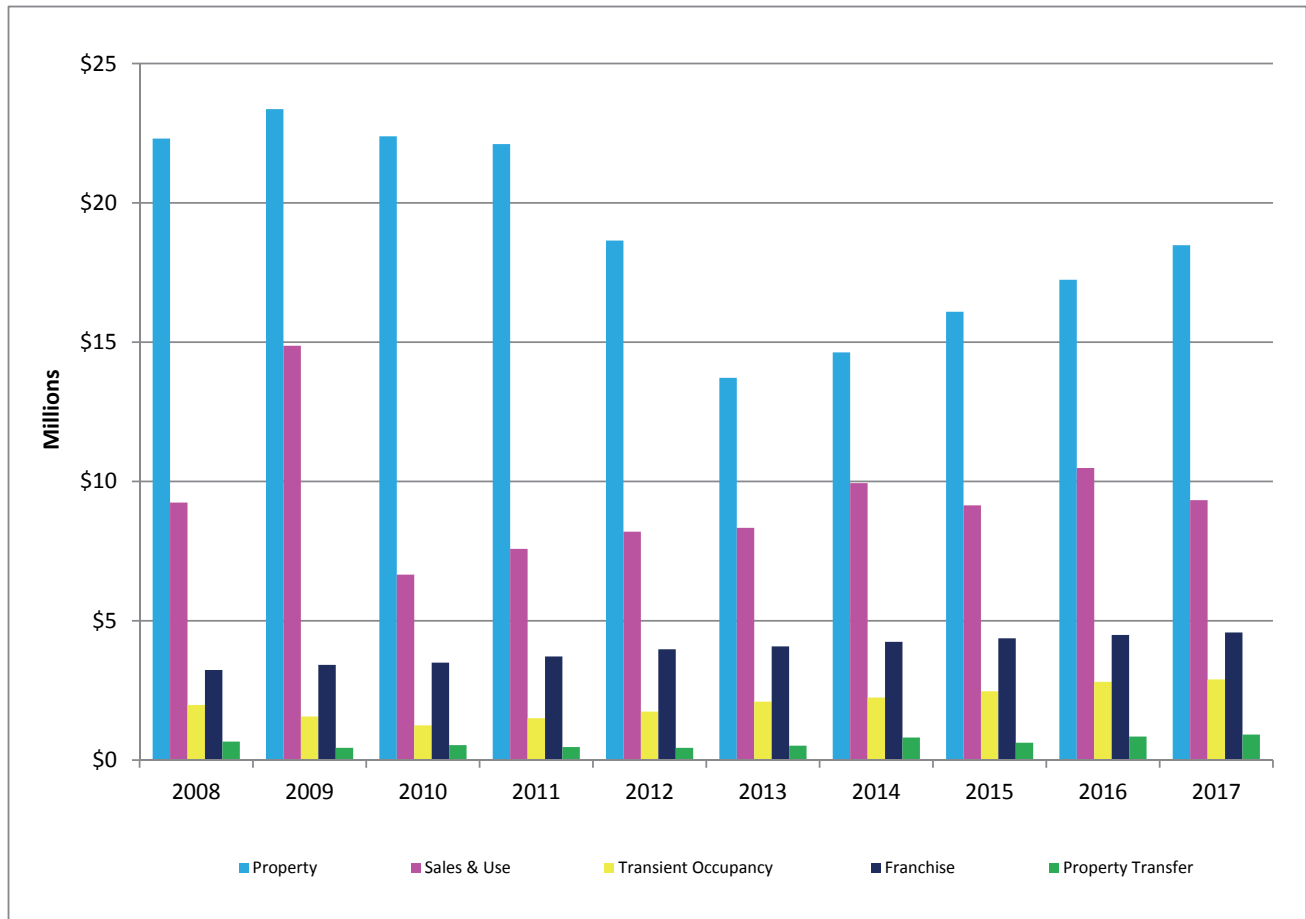


**CITY OF SAN RAMON
TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year	Property	Sales & Use	Transient Occupancy	Franchise	Property Transfer	Total Revenues
2008	\$ 22,305,788	\$ 9,241,599	\$ 1,979,708	\$ 3,233,907	\$ 664,267	\$ 37,425,269
2009	23,364,635	14,870,719	1,566,201	3,416,994	438,874	43,657,423
2010	22,388,243	6,657,222	1,247,315	3,498,870	537,645	34,329,295
2011	22,108,729	7,580,028	1,500,897	3,719,999	469,732	35,379,385
2012	18,647,314	8,198,736	1,741,065	3,978,051	439,705	33,004,871
2013	13,720,279	8,336,061	2,095,975	4,081,825	518,437	28,752,577
2014	14,631,753	9,941,039	2,246,186	4,244,126	810,014	31,873,118
2015	16,091,598	9,142,892	2,470,971	4,371,778	624,548	32,701,787
2016	17,240,799	10,484,639	2,807,649	4,491,196	845,912	35,870,195
2017	18,478,700	9,328,801	2,894,303	4,579,568	915,674	36,197,046

Change						
2008-2017	-17.2%	0.9%	46.2%	41.6%	37.8%	-3.3%

Source: City of San Ramon Finance Department

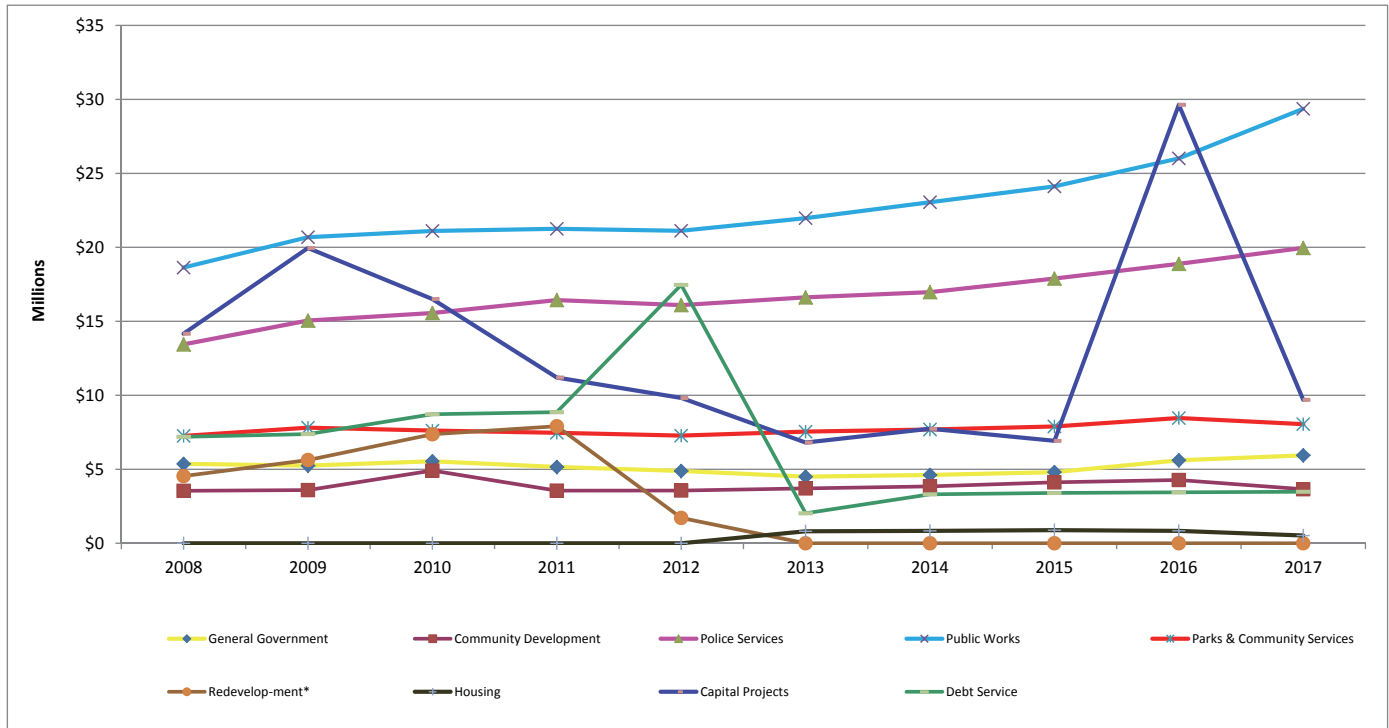


**CITY OF SAN RAMON
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS**

Fiscal Year	General Government	Community Development	Police Services	Public Works	Parks & Community Services	Redevelopment*	Housing	Capital Projects	Debt Service	Total
2008	\$ 5,366,166	\$ 3,545,656	\$13,438,237	\$18,634,385	\$ 7,255,301	\$ 4,541,600	\$ -	\$ 14,164,296	\$ 7,196,023	\$74,141,664
2009	5,249,193	3,592,975	15,051,354	20,685,827	7,813,864	5,624,588	-	19,955,868	7,381,467	85,355,136
2010	5,541,732	4,911,940	15,561,712	21,106,497	7,615,877	7,365,258	-	16,507,061	8,722,374	87,332,451
2011	5,155,152	3,555,625	16,437,146	21,253,741	7,466,692	7,907,665	-	11,201,291	8,862,861	81,840,173
2012	4,885,233	3,564,395	16,097,776	21,119,448	7,275,890	1,710,930	-	9,822,433	17,465,069	81,941,174
2013	4,502,961	3,708,223	16,616,900	21,973,011	7,546,558	-	808,780	6,808,268	2,028,144	63,992,845
2014	4,615,709	3,842,827	16,971,479	23,047,793	7,687,618	-	837,817	7,739,149	3,310,229	68,052,621
2015	4,807,260	4,117,393	17,890,922	24,119,320	7,894,989	-	884,366	6,923,944	3,398,030	70,036,224
2016	5,608,238	4,274,496	18,883,227	26,008,729	8,464,188	-	837,827	29,635,480	3,441,753	97,153,938
2017	5,943,627	3,655,500	19,959,904	29,365,159	8,052,418	-	523,133	9,695,432	3,483,441	80,678,614

