



Comprehensive  
Annual  
Financial  
Report

Fiscal Year Ended  
June 30, 2001

**CITY OF BRENTWOOD**

**708 THIRD STREET  
BRENTWOOD, CALIFORNIA  
94513**



**PREPARED BY  
DEPARTMENT OF FINANCE**

# Introductory Section

## Visit Brentwood



City of Brentwood

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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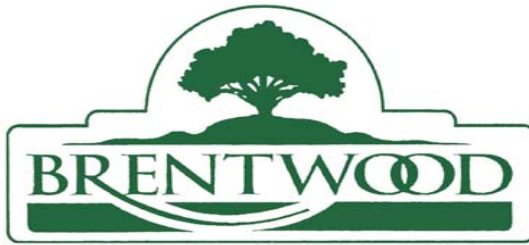
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**LIST OF PRINCIPAL OFFICIALS**

**City Officials**

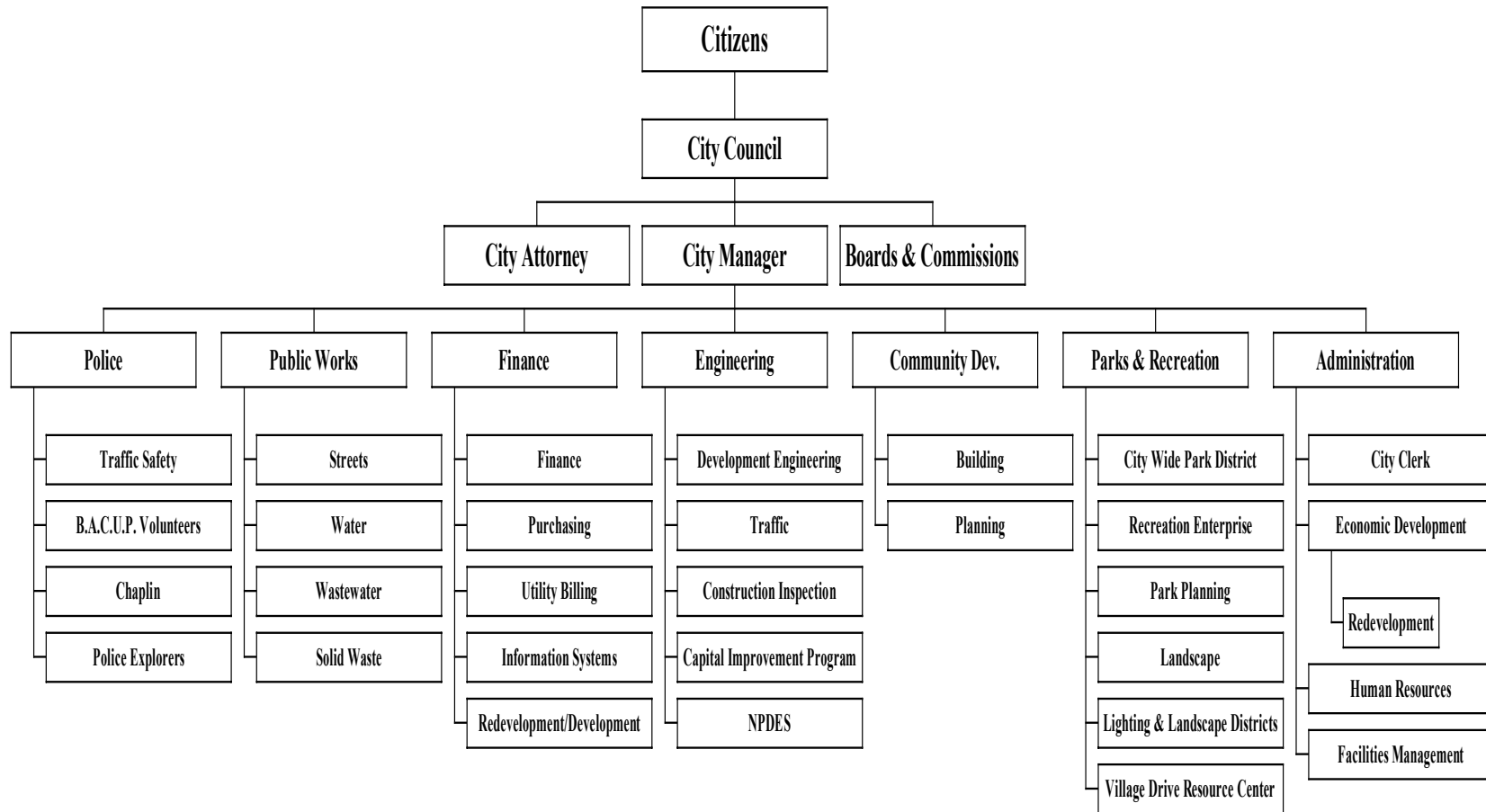
Michael A. McPoland, Sr.....	Mayor
Pete Petrovich .....	Vice-Mayor
Annette Beckstrand.....	Council Member
Wade Gomes.....	Council Member
Bill Hill .....	Council Member

**Administrative Staff**

John Stevenson.....	City Manager
Dennis Beougher.....	City Attorney
Pamela Ehler .....	Director of Finance & Information Systems
Bailey Grewal .....	City Engineer
Mitch Oshinsky.....	Director of Community Development
Jon Carlson.....	Acting Director of Public Works
Larry Shaw.....	Police Chief
Craig Bronzan .....	Director of Parks & Recreation
Howard Sword .....	Director of Economic Development
Karen Diaz .....	City Clerk

**City of Brentwood**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**CITY ORGANIZATIONAL CHART**

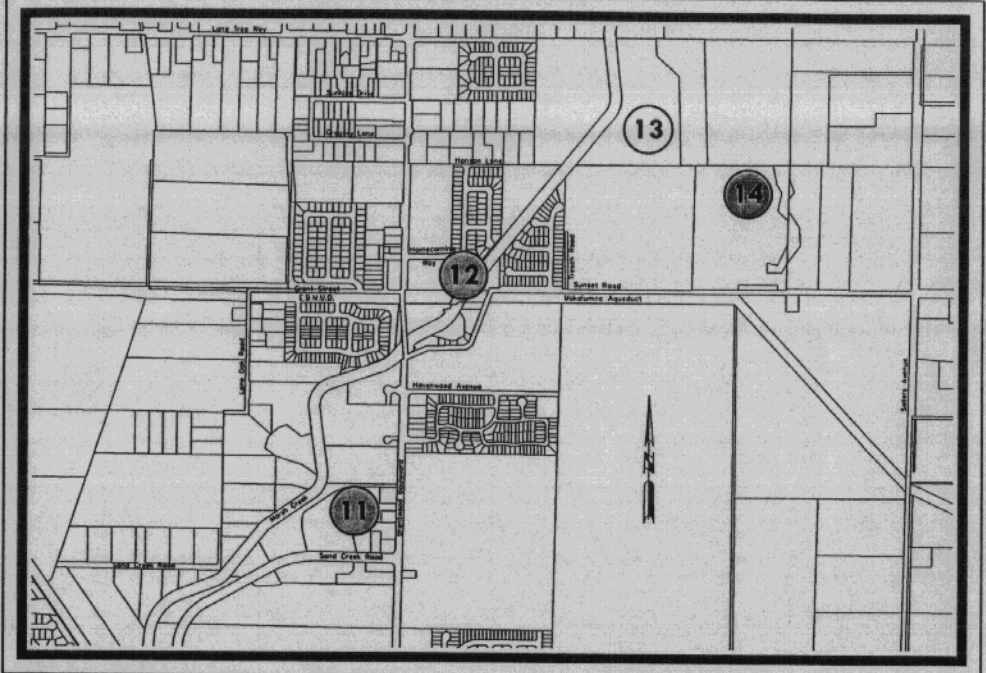
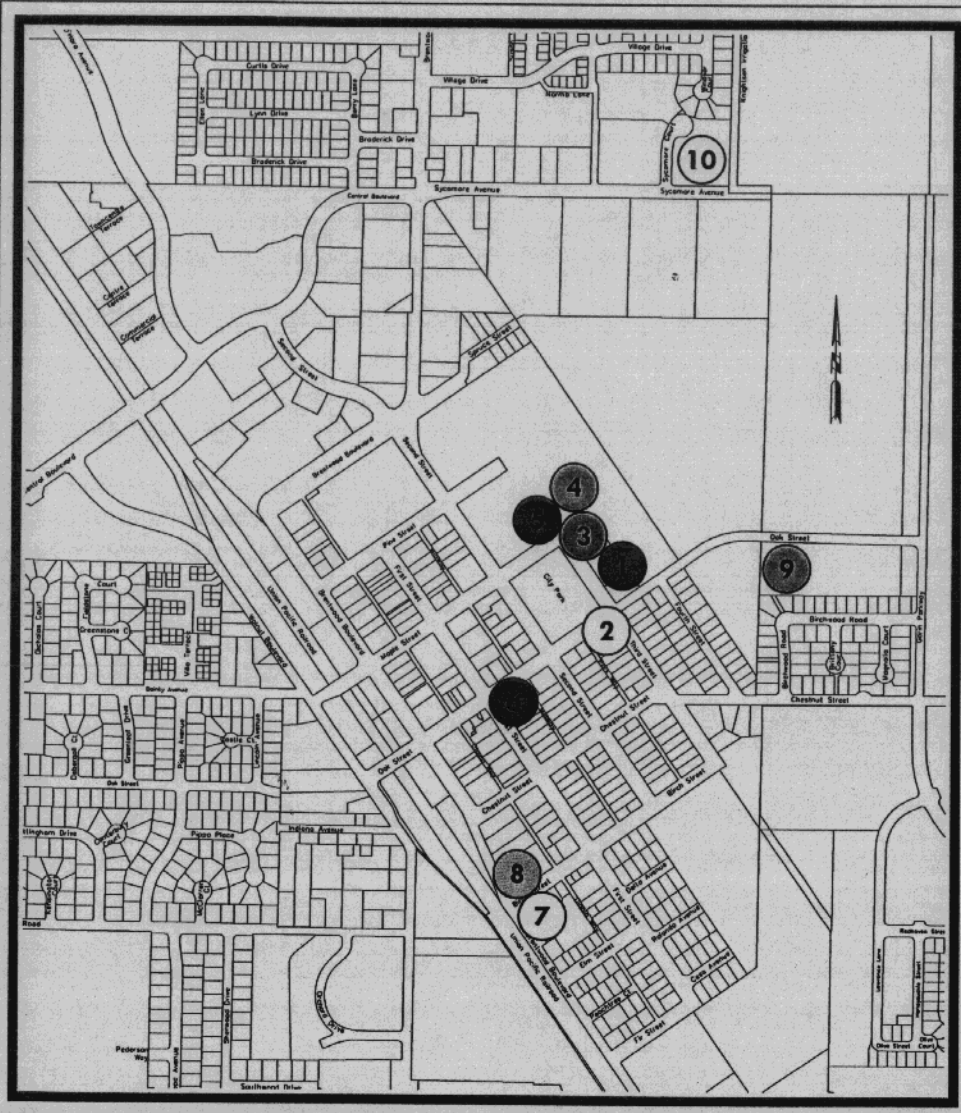






# COMMUNITY SERVICES

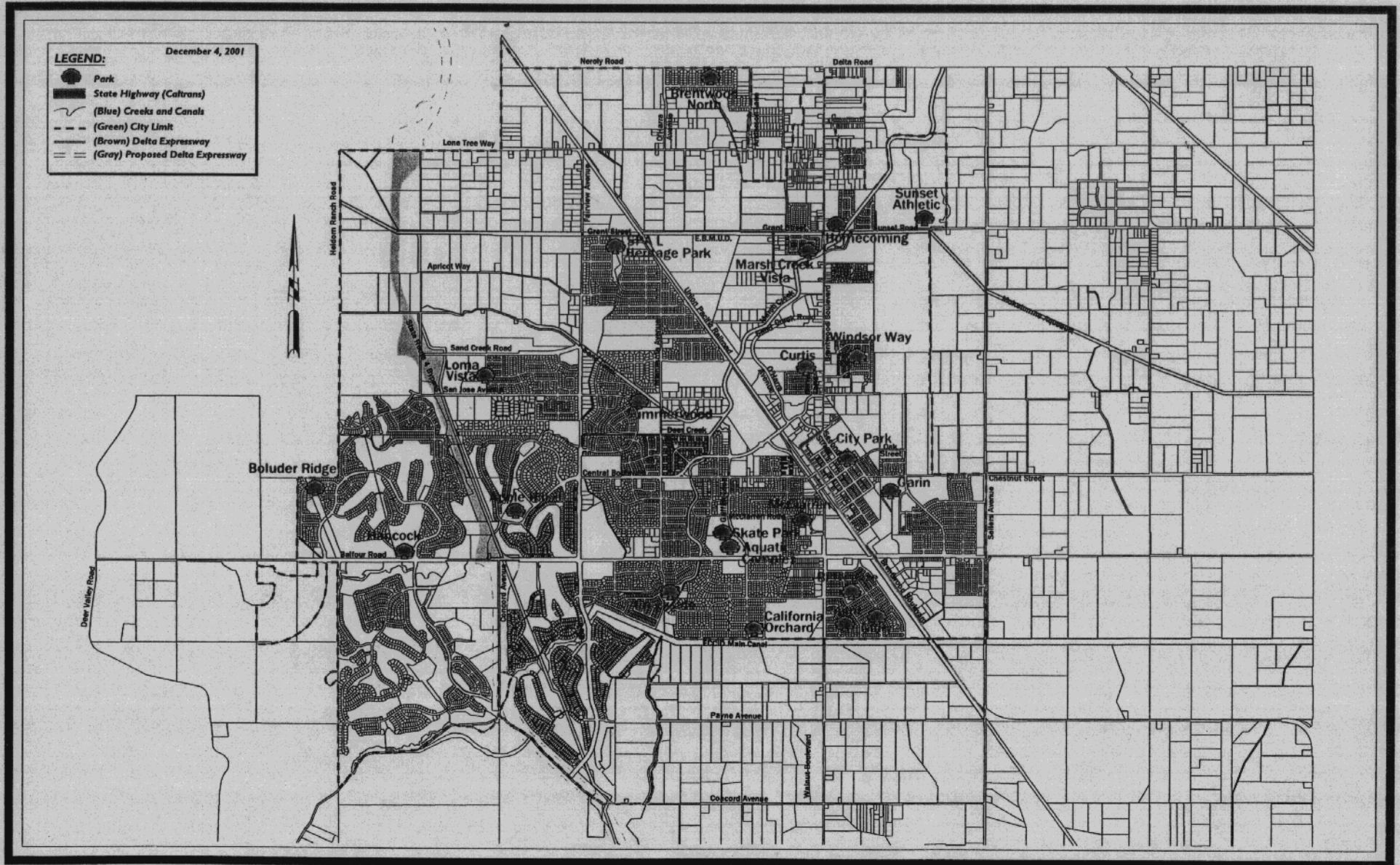
## Location Map



NO.	FACILITY/SITE ADDRESS	
	Administration/Finance/Engineering	708 Third Street
2	Community Development	104 Oak Street
3	Council Chambers	734 Third Street
4	Delta Community Center	730 Third Street
5	Library	751 Third Street
6	Chamber of Commerce	240 Oak Street
7	Police Department	500 Chestnut Street
8	Police Department - Annexation	8440 Brentwood Boulevard
9	Post Office	18 Oak Street
10	Public Works/Maintenance	161 Sycamore Avenue
11	Technical Center/Incubator	101 West Sand Creek Road
12	Water Treatment Plant	2000 Homecoming Way
13	Wastewater Treatment Plant	325 Sunset Road
14	Solid Waste Transfer Facility	375 Sunset Road

# CITY OF BRENTWOOD PARKS

## Various Locations City Wide





September 30, 2001

The Honorable Mayor and City Council Members  
City of Brentwood  
Brentwood, California 94513

Dear Mayor McPoland and Members of the City Council:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Brentwood, California for the fiscal year ended June 30, 2001. This report was prepared in accordance with auditing standards generally accepted in the United States of America as established by the Governmental Accounting Standards Board (GASB).

### **Background**

The City of Brentwood is located halfway between the cities of San Francisco and Sacramento at the eastern end of Contra Costa County. The City is governed by a five (5) member City Council, under the Council – Manager form of government. As of June 30, 2001, the City has a current population of approximately 26,000 and encompasses approximately 13.73 square miles. Brentwood was incorporated in 1948 as a general law city under the laws of the State of California.

**City Hall** - 708 Third Street, Brentwood, California 94513-1396 Phone: (925) 516-5400 Fax: (925) 516-5401  
**Public Works** – 161 Sycamore Avenue, Brentwood, California 94513-1396 Phone: (925) 516-5498 Fax: (925) 516-5497  
**Community Development** – 104 Oak Street, Brentwood, California 94513-1396 Phone: (925) 516-5405 Fax: (925) 516-5407

This report is presented in three sections:

- Introductory: The Introductory Section includes this transmittal letter, the City's organizational chart, maps, table of contents, and a list of the principal public officials and administrative personnel.
- Financial: The Financial Section includes the independent auditor's report, the general purpose financial statements and related notes thereto, and the combining and individual fund and account group financial statements and schedules.
- Statistical: The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

The Government Finance Officers Association (GFOA) offers a recognition program for public entities to determine whether the City conforms to the highest level of financial reporting standards. If a city qualifies, a Certificate of Achievement is awarded for a period of one year. The City believes this report conforms to Certificate of Achievement program requirements, and the City is submitting it to the GFOA to determine its eligibility. It is our goal to be awarded this Certificate because it demonstrates that the City conforms to a high level of financial reporting standards, which may improve the City's future bond rating with the debt investment community.

### **Reporting Entity**

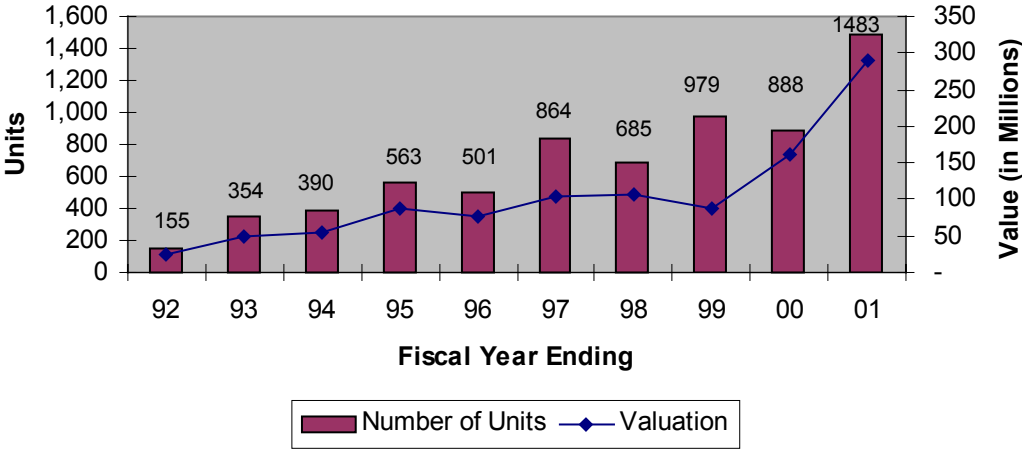
This report reflects reporting as a single entity for all operations directly associated and controlled by the City. In addition to reporting directly for the City operations, two component units, the Brentwood Redevelopment Agency and Brentwood Joint Powers Financing Authority, have been included in the primary reporting entity. The Brentwood Redevelopment Agency is organized under the State of California Community Redevelopment Law. The Brentwood Joint Powers Financing Authority is a joint powers authority between the City and the Authority. The primary purpose of the Authority is to render financial assistance to the City and the Agency by issuing debt and financing the construction of public facilities. Blended component units, although legally separate entities are, in substance, part of the governments operations and so data from these units are combined with data of the primary government. Each of the blended components has a June 30 year-end.

Accounting for all the City's activities is centralized under the Department of Finance. The department has been delegated the responsibility for maintaining the integrity of City's recorded financial data. In fulfilling this responsibility, the Finance Department has prepared the accompanying financial statements. In our professional judgment, these statements fairly and accurately reflect the financial position of the City and the results of its operations.

This financial report includes all of the City's funds and account groups. The City provides a full range of services. These services include police services, public works, economic development, planning, engineering and inspection services, parks and recreation, and general administrative services. The City also operates a public water and wastewater utility, as well as refuse collection, which includes disposal and a recycling program.



### Number of Units vs. Value of New Construction



### Economic Condition and Outlook

Until recently, Brentwood was a small rural agricultural community. The need for housing in the Bay Area in the early 1990’s prompted Brentwood’s growth at a rate of between 10% to 15% per year. The City’s population has increased steadily over the last fiscal year as predicted, and the development of single-family homes, commercial sites and infrastructure reflects the increase in this expanding population.

The City issued an unprecedented 1,483 building permits for single-family homes during the fiscal year ending June 30, 2001. To keep up with the growth demands, infrastructure also was at a high level with several projects at various stages of design, construction or completion for the year.

Fiscal Year 2000/01 saw positive economic news for the City of Brentwood with growth in population, residential construction, sales and median prices, and rapidly accelerating commercial/industrial development as follows:



- Population increased by 9.68%
- Single family home construction increased by 68.14%
- New Home sales - 744
- Existing home sales - 460
- Median price for existing homes is \$277,000, up 20%
- Median price for new homes is \$325,575, up 19%
- 260,000 square feet of retail shopping center space under construction

These pictures portray one of the latest additions to the City of Brentwood's planned communities. This Subdivision includes a wide range of family oriented activities including an 18-hole championship golf course, future clubhouse with restaurant, a park area for play and a large park including multi-sports facilities at the southwest corner of the community. (Pictured left).

## Financial Data

Providing reliable financial information requires the establishment of accounting records adequately supported by systems of internal control. The City's management is responsible for establishing and maintaining an internal control structure designed to ensure that the City's assets are protected from loss, theft, or misuse. They must also ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable assurance that these objectives are met, while recognizing that this assurance is not absolute. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by

management. City administration believes the existing internal control systems are adequate to provide this reasonable assurance that City assets are safeguarded against loss and that financial records are reliable for preparing financial statements and maintaining accountability for assets. Furthermore, the City received the first “Unqualified” Audit this past year. This was due to the Asset Valuation Study that accurately identified all the City’s assets, thus allowing the auditors to identify those assets. This is the first step toward the City’s requirement of maintaining an up to date inventory program. The Governmental Accounting Standards Board (GASB) adopted a number of significant changes now commonly called GASB 34 or, the “new accounting model”. Assets must now be valued and capitalized in the new reporting model. Implementation for Brentwood will begin July 1, 2001.

The accompanying financial statements have been examined by Vavrinek, Trine, Day and Co., LLP, Certified Public Accountants. The firm was engaged by the City Council to render an opinion on the City’s financial statements in accordance with auditing standards generally accepted in the United States of America.

The City Council is responsible for:

1. Assuring that City administration fulfills its responsibilities in the preparation of the financial statements; and
2. Engaging the certified public accountants with whom the City Council reviews the scope of the audits and the accounting principles to be applied in financial reporting.

To ensure complete independence, Vavrinek, Trine, Day and Co., LLP has full and free access to meet with the City Council to discuss the results of their assessment of the adequacy of internal accounting controls and the quality of financial reporting.

The City also maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the general fund, special revenue funds, debt service funds, enterprises, and capital projects funds are included in the annual appropriated budget, except the Bypass Authority, JPA Capital Projects, and the Capital Improvement Funding Programs. The level of budgetary control is established at the fund level. The City also maintains an encumbrance accounting system as one technique for accomplishing budgetary control.

These budgets reflect an organization whose top priorities continue to be:

- Provide and build public facilities
- Provide and maintain an adequate public infrastructure
- Plan and manage growth to maintain and enhance our small town character
- Enhance and promote Brentwood’s economic vitality
- Provide friendly customer service

The Operating Budget maintains a stable financial environment for the City of Brentwood. The decisions made in the budget process emphasize the City Council's Goals and Objectives. Staff will continue to pursue all means available to achieve the City's Mission Statement:

*The City of Brentwood is dedicated to creating, maintaining and enhancing a well-planned community that is friendly, safe and healthy for everyone.*

*Mission Statement Adopted January 5, 2001.*

The City's accounting records are maintained on the Accrual Basis, or Modified Accrual Basis, as appropriate. Budgets are prepared and expenditures recorded at the object of expenditure level. A thorough explanation of the City's funds as of June 30, 2001, and the results of each fund's operation for the year, are presented in the financial section of this report.

## **LOCAL ECONOMY**

### **Retail**

Economic Development activity continues to accelerate in the City of Brentwood. National retailers have recognized a critical mass of 155,000 people in our trade area. Brentwood will support approximately 1.2 M square feet of new retail space in the next eighteen months. This will provide convenient goods and services for our residents, reduce regional traffic load and retain sales tax revenues in our area. Brentwood has several excellent sites properly zoned with available infrastructure in the epicenter of the trade area and welcomes all interested parties. The Fiscal Impact of National Retailers located in Brentwood is at least \$2.50 per square foot in annual sales tax revenue.

Brentwood's Central Business District is thriving with a zero vacancy rate. Several new businesses that have opened in the past two years focus on food, wine, and specialty shopping, greatly enhancing the Downtown ambience. The newly restored marquee on the Delta Cinema was funded by the City's Redevelopment Agency as a public art project and serves as a historic Downtown landmark.

In an effort to support the City's Family Aquatic Center and Skate Park, the Economic Development Department embarked on a request for proposal and qualifications to develop the adjacent corner site with specialty and themed retail shops and restaurants with a ground lease to generate sufficient funds to offset the operating costs of the park.





As the City passed the 25,000-population threshold, major commercial developers as well as nationally recognized retailers took note. The City's demographics are attractive to retailers such as Home Depot and Target who are preparing to open stores on Lone Tree Way in late 2002. More major retailers are proceeding through the entitlement process, which promises to strengthen the already bright economic future for the City.

### **Commercial / Industrial**

Brentwood's Economic Development Department led the \$4M adaptive re-use effort to renovate a 34,500 square foot location vacated by Lucky's grocery store to accommodate a local Los Medanos College Campus and a Business and Technology Incubator that will open October 1, 2001. The LMC campus, in conjunction with other educational institutions, will provide our residents a full range of higher educational opportunities and our local businesses employee training programs. The Business and Technology Center provides high quality office space with a state of the art voice over Internet protocol network and 3-megabit bandwidth at an affordable cost and a monthly rental term. The Incubator provides start-up businesses with a place to produce, mature, and increase our basic economy.

### **Future Outlook – Commercial / Industrial**



Brentwood's vacancy rate for Office, Flex-Tech and Light Industrial space remains below 2% reflecting a prospering business community. We have approximately 350,000 square feet of approved projects represented in all three categories. Two of these projects are in construction and two more will break ground next spring. Growth in the Office, Flex-Tech and Light Industrial categories has a "direct" fiscal impact because it creates jobs in the basic economy, bringing new money into the community through trade and commerce outside our local economy. Basic economy business growth also has a significant "indirect" fiscal impact because new money expenditures in the local economy does not stop with the "direct" impact. Money that employees and businesses spend in the community has a multiplier effect by introducing the new money into the local economy. A recent analysis prepared by McGill Martin Self, Inc. for a proposed project in Brentwood found that every dollar spent in Brentwood by employees and businesses resulted in \$1.638 dollars traded in the local economy.

The Economic Development and Engineering Departments teamed together to manage the development of the 131.7-acre property the City owns on Sunset Road. The Master Plan includes a 49.2 ac. tertiary Wastewater Treatment Plant, 2.7 ac. Solid Waste Plant, 13.3 ac. Corporation Yard, 37.7 ac. Sports Park and a 28.8 Medium Industrial Park. This multi-use project provides the City with significant and expandable public works facilities as well as a lighted sports complex. The Medium Industrial Park provides affordable sites for uses needed by the City but undesirable in most locations.

Commercial development projects continue to thrive and are being built to serve new and existing residents. There are many desirable areas of interest by commercial developers and builders. Some of these areas include, but are not limited to, the Lone Tree Way and Sand Creek Road Corridors, Balfour Road, Highway 4, Harvest Park Area, and the Northwest Quadrant adjacent to the Highway 4 Bypass project.

### **DEVELOPMENT / GROWTH INITIATIVES**

#### **Completed Projects:**



**Brentwood Family Aquatic Complex** – Opened in September, 2000, with 30,000+ participants using the facility in the first year of operation. The aquatic complex was recognized by the California Park and Recreation Society with an Award of Excellence for Facility Design and is considered the jewel of the City of Brentwood Park and Recreation system.

The complex provides recreational swimming, swim lessons, recreational/competitive swim, lap swim and exercise programs. It is also used as the home site of the Liberty High School water polo and swim teams. In addition, the complex is available for rental for community events and hosts a variety of local and regional swim meets and water polo matches on a regular basis.

With the high energy demands necessary to operate this complex, the City is moving forward with many energy saving ideas including by-pass timers for lights, which will reduce the overall wattage output in the parking lot and consideration of a co-generation plant on site that would provide electricity and heat for the pool.

**First Street Parking Lot** - Twenty additional parking spaces were a nice addition to the downtown area. (Pictured here).

**Brentwood Boulevard Reconstruction** - Added an additional travel lane, curb, gutter, sidewalk, and drainage modifications, which gave a lift to the workability and appeal of this commercial location between Spruce Street and Central Boulevard/Sycamore Street.

**Marsh Creek Trail Undercrossing** - Paving of this trail section made a much-needed connection under a busy arterial boulevard. This trail is part of the regional trail system and can now be used all year round for biking, walking, or skating.

**Annual Pavement Management Program (PMP)** - As part of the City's preventative maintenance program, the streets are surveyed to determine where reconstruction, overlaying, surface sealing, and crack sealing is needed. Various streets are repaired each year.

**Oak and Third Street Improvements** - This intersection, which is located directly adjacent to City Hall, a high school and a bustling downtown, experiences a great deal of traffic volume. As part of a safety measure this intersection was converted to a four way stop that also includes ADA (Americans with Disabilities Act) standard curb ramps, planter areas, crosswalks, signage and striping. This project significantly helped to improve traffic control in this area.

**Redevelopment Agency Projects:** The Agency approved expenditures of housing set-aside funds, coupled with CDBG funds, for the **Utility Connection Assistance Program**. This program provides zero-interest loans to connect water and wastewater lines for low and very low-income homeowners in nine target areas. Other infrastructure improvements authorized by the Agency included water and wastewater line improvements for health and safety purposes in Lone Tree Way and Brentwood Boulevard area and also in the Davis Camp area where failure of a substandard private septic system servicing 17 very-low and low-income households resulted in an emergency condition. The approval of matching funds to supplement CDBG funds provided thirty new and replacement street lights in the **Village Drive** neighborhood to eliminate conditions that jeopardized the health and safety of the residents.

The Agency authorized the purchase of two lots for the construction of 32 additional parking spaces in downtown area to facilitate expansion of existing businesses and attraction of new businesses. The Agency also approved a grant for the restoration and rehabilitation of certain historical signs within the **downtown area**.

The purchase of a one-acre lot at 159 Sycamore Avenue to remove an existing blighted condition is now held for resale and development of a for-sale town home development to be made available to and occupied by residents and workers of Brentwood.



Lastly, the Agency commenced a **plan amendment** process to add territory to the North Brentwood Redevelopment Area, commonly referred to as the Sunset Industrial Complex, to facilitate the reuse of existing light and heavy industrial uses along Brentwood Boulevard in an effort to eliminate conditions of blight.

**Current Projects and Projects Under Construction:**

**Balfour Road Expansion** - One of the projects that resulted from Brentwood's growth rate is the Balfour Road Expansion. This two-lane country road was expanded to four lanes from the Highway 4 Bypass to the westerly City limits and completed in July 2001. Completion of this project will be the first four lane east-west road from one end of the City to the other.

**Wastewater Treatment Plant 5MGD Expansion** (pictured right) - This project will expand the City's wastewater treatment capabilities from 2 million gallons per day (mgd) to 5 mgd. This expansion will completely replace the City's existing plant of which portions date back to the early 1940's with a state of the art facility. This new facility is currently scheduled for operations beginning July of 2002.



**Well #14** - This project will expand the City's water production capabilities by approximately 1.3 million gallons per day. This will provide additional supplies for a growing City as well as provide reliability for the existing customers. This project is anticipated to be complete by late 2001.

**Zone II Reservoir** - This addition of a 2 million gallon reservoir will provide additional reliability in the City's water system and ensure that adequate supplies are available for peak demand times as well as emergencies.

**Elevated Tank Repainting** - The elevated tank is a Brentwood landmark and represents a feel for times past. The tank is no longer utilized for water storage but provides for the housing of wireless communication systems. This landmark can be seen from a great distance and is need of an updated look and a fresh coat of paint. This project is slated to be complete November 2001.

**Fire Station** – This is a joint project between the City and the development community. The actual construction is being facilitated by a developer while administration and coordination activities are provided by the City. This project will continue to ensure that fire safety is provided to the residents of Brentwood. The new facility is being constructed on Balfour Road just west of the newly constructed Highway 4 Bypass.

**Highway 4 Bypass** – This project is being constructed by the County with funding contributions made from Brentwood and surrounding communities. The Bypass will connect Highway 4 in the City of Antioch to Vasco Road south of the City of Brentwood. This will alleviate traffic on the older Delta Highway 4 that runs through Oakley, Brentwood and Byron and provide commuters with a direct route from Antioch to the Tri-Delta area.

**Current Projects in Design:**

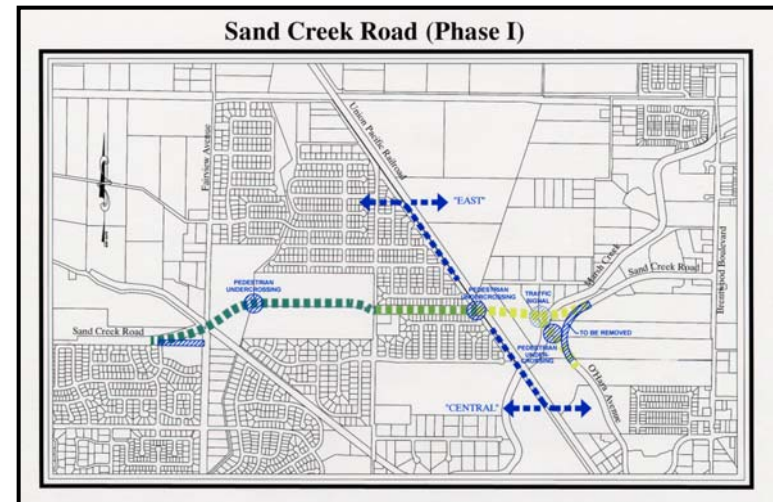
**Sand Creek Road Central Phase I** – (Map Pictured) This project will connect to the Highway 4 Bypass project improving east-west circulation throughout the City. In addition to the new roadway that includes median curbs, asphalt concrete pavement, street lights, potable and non-potable waterlines, wastewater lines, fiber optic lines, traffic signal and a box culvert extension of Sand Creek, it also includes a pedestrian undercrossing for the trail system.

**Brentwood Bikeway Project** – The widening of Griffith Lane from Central Boulevard to Griffith Lane will include intersection improvements.

**Brentwood Boulevard Parking Lot** – The construction of this lot will provide additional downtown parking in a busy location.

**Sunset Industrial Complex** – The Sunset Industrial Complex is the City’s first major Redevelopment effort intended to relocate heavy industrial uses from Brentwood Boulevard to a more appropriate location as well as provide additional light and medium industrial development sites. It consists of approximately 30 acres of land adjacent to the Wastewater Treatment Plant and the Sunset Sports Complex. The project promotes the City’s efforts to increase the jobs to housing ratio as well as improve the City’s tax base. Design is underway with construction scheduled to commence the second quarter of 2002.

**Northwest Quadrant Infrastructure** – The City’s newly annexed northwest quadrant is currently undergoing intensive planning related to both commercial as well as residential development. Infrastructure, which is virtually non-existent at this time will be financed and constructed through an acquisition type assessment district. The district will fund approximately \$30,000,000 worth of infrastructure consisting of roads, wastewater lines, water lines, storm drains and parks. Construction is scheduled to break ground in the second quarter of 2002 with completion scheduled concurrently with the opening of several major commercial projects on Lone Tree Way.





## Future Projects:

An **Economic Development Strategic Action Plan** prepared by the Department with assistance from Gruen Gruen & Associates was adopted by the City Council in July 2001. This Plan, which provided fundamental policy direction to the City's General Plan Update, provides a strategic approach to growing the City's basic economy as well as forecasting regional retail demand and Downtown specialty retail opportunities. The Department will also update the DDS Marketing Demographic Analysis Report in October 2001. This report has been invaluable in providing national retailers with information from a source they find credible.

The Economic Development Department has been very active in the Inter-Regional Partnership, a State of California Economic Development Program initiated by former Assemblyman Torlakson. Brentwood was awarded a \$100K grant by this program in April 2001. The City has also prepared a joint application with the City of Antioch to be designated as an Opportunity Zone. The fiscal impact of an Opportunity Zone designation may include cash grants and special status in state programs such as tax increment financing for infrastructure and first priority for Infrastructure Bank financing.



**New Police Facility** – The new police facility is in the early stages of design. This project will be part of the November 6, ballot as a General Obligation Bond to fund a large part of the new facility. (Site pictured).

**Sand Creek Road East** - This project is the next phase of Sand Creek Road Central and will improve the east-west circulation throughout the City. In addition to grading, paving, signing and striping, major portions of this project will include a railroad crossing, traffic signal, bridge at Marsh Creek, and storm drain improvements.

**Redevelopment Agency** - To further its mission in the upcoming 2001-2002 year, the Agency will continue the identification of commercial, retail, and industrial development programs, business assistance programs, public improvements and facilities programs, and the assistance and participation in the expansion and improvement of the supply of very low, low and moderate income housing. This would include continuous efforts on the **town home development** at 159 Sycamore Avenue,

the processing of the **plan amendment**, and the sponsorship of the **Utility Connection Assistance Program**.

In September 2001, the Agency authorized the execution and issuance of **Capital Improvement Revenue Bonds** in the amount of \$23,000,000 to finance certain public improvements and to refund an existing outstanding bond. The Agency will consider the level of participation in the **Sand Creek Business Center and Gregory Ranch** developments by reimbursing the developer a portion of the costs for roadway improvements, using a share of the Capital Improvement Revenue Bonds proceeds. Agency staff is currently considering the assemblage of parcels in the downtown

area along with an Agency-owned parcel for a **retail and restaurant center** and also will embark on a **downtown parking study**. As part of an industrial improvement program, the Agency will also consider the level of participation to assist the **voluntary relocation of high industrial uses** from the Brentwood Boulevard area to the new Sunset Industrial Park to act as a catalyst in the removal of existing blighted conditions and to facilitate re-use and revitalization of the area. To facilitate the success of the Sunset Industrial Park, the Agency has committed to partially fund the **realignment of Sunset Road** to intersect with Brentwood Boulevard at Grant Street signal. Finally, Christian Church Homes has requested the Agency's assistance in constructing a second **40-unit senior apartment complex**.

**Parks and Recreation:** The two main construction efforts are the development of the community skate park, an 18,500+ square foot park adjacent to the aquatic complex, and the two joint-use community gymnasiums that are being built with Brentwood Union School District and Liberty Union High School District. The two largest planning efforts are the Balfour Road Park, with eight-plus acres of open space parkland that will complete the aquatic complex property, and the expansion of Sunset Park Sports complex from 10 acres to 37 acres.

### **Financing Future Infrastructure**

**Capital Improvement Financing Programs:** Capital Improvement Financing Programs (CIFP) are a mechanism through which the City and the Development Community cooperate to fund and construct major Master Planned and Sub-Master Planned infrastructure (roads, water and wastewater lines, regional drainage facilities, etc.). The City is able to obtain very low interest rates through its outstanding financial reputation and bonds are sold using the participating Developer's property as the collateral. There is no risk involved for the city as a 3 to 1 value to lien ratio is used to determine the amount of bonds to be sold. As the properties develop, the bonds are repaid by the new property owner over a 30-year period.

The most recent CIFP the City has funded was CIFP 2000-1 where a total of \$12,740,000 in bonds was sold with a total of seven participating Developers. These funds were used to construct and/or improve existing roadways such as Fairview Avenue or construct neighborhood parks such as the park located just east of Walnut Boulevard.

The city is currently working with the development community to form another CIFP that will fund the major infrastructure required to facilitate the expected growth in the northwest portion of the City. This CIFP is commonly being referred to as the Northwest Quadrant CIFP or CIFP 2001-1. It is anticipated that this CIFP will provide the funds necessary to construct the ultimate improvements on Lone Tree Way, Fairview Avenue realignment, Heidorn Rand Road and possibly Empire Avenue. It is currently established that these improvements will require between 30 and 40 million dollars to construct.