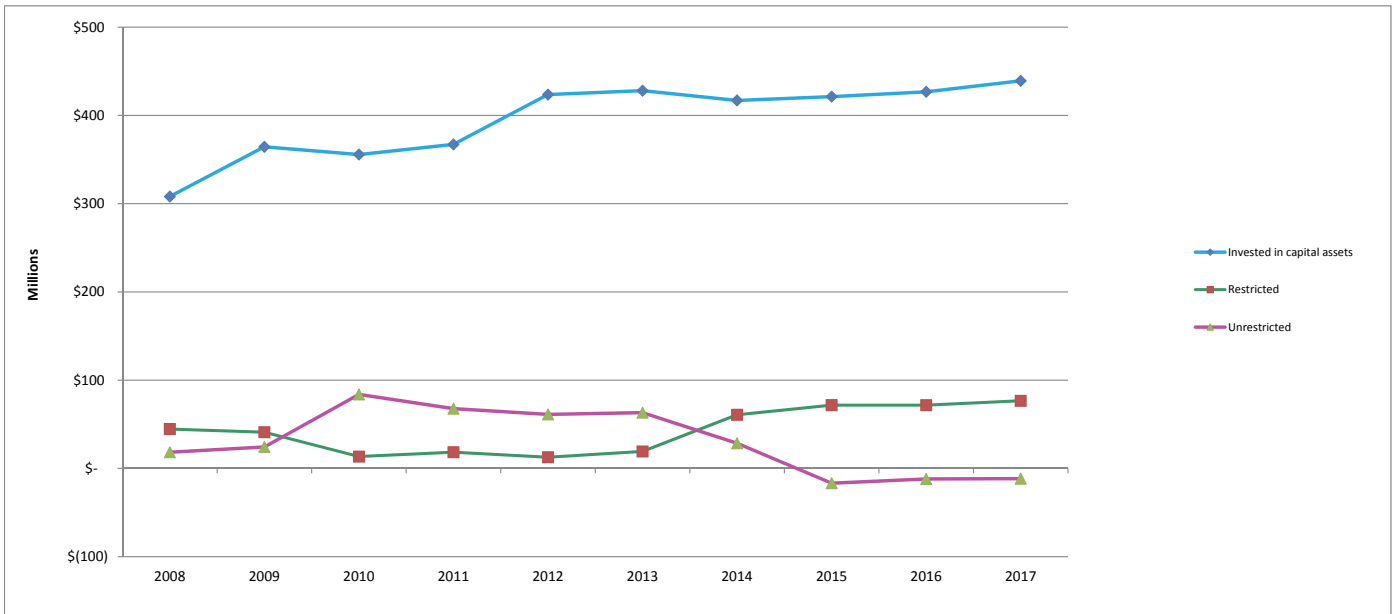
Source: City of San Ramon Finance Department.

* The Redevelopment Agency was dissolved as of January 31, 2012.



CITY OF SAN RAMON
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Governmental activities:	June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Invested in capital assets	\$ 308,079,659	\$ 364,411,397	\$ 355,683,194	\$ 367,121,799	\$ 423,613,403	\$ 428,051,285	\$ 416,958,256	\$ 421,282,671	\$ 426,734,431	\$ 439,179,307
Restricted	44,630,931	41,080,968	13,478,801	18,380,495	12,683,835	19,267,459	60,785,008	71,705,018	71,688,071	76,664,534
Unrestricted	18,329,790	24,379,499	83,849,092	67,727,852	61,270,974	63,218,964	28,477,681	(16,685,507)	(11,892,459)	(11,565,936)
Total	\$371,040,380	\$429,871,864	\$453,011,087	\$453,230,146	\$497,568,212	\$510,537,708	\$506,220,945	\$476,302,182	\$486,530,043	\$504,277,905



CITY OF SAN RAMON
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	June 30,			
	2008	2009	2010	2011
Expenses:				
Governmental activities:				
General government	\$ 6,171,414	\$ 5,788,545	\$ 4,752,394	\$ 6,348,129
Community development	3,621,282	3,668,601	5,046,559	3,667,864
Redevelopment activities *	4,541,600	5,606,182	7,409,543	8,001,831
Housing	-	-	-	-
Police services	13,447,852	15,060,970	15,752,533	16,322,304
Public works	36,268,552	39,132,983	44,650,311	43,994,027
Parks and community service	8,157,575	8,745,298	7,756,449	8,429,240
Interest on long-term debt	4,924,869	4,818,092	6,323,261	5,595,791
Total governmental activities expenses	<u>77,133,144</u>	<u>82,820,671</u>	<u>91,691,050</u>	<u>92,359,186</u>
Program revenues:				
Governmental activities:				
Charges for services:				
General government	564,543	249,447	261,797	286,768
Community development	2,584,480	1,528,803	1,565,754	1,322,217
Redevelopment activities	-	1,347,142	3,525	200,640
Housing	-	-	-	-
Police services	682,255	713,969	668,991	556,565
Public services	435,807	539,834	846,281	2,242,878
Park and community service	4,160,702	4,392,972	4,455,520	4,018,569
Operating grants and contributions	20,157,260	18,686,921	25,564,895	22,290,276
Capital grants and contributions	83,368,962	63,437,561	41,818,078	24,096,911
Total governmental activities program revenues	<u>111,954,009</u>	<u>90,896,649</u>	<u>75,184,841</u>	<u>55,014,824</u>
Net revenues (expenses):	34,820,865	8,075,978	(16,506,209)	(37,344,362)
General revenues and other changes in net assets:				
Governmental activities:				
Taxes:				
Property tax, levied for general purpose	14,345,904	14,525,239	13,930,189	14,038,722
Property tax, Redevelopment Agency tax increment	7,959,884	8,839,396	8,458,054	8,070,007
Sales tax	9,241,599	14,870,719	8,969,804	7,580,028
Transient occupancy tax	1,979,708	1,566,201	1,247,315	1,500,897
Franchise tax	3,233,907	3,416,994	3,498,870	3,719,999
Property transfer tax	664,267	438,874	537,645	469,732
Intergovernmental, unrestricted	349,903	296,468	615,652	795,738
Investment income	6,899,560	4,366,204	1,571,949	979,570
Other general revenues	354,417	2,435,411	815,954	408,728
Total governmental activities	<u>45,029,149</u>	<u>50,755,506</u>	<u>39,645,432</u>	<u>37,563,421</u>
Extraordinary Gain - Successor Agency Trust for Assets of Former Redevelopment Agency				
Changes in net position	<u>\$ 79,850,014</u>	<u>\$ 58,831,484</u>	<u>\$ 23,139,223</u>	<u>\$ 219,059</u>

* The Redevelopment Agency was dissolved as of January 31, 2012.

June 30,

	2012	2013	2014	2015	2016	2017
\$	4,705,554	\$ 6,706,998	\$ 5,448,270	\$ 4,958,010	\$ 5,447,838	\$ 5,511,125
	3,629,772	3,778,893	4,231,229	4,087,620	4,312,666	3,811,113
	1,739,062	-	-	-	-	-
	-	808,780	839,689	884,366	857,894	532,789
	15,891,547	16,501,843	18,280,088	17,098,714	16,951,992	18,497,953
	46,502,699	21,900,956	40,595,096	33,230,480	53,235,400	57,528,031
	8,257,793	8,534,078	9,534,445	8,690,941	9,376,348	9,235,946
	3,430,515	1,602,570	1,828,930	1,549,984	1,480,226	1,421,758
	<u>84,156,942</u>	<u>59,834,118</u>	<u>80,757,747</u>	<u>70,500,115</u>	<u>91,662,364</u>	<u>96,538,715</u>
	275,495	261,005	326,112	314,733	312,675	316,360
	1,773,623	2,158,622	2,626,304	2,125,370	2,595,640	3,069,601
	10,931	-	-	-	-	-
	-	50,841	73,290	408,999	714,307	6,156
	550,414	550,736	437,106	477,577	634,611	476,105
	2,285,564	1,270,628	1,197,819	2,470,824	3,574,777	2,335,628
	3,990,406	4,594,052	4,687,494	4,581,702	5,143,497	5,010,269
	22,027,560	26,430,414	20,344,930	8,375,452	33,628,638	35,947,470
	12,769,956	-	7,792,579	20,661,559	18,300,560	30,233,200
	<u>43,683,949</u>	<u>35,316,298</u>	<u>37,485,634</u>	<u>39,416,216</u>	<u>64,904,705</u>	<u>77,394,789</u>
	(40,472,993)	(24,517,820)	(43,272,113)	(31,083,899)	(26,757,659)	(19,143,926)
	13,945,600	13,720,279	14,631,753	16,091,598	17,240,799	18,478,700
	4,701,714	-	-	-	-	-
	8,198,736	8,336,061	9,941,039	9,142,892	10,484,639	9,328,801
	1,741,065	2,095,975	2,246,186	2,470,971	2,807,649	2,894,303
	3,978,051	4,081,825	4,244,126	4,371,778	4,491,196	4,579,568
	439,705	518,437	810,014	624,548	845,912	915,674
	68,725	38,128	44,552	249,649	100,286	47,706
	765,755	364,864	6,731,074	738,368	605,093	175,776
	658,223	658,478	306,606	919,352	436,250	471,260
	<u>34,497,574</u>	<u>29,814,047</u>	<u>38,955,350</u>	<u>34,609,156</u>	<u>37,011,824</u>	<u>36,891,788</u>
	<u>50,313,485</u>					
\$	<u>44,338,066</u>	<u>\$ 5,296,227</u>	<u>\$ (4,316,763)</u>	<u>\$ 3,525,257</u>	<u>\$ 10,254,165</u>	<u>\$ 17,747,862</u>

CITY OF SAN RAMON
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	June 30,			
	2008	2009	2010	2011 *
General fund:				
Nonspendable	\$ -	\$ -	\$ -	\$ 55,522
Restricted	-	-	-	-
Unassigned	-	-	-	7,256,264
Reserved	626,839	220,964	173,074	-
Unreserved	<u>35,646,047</u>	<u>37,039,609</u>	<u>7,632,904</u>	<u>-</u>
Total general fund	<u>\$ 36,272,886</u>	<u>\$ 37,260,573</u>	<u>\$ 7,805,978</u>	<u>\$ 7,311,786</u>
All other governmental funds:				
Nonspendable	\$ -	\$ -	\$ -	\$ 3,788,639
Restricted	-	-	-	72,834,287
Committed	-	-	-	-
Unassigned	-	-	-	(3,338,073)
Reserved :				
Encumbrances	-	-	2,644,177	-
Advances to other funds	-	-	2,888,859	-
Housing set-aside	1,379,634	298,497	662,851	-
Housing-capital projects	2,389,945	4,915,912	-	-
Land held for resale	1,750,000	1,750,000	3,091,868	-
Debt Service	43,644,891	34,936,559	16,941,528	-
Prepaid and deposits	-	-	9,713	-
Special revenue funds	229,898	201,466	-	-
Unreserved, reported in:				
Special revenue funds	19,847,931	15,213,218	23,143,275	-
Debt Service	-	-	17,526,136	-
Capital projects funds	<u>15,973,609</u>	<u>16,004,090</u>	<u>19,051,477</u>	<u>-</u>
Total all other governmental funds	<u>\$ 85,215,908</u>	<u>\$ 73,319,742</u>	<u>\$ 85,959,884</u>	<u>\$ 73,284,853</u>

* GASB statement No. 54 was implemented in FY 10/11, which required all fund balances to be classified as Non-Spendable, Restricted, Committed, or Unassigned.