## COMMUNITY PROGRAMS

The **City's Administrative** functions are expanding to fill the ever-growing needs of the community. The establishment of an Economic Development Director, full-time Redevelopment Coordinator, and a Project Manager for Economic Development projects are the result of the City recognizing the needs in these areas. The goal is to secure and strengthen the long-term economic vitality of the City. The City is pioneering the areas of paperless agendas for Council meetings for the public, staff and City Council, as well as recording meeting minutes and publishing voting results over the Internet. The City has also introduced new conveniences for its residents through establishing passport application and processing services at City Hall. Future plans call for the expansion of the City's grant writing efforts that will increase to citywide from what has been an engineering effort for infrastructure. The challenge for this grant writing effort is not to lose the very successful infrastructure effort while expanding the scope.

The **City Attorney** position was created in March 2000. The growing demand for legal advice has mirrored the city's growth and associated demand for more and better government services. The City Attorney provides legal advice to Council members, boards and commissions and departments on a daily basis as well as prepares a variety of legal documents, such as contracts, ordinances, resolutions and memoranda. The City Attorney is part of the City's management team and is pro-active in a collegial team-oriented atmosphere.

The **Planning Division** of the **Community Development Department** facilitated multiple Working Group meetings on the General Plan Update, completing the EIR and concluding two years of incredible work, which will meet the City Council's goals for job generation and growth management, with the adoption of the General Plan Update in November of 2001. The Governor's Office recognized the work on this project as "outstanding." The Department completed an innovative Growth Management Program, and took the John Muir Medical Center project through the Planning Commission and City Council processes to approval. They successfully adopted, against all odds, a highly regarded and creative Agricultural Preservation Program. They completed processing the AIG Baker Shopping Center in record-breaking time. Plans for almost 1,450 single-family dwellings were reviewed and approved and 469,515 square feet of commercial projects were taken through the planning process. Staff also processed five annexations through LAFCO, adding over 1,000 acres to the City's boundaries.

**Parks and Recreation Division**, in addition to traditional recreation programs and activities, the City of Brentwood merged with the Brentwood Community Center/senior programs of the Delta Community Services, Incorporated to establish a senior services component. This component includes rental and administrative services for the Brentwood Community Center. The City of Brentwood also merged the Village Drive Resource Center into the Recreation Division - a center that provides prevention and social services to a large segment of the population. The City of Brentwood also established the Park and Recreation Commission, the Youth Commission, and the Arts Commission, which are staffed and supported by the Parks and Recreation Department. These three commissions provide expertise and recommendations to City Council on a wide range of park, recreation, youth, and cultural issues. In addition, development of a citywide maintenance contract brought parks, roadway mediums, and lighting and landscape districts under a single department.



The **Brentwood Police Department** has adopted a philosophy of community policing and instituted various programs to support that philosophy. Some of these programs are D.A.R.E., Neighborhood Watch, National Night Out, Red Ribbon Week, Vacation Watch, bicycle helmet program, and Tell-A-Cop. To support these programs, they work very hard to keep as many officers "on the street" as possible. Unlike some cities, Brentwood officers respond to every call for service. The Department has not adopted and has no intention of adopting a "mail in" report process.

Two School Resource Officers are co-funded by grants, the school districts and the Police Department. Two officers are assigned to motorcycles for traffic enforcement and accident prevention. We have implemented a bicycle patrol program, conduct DUI checkpoints, and join with other agencies on countywide drunk driving abatement programs.

B.A.C.U.P. (Brentwood Active Citizens Uniformed Patrol) is a volunteer program made up of private citizens who assist the Police Department in many tasks. They work everyday at the Department in the office, managing the radar trailer deployment program, removing unsightly signs, reporting graffiti for removal, assisting on special events at assigned traffic posts, and performing minor repairs at the police building.

The Police Chaplain program is an extension of the B.A.C.U.P. Volunteer program. Chaplains volunteer their time to support officers, their families, and citizens in times of crisis.

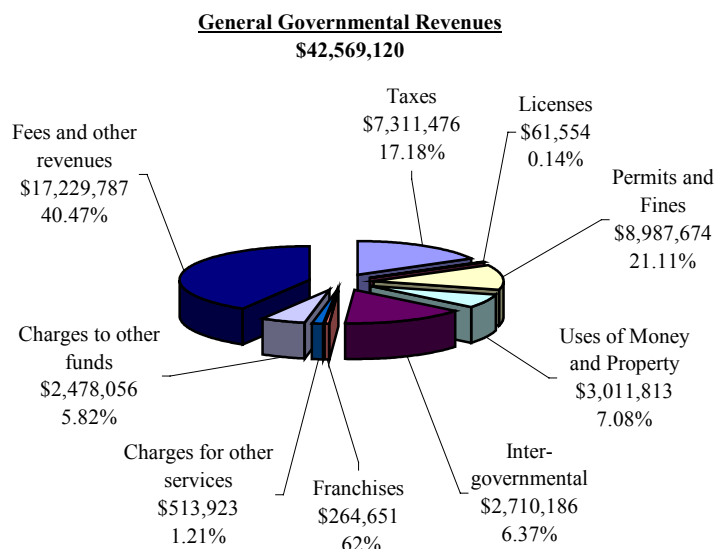
Youth activities focus on giving kids positive alternatives to decision making including the PAL program and the Explorer Scout program. Some children make mistakes and the Youth and Family Services diversion program holds them accountable, but allows juveniles to avoid having a criminal record by diverting from the criminal justice system.

During the last few years, much time and planning has been put into creating a Community Service Officer program. Civilians are hired, trained, and deployed to perform many of the non-confrontational tasks that officers have traditionally been assigned. CSO's take minor crime and accident reports, issue parking citations, remove abandoned vehicles, transport non-violent prisoners, and manage the evidence storage program.

**Neighborhood Clean-Up Days** – Currently there are eight neighborhood clean-up days staffed by the Community Development Department, enhancing civic pride in our neighborhoods.

## General Governmental Revenues

The following schedule presents a summary of general, special revenue, debt service, and capital project fund revenues for the fiscal year ended June 30, 2001, and the amount and percentage of increases and decreases in relation to prior year revenues.



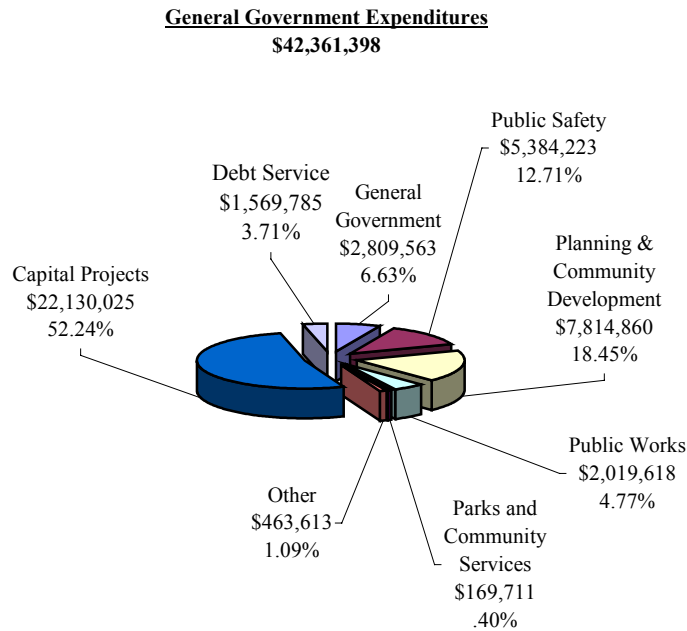
Revenues	Amount	Percent of Total	Increase (Decrease) from 2000	Percent of Increase (Decrease) from 2000
Taxes	\$ 7,311,476	17.18%	\$ 1,238,691	20.40%
Licenses	61,554	0.14%	8,864	16.82%
Permits and Fines	8,987,674	21.11%	(712,184)	-12.12%
Uses of Money and Property	3,011,813	7.08%	(601,475)	-17.14%
Intergovernmental	2,710,186	6.37%	4,795,444	275.89%
Franchises	264,651	0.62%	38,856	17.21%
Charges for other services	513,923	1.21%	418,684	439.61%
Charges to other funds	2,478,056	5.82%	291,623	13.34%
Fees and other revenues	17,229,787	40.47%	8,962,253	108.40%
<b>Total</b>	<b>\$42,569,120</b>	<b>100.00%</b>	<b>\$ 14,554,923</b>	<b>51.90%</b>

The City's overall revenues in Fiscal Year 2000/01 increased by **\$14,554,923 or 51.90%** from the previous year.

The increase in taxes is primarily due to the increase in sales tax (12.01%), transient occupancy tax (30.88%) and an increase in property tax (23.69%). Permits and Fines have decreased due to the reallocating developer fees from this category to charges for other services. The majority of this increase in revenues was from additional building permits collected as a result of the record level of development during the year.

## General Governmental Expenditures

For Fiscal Year 2000/01, expenditures (by functional classification) in the general, special revenue, debt service, and capital projects funds, were as follows:



Expenditures	Amount	Percent of Total	Increase (Decrease) from 2000	Percent of Increase (Decrease) from 2000
General Government	\$ 2,809,563	6.63%	\$ 1,094,215	63.79%
Public Safety	5,384,223	12.71%	1,133,783	26.67%
Planning & Community Development	7,814,860	18.45%	(2,128,182)	-21.40%
Public Works	2,019,618	4.77%	909,228	81.88%
Parks and Community Services	169,711	0.40%	16,621	10.86%
Other	463,613	1.09%	(555,777)	-54.52%
Capital Projects	22,130,025	52.24%	4,891,341	28.23%
Debt Service	1,569,785	3.71%	(387,982)	-19.82%
<b>Total</b>	<b>\$ 42,361,398</b>	<b>100.00%</b>	<b>\$ 4,973,247</b>	<b>13.30%</b>

The City's overall expenditures in Fiscal Year 2000/01 increased by **\$4,973,247** or **13.30%** from the previous year. The increase is mainly due to the building of infrastructure, personnel costs, and an increase in settlement claims paid. The increase in general government is due to increases in personnel costs and settlement claims paid by the City. The increase in public works is due to the increase of contractual maintenance, utilities and personnel costs. The increase in public safety is due to the increase of personnel costs.

## Debt Administration

At June 30, 2001, the City and its component units, the Brentwood Redevelopment Agency and Brentwood Financing Authority, had three debt issues outstanding as described in the Notes to the Financial Statements. In addition, the City administers debt for six Special Assessment Districts whose bonds are not obligations of the City.

## Cash Management

The City invests temporarily idle cash in accordance with the Government Code and a formal investment policy approved by the City Council. This policy limits investments to certain types of instruments and requires that investments must meet established criteria for safety, liquidity and yield. As of June 30, 2001, investments (not including investments with fiscal agent) totaled \$70.5 million of which \$28.5 was invested in the California State Local Agency Investment Fund (LAIF) and \$41.5 in other investments managed by Public Financial Management (PFM). The portfolio managed by Public Financial Management is in full compliance with California Government Code Section 53601 and the City's investment policy.

The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized, with all collateral held either by the City, its agent, or a financial institution's trust department in the City's name. All investments held by the government during the year and at June 30, 2001, are classified in the category of lowest credit risk as defined by the Governmental Accounting Standards Board.

## Enterprise Operations

The City's enterprise operations are comprised of Wastewater, Water, Solid Waste, Parks and Recreation, and City Rentals Operations. The **Wastewater Enterprise** activity is comprised of three programs: Operations, Capital, and Replacement. Wastewater is awaiting the completion of their new treatment facility that will increase capacity to 5.5 million gallons/day (MGD) from its current permitted level of 2.2 MGD. Expansion is available to over 10 MGD to allow for the expected growth in the City toward build out. As demonstrated in the financial statements of this report, the wastewater activity, as a whole, remained in sound financial condition for the year ended June 30, 2001. The combined net income for the Wastewater Enterprise was **\$4,682,133**; most of this increase is due to developer fees.

The **Water Enterprise** ended the year with a net income of **\$1,909,324**. The City has aggressively pursued a meter-reading system for the whole City. The whole service area is now serviced by handheld radio-read meters, providing staff with a fast, efficient and accurate system. Wastewater and Water rate studies will be conducted during the summer of 2001 for implementation before the end of the year. These rate studies, once adopted, along with implementation of a SCADA System, should bring the Enterprise budgets under control and predictable.

The **Solid Waste Enterprise** has been a real success story for the City. The City took over the service from a private hauler in 1994 and began providing service with the existing rate structure. The City, while having to provide significant initial capital investment, has provided a superior level of service and maintained a positive cash flow without increasing its fees in eight years. Solid Waste continues to focus on improving its efficiency while achieving state-mandated AB939 recycling goals of 50% in the coming years. The Solid Waste Enterprise ended the year with a net income of **\$566,663**.

Fiscal year 2000/01 was the second fiscal year for the department of **Parks and Recreation**, a department that was established on July 31, 1999. The California Park and Recreation Society recognized the department with three **Awards of Excellence**: for development of the Youth Commission Logo, the design of the Family Aquatic Complex, and the “Team R & R” marketing program. “Team R & R” also received a special **Creating Community Award of Distinction** for its innovation and community awareness, one of only three awards given throughout the State of California. This operation ended the year with a net income of **\$6,346,250**. Most of this is due to developer fees.

The City Rental Enterprise administers the daily operations of the newly constructed Brentwood Technology Center. At year end the net income is **(\$30,514)**, due to the building of the Technology Center. Rental income started August 2001.

## **Risk Management**

The City has initiated a limited risk management program for workers’ compensation and general liability. As part of this comprehensive plan, resources are being accumulated in a fund balance reserve to meet potential losses. In addition, various risk control techniques, including employee accident prevention training, have been implemented during the year to minimize accident-related losses. Effective with the renewal of excess insurance policies on May 1, 2001, and July 1, 2001, third-party coverage is currently maintained for workers’ compensation and risk liability claims up to \$350,000. Risk liability coverage is currently maintained and provides coverage in three tiers:

\$5,000 deductible to \$1 million with 18 cities in primary insurance pool;

\$2 million excess \$1 million in an excess self-insurance pool with 135 members;

Through the excess pool, Carma, we have reinsurance to \$15 million. This is with Am Re and would be \$12 million plus \$3 million.

Total liability coverage is \$15 million, subject to a \$10,000 deductible.

## Independent Audit

The Government Code of the State of California requires general law cities, such as the City of Brentwood, to have its financial statements audited by an independent certified public accountant. Accordingly, this year's audit was completed by the accounting firm of Vavrinek, Trine, Day and Co., LLP. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and related OMB Circular A-133. The auditor's report on the general purpose financial statements is included in the financial section hereof. The examination relating to the single audit was found to be under the limit and not needed for fiscal year 2000/01.

## Acknowledgements

I wish to thank the City Council for providing clear policy direction and goals that have been used to prepare this comprehensive annual financial report. I would also like to express my appreciation to all City of Brentwood staff members who have taken the time to participate in the development of the report. A great deal of effort and attention to detail has gone into the preparation of this document, representing many hours of work by staff members throughout the organization. These dedicated members assisted and contributed to its preparation. Special recognition is given to the Finance Department staff, and specifically Denise Davies, Brenda Cappello, and Gail Leech. Their efforts made it possible to improve the quality of the information being reported to the citizens, the City Council, and other users on a much more timely basis. Appreciation is also expressed to the Mayor, the City Council, and the City Manager for their interest and support in planning and conducting the financial activities of the City in a responsible and responsive manner.

The City of Brentwood has a bright future ahead because of its committed elected leadership combined with the talents and ingenuity of the individuals within this organization. One of the key components in securing this future is through a well-planned, long-term fiscal strategy, based upon economic development that will generate high paying, long-term employment opportunities, new and stable sales tax revenue sources and improved intergovernmental relations.

Though the challenges are great, the City is firmly committed to meeting each and every challenge that comes our way. This comprehensive annual financial report is the next step towards meeting those challenges. By continuing to follow the financial policy set forth by the City Council, Brentwood will deliver the highest level of service permitted by the available resources.

Sincerely,



Pamela Ehler  
Director Finance and Information Systems

# Financial Section





## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying general purpose financial statements of the City of Brentwood, California, as of and for the year ended June 30, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose 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 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 of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Brentwood, California, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.



In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2001 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the foregoing table of contents are presented for purpose of additional analysis and are not a required part of the general purpose financial statements of the City. These financial statements and schedules are also the responsibility of the management of the City. Such additional information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements, and in our opinion, is fairly stated in all material respects when considered in relation to the general purpose financial statements taken as a whole. The scope of our audit did not include the supplemental statistical section listed in the table of contents and we do not express an opinion on them.

*Vavrinek, Trine, Day & Co., LLP*

Pleasanton, California  
September 24, 2001

# General Purpose Financial Statements

The general purpose of financial statements are intended to provide an overview and broad perspective of the City's financial position and operations. These statements present a summary set of information needed to control and analyze current operations to determine compliance with legal and budgetary limitations and to assist in financial planning.

The following general purpose financial statements are presented:

- Combined Balance Sheet – All Fund Types and Account Groups
- Combined Statement of Revenues, Expenditures, and Changes in Fund Balance – All Governmental Fund Types
- Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Certain Governmental Fund Types
- Combined Statement of Revenues, Expenditures and Changes in Retained Earnings – All Proprietary Fund Types
- Combined Statement of Cash Flows – All Proprietary Fund Types
- Notes to Financial Statement



**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**

June 30, 2001

(With Comparative Totals for June 30, 2000)

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPES	ACCOUNT	GROUP	TOTAL (Memorandum only)		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Agency	General Fixed Assets	General Long-Term Debt	2001	2000
<b>ASSETS AND OTHER DEBITS</b>											
Cash and investments (Note #3)	\$ 10,019,633	\$ 26,426,677	\$ 547,189	\$ 8,559,925	\$ 17,904,855	\$ 1,759,366	\$ -	\$ -	\$ -	\$ 65,217,645	\$ 42,169,568
Restricted cash and investments (Note #3)	-	-	768,470	13,868,882	1,815,788	-	14,314,130	-	-	30,767,270	32,054,975
Receivables	595,657	469,323	4,265	37,177	1,451,635	41,388	162,271	-	-	2,761,716	2,114,313
Prepays	222,233	-	-	-	-	-	-	-	-	222,233	320,268
Due from other funds (Note #2)	33,201	-	-	-	-	-	-	-	-	33,201	-
Land held for resale	-	-	-	475,811	-	-	-	-	-	475,811	227,698
Advances	-	479,434	-	-	1,854,760	-	-	-	-	2,334,194	2,334,194
Notes receivable	-	-	-	-	3,024,744	-	-	-	-	3,024,744	834,132
Deferred charges	-	-	-	-	769,674	-	-	-	-	769,674	2,500,000
Fixed assets, net of accumulated depreciation (Note #4)	-	-	-	-	87,988,925	303,007	-	107,714,754	-	196,006,686	63,860,483
Amount Currently Available for Retirement of General Long Term Debt	-	-	-	-	-	-	-	-	1,238,750	1,238,750	962,194
Amount to be provided for Retirement of General Long Term Debt (Note #5)	-	-	-	-	-	-	-	-	11,392,088	11,392,088	12,185,929
<b>Total Assets and Other Debits</b>	<b>\$ 10,870,724</b>	<b>\$ 27,375,434</b>	<b>\$ 1,319,924</b>	<b>\$ 22,941,795</b>	<b>\$ 114,810,381</b>	<b>\$ 2,103,761</b>	<b>\$ 14,476,401</b>	<b>\$ 107,714,754</b>	<b>\$ 12,630,838</b>	<b>\$ 314,244,012</b>	<b>\$ 159,563,754</b>
<b>LIABILITIES</b>											
Due to other funds (Note #2)	\$ -	\$ -	\$ -	\$ -	\$ 33,201	\$ -	\$ -	\$ -	\$ -	\$ 33,201	\$ 53,729
Accounts Payable	660,748	85,563	74,124	1,345,922	3,422,903	56,910	181,495	-	-	5,827,665	2,339,098
Other Liabilities:	-	124,558	7,050	608,131	386,226	8,184	-	-	-	1,134,149	-
Current Maturities on Long-Term Debt (Note #5)	-	-	-	-	448,880	-	-	-	-	448,880	1,036,446
Deferred Revenue	9,318	104,540	-	-	59,382	-	-	-	-	173,240	588,001
Deposits held	6,327,652	-	-	-	5,203	-	23,389	-	-	6,356,244	6,260,375
Accumulated compensated absences:	-	-	-	-	-	-	-	-	595,353	595,353	487,837
Due to bondholders	-	-	-	-	-	-	14,271,517	-	-	14,271,517	12,694,995
Bonds and Certificates of Participation payable (Note #5)	-	-	-	-	12,337,023	-	-	-	9,425,000	21,762,023	12,463,851
Capital leases payable (Note #5)	-	-	-	-	189,343	254,937	-	-	276,291	720,571	13,700,118
Notes payable	-	-	-	-	16,645,750	-	-	-	2,334,194	18,979,944	2,536,179
<b>Total Liabilities</b>	<b>6,997,718</b>	<b>314,661</b>	<b>81,174</b>	<b>1,954,053</b>	<b>33,527,911</b>	<b>320,031</b>	<b>14,476,401</b>	<b>-</b>	<b>12,630,838</b>	<b>70,302,787</b>	<b>52,160,629</b>
<b>FUND EQUITY AND OTHER CREDITS</b>											
Investment in General Fixed Asset:	-	-	-	-	-	-	-	107,714,754	-	107,714,754	8,028,389
Contributed Capital	-	-	-	-	49,744,510	-	-	-	-	49,744,510	39,145,835
Retained Earnings	-	-	-	-	31,537,960	1,783,730	-	-	-	33,321,690	19,472,596
Fund Balances											
Reserved											
Prepays	222,233	-	-	-	-	-	-	-	-	222,233	320,268
Land held for resale	-	-	-	475,811	-	-	-	-	-	475,811	227,698
Debt service	-	-	1,238,750	-	-	-	-	-	-	1,238,750	905,906
Long-Term Advances	-	479,434	-	-	-	-	-	-	-	479,434	-
Unreserved											
Designated											
Special projects	-	25,509,813	-	-	-	-	-	-	-	25,509,813	14,017,705
Capital projects	-	-	-	16,624,807	-	-	-	-	-	16,624,807	21,441,054
Undesignated	3,650,773	1,071,526	-	3,887,124	-	-	-	-	-	8,609,423	3,843,674
<b>Total Fund Equity and Other Credits</b>	<b>3,873,006</b>	<b>27,060,773</b>	<b>1,238,750</b>	<b>20,987,742</b>	<b>81,282,470</b>	<b>1,783,730</b>	<b>-</b>	<b>107,714,754</b>	<b>-</b>	<b>243,941,225</b>	<b>107,403,125</b>
<b>Total Liabilities and Fund Equity and Other Credits:</b>	<b>\$ 10,870,724</b>	<b>\$ 27,375,434</b>	<b>\$ 1,319,924</b>	<b>\$ 22,941,795</b>	<b>\$ 114,810,381</b>	<b>\$ 2,103,761</b>	<b>\$ 14,476,401</b>	<b>\$ 107,714,754</b>	<b>\$ 12,630,838</b>	<b>\$ 314,244,012</b>	<b>\$ 159,563,754</b>