June 30,					
2012 *	2013 *	2014 *	2015 *	2016 *	2017 *
\$ 679,909	\$ 264,258	\$ 319,520	\$ 4,959,508	\$ 6,255,670	\$ 510,137
-	-	-	-	-	-
8,258,329	11,487,816	11,421,981	5,975,668	6,890,959	9,399,666
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 8,938,238</u>	<u>\$ 11,752,074</u>	<u>\$ 11,741,501</u>	<u>\$ 10,935,176</u>	<u>\$ 13,146,629</u>	<u>\$ 9,909,803</u>
\$ 9,842	\$ 3,503,907	\$ 10,400	\$ 26,481	\$ 102,722	\$ 9,444,363
51,687,896	54,852,806	59,984,958	70,645,724	70,466,220	66,210,405
330,681	543,059	784,725	1,032,813	1,119,129	1,010,791
-	-	-	-	-	(1,025)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 52,028,419</u>	<u>\$ 58,899,772</u>	<u>\$ 60,780,083</u>	<u>\$ 71,705,018</u>	<u>\$ 71,688,071</u>	<u>\$ 76,664,534</u>

CITY OF SAN RAMON
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	June 30,			
	2008	2009	2010	2011
Revenues:				
Taxes	\$ 37,425,270	\$ 43,657,423	\$ 34,329,295	\$ 35,379,385
Licenses and permits	1,379,798	836,242	973,817	833,665
Intergovernmental	3,173,952	12,248,364	18,470,532	16,697,696
Developer fees	4,958,357	1,099,258	1,419,413	826,865
Charges for services	479,942	5,303,292	6,000,557	4,633,575
Fines and forfeitures	6,532,710	500,815	443,864	405,786
Investment income	11,840,753	5,229,847	1,569,096	979,570
Special assessments	5,062,682	5,367,469	5,447,926	5,554,986
Miscellaneous	2,026,250	2,353,447	4,338,019	3,381,455
Total revenues	<u>72,879,714</u>	<u>76,596,157</u>	<u>72,992,519</u>	<u>68,692,983</u>
Expenditures				
Current:				
General government	5,366,166	5,249,193	5,541,732	5,155,152
Community development	3,545,656	3,592,975	4,911,940	3,555,625
Housing	-	-	-	-
Police Services	4,541,600	15,051,354	15,561,712	16,437,146
Public works	13,438,237	20,685,827	21,106,497	21,253,741
Parks & community services	18,634,385	7,813,864	7,615,877	7,466,692
Redevelopment	7,255,301	5,624,588	7,365,258	7,907,665
Capital Outlay	14,164,296	19,955,868	16,507,061	11,201,291
Debt service:				
Principal	2,270,000	2,560,000	2,980,000	3,195,000
Interest and fees	4,926,023	4,821,467	5,742,374	5,667,861
Total expenditures	<u>74,141,664</u>	<u>85,355,136</u>	<u>87,332,451</u>	<u>81,840,173</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,261,950)</u>	<u>(8,758,979)</u>	<u>(14,339,932)</u>	<u>(13,147,190)</u>
Other financing sources (uses):				
Proceeds from sale of property	-	-	-	-
Transfers in	41,981,839	51,574,276	73,873,057	28,874,981
Transfers (out)	(43,053,516)	(53,723,776)	(76,997,578)	(28,897,014)
Issuance of bonds	-	-	17,380,247	-
Payment to bond escrow agent	-	-	(17,000,000)	-
Total other financing sources (uses)	<u>(1,071,677)</u>	<u>(2,149,500)</u>	<u>(2,474,521)</u>	<u>(22,033)</u>
Extraordinary loss				
Net change in fund balances	<u>\$ (2,333,627)</u>	<u>\$ (10,908,479)</u>	<u>\$ (16,814,453)</u>	<u>\$ (13,169,223)</u>
Debt service as a percentage of noncapital expenditures				
	11%	11%	11%	11%

June 30,

2012	2013	2014	2015	2016	2017
\$ 33,191,038	\$ 28,752,577	\$ 31,639,628	\$ 32,968,914	\$ 35,880,275	\$ 36,202,806
1,043,217	1,224,339	1,568,690	1,371,771	1,712,228	2,005,548
15,759,165	16,097,509	17,262,900	18,892,429	22,302,225	19,101,812
578,995	2,916,545	3,024,213	2,552,619	3,472,736	2,611,460
4,766,958	5,375,093	5,848,351	6,390,025	7,872,024	6,694,011
373,238	377,084	332,225	342,759	424,930	429,625
765,755	364,864	934,395	738,365	605,112	187,521
5,666,933	5,861,999	5,970,067	6,099,794	6,120,389	6,295,969
3,300,832	4,160,335	3,823,506	4,924,543	20,567,310	4,917,946
<u>65,446,131</u>	<u>65,130,345</u>	<u>70,403,975</u>	<u>74,281,219</u>	<u>98,957,229</u>	<u>78,446,698</u>
4,885,233	4,502,961	4,615,709	4,807,260	5,608,238	5,943,627
3,564,395	3,708,223	3,842,827	4,117,393	4,274,496	3,655,500
-	808,780	837,817	884,366	837,827	523,133
16,097,776	16,616,900	16,973,606	17,890,922	18,883,227	19,959,904
21,119,448	21,973,011	23,047,793	24,119,320	26,008,729	29,365,159
7,275,890	7,546,558	7,687,618	7,894,989	8,464,188	8,052,418
1,710,930	-	-	-	-	-
9,822,433	6,808,268	7,739,149	6,923,944	29,635,480	9,695,432
13,670,000	415,221	1,673,678	1,820,102	1,934,176	2,033,848
3,795,069	1,612,923	1,634,424	1,577,928	1,507,577	1,449,593
<u>81,941,174</u>	<u>63,992,845</u>	<u>68,052,621</u>	<u>70,036,224</u>	<u>97,153,938</u>	<u>80,678,614</u>
<u>(16,495,043)</u>	<u>1,137,500</u>	<u>2,351,354</u>	<u>4,244,995</u>	<u>1,803,291</u>	<u>(2,231,916)</u>
-	-	-	-	-	5,606,679
59,233,924	14,515,778	12,858,271	16,518,219	23,429,979	19,035,672
(58,710,132)	(14,569,446)	(13,339,887)	(16,425,766)	(23,038,763)	(20,670,798)
14,896,857	-	-	-	-	-
-	-	-	-	-	-
<u>15,420,649</u>	<u>(53,668)</u>	<u>(481,616)</u>	<u>92,453</u>	<u>391,216</u>	<u>3,971,553</u>
<u>(18,555,588)</u>					
<u>\$ (19,629,982)</u>	<u>\$ 1,083,832</u>	<u>\$ 1,869,738</u>	<u>\$ 4,337,448</u>	<u>\$ 2,194,507</u>	<u>\$ 1,739,637</u>

22%

3%

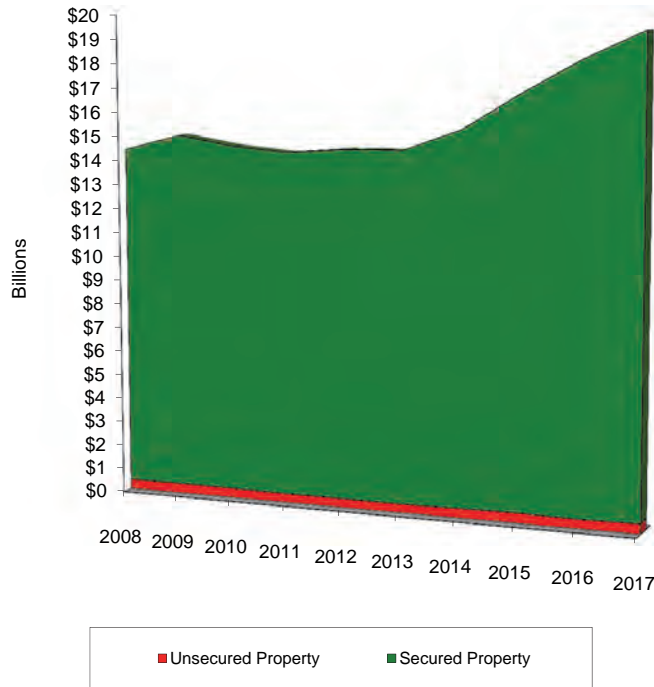
5%

6%

3%

4%

**CITY OF SAN RAMON
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**



Fiscal Year Ended June 30	Secured	Unsecured	Taxable Assessed Value	Total Direct Tax Rate
2008	\$ 14,043,096,208	\$ 401,846,354	\$ 14,444,942,562	0.13170
2009	14,657,651,750	414,927,856	15,072,579,606	0.07710
2010	14,281,273,168	396,128,906	14,677,402,074	0.07720
2011	14,089,635,186	373,466,330	14,463,101,516	0.07720
2012	14,279,958,445	372,954,042	14,652,912,487	0.07740
2013	14,303,318,095	363,496,493	14,666,814,588	0.07600
2014	15,118,312,790	404,102,025	15,522,414,815	0.07590
2015	16,562,364,762	421,617,203	16,983,981,965	0.07470
2016	17,932,287,779	386,528,547	18,318,816,326	0.06940
2017	18,989,294,954	422,241,773	19,411,536,727	0.05810

Source: Contra Costa County Auditor-Controller's Office - Certificate of Assessed Valuation

The Taxable Assessed Value is the Total Gross Assessed Valuation less Homeowner's Exemptions

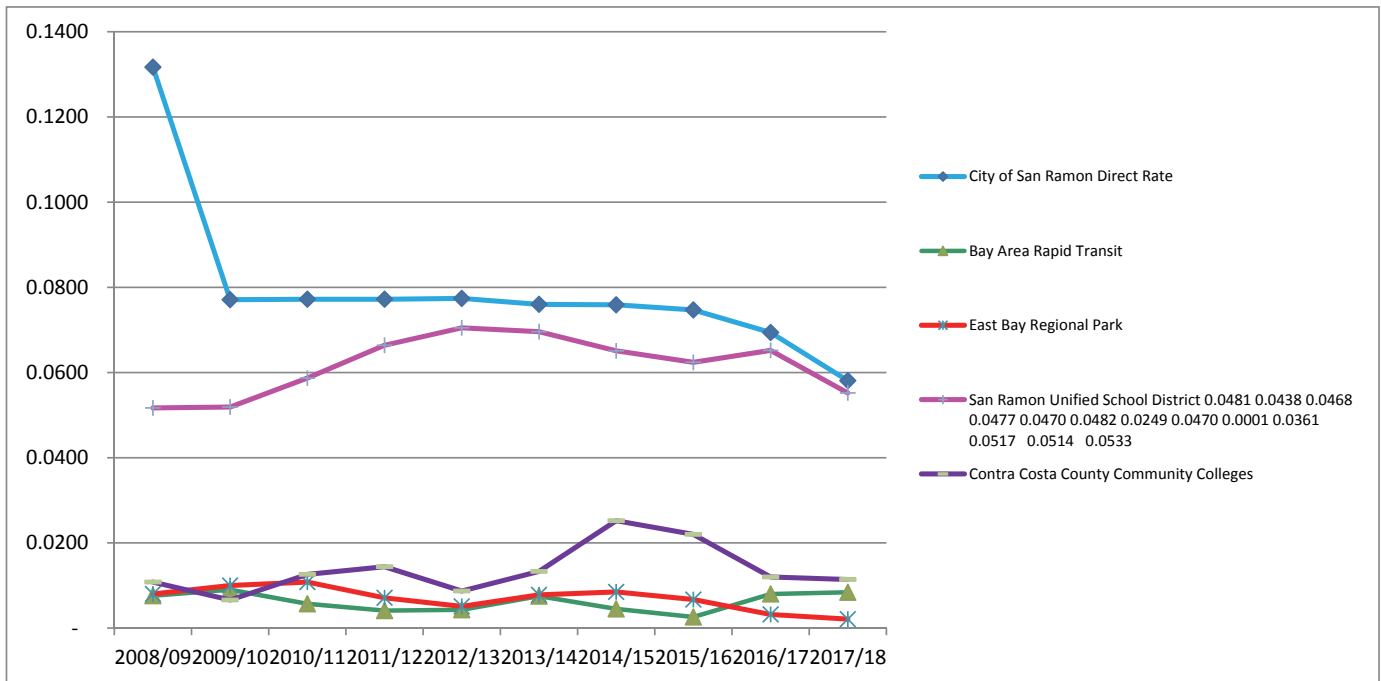
Note:

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a 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. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

**CITY OF SAN RAMON
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year	Overlapping Rates						TOTAL DIRECT RATE
	City of San Ramon Direct Rate	Bay Area Rapid Transit	East Bay Regional Park	San Ramon Unified School District	Contra Costa County Community Colleges	Subtotal Overlapping Rate	
2008/09	0.1317	0.0076	0.0080	0.0517	0.0108	0.0625	0.2098
2009/10	0.0771	0.0090	0.0100	0.0519	0.0066	0.0090	0.1546
2010/11	0.0772	0.0057	0.0108	0.0587	0.0126	0.0878	0.1650
2011/12	0.0772	0.0041	0.0071	0.0664	0.0144	0.0920	0.1692
2012/13	0.0774	0.0043	0.0051	0.0705	0.0087	0.0886	0.1660
2013/14	0.0760	0.0075	0.0078	0.0696	0.0133	0.0982	0.1742
2014/15	0.0759	0.0045	0.0085	0.0651	0.0252	0.1033	0.1792
2015/16	0.0747	0.0026	0.0067	0.0624	0.0220	0.0937	0.1684
2016/17	0.0694	0.0080	0.0032	0.0652	0.0120	0.0884	0.1578
2017/18	0.0581	0.0084	0.0021	0.0552	0.0114	0.0771	0.1352

Source: Contra Costa County Auditors Controller's Office





(This Page intentionally left blank.)

**CITY OF SAN RAMON
 PRINCIPAL SALES TAX PRODUCERS
 FOR THE YEAR ENDED JUNE 30, 2017**

FIRM

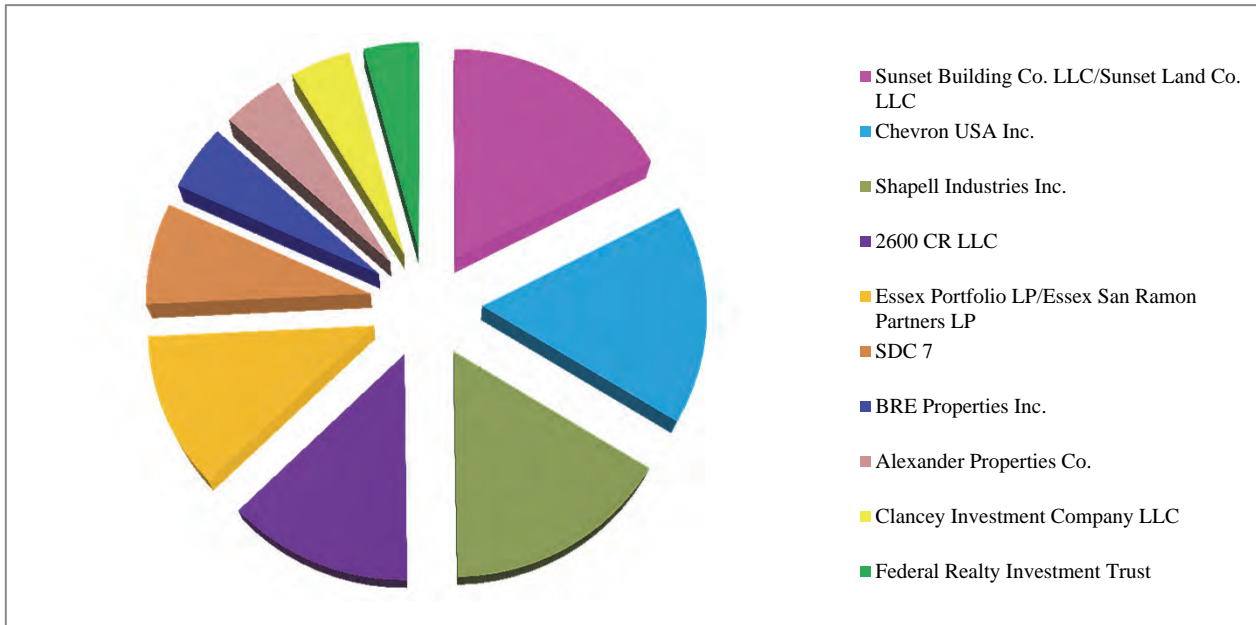
7-ELEVEN FOOD STORES
 AT&T MOBILITY
 BEVERAGES & MORE
 CANADIAN SOLAR
 CHEVRON SERVICE STATIONS
 CTI-CONTROLTECH
 CVS PHARMACY
 DEVIL MOUNTAIN WHOLESALE NURSERY
 EASTBAY MOTORCARS
 ELEASE RETURNS
 ENTERPRISE RENT-A-CAR
 FUEL & MARINE MARKETING
 HELLER JEWELERS
 HOME DEPOT
 HOMEGOODS
 IN-N-OUT BURGERS
 KOVARUS
 LEHIGH SOUTHWEST CEMENT COMPANY
 MARRIOTT HOTEL
 MORGAN'S MASONRY SUPPLY
 OFFICE DEPOT
 OKONITE COMPANY
 ORCHARD SUPPLY HARDWARE
 SAFEWAY STORES
 SAVE MART SUPERMARKETS
 SHELL SERVICE STATIONS
 TARGET STORES
 TOYOTA MOTOR DISTRIBUTORS
 WALMART NEIGHBORHOOD MARKET
 WHOLE FOODS MARKET

BUSINESS DESCRIPTION

GROCERY WITH BEER/WINE
 SPECIALTY STORES
 LIQUOR STORE
 LIGHT INDUSTRY
 SERVICE STATIONS
 HEAVY INDUSTRY
 DRUG STORES
 NURSERY
 USED CAR SALES
 USED CAR SALES
 CAR RENTAL
 OIL & GAS PRODUCTS
 JEWELRY STORE
 BUILDING MATERIALS STORE
 HOME FURNISHINGS
 FAST FOOD RESTAURANT
 BUSINESS SERVICES
 BUILDING MATERIALS WHOLESALE
 HOTEL
 BUILDING MATERIALS WHOLESALE
 OFFICE EQUIPMENT STORE
 ELECTRONIC EQUIPMENT
 HARDWARE STORE
 SUPERMARKETS
 SUPERMARKETS
 SERVICE STATIONS
 DEPARTMENT STORES
 VEHICLE PARTS MANUFACTURING
 SUPERMARKETS
 SUPERMARKETS

Source: MBIA Muni Services Company

**CITY OF SAN RAMON
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT FISCAL YEAR AND NINE YEARS AGO
 JUNE 30, 2017**