**COMBINED STATEMENTS OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE**

**ALL GOVERNMENTAL FUND TYPES**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

**(With Comparative Totals for the Fiscal Year Ended June 30, 2000)**

	GOVERNMENTAL FUND TYPES				TOTALS (Memorandum Only)	
	General Fund	Special Revenue	Debt Service	Capital Projects	2001	2000
	<b>REVENUES</b>					
Taxes	\$ 4,550,827	\$ 904,267	\$ 1,856,382	\$ -	\$ 7,311,476	\$ 6,072,785
Licenses	61,554	-	-	-	61,554	52,690
Permits and fines	156,347	8,831,327	-	-	8,987,674	5,876,423
Uses of money and property	715,170	1,136,100	69,845	1,090,698	3,011,813	3,509,121
Intergovernmental	2,410,000	300,186	-	-	2,710,186	1,738,177
Franchises	264,651	-	-	-	264,651	225,795
Charges for other services	142,961	370,962	-	-	513,923	95,239
Charges to other funds	2,478,056	-	-	-	2,478,056	2,186,433
Fees and Other revenues	110,640	15,162,400	-	1,956,747	17,229,787	8,267,534
Total Revenues	<u>10,890,206</u>	<u>26,705,242</u>	<u>1,926,227</u>	<u>3,047,445</u>	<u>42,569,120</u>	<u>28,024,197</u>
<b>EXPENDITURES</b>						
Current:						
General government	2,431,971	375,804	1,788	-	2,809,563	1,715,348
Public Safety	5,384,223	-	-	-	5,384,223	4,250,440
Planning and community development	165,388	4,132,460	535,935	2,981,077	7,814,860	9,943,042
Public Works	1,935,914	83,704	-	-	2,019,618	1,110,390
Parks and community services	109,182	60,529	-	-	169,711	153,090
Other	459,698	-	-	3,915	463,613	1,019,390
Capital Outlay	25,382	4,048,544	-	18,056,099	22,130,025	17,238,684
Debt Service						
Principal	-	-	650,183	-	650,183	1,492,921
Interest	-	-	919,602	-	919,602	464,846
Total Expenditures	<u>10,511,758</u>	<u>8,701,041</u>	<u>2,107,508</u>	<u>21,041,091</u>	<u>42,361,398</u>	<u>37,388,151</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>378,448</u>	<u>18,004,201</u>	<u>(181,281)</u>	<u>(17,993,646)</u>	<u>207,722</u>	<u>(9,363,954)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Loan and bond proceeds	25,382	-	403,836	11,887,523	12,316,741	8,842,199
Operating Transfers In	641,510	7,037,651	54,000	10,821,257	18,554,418	9,288,632
Operating Transfers Out	(909,927)	(12,349,006)	-	(5,415,980)	(18,674,913)	(12,277,998)
Total other Financing Sources (Uses)	<u>(243,035)</u>	<u>(5,311,355)</u>	<u>457,836</u>	<u>17,292,800</u>	<u>12,196,246</u>	<u>5,852,833</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>135,413</u>	<u>12,692,846</u>	<u>276,555</u>	<u>(700,846)</u>	<u>12,403,968</u>	<u>(3,511,121)</u>
Fund Balance, Beginning of Year	<u>3,737,593</u>	<u>14,367,927</u>	<u>962,195</u>	<u>21,688,588</u>	<u>40,756,303</u>	<u>44,267,424</u>
Fund Balance, End of Year	<u>\$ 3,873,006</u>	<u>\$ 27,060,773</u>	<u>\$ 1,238,750</u>	<u>\$ 20,987,742</u>	<u>\$ 53,160,271</u>	<u>\$ 40,756,303</u>

**COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
CERTAIN GOVERNMENTAL FUND TYPES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

	GENERAL FUND			CERTAIN SPECIAL REVENUE			DEBT SERVICE		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>									
Taxes	\$ 4,429,030	\$ 4,550,827	\$ 121,797	\$ 895,800	\$ 904,267	\$ 8,467	\$ 1,963,000	\$ 1,856,382	\$ (106,618)
Licenses	52,000	61,554	9,554	-	-	-	-	-	-
Permits and fines	180,200	156,347	(23,853)	3,124,500	8,831,327	5,706,827	-	-	-
Uses of money and property	552,000	715,170	163,170	382,000	925,141	543,141	37,000	69,845	32,845
Intergovernmental	1,996,692	2,410,000	413,308	276,949	300,186	23,237	-	-	-
Franchises	259,600	264,651	5,051	-	-	-	-	-	-
Charges for other services	130,000	142,961	12,961	80,000	370,962	290,962	-	-	-
Charges to other funds	2,324,471	2,478,056	153,585	-	-	-	-	-	-
Fees and Other revenues	137,700	110,640	(27,060)	4,816,941	15,156,109	10,339,168	-	-	-
Total Revenues	<u>10,061,693</u>	<u>10,890,206</u>	<u>828,513</u>	<u>9,576,190</u>	<u>26,487,992</u>	<u>16,911,802</u>	<u>2,000,000</u>	<u>1,926,227</u>	<u>(73,773)</u>
<b>EXPENDITURES</b>									
Current:									
General government	2,679,167	2,431,971	247,196	362,382	375,804	(13,422)	-	1,788	(1,788)
Public Safety	5,394,172	5,384,223	9,949	-	-	-	-	-	-
Planning and community development	133,852	165,388	(31,536)	5,028,416	4,132,460	895,956	505,000	535,935	(30,935)
Public Works	1,946,513	1,935,914	10,599	83,704	83,704	-	-	-	-
Parks and community services	27,159	109,182	(82,023)	63,784	60,529	3,255	-	-	-
Other	632,193	459,698	172,495	-	-	-	-	-	-
Capital Outlay	25,382	25,382	-	3,656,337	4,048,544	(392,207)	-	-	-
Debt Service									
Principal	-	-	-	-	-	-	691,774	650,183	41,591
Interest	-	-	-	-	-	-	1,014,478	919,602	94,876
Total Expenditures	<u>10,838,438</u>	<u>10,511,758</u>	<u>326,680</u>	<u>9,194,623</u>	<u>8,701,041</u>	<u>493,582</u>	<u>2,211,252</u>	<u>2,107,508</u>	<u>103,744</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(776,745)</u>	<u>378,448</u>	<u>1,155,193</u>	<u>381,567</u>	<u>17,786,951</u>	<u>17,405,384</u>	<u>(211,252)</u>	<u>(181,281)</u>	<u>29,971</u>
<b>OTHER FINANCING SOURCES (USES)</b>									
Loan and bond proceeds	25,382	25,382	-	-	-	-	317,307	403,836	86,529
Operating Transfers In	563,500	641,510	78,010	4,015,096	7,006,848	2,991,752	53,484	54,000	516
Operating Transfers Out	(909,927)	(909,927)	-	(11,542,144)	(12,349,006)	(806,862)	-	-	-
Total other financing Sources (Uses)	<u>(321,045)</u>	<u>(243,035)</u>	<u>78,010</u>	<u>(7,527,048)</u>	<u>(5,342,158)</u>	<u>2,184,890</u>	<u>370,791</u>	<u>457,836</u>	<u>87,045</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (1,097,790)</u>	<u>135,413</u>	<u>\$ 1,233,203</u>	<u>\$ (7,145,481)</u>	<u>12,444,793</u>	<u>\$ 19,590,274</u>	<u>\$ 159,539</u>	<u>276,555</u>	<u>\$ 117,016</u>
Fund Balance, Beginning of Year		<u>3,737,593</u>			<u>14,188,822</u>			<u>962,195</u>	
Fund Balance, End of Year		<u>\$ 3,873,006</u>			<u>\$ 26,633,615</u>			<u>\$ 1,238,750</u>	

**COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
CERTAIN GOVERNMENTAL FUND TYPES (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

	CERTAIN CAPITAL PROJECT			Total (Memorandum Only)		
	Budget	Actual	Variance	Budget	Actual	Variance
			Favorable (Unfavorable)			Favorable (Unfavorable)
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ 7,287,830	\$ 7,311,476	\$ 23,646
Licenses	-	-	-	52,000	61,554	9,554
Permits and fines	-	-	-	3,304,700	8,987,674	5,682,974
Uses of money and property	-	191,177	191,177	971,000	1,901,333	930,333
Intergovernmental	-	-	-	2,273,641	2,710,186	436,545
Franchises	-	-	-	259,600	264,651	5,051
Charges for other services	-	-	-	210,000	513,923	303,923
Charges to other funds	-	-	-	2,324,471	2,478,056	153,585
Fees and Other revenues	-	1,956,747	1,956,747	4,954,641	17,223,496	12,268,855
<b>Total Revenues</b>	<b>-</b>	<b>2,147,924</b>	<b>2,147,924</b>	<b>21,637,883</b>	<b>41,452,349</b>	<b>19,814,466</b>
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	3,041,549	2,809,563	231,986
Public Safety	-	-	-	5,394,172	5,384,223	9,949
Planning and community development	2,636,015	2,419,761	216,254	8,303,283	7,253,544	1,049,739
Public Works	-	-	-	2,030,217	2,019,618	10,599
Parks and community services	-	-	-	90,943	169,711	(78,768)
Other	-	3,915	(3,915)	632,193	463,613	168,580
Capital Outlay	8,552,814	8,548,556	4,258	12,234,533	12,622,482	(387,949)
Debt Service						
Principal	-	-	-	691,774	650,183	41,591
Interest	-	-	-	1,014,478	919,602	94,876
<b>Total Expenditures</b>	<b>11,188,829</b>	<b>10,972,232</b>	<b>216,597</b>	<b>33,433,142</b>	<b>32,292,539</b>	<b>1,140,603</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(11,188,829)</b>	<b>(8,824,308)</b>	<b>2,364,521</b>	<b>(11,795,259)</b>	<b>9,159,810</b>	<b>20,955,069</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Loan and bond proceeds	250,000	820,113	570,113	592,689	1,249,331	656,642
Operating Transfers In	8,512,314	10,821,257	2,308,943	13,144,394	18,523,615	5,379,221
Operating Transfers Out	(543,544)	(721,238)	(177,694)	(12,995,615)	(13,980,171)	(984,556)
<b>Total other financing Sources (Uses)</b>	<b>8,218,770</b>	<b>10,920,132</b>	<b>2,701,362</b>	<b>741,468</b>	<b>5,792,775</b>	<b>5,051,307</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ (2,970,059)</b>	<b>2,095,824</b>	<b>\$ 5,065,883</b>	<b>\$ (11,053,791)</b>	<b>14,952,585</b>	<b>\$ 26,006,376</b>
Fund Balance, Beginning of Year		5,037,569			23,926,179	
Fund Balance, End of Year		<u>\$ 7,133,393</u>			<u>\$ 38,878,764</u>	

**COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
RETAINED EARNINGS - ALL PROPRIETARY FUND TYPES**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

**(With Comparative Totals for the Fiscal Year Ended June 30, 2000)**

	Enterprise Funds	Internal Service Funds	TOTALS	
			(Memorandum Only)	
			2001	2000
<b>Operating Revenues</b>				
Charges for services	\$ 9,883,384	\$ 1,088,776	\$ 10,972,160	\$ 7,969,325
Property tax	381,293	-	381,293	312,750
Other income	907,303	-	907,303	580,352
Total Operating Revenues	11,171,980	1,088,776	12,260,756	8,862,427
<b>Operating Expenses</b>				
Personnel services	3,787,642	349,148	4,136,790	2,675,079
Repairs and maintenance	1,237,846	27,887	1,265,733	1,647,923
Materials, supplies, and services	7,556,532	70,372	7,626,904	5,127,254
Depreciation and amortization	2,013,415	72,826	2,086,241	1,115,078
Total Operating Expense	14,595,435	520,233	15,115,668	10,565,334
Operating Income (Loss)	(3,423,455)	568,543	(2,854,912)	(1,702,907)
<b>Nonoperating Revenue (Expense)</b>				
Other nonoperating expense	-	(1,389,154)	(1,389,154)	-
Other nonoperating revenue	-	233,353	233,353	-
Developers fees and credits	17,260,336	-	17,260,336	-
Interest income	1,278,451	50,072	1,328,523	1,180,358
Interest expense	(839,499)	(10,048)	(849,547)	(933,059)
Total Nonoperating Revenues	17,699,288	(1,115,777)	16,583,511	247,299
Income (Loss) Before Operating Transfers	14,275,833	(547,234)	13,728,599	(1,455,608)
Operating transfers - in	36,476,763	1,049,964	37,526,727	33,002,735
Operating transfers - out	(37,278,740)	(127,492)	(37,406,232)	(30,013,369)
Net Income	13,473,856	375,238	13,849,094	1,533,758
Retained Earnings, Beginning of Year	18,064,104	1,408,492	19,472,596	17,938,838
Retained Earnings, End of Year	\$ 31,537,960	\$ 1,783,730	\$ 33,321,690	\$ 19,472,596

**COMBINED STATEMENT OF CASH FLOWS**  
**ALL PROPRIETARY FUND TYPES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2001**  
**(With Comparative Totals for the Fiscal Year Ended June 30, 2000)**

	Enterprise Funds	Internal Service Funds	TOTALS (Memorandum Only)	
			2001	2000
<b>Cash Flows from Operating Activities</b>				
Operating Income (Loss)	\$ (3,423,455)	\$ 568,543	\$ (2,854,912)	\$ (1,702,907)
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation and amortization	2,013,415	72,826	2,086,241	1,115,078
(Increase) decrease in				
Interest receivable	(84,014)	83	(83,931)	1,251
Accounts receivable	(1,082,929)	-	(1,082,929)	(207,157)
Note receivable	(1,558,862)	-	(1,558,862)	(2,310,556)
Advances	1,475,599	-	1,475,599	-
Increase (decrease) in				
Deposits	379,204	-	379,204	(110,279)
Accounts payable	1,861,149	129,931	1,991,080	919,787
Net Cash Provided (Used) by Operating Activities	<u>(419,893)</u>	<u>771,383</u>	<u>351,490</u>	<u>(2,294,783)</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Interest paid on long-term obligations	(839,499)	(10,048)	(849,547)	(933,059)
Operating transfers in	36,476,763	1,049,964	37,526,727	33,002,735
Operating transfers out	(37,278,740)	(127,492)	(37,406,232)	(30,013,369)
Equity Transfers and city contributions	-	-	-	7,672,034
Net Cash Provided (Used) in Noncapital Financing Activities	<u>(1,641,476)</u>	<u>912,424</u>	<u>(729,052)</u>	<u>9,728,341</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Deferred revenue	(200,831)	-	(200,831)	49,139
Deferred charges	64,458	-	64,458	(76,084)
Proceeds from issuance of debt	13,928,954	-	13,928,954	2,324,094
Principal payments on debt	(1,377,243)	-	(1,377,243)	(1,366,686)
Other nonoperating expenses	-	(489,816)	(489,816)	-
Other nonoperating revenues	-	160,527	160,527	-
Purchase of property and equipment	(24,554,258)	(219,658)	(24,773,916)	(15,857,004)
Developers fees collected	17,260,336	-	17,260,336	9,348,174
Net Cash Provided (Used) in Capital Financing Activities	<u>5,121,416</u>	<u>(548,947)</u>	<u>4,572,469</u>	<u>(5,578,367)</u>
<b>Cash Flows from Investing Activities</b>				
Interest on cash and investments	1,278,451	50,072	1,328,523	1,180,353
Net Increase (Decrease) in cash and cash equivalents	<u>4,338,498</u>	<u>1,184,932</u>	<u>5,523,430</u>	<u>3,035,544</u>
Cash, Beginning of Year	15,348,944	574,434	15,923,378	12,887,829
Cash, End of Year	<u>\$ 19,687,442</u>	<u>\$ 1,759,366</u>	<u>\$ 21,446,808</u>	<u>\$ 15,923,373</u>
Non cash activity:				
Contributed assets	<u>\$ 10,598,675</u>	<u>\$ -</u>	<u>\$ 10,598,675</u>	<u>\$ 5,630,167</u>



**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

***NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

General

The City of Brentwood is located halfway between the cities of San Francisco and Sacramento at the eastern end of Contra Costa County. The City is governed by a five (5) member City Council under the Council-Manager form of government and provides the following services: public safety (police), highways and streets, sanitation, public improvements, planning and zoning, and general administrative services. The City has a current population of approximately 26,000, as of June 30, 2001, and encompasses approximately 13.73 square miles. Brentwood was incorporated in 1948 as a general law city under the laws of the State of California.

At June 30, 2001, the City's staff comprised 188 full-time employees who were responsible for City provided services. In addition, the City employs approximately 100 seasonal recreation personnel.

The accounting policies of the City of Brentwood conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting Principles.

A. Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Brentwood (the primary government) and its component units, entities for which the government is considered financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable for an organization if the organization is fiscally dependent (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the City are such that their exclusion would cause the City's financial statements to be misleading or incomplete.

Blended component units, although legally separate entities are, in substance, part of the governments operations and so data from these units are combined with data of the primary government. Each of the blended component units discussed below have a June 30, year-end. Each of the component units listed below meets the above-mentioned criteria.

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

*NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

Blended Component Units

- Brentwood Redevelopment Agency

The Brentwood Redevelopment Agency (the Agency) is organized under the State of California Community Redevelopment Law. The Agency Directors also serve as the City Council. Separate financial statements for the Redevelopment Agency may be obtained from the City of Brentwood Finance Department.

- Brentwood Joint Powers Financing Authority

The Brentwood Joint Powers Financing Authority (the Authority) is a joint powers authority between the City and the Authority. The primary purpose of the Authority is to render financial assistance to the City and the Agency by issuing debt and financing the construction of public facilities. Separate financial statements are not required for the Authority, and therefore, are not issued.

B. Fund Accounting

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The various funds are grouped in the financial statements of this report. Fund types and account groups used by the City are as follows:

Governmental Fund Types

- General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- Special Revenue Funds - Special Revenue Funds are used to account for proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

*NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

- Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds).
- Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of long-term debt principal, interest, and related costs.

Proprietary Fund Types

- Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs, including depreciation, of providing goods or services to the general public on a continuing basis, be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.
- Internal Service Funds – Internal Service Funds account for the financing of goods, services, or facilities provided by one City department to other City departments on a cost-reimbursement basis.

Fiduciary Fund Type

- Agency Funds - Agency Funds are used to account for assets held by the City in or as an agent for individuals, private organizations, other governments, and/or their funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

- General Fixed Assets – The General Fixed Assets Account Group accounts for recorded fixed assets of the City, other than those accounted for in the proprietary funds types. Infrastructure (i.e., streets, road and bridges) is included and depreciation is provided for on a straight line basis, based on the estimated useful lives of the related assets. All fixed assets are valued at historical cost or estimated historical cost if actual costs were not available. Donated fixed assets are valued at their estimated fair market value on the date donated.

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

***NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

- General Long-Term Debt - The accounting and reporting treatment applied to the long-term liabilities associated with a fund are determined by its measurement focus. All Governmental Funds are accounted for on a spending or “financial flow” measurement focus. This means that only current assets and current liabilities are generally included in their balance sheets. Their reported fund balance (net of current assets) is considered a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

C. Basis of Accounting / Measurement Focus

All governmental funds are accounted for on a spending or financial flow measurement focus, which means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance is their net current assets, which is considered only to be a measure of available spendable resources. Governmental fund operating statements present a summary of sources and uses of available spendable resources during a period by presenting increases and decreases in net current assets.

Because of their spending measurement focus, governmental funds exclude fixed assets and non-current liabilities. Instead, these assets and liabilities are reported in the General Fixed Assets Account Group and the Long-Term Debt Account Group. These account groups measure only financial position; they are not funds and they do not measure results of operations. They maintain accounting control over the City’s governmental funds fixed assets and City debt, which will be repaid by governmental funds.

Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means then due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities of the current period.

Grants, entitlement, or shared revenues recorded in governmental funds are recognized as revenue in the accounting period when they become susceptible to accrual, i.e., both measurable and available (modified accrual basis). Grants received before the revenue recognition criteria has been met are reported as deferred revenue, a liability account. Such resources not received are reported as a receivable if the revenue recognition criteria has been met.

Special reporting treatments are also applied to governmental fund inventories to indicate that they do not represent “available spendable resources” even though they are a component of net current assets. Such amounts are offset by fund balance reserve accounts.

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

***NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred; principal and interest on general long-term debt is recognized when due.

Construction period interest costs incurred to bring certain assets to the condition and location necessary for their intended use are not capitalized as part of the historical cost of acquiring the assets.

All proprietary funds are accounted for on a cost of services or capital maintenance measurement focus. This means that all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and become measurable, expenses are recognized when they are incurred.

The City applies, to all proprietary funds, all applicable pronouncements of the Government Accounting Standards Board (GASB) as well as any applicable pronouncement of the Financial Accounting Standards Board, the Accounting Principles Board, or any Accounting Research Bulletins issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements.

Depreciation of all exhaustible fixed assets used by Proprietary Funds is charged as an expense against their operations. Proprietary fund fixed assets are reported net of accumulated depreciation on their balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method for all classes of fixed assets.

The estimated useful lives for the General Fixed Asset Account Group and the Proprietary Funds are as follows:

Land improvements	20 years
Building and structures	45 years
Machinery and equipment	5 - 20 years
Vehicles	6 years
Infrastructure	65 years

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

***NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

D. Budgets and Budgetary Accounting

- General Budget Policies

Formal budgetary integration is employed as a management control device during the year for the General Fund, certain Special Revenue Funds, Debt Service Funds, and certain Capital Project Funds. See footnote # 2 for those funds not included. The level of budgetary control is established at the fund level, and adopted on a basis consistent with accounting principles generally accepted in the United States of America. Expenditures may not exceed budgeted appropriations at the fund level without City Council approval.

Prior to July 1, the budget is legally enacted through passage of a resolution. The City Council periodically reviews the budgets and adopts supplemental appropriations (amendments) at the fund level when required. The City Manager is authorized to transfer budgeted amounts between line items within any department. Budgeted amounts presented in the financial statements are as originally adopted, or as amended by the City Council. Individual amendments were not material in relation to original appropriations.

All unencumbered and unexpended appropriations lapse at each fiscal year end, and are reappropriated in the ensuing year's budget.

- Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances are recorded as reservations of fund balance since the commitments will be paid by subsequent years' budget appropriations. Encumbrances do not constitute expenditures or liabilities. Encumbered appropriations are presented to Council each year for reappropriation in the ensuing year's budget. There were no encumbrances outstanding in any governmental fund at June 30, 2001.

- Budget Basis of Accounting

Budgets for governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Budgetary comparisons presented for the General, Special Revenue, Capital Project, and Debt Service Funds in this report are presented on the same basis.

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

*NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

E. Cash and Investments

- Investments are stated at fair value.
- Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all pooled cash and investments as cash and cash equivalents because the pool is used essentially as a demand deposit account from the standpoint of the proprietary funds.

F. Vacation, Sick Pay, Compensatory Time Off

A total of 11 to 28 vacation days, up to 60 hours of compensatory time off or 80 hours of administrative leave time and 12 days of sick leave may be accumulated by employees every year. Sick leave is not paid at termination but is used for additional service credits towards retirement and half (up to \$8,000) of accrued sick leave may be cashed in at time of retirement from Brentwood. Under certain restrictive circumstances, limited amounts of sick leave can be converted to vacation time. Vacation time is only to accumulate up to one and one-half years of earnings. All employees may elect to receive a lump sum payment of up to 40 hours of accumulated vacation each March and with Mid-Managers, Department Directors, and the City Manager eligible to elect payment of up to 80 hours in March. Additionally, each October, employees with five years of service may elect to receive a lump sum payment of up to 40 hours of accumulated vacation time; with Mid-Manager, Department Directors and the City Manager eligible to elect payment of up to 80 hours.

The City accrues a general long-term liability for the gross amount of all earned but not taken leave for all employees except for sick leave for those who have terminated by the date of preparation of the financial statements. Because no employees are assigned full time to the enterprise funds all of the liability is recorded in the General Long-Term Debt Account Group. The total liability is included in the General Long-Term Debt Account Group because it is anticipated that none of the liability will be liquidated with available financial resources.

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

*NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)*

G. Property Tax

Property tax valuation, lien, and levy for secured and unsecured property is March 1 of each year. Fifty percent of secured taxes are due on November 1 and February 1 of each fiscal year and are delinquent on December 10 and April 10, respectively. Unsecured property taxes are due on July 1 and delinquent on August 31. Contra Costa County bills and collects the City's property taxes, and the remittance of them to the City is accounted for in the City's General Fund. City property tax revenues are recognized when levied to the extent that they result in current receivables. The City receives their full assessment of property tax, and the County retains all delinquent charges.

H. Use of Estimates

In preparing general purpose financial statements in conformity with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the general purpose financial statements and revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

I. Contributed Capital in Proprietary Fund Types

Contributed capital in proprietary funds represents contributed fixed assets. Contributed in the proprietary funds increased by \$10,598,675 during the year ended June 30, 2001.

J. Total Columns on Combined Statements - Overview

Total columns on combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with accounting principles generally accepted in the United States of America. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.



**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

***NOTE # 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

**K. Deferred Compensation Plan**

City employees may defer a portion of their compensation under a City Sponsored deferred compensation plan created in accordance with Internal Revenue Code Section 457. Under the plan, participants are not taxed on the deferred portion of their compensation until it is distributed to them. Distribution may be made only at termination of employment, retirement, death or in emergency as defined by the Plan.

In accordance with GASB 32, the City revised the plan to no longer make the funds available to the City’s general creditors and accordingly, the City does not report any assets or liabilities associated with this plan in these financial statements.

***NOTE # 2 – INTERFUND RECEIVABLES AND PAYABLES / STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY***

The following Funds have interfund receivables and payable balances as of June 30, 2001:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
<b>General Fund</b>	\$ 33,201	\$ -
<b>Enterprise Funds:</b>		
City Rentals	-	33,201

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

***NOTE # 2 – INTERFUND RECEIVABLES AND PAYABLES / STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)***

These funds are not legally required to adopt budgets as their appropriations are established by the related bond documentation and/or other legal agreements.

**Capital Project Funds:**

Capital Improvement Funding Program 98-1  
Capital Improvement Funding Program 99-1  
Capital Improvement Funding Program 2000-1  
JPA Capital Projects

**Special Revenue Funds:**

Bypass Authority  
Agriculture Conservation

The following fund contains a deficit fund or accumulated deficit balance as of June 30, 2001:

**Enterprise Funds:**

City Rentals	\$54,496
--------------	----------

The City projects that future revenues will offset these accumulated deficits.

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

**NOTE # 2 – INTERFUND RECEIVABLES AND PAYABLES / STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY** *(Continued)*

The following funds or fund types had expenditures, which exceeded budgeted amounts, for the 2000-2001 fiscal year.

	Budgeted	Actual	Over Budget
<b><u>Special Revenue Funds</u></b>			
Vehicle Abatement	\$ 6,626	\$ 7,629	\$ (1,003)
Thoroughfares	3,028,989	3,548,629	(519,640)
North Brentwood Redevelopment Low Income Housing	34,200	48,282	(14,082)
Facility Fee Administration	-	3,916	(3,916)
<b><u>Debt Service Funds</u></b>			
North Brentwood Redevelopment Project	505,000	532,467	(27,467)
ABAG XXVI COP's	317,308	319,096	(1,788)
<b><u>Capital Project Funds</u></b>			
RDA North Brentwood Area	107,500	114,771	(7,271)
Street Improvement Projects	-	3,915	(3,915)

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

***NOTE # 3 - CASH AND INVESTMENTS***

Pooled Deposits:	
Demand deposits	\$ 588,615
Petty cash	4,036
Pooled investments	95,392,264
Total Cash and Investments	<u>\$ 95,984,915</u>

Cash and investments appear on the balance sheet as follows:

Cash and investments	\$ 65,217,645
Restricted cash and investments	30,767,270
	<u>\$ 95,984,915</u>

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

**NOTE # 3 - CASH AND INVESTMENTS (Continued)**

The cash and cash equivalents at June 30, 2001, presented below categorized separately to give an indication of the level of risk assessment with each deposit.

	Bank Balance Category *			Total	Carrying Amount
	1	2	3		
Categorized					
Demand Deposits	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ 1,958,602</u>	<u>\$ 2,058,602</u>	\$ 588,615
Uncategorized					
Petty Cash					<u>4,036</u>
Total Cash and Cash Equivalents					<u>\$ 592,651</u>

\*These categories are as follows:

- Category 1: Insured or collateralized with securities held by the City or by its agent in the City's name.
- Category 2: Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.
- Category 3: Uncollateralized. This includes any bank balance that is collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the City's name.

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

***NOTE # 3 - CASH AND INVESTMENTS (Continued)***

A. Pooled Cash and Non-Negotiable Certificates of Deposit

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by outside fiscal agents, under the provisions of bond indentures.

Interest income earned on pooled cash and investments is allocated quarterly to the various funds based on the average month-end balances. Interest income from cash and investment with fiscal agent are credited directly to the related fund.

B. Authorized Investments

In accordance with Section 53601 of the California Government Code, the City may invest in the following types of investments:

- Securities of the U.S. Government, or its agencies
- Negotiable Certificates of Deposits
- Bankers Acceptances
- Commercial Paper
- Local Agency Investment Fund (State Pool) Deposits
- Repurchase Agreements
- Corporate Medium Term Notes
- California Arbitrage Management Program
- Shares of Beneficial Interest by Diversified Management Companies

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

**NOTE # 3 - CASH AND INVESTMENTS (Continued)**

Investments at June 30, 2001, held on behalf of the City of Brentwood are presented below, categorized separately to give an indication of the level of risk associated with each investment:

	Category			Reported Value	Fair Value
	1	2	3		
U. S. Treasury Notes\Bonds	\$28,716,855	\$ -	\$ -	\$28,716,855	\$28,738,053
Uncategorized:					
Local Agency Investment Fund				41,899,252	41,992,980
Money Market and Mutual Funds				20,655,285	20,655,285
Guaranteed Investment Contracts				4,120,872	4,120,872
				\$95,392,264	\$95,507,190

These categories are as follows:

- Category 1: Insured or registered, or securities held by the City or its agent in the City’s name.
  
- Category 2: Uninsured and unregistered, with securities held by the counter party's trust department or agent in the City’s name.
  
- Category 3: Uninsured and unregistered, with securities held by the counter party or by its trust department or agent but not in the City’s name.

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

***NOTE # 3 - CASH AND INVESTMENTS (Continued)***

At June 30, 2001, the City had no investments in repurchase agreements. At no time during the fiscal year did the City borrow funds through use of a reverse-repurchase agreement, even though such transactions are authorized by the City's investment policy. Investments are stated at fair value. All investments, held by the City at year-end, had maturities of less than 5 years.

Investment In State Treasurer's Pool

The Local Agency Investment Fund (LAIF) is an external investment pool sponsored by the State of California authorized under Section 16429.1,2,3 of the California Government code. The fund is a voluntary program created by statute as an investment alternative for California local governments and special districts. The fund is administered by the California State Treasurer. The City deposits excess cash in LAIF is not required to be categorized. The fair value for these deposits was provided by the pool sponsor.

C. Cash and Investments with Fiscal Agent

The City has monies held by trustees or fiscal agents pledged to the payment or security of certain bonds, certificates of participation, and lease obligations. The California Government Code provides these monies, in the absence of specific statutory provisions governing the issuance of bonds certificates, or leases, may be invested in accordance with the ordinance, resolutions or indentures specifying the types of investments its trustees or fiscal agents may make.

D. Fair Value of Investments

Accounting pronouncement GASB Statement 31 generally applies to investments in external investment pools (State of California LAIF & county treasury investment pools), investments purchased with maturities greater than one year, mutual funds, and certain investment agreements. Generally, governmental entities need to report the "fair value" changes for these investments at year-end and records these gains or losses in their operating statements.



**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

***NOTE # 3 - CASH AND INVESTMENTS (Continued)***

Methods and assumptions used to estimate fair value: The City maintains investment accounting records on amortized cost and adjusts those records to “fair value” on a monthly basis when material. The Funds investment custodian provides market values on each investment instrument on a monthly basis. The investments held by the Fund are widely traded in the financial markets and trading values are readily available from numerous published sources. The Fund has elected to report its money market investments (those investments with maturities of less than one year) at amortized cost adjusted to fair value on a monthly basis. Unrealized gains and losses are recorded on a monthly basis and the carrying value of its investments is considered “fair value”.

State of California State Treasurer’s Local Agency Investment Fund (LAIF): The City holds an investment in LAIF that is subject to being adjusted to “fair value”. The City is required to disclose its methods and assumptions used to estimate the fair value of its holdings in LAIF. The City relied upon information provided by the State Treasurer in estimating the City’s fair value position of its holding in LAIF. The City had a contractual withdrawal value of \$41,899,252 whose pro-rata share of fair value was estimated by the state Treasurer to be \$41,992,980. The fair value change in this investment for the year came to an amount that was not material for presentation in the financial statements.

The State Treasurer’s Local Agency Investment Fund (“LAIF”) is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee, comprised of California State officials and various participants, provide oversight to the management of the fund. The daily operations and responsibilities of LAIF fall under the auspices of the State Treasurer’s office. The City is a voluntary participant in the investment pool.

The management of LAIF has indicated to the City that as of June 30, 2001, the amortized cost of the pool was \$54,496,268,373. The fair value was \$55,175,428,123. Included in LAIF’s investment portfolio are certain derivative securities or similar products in the form of structured notes, totaling \$1,517,548,000 and asset-backed securities totaling \$937,996,000. LAIF’s (and the City’s) exposure to risk (credit, market or legal) is not currently available.

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

**NOTE # 4 - FIXED ASSETS**

Fixed assets of the primary government at June 30, 2001 are as follows:

	Balance Beginning of Year	Acquisitions (Dispositions)/ Adjustments	Balance End of Year
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>General Fixed Asset Group:</b>			
Land	\$ 4,554,184	\$ 12,438,992	\$ 16,993,176
Land Improvements	169,083	850	169,933
Capital Assets	4,374,383	(880,706)	3,493,677
Infrastructure	-	110,591,035	110,591,035
Equipment	<u>1,033,066</u>	<u>1,234,434</u>	<u>2,267,500</u>
Capital Assets Before Depreciation	10,130,716	123,384,605	133,515,321
Accumulated Depreciation	<u>(2,102,327)</u>	<u>(23,698,240)</u>	<u>(25,800,567)</u>
Net Capital Assets	<u><u>\$ 8,028,389</u></u>	<u><u>\$ 99,686,365</u></u>	<u><u>\$ 107,714,754</u></u>

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

**NOTE # 4 - FIXED ASSETS (Continued)**

	Balance Beginning of Year (as restated)	Acquisitions (Dispositions)/ Adjustments	Balance End of Year
<b>Enterprise:</b>			
Land improvements	\$ -	\$ 1,829,069	\$ 1,829,069
Equipment	4,353,383	1,159,075	5,512,458
Capital assets	59,825,587	8,459,277	68,284,864
Construction in progress	-	24,095,224	24,095,224
Capital Assets Before Depreciation	64,178,970	35,542,645	99,721,615
Accumulated Depreciation	(9,329,563)	(2,403,127)	(11,732,690)
Net Capital Assets	<u>\$ 54,849,407</u>	<u>\$ 33,139,518</u>	<u>\$ 87,988,925</u>
	Balance Beginning of Year	Dispositions	Balance End of Year
<b>Internal Service:</b>			
Equipment	\$ 1,203,117	\$ (474,855)	\$ 728,262
Accumulated Depreciation	(220,430)	(204,825)	(425,255)
Totals	<u>\$ 982,687</u>	<u>\$ (679,680)</u>	<u>\$ 303,007</u>

The purchase of assets through capital lease transactions have been included in the preceding categories.