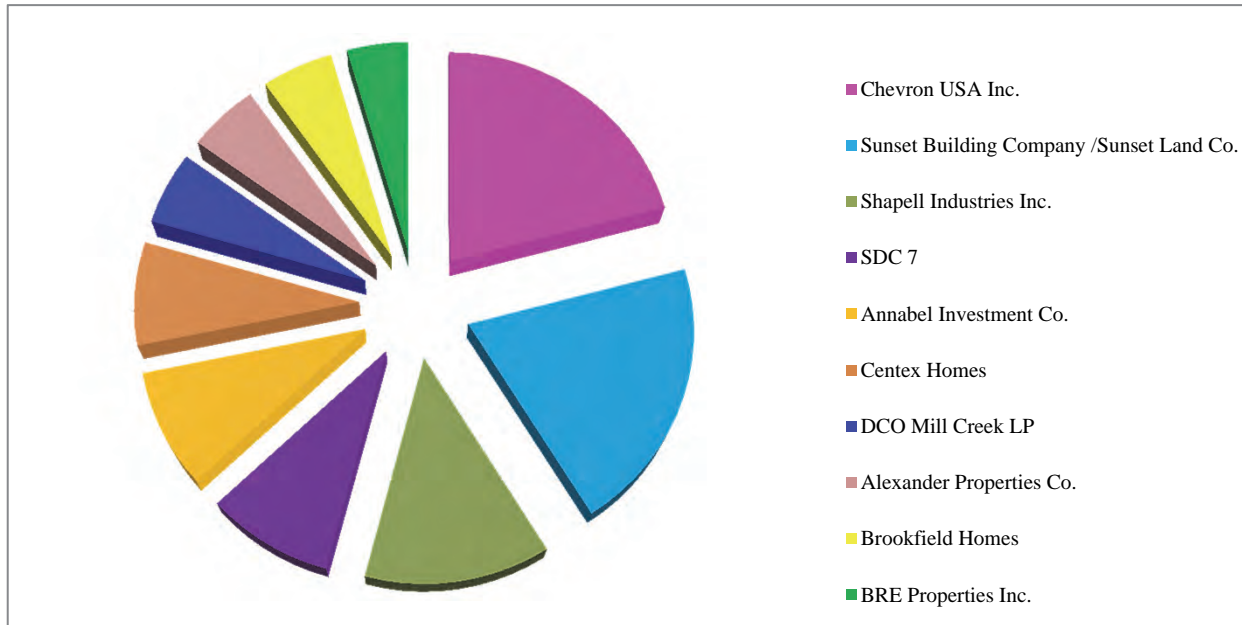
2017

Taxpayer	2017 Assessed Valuation *	Rank	Percentage of Total Taxable Assessed Value
Sunset Building Co. LLC/Sunset Land Co. LLC	\$384,763,588	1	2.03%
Chevron USA Inc.	360,731,632	2	1.91%
Shapell Industries Inc.	352,725,005	3	1.86%
2600 CR LLC	285,367,563	4	1.51%
Essex Portfolio LP/Essex San Ramon Partners LP	253,739,989	5	1.34%
SDC 7	167,967,768	6	0.89%
BRE Properties Inc.	109,638,264	7	0.58%
Alexander Properties Co.	101,286,467	8	0.54%
Clancey Investment Company LLC	99,135,873	9	0.52%
Federal Realty Investment Trust	90,667,506	10	0.48%
Total	\$2,206,023,655		
2016-2017 Assessed Valuation: \$	\$18,924,666,060	**	
2007-2008 Assessed Valuation: \$	\$14,043,096,208	**	

* Assessed Valuation includes Net Secured Property Tax Roll plus Homeowners Exemption.

** Local Secured Assessed Valuation

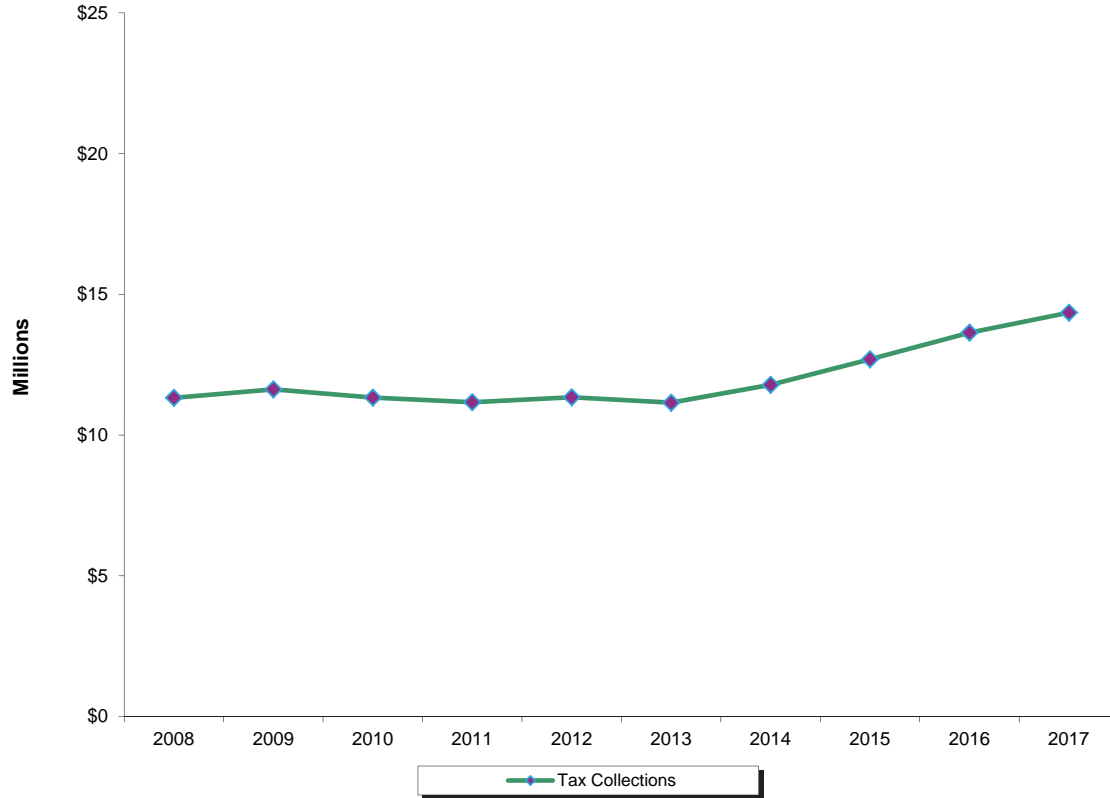
Source: California Municipal Statistics, Inc.



2008

Taxpayer	2008 Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Chevron USA Inc.	\$352,172,812	1	2.69%
Sunset Building Company /Sunset Land Co.	340,397,229	2	2.60%
Shapell Industries Inc.	218,656,446	3	1.67%
SDC 7	150,754,358	4	1.15%
Annabel Investment Co.	146,427,943	5	1.12%
Centex Homes	129,564,969	6	0.99%
DCO Mill Creek LP	92,344,862	7	0.70%
Alexander Properties Co.	89,517,990	8	0.68%
Brookfield Homes	89,028,283	9	0.68%
BRE Properties Inc.	75,885,318	10	0.58%
	<u>\$1,684,750,210</u>		

**CITY OF SAN RAMON
PROPERTY TAX LEVIES & COLLECTIONS
LAST TEN FISCAL YEARS**

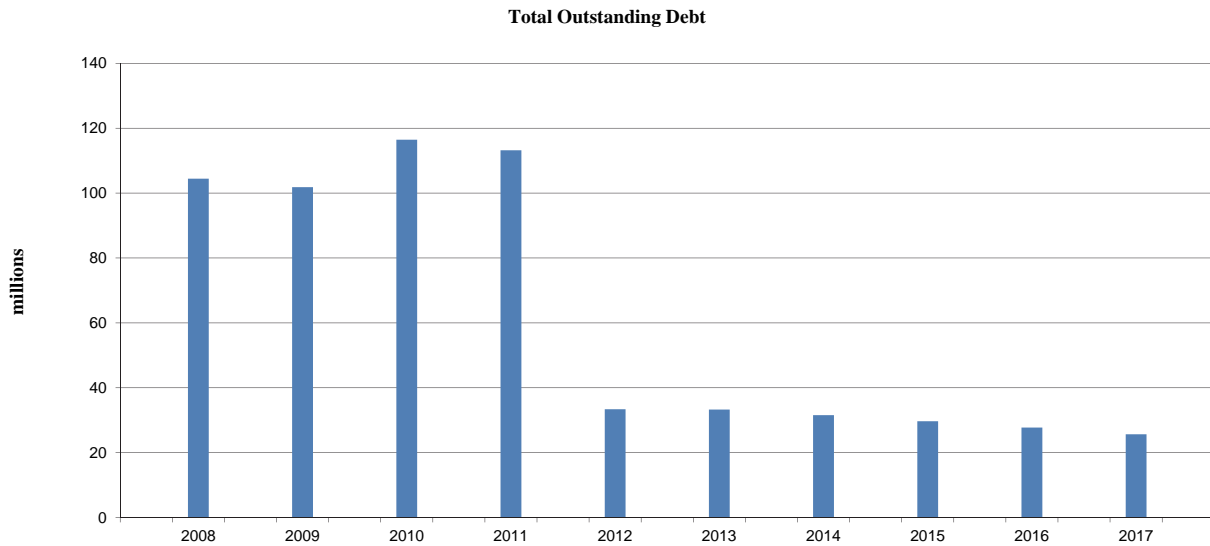


Fiscal Year Ended June 30	Total Tax* Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Total Collections to Date	
		Amount	Percentage of Levy	Amount	Percentage of Levy
2008	\$ 11,324,341	\$ 11,324,341	100%	\$ 11,324,341	100%
2009	11,624,667	11,624,667	100%	11,624,667	100%
2010	11,332,451	11,332,451	100%	11,332,451	100%
2011	11,169,305	11,169,305	100%	11,169,305	100%
2012	11,345,100	11,345,100	100%	11,345,100	100%
2013	11,152,848	11,152,848	100%	11,152,848	100%
2014	11,786,675	11,786,675	100%	11,786,675	100%
2015	12,693,581	12,693,581	100%	12,693,581	100%
2016	13,638,715	13,638,715	100%	13,638,715	100%
2017	14,350,584	14,350,584	100%	14,350,584	100%

Source: Contra Costa County Auditor-Controller's Office

* Does not include Supplemental / Unitary & Operating Non-Unitary

**CITY OF SAN RAMON
RATIOS OF DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

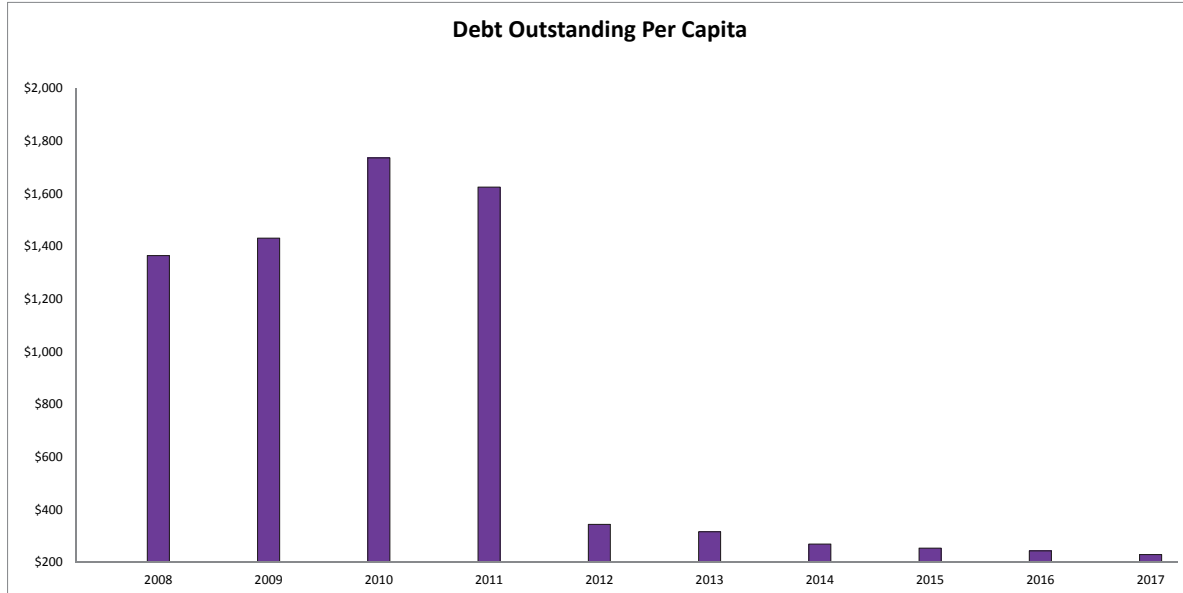


Fiscal Year Ended June 30	Certificates of Participation	Tax Allocation Bonds *	Revenue Bonds	Pension Obligation Bonds	Capital Leases	Premium on Debt	Notes Payable	Total	Percent of Assessed Value	Percent of Personal Income	Per Capita
2008	\$ 17,760,000	\$ 84,411,105	\$ 845,000	\$ -	\$ 90,068	\$ 594,535	\$ 750,000	\$ 104,450,708	0.7231%	5.8103%	1,365
2009	16,780,000	82,904,872	750,000	-	76,976	573,302	750,000	101,835,150	0.6756%	5.3140%	1,431
2010	15,765,000	81,163,539	650,000	17,505,000	63,170	551,969	750,000	116,448,678	0.7934%	5.9226%	1,736
2011	14,705,000	79,192,306	545,000	17,425,000	48,612	530,736	750,000	113,196,654	0.7827%	5.1727%	1,625
2012	12,785,000	-	-	17,315,000	2,720,562	579,944	-	33,400,506	0.2279%	1.5008%	344
2013	12,605,000	-	-	17,170,000	2,976,068	535,333	-	33,286,401	0.2270%	1.4620%	316
2014	11,345,000	-	-	16,990,000	2,742,390	490,722	-	31,568,112	0.2034%	1.3674%	269
2015	9,970,000	-	-	16,775,000	2,512,288	446,111	-	29,703,399	0.1749%	1.2664%	253
2016	8,535,000	-	-	16,520,000	2,294,415	401,500	-	27,750,915	0.1515%	1.1861%	243
2017	7,065,000	-	-	16,215,000	2,035,567	356,889	-	25,672,456	0.1323%	1.0674%	229

Source: City of San Ramon Finance Department

* The balance of Tax Allocation Bonds was transferred to the Successor Agency as of February 1, 2012

**CITY OF SAN RAMON
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**



Fiscal Year Ended June 30	Governmental Activities								Total Primary Government	Percentage of Assessed Value of Property (2)	Percentage of Personal Income (3)	Debt Per Capita (4)
	Certificates of Participation (1)	Tax Allocation Bonds (1)	Revenue Bonds* (1)	Pension Obligation Bonds (1)	Capital lease (1)	Premium on Debt (1)	Notes Payable (1)	Total Governmental Activities				
2008	\$ 17,760,000	\$ 84,411,105	\$ 845,000	\$ -	\$ 90,068	\$ 594,535	\$ 750,000	\$ 104,450,708	\$ 104,450,708	0.72%	5.81%	1,365
2009	16,780,000	82,904,872	750,000	-	76,976	573,302	750,000	101,835,150	101,835,150	0.68%	5.31%	1,431
2010	15,765,000	81,183,539	650,000	17,505,000	63,170	551,969	750,000	116,468,678	116,468,678	0.79%	5.92%	1,736
2011	14,705,000	79,192,306	545,000	17,425,000	48,612	530,736	750,000	113,196,654	113,196,654	0.78%	5.17%	1,625
2012	12,785,000	-	-	17,315,000	2,720,562	579,944	-	33,400,506	33,400,506	0.23%	1.50%	344
2013	12,605,000	-	-	17,170,000	2,976,068	535,333	-	33,286,401	33,286,401	0.23%	1.46%	316
2014	11,345,000	-	-	16,990,000	2,742,390	490,722	-	31,568,112	31,568,112	0.20%	1.37%	269
2015	9,970,000	-	-	16,775,000	2,512,288	446,111	-	29,703,399	29,703,399	0.17%	1.27%	253
2016	8,535,000	-	-	16,520,000	2,294,415	401,500	-	27,750,915	27,750,915	0.15%	1.19%	243
2017	7,065,000	-	-	16,215,000	2,035,567	356,889	-	25,672,456	25,672,456	0.13%	1.07%	229

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

The City is expressing total outstanding debt as a percentage of taxable assessed property values as provided by the Contra Costa County Auditor-Controller's Office.

The balance of Tax Allocation Bonds, Tax Revenue Bonds and HELP Loan was transferred to the Successor Agency as of February 1, 2012

Source: (1) City of San Ramon Finance Department

(2) Contra Costa County Auditor-Controller's Office

(3) Bureau of Economic Analysis/State of California Franchise Tax Board

(4) Debt per Capita is calculated from total debt outstanding less reserves available

* The City issued revenue bonds in fiscal years 2005 and 2006

** The City entered into lease agreements on July 10, 2006 and August 1, 2012

*** In April 2007 the Redevelopment Agency received a Housing Enabled by Local Partnership ("HELP") loan from the California Housing Finance Agency ("CalHFA").

CITY OF SAN RAMON

DIRECT AND OVERLAPPING DEBT

June 30, 2017

2016-17 Assessed Valuation*: \$ 19,342,305,394

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	Total Debt 6/30/2017	% Applicable (1)	City's Share of Debt 6/30/17
Bay Area Rapid Transit District	\$ 891,135,000	2.994%	\$ 26,680,582
Chabot-Las Positas Community College District	536,465,000	0.516	2,768,159
Contra Costa Community College District	409,580,000	10.315	42,248,177
San Ramon Valley Unified School District	414,346,555	43.465	180,095,730
East Bay Regional Park District	123,590,000	4.618	5,707,386
ABAG Windemere Ranch Community Facilities District No. 2004-2	35,501,991	100	35,501,991
ABAG Windemere Ranch 1915 Act Bonds	76,342,929	100	<u>76,342,929</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			369,344,954
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Contra Costa County General Fund Obligations	\$ 222,354,484	10.589%	23,545,116
Contra Costa County Pension Obligations	185,830,000	10.589	19,677,539
Contra Costa Community College District Certificates of Participation	430,000	10.315	44,355
San Ramon Valley Unified School District General Fund Obligations	29,809,082	43.465	12,956,517
City of San Ramon Certificates of Participation, net of premiums	7,065,000	100	7,065,000
City of San Ramon Pension Obligation	16,215,000	100	16,215,000
City of San Ramon Capital Leases	2,035,567	100	2,035,567
San Ramon Valley Fire Protection District Certificates of Participation	13,030,000	43.693	<u>5,693,198</u>
GROSS DIRECT OVERLAPPING GENERAL FUND DEBT			87,232,292
Less: Contra Costa County Obligations supported from revenue funds			<u>8,089,244</u>
NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 79,143,048
 <u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>	 \$ 48,760,000	 100%	 \$ 48,760,000
 TOTAL DIRECT DEBT			 \$ 25,315,567
TOTAL GROSS OVERLAPPING DEBT			\$ 480,021,679
TOTAL NET OVERLAPPING DEBT			\$ 471,932,435
 GROSS COMBINED TOTAL DEBT			 \$ 505,337,246 (2)
NET COMBINED TOTAL DEBT			\$ 497,248,002

1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

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

Ratios to 2016-17 Assessed Valuation:

Total Overlapping Tax and Assessment Debt.....	1.91%
Total Direct Debt (\$25,315,567).....	0.13%
Gross Combined Total Debt.....	2.61%
Net Combined Total Debt.....	2.57%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$1,069,570,391):

Total Overlapping Tax Incremental Debt.....	4.56%
---------------------------------------------	-------

* Assessed Valuation includes Net Secured and Unsecured Property Tax Roll plus Homeowners Exemption.

Source: California Municipal Statistics, Inc.

CITY OF SAN RAMON
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

	June 30,			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Debt limit	\$ 727,932,627	\$ 686,955,612	\$ 636,899,324	\$ 570,541,001
Total net debt applicable to limit	<u>7,421,889</u>	<u>8,936,500</u>	<u>10,416,111</u>	<u>11,549,555</u>
Legal debt margin	<u>\$ 720,510,738</u>	<u>\$ 678,019,112</u>	<u>\$ 626,483,213</u>	<u>\$ 558,991,446</u>
Total net debt applicable to the limit as a percentage of debt limit	1.0%	1.3%	1.6%	2.0%

Legal Debt Margin Calculation for Fiscal Year 2017:

Converted assessed value (at 25% of Taxable Value)

Debt limit (15% of assessed value)

Debt applicable to limit:

Certificates of Participation

Legal debt margin

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). Although the statutory debt limit has not been amended by the State since this change, the percentages presented in the above computations have been proportionately modified to 3.75% (25% of 15%) for the purpose of this calculation in order to be consistent with the computational effect of the debt limit at the time of the state's establishment of the limit.

Source: City Finance Department

June 30,

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 537,177,396	\$ 536,457,471	\$ 556,371,294	\$ 550,402,578	\$ 565,221,735	\$ 541,685,346
<u>12,828,151</u>	<u>13,026,747</u>	<u>14,705,000</u>	<u>15,765,000</u>	<u>16,780,000</u>	<u>17,760,000</u>
<u>\$ 524,349,245</u>	<u>\$ 523,430,724</u>	<u>\$ 541,666,294</u>	<u>\$ 534,637,578</u>	<u>\$ 548,441,735</u>	<u>\$ 523,925,346</u>
2.4%	2.4%	2.6%	2.9%	3.0%	3.3%

\$ 4,852,884,182

\$ 727,932,627

7,421,889

\$ 720,510,738



(This Page intentionally left blank.)