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

**NOTE # 5 - CHANGES IN LONG-TERM DEBT ACCOUNT GROUP**

The following summarizes changes in long-term debt obligations during the year:

**General Long-Term Debt**

	Balance June 30, 2000	Additions	Payments Adjustments	Balance June 30, 2001
<b>Bonds:</b>				
Certificates of Participation	\$ 1,120,000	\$ -	\$ (255,000)	\$ 865,000
Tax allocation bonds	3,525,000	-	(285,000)	3,240,000
Capital Improvements	5,420,000	-	(100,000)	5,320,000
Total Bonds	10,065,000	-	(640,000)	9,425,000
<b>Capital Leases:</b>				
Various equipment	261,092	25,382	(10,183)	276,291
Total Capital Leases	261,092	25,382	(10,183)	276,291
<b>Other:</b>				
Advances payable to City of Brentwood by the Redevelopment Agency	2,334,194	-	-	2,334,194
Accumulated compensated absences (net)	487,837	107,516	-	595,353
Total Other	2,822,031	107,516	-	2,929,547
Total General Long-Term Debt	<u>\$ 13,148,123</u>	<u>\$ 132,898</u>	<u>\$ (650,183)</u>	<u>\$ 12,630,838</u>

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

**NOTE # 5 - CHANGES IN LONG-TERM DEBT ACCOUNT GROUP (Continued)**

A. Bonds

- Certificates of Participation

Certificates of Participation (ABAG XXVI) dated October 1, 1992, to finance utility construction projects, total annual debt service payment, including interest at 4.5 percent to 6.4 percent, \$137,070 to \$328,415. Final payment is due in October 2003. The payment schedule is as follows:

Year Ending June 30,	Principal	Interest	Total
2002	\$ 270,000	\$ 46,160	\$ 316,160
2003	290,000	38,415	328,415
2004	305,000	16,044	321,044
Total	<u>\$ 865,000</u>	<u>\$ 100,619</u>	<u>\$ 965,619</u>

- Tax Allocation Bonds

Brentwood Redevelopment Agency tax allocation bonds, Series A, dated February 1, 1990, to finance Redevelopment projects. Total annual debt service payment, including interest at 6.7 percent, ranges from \$405,411 to \$561,923, with a balloon payment, which is the final payment, due November 1, 2008. The payment schedule is as follows:

Year Ending June 30,	Principal	Interest	Total
2002	\$ 305,000	\$ 235,073	\$ 540,073
2003	330,000	211,730	541,730
2004	355,000	99,750	454,750
2005	-	-	-
2006	-	-	-
Thereafter	2,250,000	256,875	2,506,875
Total	<u>\$ 3,240,000</u>	<u>\$ 803,428</u>	<u>\$ 4,043,428</u>

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

**NOTE # 5 - CHANGES IN LONG-TERM DEBT ACCOUNT GROUP (Continued)**

- Capital Improvement Program Bonds

Brentwood Infrastructure Financing Authority Capital Improvement Program Bonds, Series 1996, dated June 7, 1996, to finance certain improvements to certain roadways within the City. Total annual debt service payments, including interest at 5.25 percent, range from \$374,120 to \$403,532. Final payment due June 1, 2026. The payment schedule is as follows:

Year Ending	Principal	Interest	Total
June 30,			
2002	\$ 110,000	\$ 279,300	\$ 389,300
2003	115,000	288,532	403,532
2004	120,000	267,488	387,488
2005	125,000	261,188	386,188
2006	140,000	254,524	394,524
Thereafter	<u>4,710,000</u>	<u>3,002,287</u>	<u>7,712,287</u>
Total	<u>\$ 5,320,000</u>	<u>\$ 4,353,319</u>	<u>\$ 9,673,319</u>

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

B. Capital Leases

The combined Capital leases have future payments as follows:

Year Ending June 30,	Payments
2002	\$ 113,259
2003	87,100
2004	37,243
2005	37,243
2006	37,243
Subtotal	312,088
Less amount representing interest	(35,797)
Total	\$ 276,291

C. Other

- Advances

Loan and advances payable by the Brentwood Redevelopment Agency to the City of Brentwood pursuant to the Cooperation Agreement between the City and the Agency. The total obligation is subordinate to any external debt of the Agency. Interest accrues equivalent to the current Local Agency Investment Fund rate and any unpaid accrued interest is added to the total obligation on a monthly basis. The obligation is being repaid from incremental tax revenues. There are no fixed due dates. The balance at June 30, 2001, is \$2,334,194. The corresponding advances receivable were recorded as assets in the appropriate funds. All governmental funds with advances due from the Redevelopment Agency have a corresponding fund balance reserve.

- Accumulated compensated absences

The Accumulated compensated absences balance at June 30, 2001, is \$595,353.

- North Brentwood RDA Pass-through Agreements to Other Agencies

The North Brentwood RDA has approved various pass-through agreements to other agencies. These agreements specify that amounts are due and payable once the tax increment is received by the Agency. There are no outstanding balances at year-end.

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

**NOTE # 5 - CHANGES IN LONG-TERM DEBT ACCOUNT GROUP (Continued)**

**Enterprise Fund Debt**

	Balance June 30, 2000	Additions	Payments Adjustments	Balance June 30, 2001
<b>Capital Leases</b>				
Water fund - equipment	\$ 19,578	\$ -	\$ (19,578)	\$ -
Wastewater fund - equipment	106,336	-	(51,801)	54,535
Solid Waste - equipment	29,259	-	(29,259)	-
Solid Waste - equipment	280,136	-	(40,793)	239,343
Total Capital Leases	<u>435,309</u>	<u>-</u>	<u>(141,431)</u>	<u>293,878</u>
<b>Notes Payable</b>				
Solid Waste note payable	1,118,278	-	(131,613)	986,665
Solid Waste note payable to BDS for settlement	343,800	-	(57,300)	286,500
Park note payable	428,000	-	(428,000)	-
Park reimbursement agreement	335,923	-	(335,923)	-
State Water Resources Loan	-	12,428,954	-	12,428,954
City rental note payable to water fund	1,500,000	1,500,000	-	3,000,000
Total Notes Payable	<u>3,726,001</u>	<u>13,928,954</u>	<u>(952,836)</u>	<u>16,702,119</u>
<b>Wastewater Revenue Bonds</b>	<u>2,405,943</u>	<u>-</u>	<u>(47,035)</u>	<u>2,358,908</u>
<b>Water Revenue Bonds</b>	<u>10,509,057</u>	<u>-</u>	<u>(242,964)</u>	<u>10,266,093</u>
Total all Proprietary Funds	<u>\$ 17,076,310</u>	<u>\$ 13,928,954</u>	<u>\$ (1,384,266)</u>	<u>\$ 29,620,998</u>



**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

**NOTE # 5 - CHANGES IN LONG-TERM DEBT ACCOUNT GROUP** (Continued)

The Wastewater Fund Capital Lease has future payments as follows:

Year Ending June 30,	Payments
2002	\$ 57,414
Less amount representing interest	(2,879)
Total	<u>\$ 54,535</u>

The Solid Waste Funds Capital Lease has future payments as follows:

Year Ending June 30,	Payments
2002	\$ 55,865
2003	55,865
2004	55,865
2005	55,865
2006	55,865
Total	<u>279,325</u>
Less amount representing interest	(39,982)
Total	<u>\$ 239,343</u>

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

**NOTE # 5 - CHANGES IN LONG-TERM DEBT ACCOUNT GROUP (Continued)**

D. Notes Payable

- Solid Waste Note Payable

The note payable to Koch Financial Corporation relates to the construction of the Solid Waste Transfer Station. Payments of \$100,012 are to be made semi-annually with interest at 6.3%.

The estimated payment schedule is as follows:

Year Ending June 30,	Principal	Interest	Total
2002	\$ 140,035	\$ 59,989	\$ 200,024
2003	148,997	51,027	200,024
2004	158,531	41,493	200,024
2005	168,676	31,348	200,024
2006	179,470	20,554	200,024
Thereafter	190,956	9,068	200,024
Total	\$ 986,665	\$ 213,479	\$ 1,200,144

- Solid Waste Note Payable - BDS Settlement

The note payable to BDS is for the remainder of a settlement agreement. The agreement called for one half of the judgment to be payable during the 1995-96 fiscal year with the remainder to be financed over a ten year period. The remaining amount has a variable interest rate adjusted annually to coincide with the interest rate equal to that of a one year United States Treasury bill. The interest rate is estimated at approximately 6 percent for presentation purposes.

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

**NOTE # 5 - CHANGES IN LONG-TERM DEBT ACCOUNT GROUP (Continued)**

The estimated payment schedule is as follows:

Year Ending June 30,	Principal	Interest	Total
2002	\$ 56,368	\$ 10,343	\$ 66,711
2003	56,368	7,435	63,803
2004	56,368	4,526	60,894
2005	56,368	1,618	57,986
2006	61,028	-	61,028
Total	<u>\$ 286,500</u>	<u>\$ 23,922</u>	<u>\$ 310,422</u>

- State Water Resources Loan

The City entered into a loan contract with the State of California (State Water Resources Control Board) in December of 2000, for the purpose of financing the System Improvement Project. The loan amount totals \$12,428,954 with an interest rate of zero percent per annum. Principal payments are due annually beginning in 2004 through the year 2023.

Year Ending June 30,	Principal Only
2002	\$ -
2003	-
2004	2,279,044
2005	2,279,044
2006	2,279,044
Thereafter	<u>5,591,822</u>
	<u>\$ 12,428,954</u>

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

**NOTE # 5 - CHANGES IN LONG-TERM DEBT ACCOUNT GROUP (Continued)**

- City Rental Fund Note Payable to Water Fund

The note payable of \$3,000,000 is due to the City of Brentwood water fund. The note bears interest of 6% and is due when alternative financing is available to the City Rental fund. Alternative financing is expected to be available in Fiscal Year 2002.

E. Water Revenue Bonds

1994 Water Revenue Bonds with interest rates ranging from 4.5 percent to 7.4 percent are due August 1, 2013. The balance at June 30, 2001, is \$1,090,000.

Future payments for the Water Revenue Bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2002	\$ 60,000	\$ 82,788	\$ 142,788
2003	60,000	79,250	139,250
2004	65,000	71,405	136,405
2005	70,000	66,915	136,915
2006	75,000	65,020	140,020
Thereafter	760,000	334,935	1,094,935
Total	(1) <u>\$ 1,090,000</u>	<u>\$ 700,313</u>	<u>\$ 1,790,313</u>

F. Water/Wastewater Revenue Bonds

1996 Water/Wastewater Revenue Bond with interest rates ranging from 4.0 percent to 5.5 percent due July 1, 2016. The balance at June 30, 2001, is \$11,535,000. Future payments for these bonds are as follows:

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

**NOTE # 5 - CHANGES IN LONG-TERM DEBT ACCOUNT GROUP (Continued)**

Year Ending June 30,	Principal	Interest	Total		
2002	\$ 235,000	\$ 634,196	\$ 869,196		
2003	245,000	624,536	869,536		
2004	260,000	614,431	874,431		
2005	270,000	603,406	873,406		
2006	285,000	578,621	863,621		
Thereafter	<u>10,240,000</u>	<u>7,589,782</u>	<u>17,829,782</u>		
Total	<u>\$11,535,000</u>	<u>\$ 10,644,972</u>	<u>\$ 22,179,972</u>		
Water fund portion	(1) \$ 9,176,092	\$ 8,468,076	\$ 17,644,168	(1) Total Water	\$ 9,176,092
Wastewater fund portion	<u>2,358,908</u>	<u>2,176,896</u>	<u>4,535,804</u>		<u>1,090,000</u>
	<u>\$11,535,000</u>	<u>\$ 10,644,972</u>	<u>\$ 22,179,972</u>		<u>\$10,266,092</u>

**NOTE # 6 – CONDUIT DEBT OBLIGATIONS**

Special Assessment District Bonds

The following issue of Special Assessment District Bonds issued pursuant to the Municipal Improvement Act of 1915 were not reflected in the Long-term Debt Account Group, because these are special obligations payable from and secured by specific revenue sources described in the bond resolutions and official statements of the respective issues. Neither the faith and credit nor the taxing power of the City, the State of California, or any political subdivision thereof, is pledged for the payment of these bonds:

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

**NOTE # 6 – CONDUIT DEBT OBLIGATIONS (Continued)**

Brentwood Infrastructure Financing Authority 1996 Reassessment Revenue Bonds, Series A and B, debt dated December 20, 1996, annual debt service payments, including interest at 4.05 percent to 6.3 percent, range from \$759,125 to \$1,711,250. Final payment due September 2017.	\$ 16,248,050
Brentwood Refunding Reassessment District, Series 1993, special assessment debt dated July 1993, annual debt service payments, including interest at 4.5 percent to 7.0 percent, range from \$763,935 to \$768,000. Final payment due September 2007.	3,044,800
Brentwood Infrastructure Financing Authority, CIFP 94-1 issued Infrastructure Revenue Bonds Series 1999 dated January 18, 1999, annual debt service payments including interest at 3.7 percent to 5.5 percent range from \$1,121,438 to \$3,161,156. Final payment due September 2029.	42,897,358
Brentwood Infrastructure Financing Authority, CIFP 98-1 issued Infrastructure Revenue Bonds Series 1998 dated October 18, 1998, annual debt service payments including interest at 4.00 percent to 5.70 percent range from \$705,663 to \$747,123. Final payment due September 2028.	9,442,200
Brentwood Infrastructure Financing Authority, CIFP 99-1 issued Infrastructure Revenue Bonds Series 1999 dated September 2, 1999, annual debt service payments including interest at 4.25 percent to 6.08 percent range from \$125,000 to \$210,000. Final payment due September 2029.	8,725,000
Brentwood Infrastructure Financing Authority, CIFP 2000-1 issued Infrastructure Revenue Bonds Series 2000 dated September 2, 2000, annual debt service payments including interest at 4.60 percent to 5.70 percent range from \$180,000 to \$905,000. Final payment due September 2030.	12,740,000
Grand Total Assessment District Debt	<u>\$ 93,097,408</u>

Debt Service for the special assessment district bonds is reported in the agency funds.

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

***NOTE # 7 - DEFINED BENEFIT PENSION PLAN***

A. Plan Description

The City of Brentwood's defined benefit pension plans, (Miscellaneous and Safety Plans), provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Plans are part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefits provisions as well as other requirements are established by the State statutes within the Public Employee's Retirement Law. The City of Brentwood selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance or resolution. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS's annual financial report may be obtained from the CalPERS Executive Office – 400 P Street – Sacramento, California 95814.

B. Fund Policy

Active plan members in the Miscellaneous Plan are required to contribute 7 percent of their annual covered salary, while active plan members in the Safety plan are required to contribute 9 percent of their annual covered salary. The City of Brentwood is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for Fiscal Year 2000-2001 was 3.173 percent for miscellaneous employees, and 13.196 percent for safety employees. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

**NOTE # 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

C. Annual Pension Cost

For Fiscal Year 2000-2001, the City of Brentwood's annual pension cost was \$1,246,674 and was equal to the City's required and actual contributions. The required contribution for Fiscal Year 2000-2001 was determined as part of the June 30, 2000, actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included (a) 8.25 percent investment rate of return (net of administrative expenses); (b) projected salary increases that vary by duration of service ranging from 3.75 percent to 14.20 percent for miscellaneous members; and (c) zero percent cost-of-living adjustment. Both (a) and (b) include an inflation component of 2.00 percent. The actuarial value of the Plan's assets were determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a two to five year period depending on the size of investment gains and/or losses. The Plan's unfunded actuarial accrued liability (or excess assets) is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period ends June 30, 2022, for current service and June 30, 2015, for prior service.

D. Three-year Trend Information for the Plans:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/1998	\$ 1,189,686	100%	\$ -
6/30/1999	\$ 1,261,749	100%	\$ -
6/30/2000	\$ 1,246,674	100%	\$ -



**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

**NOTE # 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

E. Funded Status of Plans:

Miscellaneous:

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability (Excess Assets)	Funded Status	Annual Covered Payroll	UAAL As a % of Payroll
6/30/1998	\$ 5,912,195	\$ 7,235,193	\$ (1,322,998)	122.40%	\$ 3,259,613	(40.588%)
6/30/1999	\$ 6,786,566	\$ 8,594,665	\$ (1,808,099)	126.60%	\$ 4,515,645	(40.041%)
6/30/2000	\$ 8,737,487	\$ 10,184,414	\$ (1,446,927)	116.60%	\$ 6,242,021	(23.180%)

Safety:

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded (Overfunded) Liability	Fund Ratio	Annual Covered Payroll	UAAL As a % of Payroll
6/30/1998	\$ 4,213,306	\$ 4,683,307	\$ (470,001)	111.2%	\$ 1,287,247	(36.512%)
6/30/1999	\$ 5,407,070	\$ 6,006,143	\$ (599,073)	111.1%	\$ 1,546,682	(38.733%)
6/30/2000	\$ 6,780,199	\$ 7,230,999	\$ (450,800)	106.6%	\$ 2,013,833	(23.385%)

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

**NOTE # 8 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; natural disasters; errors and omissions; injuries to employees; and unemployment claims. The City along with other Contra Costa County cities belongs to Contra Costa County Municipal Risk Management Insurance Authority (Authority), a public entity risk pool currently operating as a common risk management and insurance program for the members. The City pays an annual premium to the Authority for its Liability (\$15 million coverage, \$10,000 deductible), Fire and Property (\$500 million coverage, \$15,000 deductible), Auto (\$250,000 coverage; police \$3,000 deductible; all others \$2,000) and Workers Compensation (statutory coverage; zero deductible). The Agreement provides that the Authority will be self-sustaining through member premiums and assessments. The Authority purchases commercial insurance in excess of those amounts covered by the Authority's self-insurance pool.

Contra Costa County Municipal Risk Management Insurance Authority was formed June 1977, under a “joint exercise of power agreement”. The Authority was established to provide general liability, workers' compensation, property, and employee benefits insurance coverage. The Authority is governed by a Board of Directors composed of one appointed official from each City. Members at June 30, 2001, were the Cities of Antioch, Brentwood, Clayton, Concord, El Cerrito, Hercules, Lafayette, Martinez, Orinda, Pinole, Pittsburg, Pleasant Hill, San Pablo, San Ramon and Walnut Creek and the Towns of Danville and Moraga. Audited financial information can be obtained from the Authority at 1911 San Miguel Drive, Walnut Creek, CA 94596. A summary of the latest annual financial information as of and for the year ended June 30, 2001, is as follows:

	<u>CCCMRMIA</u>
Total Assets	<u>\$ 36,123,134</u>
Total Liabilities	<u>\$ 24,258,056</u>
Total Equity	<u>\$ 11,865,078</u>
Total Revenues	<u>\$ 10,376,956</u>
Total Expenditures/Expenses	<u>\$ 13,222,800</u>
Other Income/(Expense)	<u>\$ 3,087,723</u>
Net Increase (Decrease) in Retained Earnings	<u>\$ 241,879</u>

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2001**

**NOTE # 8 - RISK MANAGEMENT (Continued)**

There have been no significant reductions in any of the City's areas of insurance and settled claims have not exceeded coverage for these risks in any of the last three fiscal years. There were no outstanding claims payable at year end and the Incurred But Not Reported (IBNR) amount was calculated to be immaterial for presentation purposes.

**NOTE # 9 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

The City maintains Enterprise funds which provide wastewater, solid waste, water, park recreation, and city rental services. Segment information for the year ended June 30, 2001, is as follows:

	Wastewater	Solid Waste	Water	Park	City Rentals	Total
Operating revenues	\$ 2,077,836	\$ 3,369,883	\$ 4,356,429	\$ 1,335,526	\$ 32,306	\$ 11,171,980
Depreciation	808,340	111,057	918,180	150,838	25,000	2,013,415
Operating income (loss)	(505,360)	893,250	(2,715,457)	(1,052,356)	(43,532)	(3,423,455)
Other nonoperating revenues (expenses) net	5,269,199	(70,881)	4,778,310	7,720,642	2,018	17,699,288
Operating transfers in	28,864,932	125,000	2,097,273	5,378,558	11,000	36,476,763
Operating transfers out	(28,946,638)	(380,706)	(2,250,802)	(5,700,594)	-	(37,278,740)
Net income (loss)	4,682,133	566,663	1,909,324	6,346,250	(30,514)	13,473,856
Fixed asset additions (deletions)	17,995,442	320,333	10,733,109	4,604,049	1,500,000	35,152,933
Net working capital	8,123,913	831,085	9,004,064	3,825,803	(29,496)	21,755,369
Total assets	46,557,442	2,675,594	44,805,447	17,786,030	2,985,868	114,810,381
Long-term liabilities outstanding	14,759,709	1,406,139	10,033,999	31,651	3,000,000	29,231,498
Total retained earnings (accumulated deficit)	14,478,490	838,817	9,246,557	7,028,592	(54,496)	31,537,960

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

***NOTE # 10 - POST-RETIREMENT HEALTH CARE BENEFITS***

In addition to the pension benefits described on Note 7, the City provides post-retirement health care benefits, in accordance with City Resolution, to miscellaneous employees who retire from the City on or after attaining age 55 with at least five years of service. Coverage is also included for one employee dependent. Currently, 12 retirees are receiving these benefits. The City pays up to \$405 per month of the amount of medical insurance for retirees. Expenditures for post-retirement health care benefits are recognized on a pay as you go method. During the year, expenditures of \$99,516 were recognized for post-retirement health care.

***NOTE # 11 - RDA NORTH BRENTWOOD TAX SHARING AGREEMENTS***

The Brentwood Redevelopment Agency entered into tax sharing agreements with the East Diablo Fire District, The Brentwood Union School District, the Liberty Union High School District, the Oakley School District, the Knightsen School District, the Bryon Elementary School District, the Contra Costa Mosquito Abatement District, and the Contra Costa County Office of Education. The agreements call for a pass through of their share of the general tax levy. The pass through amounts from these agreements are not currently subordinated to other Agency debt.

The Brentwood Redevelopment Agency entered into tax-sharing agreements with the Contra Costa Community College District, the East Bay Regional Park District, and the BBK Union Cemetery District. The agreements call for a pass through of their share of the general tax levy. The pass through amounts from these agreements are currently subordinated to other Agency debt. Any cumulative pass through amounts owed are shown as a long-term debt in the general long-term debt account group.

The Brentwood Redevelopment Agency entered into tax sharing agreements with the Contra Costa County and the Contra Costa Flood Control District. The agreements call for a pass through of a portion of the general tax levy. Under these agreements, the pass through amounts owed are deferred for payment until fiscal year 2003-04. The deferred amounts accumulate interest at an annually adjusted interest rate and any cumulative amounts deferred are shown as a long-term debt in the general long-term debt account group.

***NOTE # 12 - CONTINGENCIES***

A. Litigation

The City is involved as a defendant in various legal proceedings. While it is not feasible to predict or determine the outcome in these cases, it is the opinion of the City that the outcome will have no material adverse effect on the financial position of the City.

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

**NOTE # 12 – CONTINGENCIES (Continued)**

**B. Federal Grants**

The City has received State and Federal Fund for specific purposes that are subject to review by the grantor agencies. Although such audits could generate expenditure disallowances under the terms of the grants, it is believed that any required reimbursements will not be material.

**C. Developer Fee Credits**

The City entered into several agreements with various developers and merchant builders who are developing numerous residential and commercial projects throughout the City. The City agreed to grant the developers impact fee credits since the developers constructed certain improvements beyond what was needed to serve their specific projects. The value of credits do not increase for inflation nor do they accrue interest. Any unused credits may be used by the developers on other projects located elsewhere in the City. The value of the credits as of June 30, 2001 was \$15,100,151 after a total of \$7,480,019 was used as credits through the fiscal year 2000-2001. The accounting for the amounts due are not recorded as indebtedness since the payments (use of the credits) are contingent upon the collection of development fees from building growth that has not yet occurred.

**D. Pass through Agreement - East Bay Regional Park District**

The Brentwood Redevelopment Agency has entered into a tax-sharing agreement with the East Bay Regional Park District. The agreement calls for a pass through of the Park District's general levy tax portion, and the voter approved tax levy, the City and the Agency currently does not have sufficient detail to quantify the amount owed for the voter approved tax levy as called for under this agreement.

**E. Construction Commitments**

As of June 30, 2001, the City had the following commitments with respect to unfinished capital projects:

Wastewater Treatment Plant 5MGD Expansion	\$28,135,551
Skateboard Park	596,073
Sand Creek Road	388,807

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

***NOTE # 13- NEW ACCOUNTING PRONOUNCEMENTS***

Governmental Accounting Standards Board (GASB Statement Number 33)

The City adopted Governmental Accounting Standards Board (GASB) statement number 33, “Accounting and Financial Reporting for Nonexchange Transactions”. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2000. The Statement establishes accounting and financial reporting standards to guide state and local governments’ decisions about when to report the results of nonexchange transactions involving cash and other financial capital resources.

The Statement identifies four classes of nonexchanges transactions, these are: a) derived tax revenues (for example income taxes, sales taxes, and other assessments on earning or consumption), b) imposes nonexchanged revenues (for example property taxes and fines), c) government-mandates nonexchange transactions (for example federal programs that state or local governments are mandated to perform), and d) voluntary nonexchange transactions (for example certain grants, connection fees and private donations).

The implementation did not have a material effect on the financial statements of the City.

Governmental Accounting Standards Board (GASB Statement Number 34)

The Governmental Accounting Standards Board (GASB) has issued statement number 34, “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments”. This Statement establishes a new financial reporting model for state and local governments.

This new model requires that at a minimum the basic financial statements of a government include: (1) Management’s discussion and analysis (MD&A) as a component of required supplementary information (RSI), (2) both government-wide financial statements and fund financial statements, (3) notes to the financial statements and (4) RSI other than MD&A.

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2001**

***NOTE # 13- NEW ACCOUNTING PRONOUNCEMENTS (Continued)***

The implementation of the Statements are mandated in three phases based upon a government's total annual revenues of its governmental and enterprise funds in the fiscal years ending after June 15, 1999.

Phase 1 governments, those with annual revenues of \$100 million or greater will be required to implement for periods beginning after June 15, 2001.

Phase 2 governments, those with annual revenues of \$10 million or more but less than \$100 million will be required to implement for periods beginning after June 15, 2002.

Phase 3 governments, those with annual revenues of less than \$10 million will be required to implement for periods beginning after June 15, 2003.

Based on the above criteria, the City expects to adopt the provisions of this statement for the fiscal year ending June 30, 2003. While the City believes the adoption of this statement will have a significant impact on how the City's financial position and results of operations is presented in its annual financial statements. The City has not determined the full impact of the adoption.

The Statements also requires that governments capitalize all infrastructure assets, and also include all debt of the government in the Statement of Net Assets.

This will be a complete change in presentation of government financial statements. Management has already begun to develop plans and implement policies to prepare for the implementation of the new reporting model defined within GASB Statement No. 34.

# General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources traditionally associated with government, except those required to be accounted for in another fund.





**BALANCE SHEET  
GENERAL FUND**

**JUNE 30, 2001**

(With Comparative Totals for June 30, 2000)

	<u>2001</u>	<u>2000</u>
<b>ASSETS</b>		
Cash and investments	\$ 10,019,633	\$ 9,343,555
Receivables	595,657	528,001
Prepays	222,233	320,268
Due from other funds	33,201	-
	<u>                    </u>	<u>                    </u>
Total Assets	<u>\$ 10,870,724</u>	<u>\$ 10,191,824</u>
<b>LIABILITIES</b>		
Accounts Payable	\$ 660,748	\$ 209,610
Deferred Revenue	9,318	9,318
Deposits held	6,327,652	6,235,203
Deferred compensation payable	-	100
	<u>                    </u>	<u>                    </u>
Total Liabilities	<u>6,997,718</u>	<u>6,454,231</u>
<b>FUND EQUITY</b>		
Fund Balances		
Reserved		
Prepays	222,233	320,268
Unreserved		
Undesignated	3,650,773	3,417,325
	<u>                    </u>	<u>                    </u>
Total Fund Equity	<u>3,873,006</u>	<u>3,737,593</u>
	<u>                    </u>	<u>                    </u>
Total Liabilities and Fund Equity	<u>\$ 10,870,724</u>	<u>\$ 10,191,824</u>

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GENERAL FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

**(With Comparative Totals for the Fiscal Year Ended June 30, 2000)**

	<u>2001</u>	<u>2000</u>
<b>REVENUES</b>		
Taxes	\$ 4,550,827	\$ 3,816,208
Licenses	61,554	52,690
Permits and fines	156,347	155,191
Uses of money and property	715,170	728,469
Intergovernmental	2,410,000	1,487,123
Franchises	264,651	225,795
Charges for other services	142,961	95,239
Charges to other funds	2,478,056	2,186,433
Fees and Other revenues	110,640	277,809
Total Revenues	<u>10,890,206</u>	<u>9,024,957</u>
<b>EXPENDITURES</b>		
Current:		
General government	2,431,971	1,641,917
Public Safety	5,384,223	4,250,440
Planning and community development	165,388	187,875
Public Works	1,935,914	1,107,390
Parks and community services	109,182	96,487
Other	459,698	623,233
Capital Outlay	25,382	25,552
Total Expenditures	<u>10,511,758</u>	<u>7,932,894</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>378,448</u>	<u>1,092,063</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Loan and bond proceeds	25,382	-
Operating Transfers In	641,510	582,066
Operating Transfers Out	(909,927)	(947,468)
Total other financing Sources (Uses)	<u>(243,035)</u>	<u>(365,402)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	135,413	726,661
Fund Balance, Beginning of Year	<u>3,737,593</u>	<u>3,010,932</u>
Fund Balance, End of Year	<u>\$ 3,873,006</u>	<u>\$ 3,737,593</u>

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**

FOR FISCAL YEAR ENDED JUNE 30, 2001

(With Comparative Totals for the Fiscal Year Ended June 30, 2000)

	<b>2001 Budget</b>	<b>2001 Actual</b>	<b>Variance Favorable (Unfavorable)</b>	<b>2000 Actual</b>
<b>REVENUES</b>				
Taxes	\$ 4,429,030	\$ 4,550,827	\$ 121,797	\$ 3,816,208
Licenses	52,000	61,554	9,554	52,690
Permits and fines	180,200	156,347	(23,853)	155,191
Uses of money and property	552,000	715,170	163,170	728,469
Intergovernmental	1,996,692	2,410,000	413,308	1,487,123
Franchises	259,600	264,651	5,051	225,795
Charges for other services	130,000	142,961	12,961	95,239
Charges to other funds	2,324,471	2,478,056	153,585	2,186,433
Fees and Other revenues	137,700	110,640	(27,060)	277,809
Total Revenues	<u>10,061,693</u>	<u>10,890,206</u>	<u>828,513</u>	<u>9,024,957</u>
<b>EXPENDITURES</b>				
Current:				
General government	2,679,167	2,431,971	247,196	1,641,917
Public Safety	5,394,172	5,384,223	9,949	4,250,440
Planning and community development	133,852	165,388	(31,536)	187,875
Public Works	1,946,513	1,935,914	10,599	1,107,390
Parks and community services	27,159	109,182	(82,023)	96,487
Other	632,193	459,698	172,495	623,233
Capital Outlay	25,382	25,382	-	25,552
Total Expenditures	<u>10,838,438</u>	<u>10,511,758</u>	<u>326,680</u>	<u>7,932,894</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(776,745)</u>	<u>378,448</u>	<u>1,155,193</u>	<u>1,092,063</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Loan and bond proceeds	25,382	25,382	-	-
Operating Transfers In	563,500	641,510	78,010	582,066
Operating Transfers Out	(909,927)	(909,927)	-	(947,468)
Total other financing Sources (Uses)	<u>(321,045)</u>	<u>(243,035)</u>	<u>78,010</u>	<u>(365,402)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (1,097,790)</u>	<u>135,413</u>	<u>\$ 1,233,203</u>	<u>726,661</u>
Fund Balance, Beginning of Year		<u>3,737,593</u>		<u>3,010,932</u>
Fund Balance, End of Year		<u>\$ 3,873,006</u>		<u>\$ 3,737,593</u>

# Special Revenue Funds

The Special Revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Individual Special revenue funds are as follows:

- .Gas Tax
- Police Grants
- Community Facilities
- Vehicle Abatement
- Economic Development
- Youth Diversion
- Building Revenue
- Engineering
- Storm Drainage
- Downtown      Redevelopment
- Low Income Housing
- Thoroughfares
- North             Brentwood
- Redevelopment Low Income Housing
- Bypass Authority
- Asset Forfeiture
- Open Space
- Mark Roos Drainage Credit
- Measure C
- Facility Fee Administration
- Agriculture Conservation



## Special Revenue Funds - Descriptions

Gas Tax – This fund accounts for revenues and expenditures received from the State of California under Street and Highways Code Section 2105, 2106, 2107 and 2107.5. The allocations must be spent for street maintenance, construction and a limited amount for engineering.Police Grants – This fund was established to account for miscellaneous Federal, State and County grants requiring segregated fund accounting.

Community Facilities – This fund accounts for revenues and expenditures from fees collected from developers for the design and construction of Public Facilities within the City of Brentwood.Vehicle Abatement – These funds can only be used for the abatement removal, and disposal as public nuisances of any abandoned, wrecked, dismantled or inoperative vehicles or parts thereof from private or public property.Economic Development – This fund was established to enhance economic development from fees collected from the development of property in Harvest Business Park.Youth Diversion – This fund was established from the State Realignment fund Juvenile Subvention Act. Assists families in resolving the legal conflicts in their juvenile's life.Building Revenue – This fund was established to account for revenues and expenditures from fees collected from developers for Planning and Building Divisions for compliance with all State of California and City of Brentwood codes.

Engineering – This fund was established to account for revenues and expenditures from fees collected from developers for Engineering for compliance with all State of California and City of Brentwood codes.Storm Drainage – This fund was established for revenues and expenditures from fees collected from developers for the design and construction of Storm Drainage Systems within the City of Brentwood. This fee is no longer collected.Downtown Redevelopment Low Income Housing – To account for the Agency's 20% tax increment set-aside monies to be used to increase and improve the community's supply of low and moderate income housing in the Downtown Redevelopment project areas.Thoroughfares – This fund accounts for revenues and expenditures from fees collected from developers for the design and construction of roadways within the City of Brentwood.North Brentwood Redevelopment Low Income Housing – To account for the Agency's 20% tax increment set-aside monies to be used to increase and improve the community's supply of low and moderate income housing in the North Brentwood Redevelopment project area.Bypass Authority – This fund accounts for revenues and expenditures from fees collected from developers for the design and construction of the Bypass within the City of Brentwood. These funds are collected and need distributed to the Bypass Authority.Asset Forfeiture – Property or funds seized by the Police Department. After the case has been tried and a guilty verdict is returned, the funds are considered forfeited. This fund must be used specifically for drug prevention programs.Open Space – This fund was established for revenues and expenditures from fees collected from developers for the preservation of Open Space within the City of Brentwood.

Mark Roos Drainage Credit – This fund was established to account for revenues and expenditures from fees collected from Capital Improvement Financing Program 92-1 Developers for the design and construction of a drainage system in that District.

Measure C – This fund was established to account for the local jurisdictions portion of the Local Street Maintenance Fund allocation. These funds can only be spent on local streets and roads, transit operations, growth management planning and compliance, bicycle and pedestrian trails, and parking facilities.

Facility Fee Administration – This fee accounts for revenues and expenditures from fees collected from developers for administration of the Developer Facility Fee Program.

Agriculture Conservation – This fund was established to partially address the impact to the environment associated with the permanent conversion of productive farmland within Brentwood to urban uses.

**COMBINING BALANCE SHEET  
SPECIAL REVENUE FUNDS**

**JUNE 30, 2001**

**(With Comparative Totals for June 30, 2000)**

	<b>Gas Tax</b>	<b>Police Grants</b>	<b>Community Facilities</b>	<b>Vehicle Abatement</b>	<b>Economic Development</b>	<b>Youth Diversion</b>	<b>Building Revenue</b>	<b>Engineering</b>	<b>Storm Drainage</b>	<b>Downtown Redevelopment Low Income Housing</b>
<b>ASSETS</b>										
Cash and Investments	\$ 30	\$ 156,189	\$ 762,238	\$ 11,488	\$ 7,438	\$ 9,483	\$ 4,587,037	\$ 6,877,624	\$ 295,705	\$ 1,046,868
Receivables	192	580	6,301	58	-	10,565	25,395	87,940	1,384	5,449
Advances	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 222</b>	<b>\$ 156,769</b>	<b>\$ 768,539</b>	<b>\$ 11,546</b>	<b>\$ 7,438</b>	<b>\$ 20,048</b>	<b>\$ 4,612,432</b>	<b>\$ 6,965,564</b>	<b>\$ 297,089</b>	<b>\$ 1,052,317</b>
<b>LIABILITIES</b>										
Deficit cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	757	-	-	406	47,918	29,099	-	-
Other Liabilities	-	-	-	-	-	433	82,273	41,852	-	-
Deferred Revenue	-	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>757</b>	<b>-</b>	<b>-</b>	<b>839</b>	<b>130,191</b>	<b>70,951</b>	<b>-</b>	<b>-</b>
<b>FUND EQUITY</b>										
Fund Balances										
Reserved for long term advances	-	-	-	-	-	-	-	-	-	-
Unreserved										
Designated for special projects	222	156,769	767,782	11,546	7,438	-	4,482,241	6,894,613	297,089	-
Undesignated	-	-	-	-	-	19,209	-	-	-	1,052,317
<b>Total Fund Equity</b>	<b>222</b>	<b>156,769</b>	<b>767,782</b>	<b>11,546</b>	<b>7,438</b>	<b>19,209</b>	<b>4,482,241</b>	<b>6,894,613</b>	<b>297,089</b>	<b>1,052,317</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 222</b>	<b>\$ 156,769</b>	<b>\$ 768,539</b>	<b>\$ 11,546</b>	<b>\$ 7,438</b>	<b>\$ 20,048</b>	<b>\$ 4,612,432</b>	<b>\$ 6,965,564</b>	<b>\$ 297,089</b>	<b>\$ 1,052,317</b>

**COMBINING BALANCE SHEET  
SPECIAL REVENUE FUNDS (Continued)**

JUNE 30, 2001

(With Comparative Totals for June 30, 2000)

	Thoroughfares	North Brentwood Redevelopment Low Income Housing	Bypass Authority	Asset Forfeiture	Open Space	Mark Roos Drainage Credit	Measure C	Facility Fee Administration	Agriculture Conservation	TOTALS	
										2001	2000
<b>ASSETS</b>											
Cash and Investments	\$ 9,643,524	\$ 126,279	\$ 14,360	\$ 12,235	\$ 181,485	\$ 19,265	\$ 32,082	\$ 2,232,605	\$ 410,742	\$ 26,426,677	\$ 13,498,560
Receivables	320,810	570	-	64	962	-	270	6,727	2,056	469,323	873,190
Advances	479,434	-	-	-	-	-	-	-	-	479,434	364,287
Total Assets	<u>\$ 10,443,768</u>	<u>\$ 126,849</u>	<u>\$ 14,360</u>	<u>\$ 12,299</u>	<u>\$ 182,447</u>	<u>\$ 19,265</u>	<u>\$ 32,352</u>	<u>\$ 2,239,332</u>	<u>\$ 412,798</u>	<u>\$ 27,375,434</u>	<u>\$ 14,736,037</u>
<b>LIABILITIES</b>											
Deficit cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,590
Accounts Payable	6,626	-	-	-	-	-	-	757	-	85,563	25,050
Other Liabilities	-	-	-	-	-	-	-	-	-	124,558	-
Deferred Revenue	104,540	-	-	-	-	-	-	-	-	104,540	318,470
Total Liabilities	<u>111,166</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>757</u>	<u>-</u>	<u>314,661</u>	<u>368,110</u>
<b>FUND EQUITY</b>											
Fund Balances											
Reserved for long term advances	479,434	-	-	-	-	-	-	-	-	479,434	364,287
Unreserved											
Designated for special projects	9,853,168	126,849	14,360	12,299	182,447	19,265	32,352	2,238,575	412,798	25,509,813	14,003,640
Undesignated	-	-	-	-	-	-	-	-	-	1,071,526	-
Total Fund Equity	<u>10,332,602</u>	<u>126,849</u>	<u>14,360</u>	<u>12,299</u>	<u>182,447</u>	<u>19,265</u>	<u>32,352</u>	<u>2,238,575</u>	<u>412,798</u>	<u>27,060,773</u>	<u>14,367,927</u>
Total Liabilities and Fund Equity	<u>\$ 10,443,768</u>	<u>\$ 126,849</u>	<u>\$ 14,360</u>	<u>\$ 12,299</u>	<u>\$ 182,447</u>	<u>\$ 19,265</u>	<u>\$ 32,352</u>	<u>\$ 2,239,332</u>	<u>\$ 412,798</u>	<u>\$ 27,375,434</u>	<u>\$ 14,736,037</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
SPECIAL REVENUE FUNDS**

FOR THE FISCAL YEAR ENDED JUNE 30, 2001

(With Comparative Totals for the Fiscal Year Ended June 30, 2000)

	Gas Tax	Police Grants	Community Facilities	Vehicle Abatement	Economic Development	Youth Diversion	Building Revenue	Engineering	Storm Drainage	Downtown Redevelopment Low Income Housing	Thoroughfares
<b>REVENUES</b>											
Taxes	\$ 440,172	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 329,160	\$ -
Permits and fines	-	-	-	-	-	-	5,007,892	3,823,435	-	-	-
Uses of money and property	1,878	2,704	44,978	825	-	253	194,130	-	14,859	39,382	498,079
Intergovernmental	-	-	-	-	-	43,548	-	-	-	-	-
Charges for other services	-	-	-	-	-	-	-	370,962	-	-	-
Fees and Other revenues	-	154,065	2,356,093	10,591	-	-	5,464	388,737	100,000	-	11,175,299
<b>Total Revenues</b>	<b>442,050</b>	<b>156,769</b>	<b>2,401,071</b>	<b>11,416</b>	<b>-</b>	<b>43,801</b>	<b>5,207,486</b>	<b>4,583,134</b>	<b>114,859</b>	<b>368,542</b>	<b>11,673,378</b>
<b>EXPENDITURES</b>											
Current:											
General government	-	-	41,984	470	-	-	-	-	-	-	250,336
Planning and community development	-	-	-	-	-	-	2,464,909	1,596,330	-	22,939	-
Public Works	-	-	-	-	-	-	-	-	83,704	-	-
Parks and community services	-	-	-	-	-	60,529	-	-	-	-	-
Capital Outlay	-	-	743,092	7,159	-	-	-	-	-	-	3,298,293
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>785,076</b>	<b>7,629</b>	<b>-</b>	<b>60,529</b>	<b>2,464,909</b>	<b>1,596,330</b>	<b>83,704</b>	<b>22,939</b>	<b>3,548,629</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>442,050</b>	<b>156,769</b>	<b>1,615,995</b>	<b>3,787</b>	<b>-</b>	<b>(16,728)</b>	<b>2,742,577</b>	<b>2,986,804</b>	<b>31,155</b>	<b>345,603</b>	<b>8,124,749</b>
<b>OTHER FINANCING SOURCES (USES)</b>											
Operating Transfers In	-	-	-	-	-	50,000	-	4,015,096	-	5,000	2,919,415
Operating Transfers Out	(479,510)	-	(1,299,678)	(12,000)	(20,000)	-	(4,230,936)	(107,287)	-	-	(5,879,138)
<b>Total other Financing Sources (Uses)</b>	<b>(479,510)</b>	<b>-</b>	<b>(1,299,678)</b>	<b>(12,000)</b>	<b>(20,000)</b>	<b>50,000</b>	<b>(4,230,936)</b>	<b>3,907,809</b>	<b>-</b>	<b>5,000</b>	<b>(2,959,723)</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(37,460)</b>	<b>156,769</b>	<b>316,317</b>	<b>(8,213)</b>	<b>(20,000)</b>	<b>33,272</b>	<b>(1,488,359)</b>	<b>6,894,613</b>	<b>31,155</b>	<b>350,603</b>	<b>5,165,026</b>
Fund Balance, Beginning of Year	37,682	-	451,465	19,759	27,438	(14,063)	5,970,600	-	265,934	701,714	5,167,576
Fund Balance, End of Year	\$ 222	\$ 156,769	\$ 767,782	\$ 11,546	\$ 7,438	\$ 19,209	\$ 4,482,241	\$ 6,894,613	\$ 297,089	\$ 1,052,317	\$ 10,332,602