CITY OF SAN RAMON
 PLEDGED-REVENUE COVERAGE
 LAST TEN FISCAL YEARS

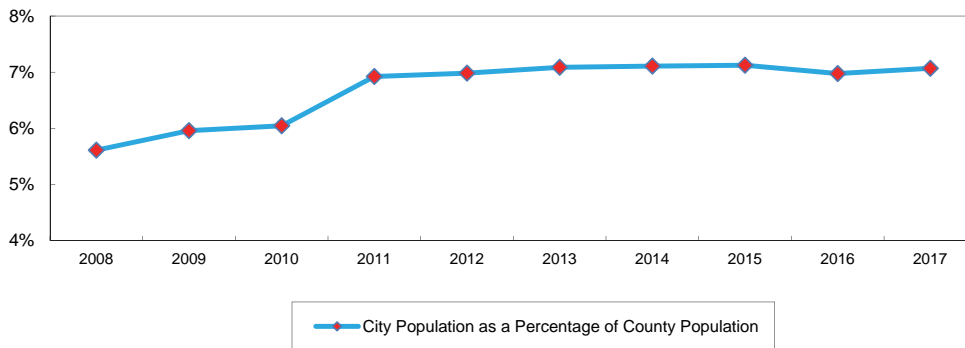
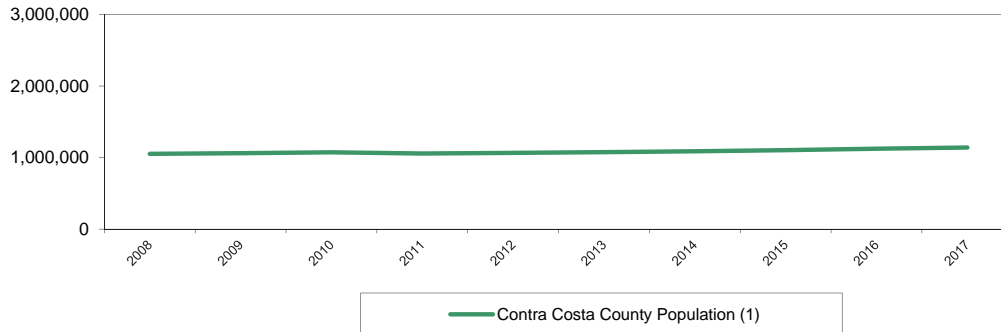
Fiscal Year Ended June 30	Tax Allocation Bonds			
	Tax Increment	Debt Service		Coverage
		Principal *	Interest *	
2008	\$ 7,959,885	\$ 1,256,233	\$ 3,774,252	1.58
2009	8,839,396	1,506,233	3,722,083	1.69
2010	8,458,054	1,741,233	3,655,270	1.57
2011	8,070,007	1,971,233	3,576,160	1.45
2012	4,701,714	-	1,741,259	2.70
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-

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

* The balance of the Tax Allocation Bonds was transferred to the Successor Agency as of February 1, 2012.
 Principal and interest payments are recorded through January 31, 2012.

Source: City Finance Department

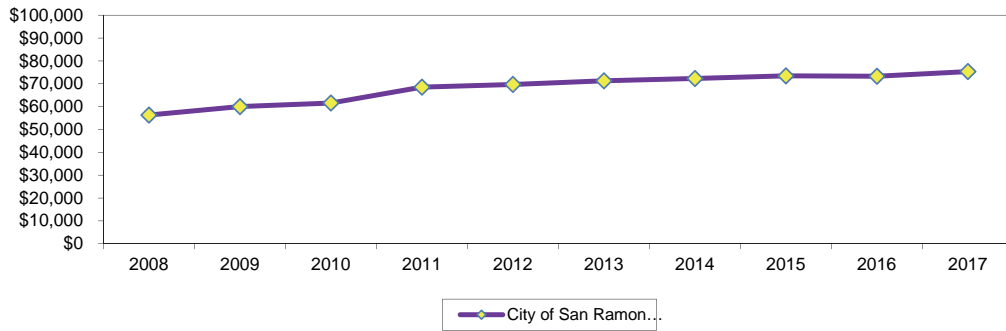
**CITY OF SAN RAMON
DEMOGRAPHICS STATISTICS
LAST TEN FISCAL YEARS**



Fiscal Year	City of San Ramon Population (1)	Percent Change In Population	City of San Ramon Personal Income (2) **	City of San Ramon Per Capita Income(3)
2008	59,002	1.6%	1,797,695	56,311
2009	63,176	6.6%	1,916,343	60,027
2010	64,860	2.6%	1,966,168	61,588
2011	73,109	11.3%	2,188,345	68,547
2012	74,378	1.7%	2,225,547	69,713
2013	76,154	2.3%	2,276,734	71,316
2014	77,270	1.4%	2,308,609	72,315
2015	78,561	1.6%	2,345,546	73,472
2016	78,363	-0.3%	2,339,682	73,291
2017	80,550	2.8%	2,405,193	75,343

Note: City of San Ramon personal income for years 2008-2017 and City of San Ramon per capita income for 2008- 2017 are estimates based upon the percent of change in population as provided by the Department of Commerce, Bureau of Economic Analysis.

Source: (1) State of California Department of Finance
 (2) Bureau of Economic Analysis/ State of California Franchise Tax Board
 (3) State of California Employment Development Department
 * Information was not available for FY2009 through FY2017
 ** In Thousands



City of San Ramon Unemployment Rates (3)	Contra Costa County Population (1)	Contra Costa County Per Capita Income (2)
2.20%	1,051,674	38,074
3.70%	1,060,435	*
5.10%	1,073,055	*
4.70%	1,056,064	*
3.90%	1,065,117	*
3.60%	1,074,702	*
2.80%	1,087,008	*
3.30%	1,102,871	*
3.30%	1,123,429	*
2.80%	1,139,513	*



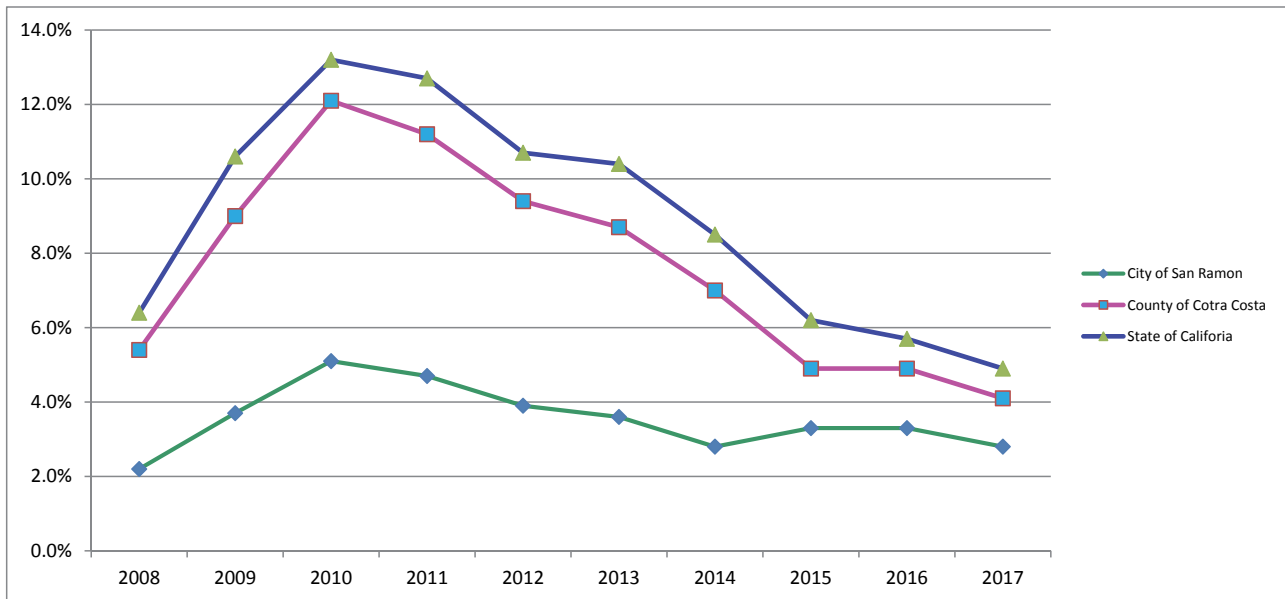
(This Page intentionally left blank.)

**CITY OF SAN RAMON
ANNUAL AVERAGE EMPLOYMENT
AND UNEMPLOYMENT RATES
LAST TEN FISCAL YEARS**

Annual Average Unemployment Rates

Fiscal Year	City of San Ramon Labor Force	City of San Ramon	County of Cotra Costa	State of California
2008	\$ 29,200	2.2%	5.4%	6.4%
2009	28,800	3.7%	9.0%	10.6%
2010	27,700	5.1%	12.1%	13.2%
2011	26,300	4.7%	11.2%	12.7%
2012	28,500	3.9%	9.4%	10.7%
2013	29,200	3.6%	8.7%	10.4%
2014	29,500	2.8%	7.0%	8.5%
2015	39,700	3.3%	4.9%	6.2%
2016	39,800	3.3%	4.9%	5.7%
2017	39,900	2.8%	4.1%	4.9%

Source: State of California Employment Development Department



**CITY OF SAN RAMON
 PRINCIPAL EMPLOYERS
 CURRENT FISCAL YEAR AND NINE YEARS AGO**

	2017	
Employer	Number of Employees	Percent of Total Employment
Chevron USA Inc	3,016	7.56%
Bank of the West	1,607	4.03%
GE Digital LLC	1,329	3.33%
Robert Half International Inc.	1,120	2.81%
AT&T	840	2.11%
Accenture LLP	750	1.88%
San Ramon Regional Medical Center	746	1.87%
PG&E	679	1.70%
Primed Management Consulting	467	1.17%
Old Republic Home Protection	457	1.15%

Source: City of San Ramon Finance Department

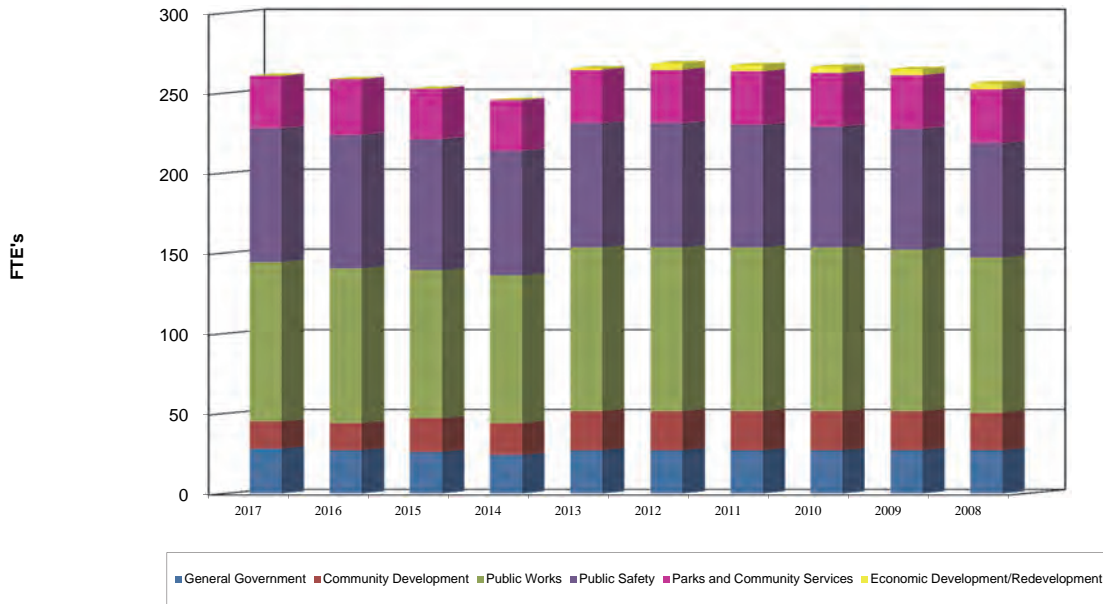
2008

Employer	Number of Employees	Percent of Total Employment
Chevron USA Inc	4,500	15.41%
AT&T	2,316	7.93%
San Ramon Regional Medical Center	750	2.57%
Accenture	750	2.57%
Irwin Home Equity	406	1.39%
IBM Corporation	398	1.36%
Claims Service Group	387	1.33%
United Parcel Service	382	1.31%
The Plus Group	369	1.26%
Marriott Hotel	368	1.26%



(This Page intentionally left blank.)

**CITY OF SAN RAMON
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**



Function/Program	Full-Time Equivalent Employees as of June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Government										
Management Services	9.00	9.00	9.00	7.00	9.00	9.00	8.00	7.00	7.00	7.00
Finance *	-	-	-	-	-	-	-	-	-	16.00
Human Resources *	-	-	-	-	-	-	-	-	-	4.00
Administrative Services **	19.00	18.00	17.00	17.00	18.00	18.00	19.00	20.00	20.00	-
Total General Government	28.00	27.00	26.00	24.00	27.00	27.00	27.00	27.00	27.00	27.00
Community Development										
Planning Services	8.00	8.00	8.00	7.00	8.00	8.00	8.00	8.00	8.00	9.00
Transportation Services**	-	-	4.00	2.00	4.00	4.00	4.00	4.00	4.00	4.00
Building Services	9.00	9.00	9.00	11.00	12.50	12.50	12.50	12.50	12.50	10.50
Total Community Development	17.00	17.00	21.00	20.00	24.50	24.50	24.50	24.50	24.50	23.50
Public Works										
Engineering Services	20.50	20.50	21.00	21.00	24.00	24.00	24.00	24.00	24.00	24.00
Transportation Services**	4.00	4.00	-	-	-	-	-	-	-	-
Public Services	75.25	72.25	71.50	71.30	77.90	77.90	77.90	77.90	76.60	72.60
Total Public Works	99.75	96.75	92.50	92.30	101.90	101.90	101.90	101.90	100.60	96.60
Public Safety										
Sworn	66.00	65.00	62.00	58.00	58.00	58.00	57.00	56.00	56.00	53.00
Non-Sworn	17.00	18.00	19.50	19.50	19.50	19.50	19.50	19.50	19.50	18.50
Total Public Safety	83.00	83.00	81.50	77.50	77.50	77.50	76.50	75.50	75.50	71.50
Parks and Community Services	33.00	35.00	31.80	31.80	33.60	33.60	33.60	33.60	33.60	33.60
Economic Development/Redevelopment	-	-	-	-	1.00	4.00	4.00	4.00	4.00	4.00
Total	260.75	258.75	252.80	245.60	265.50	268.50	267.50	266.50	265.20	256.20

Source: Various City Departments

* In 2003 the Administrative Services Department was reorganized to form the Finance and Human Resources Departments. There was another reorganization in 2008 combining Finance and Human Resources into Administrative Services Department.
 ** In 2016 the Transportation Services Division was transferred from Community Development to Public Works Department.

**CITY OF SAN RAMON
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

June 30,

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Function/Program</u>						
Police						
Arrests	548	532	602	508	476	458
Non-Moving Courtesy						
Warning/parking violations	1,022	1,841	1,694	1,644	2,755	2,072
Moving traffic violations	4,880	6,178	6,246	8,602	6,471	7,315
Patrol Activity	65,829	78,741	72,556	59,272	70,695	73,743
Public Services						
Street resurfacing (miles)	*	*	*	*	*	*
Potholes repaired	114	107	125	134	82	137
Light/Signal repairs	162	121	149	169	157	131
USA inspections	3,240	3,178	4,284	1,764	1,736	1,560
Street light Repairs	134	158	201	295	392	403
Sign repair	173	114	242	279	116	173
Sidewalk repairs	187	135	244	141	127	120
Graffiti abatement	54	64	67	59	47	76
Trim notices	140	95	12	128	336	362
Vehicle lube, oil, filter	147	141	15	132	141	250
Irrigation repairs	10,111	17,390	15,387	18,843	13,988	9,061
Encroachment Permits	358	413	418	400	402	312
Parks and Community Services						
Swimming pool admissions	70,028	77,967	82,236	79,404	74,651	74,907
Leisure class participants	18,945	23,090	23,450	24,737	27,363	25,370
Library books circulated *****	470,861	464,054	688,104	717,239	752,968	790,029
Youth sport league participants **	6,555	6,140	5,836	5,008	6,085	7,556
Adult sport league teams ***	151	159	173	196	468	250
Senior center drop in participants	28,348	42,892	42,387	31,831	43,928	45,956
Community center facility rentals	774	659	513	465	412	439
Planning						
Building permits	2,781	2,812	9,368	10,033	6,969	6,051
Home Occupation permits	193	191	180	201	234	221
Building applications processed	3,328	3,529	2,721	2,854	2,534	2,256
Planning applications processed	354	337	360	197	416	403
Code enforcement cases	685	495	598	580	606	671
Inspections	18,137	16,531	15,828	17,424	13,604	14,226

Source: Various City Departments

* Information was not available.

** Does not include sports camps as in previous years; sports camps are included in leisure class participants.

*** Only includes PCS Adult sport league teams as of 2011-12

***** 2016 and 2017 Library books circulated decrease is due to the closure of the Main Library for renovation.

June 30,

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
513	532	596	746
4,022	4,387	5,141	5,730
7,437	7,428	7,413	6,868
70,596	72,070	56,519	81,828
*	*	*	*
197	172	161	143
204	191	186	164
512	506	528	514
842	811	752	506
298	302	283	236
148	139	128	89
162	151	137	126
204	196	201	186
258	261	252	248
6,532	6,395	5,712	5,086
311	378	553	613
70,166	78,879	65,126	51,827
27,696	29,023	36,261	28,714
822,611	799,846	768,623	669,242
4,606	7,310	5,935	4,040
641	514	279	243
44,829	41,000	36,600	37,709
334	462	580	540
5,069	5,049	5,159	6,721
277	305	310	454
1,961	1,808	2,015	2,553
422	450	464	648
554	790	889	558
11,380	12,010	12,794	14,577

**CITY OF SAN RAMON
CAPITAL ASSETS STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

	June 30,				
<u>Function</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Police					
Stations	2	2	2	2	2
Patrol units	66	64	62	60	61
Public Services					
Streets (miles)	241	235	234	222	253
Catch basins	4433	4319	4288	4276	4200
Streetlights	6971	6857	6833	6818	6900
Traffic signals	99	99	97	98	97
Landscape acreage	448	446	444	434	432
Parks	63	63	62	62	57
Parks acreage	372	372	365	365	427
Open space/trails acreage	220	220	220	210	210
Fountains	8	8	8	7	7
Pools	5	5	5	5	5
Vehicles	75	69	71	71	71
Parks and Community Services					
Swimming pools	2	2	2	2	2
Tennis courts	26	26	26	24	24
Community centers	4	4	4	3	3
Community gymnasiums	2	2	2	2	2
Libraries	2	2	2	2	2
Historic properties	1	1	1	1	1
Skate parks	1	1	1	1	1
Theaters	2	2	2	2	2

Source: Various City Departments

June 30,

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
2	2	2	2	2
59	62	59	56	57
249	248	241	236	220
4200	3670	3500	3380	2983
6900	6839	6599	6412	5960
97	95	95	95	91
426	424	412	371	340
57	57	57	54	52
427	371	366	359	354
210	210	206	190	190
7	7	7	7	7
5	5	5	5	5
71	71	71	71	67
2	2	2	2	2
24	24	24	24	24
3	3	3	3	3
2	2	2	2	2
2	2	2	2	2
1	1	1	1	1
1	1	1	1	1
2	2	2	2	2

CITY OF SAN RAMON
MISCELLANEOUS STATISTICAL DATA
June 30, 2017

Date of Incorporation	July 1, 1983
Form of Government	Council/City Manager (Charter City)
Population	80,550
Number of Authorized City Employees	260.75
Median Age	37.5
Median Household Income	129,062
Registered Voters	39,803
Area in Square Miles	18.56
Miles of Streets:	
Lane Miles	496
Center miles	238
Fire Protection:	
San Ramon Valley Fire Protection District	
Number of Stations	4
Police Protection:	
Number of Stations	2
Number of Sworn Personnel	66
Education:	
Elementary Schools	11
Middle Schools	4
High Schools	2
Community College	1
Libraries: (Contracted with Contra Costa County)	
Number of Libraries	2
Number of Volumes	123,362
Recreation and Culture:	
Park Sites	63
Park Acreage	372
Community Facilities:	
San Ramon Community Center	2
Senior Center	1
Dougherty Valley Station Community Center	1
Performing Arts Theater	1
Hospital	1
Building Permits Issued:	2,781

Source: Various City of San Ramon Department Records