**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES**

**SPECIAL REVENUE FUNDS (Continued)**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

**(With Comparative Totals for the Fiscal Year Ended June 30, 2000)**

	North Brentwood Redevelopment Low Income Housing		Bypass Authority	Asset Forfeiture	Open Space	Mark Roos Drainage Credit		Facility Fee Administration	Agriculture Conservation	TOTALS	
						Measure C				2001	2000
<b>REVENUES</b>											
Taxes	\$ 134,935	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 904,267	\$ 733,696
Permits and fines	-	-	-	-	-	-	-	-	-	8,831,327	5,721,232
Uses of money and property	4,266	-	664	11,639	-	2,317	109,167	210,959	-	1,136,100	1,392,787
Intergovernmental	-	-	-	-	-	256,638	-	-	-	300,186	251,054
Charges for other services	-	-	-	-	-	-	-	-	-	370,962	-
Fees and Other revenues	-	6,291	1,958	-	-	-	963,902	-	-	15,162,400	7,382,053
Total Revenues	139,201	6,291	2,622	11,639	-	258,955	1,073,069	210,959	-	26,705,242	15,480,822
<b>EXPENDITURES</b>											
Current:											
General government	-	-	-	12,662	66,436	-	3,916	-	-	375,804	73,431
Planning and community development	48,282	-	-	-	-	-	-	-	-	4,132,460	4,581,166
Public Works	-	-	-	-	-	-	-	-	-	83,704	3,000
Parks and community services	-	-	-	-	-	-	-	-	-	60,529	56,603
Capital Outlay	-	-	-	-	-	-	-	-	-	4,048,544	394,663
Total Expenditures	48,282	-	-	12,662	66,436	-	3,916	-	-	8,701,041	5,108,863
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	90,919	6,291	2,622	(1,023)	(66,436)	258,955	1,069,153	210,959	-	18,004,201	10,371,959
<b>OTHER FINANCING SOURCES (USES)</b>											
Operating Transfers In	17,337	-	-	-	-	-	-	30,803	-	7,037,651	-
Operating Transfers Out	(90,457)	-	-	-	-	(230,000)	-	-	-	(12,349,006)	(7,892,263)
Total other Financing Sources (Uses)	(73,120)	-	-	-	-	(230,000)	-	30,803	-	(5,311,355)	(7,892,263)
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	17,799	6,291	2,622	(1,023)	(66,436)	28,955	1,069,153	241,762	-	12,692,846	2,479,696
Fund Balance, Beginning of Year	109,050	8,069	9,677	183,470	85,701	3,397	1,169,422	171,036	-	14,367,927	11,888,231
Fund Balance, End of Year	\$ 126,849	\$ 14,360	\$ 12,299	\$ 182,447	\$ 19,265	\$ 32,352	\$ 2,238,575	\$ 412,798	\$ -	\$ 27,060,773	\$ 14,367,927

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
CERTAIN SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

	Gas Tax			Police Grants			Community Facilities		
	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)
<b>REVENUES</b>									
Taxes	\$ 404,800	\$ 440,172	\$ 35,372	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits and fines	-	-	-	-	-	-	-	-	-
Uses of money and property	-	1,878	1,878	-	2,704	2,704	50,000	44,978	(5,022)
Intergovernmental	-	-	-	-	-	-	-	-	-
Charges for other services	-	-	-	-	-	-	-	-	-
Fees and Other revenues	-	-	-	-	154,065	154,065	1,008,389	2,356,093	1,347,704
<b>Total Revenues</b>	<b>404,800</b>	<b>442,050</b>	<b>37,250</b>	<b>-</b>	<b>156,769</b>	<b>156,769</b>	<b>1,058,389</b>	<b>2,401,071</b>	<b>1,342,682</b>
<b>EXPENDITURES</b>									
Current:									
General government	-	-	-	-	-	-	51,929	41,984	9,945
Planning and community development	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-
Parks and community services	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	107,985	-	107,985	743,092	743,092	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>107,985</b>	<b>-</b>	<b>107,985</b>	<b>795,021</b>	<b>785,076</b>	<b>9,945</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>404,800</b>	<b>442,050</b>	<b>37,250</b>	<b>(107,985)</b>	<b>156,769</b>	<b>264,754</b>	<b>263,368</b>	<b>1,615,995</b>	<b>1,352,627</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Operating Transfers In	-	-	-	-	-	-	-	-	-
Operating Transfers Out	(401,500)	(479,510)	(78,010)	-	-	-	(590,826)	(1,299,678)	(708,852)
<b>Total other Financing Sources (Uses)</b>	<b>(401,500)</b>	<b>(479,510)</b>	<b>(78,010)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(590,826)</b>	<b>(1,299,678)</b>	<b>(708,852)</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>3,300</b>	<b>(37,460)</b>	<b>(40,760)</b>	<b>(107,985)</b>	<b>156,769</b>	<b>264,754</b>	<b>(327,458)</b>	<b>316,317</b>	<b>643,775</b>
Fund Balance, Beginning of Year	37,682	37,682	-	-	-	-	451,465	451,465	-
Fund Balance, End of Year	\$ 40,982	\$ 222	\$ (40,760)	\$ (107,985)	\$ 156,769	\$ 264,754	\$ 124,007	\$ 767,782	\$ 643,775

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
CERTAIN SPECIAL REVENUE FUNDS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

	Vehicle Abatement			Economic Development			Youth Diversion		
	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits and fines	-	-	-	-	-	-	-	-	-
Uses of money and property	1,000	825	(175)	8,000	-	(8,000)	-	253	253
Intergovernmental	-	-	-	-	-	-	47,108	43,548	(3,560)
Charges for other services	-	-	-	-	-	-	-	-	-
Fees and Other revenues	15,000	10,591	(4,409)	-	-	-	-	-	-
<b>Total Revenues</b>	<b>16,000</b>	<b>11,416</b>	<b>(4,584)</b>	<b>8,000</b>	<b>-</b>	<b>(8,000)</b>	<b>47,108</b>	<b>43,801</b>	<b>(3,307)</b>
<b>EXPENDITURES</b>									
Current:									
General government	-	470	(470)	-	-	-	-	-	-
Planning and community development	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-
Parks and community services	-	-	-	-	-	-	63,784	60,529	3,255
Capital Outlay	6,626	7,159	(533)	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>6,626</b>	<b>7,629</b>	<b>(1,003)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63,784</b>	<b>60,529</b>	<b>3,255</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>9,374</b>	<b>3,787</b>	<b>(5,587)</b>	<b>8,000</b>	<b>-</b>	<b>(8,000)</b>	<b>(16,676)</b>	<b>(16,728)</b>	<b>(52)</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Operating Transfers In	-	-	-	-	-	-	-	50,000	50,000
Operating Transfers Out	(12,000)	(12,000)	-	-	(20,000)	(20,000)	-	-	-
<b>Total other Financing Sources (Uses)</b>	<b>(12,000)</b>	<b>(12,000)</b>	<b>-</b>	<b>-</b>	<b>(20,000)</b>	<b>(20,000)</b>	<b>-</b>	<b>50,000</b>	<b>50,000</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(2,626)</b>	<b>(8,213)</b>	<b>(5,587)</b>	<b>8,000</b>	<b>(20,000)</b>	<b>(28,000)</b>	<b>(16,676)</b>	<b>33,272</b>	<b>49,948</b>
Fund Balance, Beginning of Year	19,759	19,759	-	27,438	27,438	-	(14,063)	(14,063)	-
Fund Balance, End of Year	\$ 17,133	\$ 11,546	\$ (5,587)	\$ 35,438	\$ 7,438	\$ (28,000)	\$ (30,739)	\$ 19,209	\$ 49,948

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
CERTAIN SPECIAL REVENUE FUNDS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

	Building Revenue			Engineering			Storm Drainage		
	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits and fines	1,531,500	5,007,892	3,476,392	1,593,000	3,823,435	2,230,435	-	-	-
Uses of money and property	-	194,130	194,130	-	-	-	2,500	14,859	12,359
Intergovernmental	-	-	-	-	-	-	-	-	-
Charges for other services	-	-	-	80,000	370,962	290,962	-	-	-
Fees and Other revenues	-	5,464	5,464	-	388,737	388,737	-	100,000	100,000
<b>Total Revenues</b>	<b>1,531,500</b>	<b>5,207,486</b>	<b>3,675,986</b>	<b>1,673,000</b>	<b>4,583,134</b>	<b>2,910,134</b>	<b>2,500</b>	<b>114,859</b>	<b>112,359</b>
<b>EXPENDITURES</b>									
Current:									
General government	-	-	-	-	-	-	-	-	-
Planning and community development	3,122,332	2,464,909	657,423	1,830,584	1,596,330	234,254	-	-	-
Public Works	-	-	-	-	-	-	83,704	83,704	-
Parks and community services	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>3,122,332</b>	<b>2,464,909</b>	<b>657,423</b>	<b>1,830,584</b>	<b>1,596,330</b>	<b>234,254</b>	<b>83,704</b>	<b>83,704</b>	<b>-</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,590,832)</b>	<b>2,742,577</b>	<b>4,333,409</b>	<b>(157,584)</b>	<b>2,986,804</b>	<b>3,144,388</b>	<b>(81,204)</b>	<b>31,155</b>	<b>112,359</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Operating Transfers In	-	-	-	4,015,096	4,015,096	-	-	-	-
Operating Transfers Out	(4,230,936)	(4,230,936)	-	(107,287)	(107,287)	-	-	-	-
<b>Total other Financing Sources (Uses)</b>	<b>(4,230,936)</b>	<b>(4,230,936)</b>	<b>-</b>	<b>3,907,809</b>	<b>3,907,809</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(5,821,768)</b>	<b>(1,488,359)</b>	<b>4,333,409</b>	<b>3,750,225</b>	<b>6,894,613</b>	<b>3,144,388</b>	<b>(81,204)</b>	<b>31,155</b>	<b>112,359</b>
Fund Balance, Beginning of Year	5,970,600	5,970,600	-	-	-	-	265,934	265,934	-
Fund Balance, End of Year	\$ 148,832	\$ 4,482,241	\$ 4,333,409	\$ 3,750,225	\$ 6,894,613	\$ 3,144,388	\$ 184,730	\$ 297,089	\$ 112,359

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
CERTAIN SPECIAL REVENUE FUNDS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

	RDA Low Income Housing			Thoroughfares			North Brentwood Redevelopment Low Income Housing		
	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)
<b>REVENUES</b>									
Taxes	\$ 367,000	\$ 329,160	\$ (37,840)	\$ -	\$ -	\$ -	\$ 124,000	\$ 134,935	\$ 10,935
Permits and fines	-	-	-	-	-	-	-	-	-
Uses of money and property	10,000	39,382	29,382	250,000	498,079	248,079	5,000	4,266	(734)
Intergovernmental	-	-	-	-	-	-	-	-	-
Charges for other services	-	-	-	-	-	-	-	-	-
Fees and Other revenues	-	-	-	3,406,108	11,175,299	7,769,191	-	-	-
Total Revenues	377,000	368,542	(8,458)	3,656,108	11,673,378	8,017,270	129,000	139,201	10,201
<b>EXPENDITURES</b>									
Current:									
General government	-	-	-	230,355	250,336	(19,981)	-	-	-
Planning and community development	41,300	22,939	18,361	-	-	-	34,200	48,282	(14,082)
Public Works	-	-	-	-	-	-	-	-	-
Parks and community services	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	2,798,634	3,298,293	(499,659)	-	-	-
Total Expenditures	41,300	22,939	18,361	3,028,989	3,548,629	(519,640)	34,200	48,282	(14,082)
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	335,700	345,603	9,903	627,119	8,124,749	7,497,630	94,800	90,919	(3,881)
<b>OTHER FINANCING SOURCES (USES)</b>									
Operating Transfers In	-	5,000	5,000	-	2,919,415	2,919,415	-	17,337	17,337
Operating Transfers Out	-	-	-	(5,879,138)	(5,879,138)	-	(90,457)	(90,457)	-
Total other Financing Sources (Uses)	-	5,000	5,000	(5,879,138)	(2,959,723)	2,919,415	(90,457)	(73,120)	17,337
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	335,700	350,603	14,903	(5,252,019)	5,165,026	10,417,045	4,343	17,799	13,456
Fund Balance, Beginning of Year	701,714	701,714	-	5,167,576	5,167,576	-	109,050	109,050	-
Fund Balance, End of Year	\$ 1,037,414	\$ 1,052,317	\$ 14,903	\$ (84,443)	\$ 10,332,602	\$ 10,417,045	\$ 113,393	\$ 126,849	\$ 13,456

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
CERTAIN SPECIAL REVENUE FUNDS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

	Asset Forfeiture			Open Space			Mark Roos Drainage Credit		
	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits and fines	-	-	-	-	-	-	-	-	-
Uses of money and property	500	664	164	5,000	11,639	6,639	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Charges for other services	-	-	-	-	-	-	-	-	-
Fees and Other revenues	-	1,958	1,958	-	-	-	-	-	-
<b>Total Revenues</b>	<b>500</b>	<b>2,622</b>	<b>2,122</b>	<b>5,000</b>	<b>11,639</b>	<b>6,639</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>									
Current:									
General government	-	-	-	12,662	12,662	-	66,436	66,436	-
Planning and community development	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-
Parks and community services	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,662</b>	<b>12,662</b>	<b>-</b>	<b>66,436</b>	<b>66,436</b>	<b>-</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>500</b>	<b>2,622</b>	<b>2,122</b>	<b>(7,662)</b>	<b>(1,023)</b>	<b>6,639</b>	<b>(66,436)</b>	<b>(66,436)</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Operating Transfers In	-	-	-	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-	-	-	-
<b>Total other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>500</b>	<b>2,622</b>	<b>2,122</b>	<b>(7,662)</b>	<b>(1,023)</b>	<b>6,639</b>	<b>(66,436)</b>	<b>(66,436)</b>	<b>-</b>
Fund Balance, Beginning of Year	9,677	9,677	-	183,470	183,470	-	85,701	85,701	-
Fund Balance, End of Year	\$ 10,177	\$ 12,299	\$ 2,122	\$ 175,808	\$ 182,447	\$ 6,639	\$ 19,265	\$ 19,265	\$ -

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
CERTAIN SPECIAL REVENUE FUNDS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

	Measure C			Facility Fee Administration			TOTAL		
	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 895,800	\$ 904,267	\$ 8,467
Permits and fines	-	-	-	-	-	-	3,124,500	8,831,327	5,706,827
Uses of money and property	-	2,317	2,317	50,000	109,167	59,167	382,000	925,141	543,141
Intergovernmental	229,841	256,638	26,797	-	-	-	276,949	300,186	23,237
Charges for other services	-	-	-	-	-	-	80,000	370,962	290,962
Fees and Other revenues	-	-	-	387,444	963,902	576,458	4,816,941	15,156,109	10,339,168
<b>Total Revenues</b>	<b>229,841</b>	<b>258,955</b>	<b>29,114</b>	<b>437,444</b>	<b>1,073,069</b>	<b>635,625</b>	<b>9,576,190</b>	<b>26,487,992</b>	<b>16,911,802</b>
<b>EXPENDITURES</b>									
Current:									
General government	1,000	-	1,000	-	3,916	(3,916)	362,382	375,804	(13,422)
Planning and community development	-	-	-	-	-	-	5,028,416	4,132,460	895,956
Public Works	-	-	-	-	-	-	83,704	83,704	-
Parks and community services	-	-	-	-	-	-	63,784	60,529	3,255
Capital Outlay	-	-	-	-	-	-	3,656,337	4,048,544	(392,207)
<b>Total Expenditures</b>	<b>1,000</b>	<b>-</b>	<b>1,000</b>	<b>-</b>	<b>3,916</b>	<b>(3,916)</b>	<b>9,194,623</b>	<b>8,701,041</b>	<b>493,582</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>228,841</b>	<b>258,955</b>	<b>30,114</b>	<b>437,444</b>	<b>1,069,153</b>	<b>631,709</b>	<b>381,567</b>	<b>17,786,951</b>	<b>17,405,384</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Operating Transfers In	-	-	-	-	-	-	4,015,096	7,006,848	2,991,752
Operating Transfers Out	(230,000)	(230,000)	-	-	-	-	(11,542,144)	(12,349,006)	(806,862)
<b>Total other Financing Sources (Uses)</b>	<b>(230,000)</b>	<b>(230,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,527,048)</b>	<b>(5,342,158)</b>	<b>2,184,890</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(1,159)</b>	<b>28,955</b>	<b>30,114</b>	<b>437,444</b>	<b>1,069,153</b>	<b>631,709</b>	<b>(7,145,481)</b>	<b>12,444,793</b>	<b>19,590,274</b>
Fund Balance, Beginning of Year	3,397	3,397	-	1,169,422	1,169,422	-	14,188,822	14,188,822	-
Fund Balance, End of Year	\$ 2,238	\$ 32,352	\$ 30,114	\$ 1,606,866	\$ 2,238,575	\$ 631,709	\$ 7,043,341	\$ 26,633,615	\$ 19,590,274

## Debt Service Funds

The Debt Service funds are used to account for the accumulation of resources and the payment of general obligation bond principal and interest from governmental resources, and special assessment bond principal and interest from special assessment levies, when the government is obligated in some manner for the payment.

- Individual Debt Service funds are as follows:
- Downtown Redevelopment Project – Tax allocation bonds and 66% of COP bond debt.
- North Brentwood Redevelopment Project – 34% of the COP bonded debt.
- ABAG XXVI COP's – Certificates of deposit to finance utility construction projects.
- Capital Lease Purchases – To finance purchasing of equipment.





**COMBINING BALANCE SHEET  
DEBT SERVICE FUNDS  
JUNE 30, 2001  
(With Comparative Totals for June 30, 2000)**

	Downtown	North	ABAG	Capital	TOTALS	
	Redevelopment Project	Brentwood Redevelopment Project	XXVI COP'S	Lease Purchases	2001	2000
<b>ASSETS</b>						
Cash and investments	\$ 311,136	\$ 167,418	\$ 11,831	\$ 56,804	\$ 547,189	\$ 193,299
Restricted cash and investments	529,240	-	239,230	-	768,470	775,718
Receivables	3,909	356	-	-	4,265	227
Total Assets	<u>\$ 844,285</u>	<u>\$ 167,774</u>	<u>\$ 251,061</u>	<u>\$ 56,804</u>	<u>\$ 1,319,924</u>	<u>\$ 969,244</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ -	\$ 74,124	\$ -	\$ -	\$ 74,124	\$ -
Other Liabilities	-	7,050	-	-	7,050	7,049
Total Liabilities	<u>-</u>	<u>81,174</u>	<u>-</u>	<u>-</u>	<u>81,174</u>	<u>7,049</u>
<b>FUND EQUITY</b>						
Fund Balances						
Reserved for debt service	844,285	86,600	251,061	56,804	1,238,750	962,195
Total liabilities and Fund Equity	<u>\$ 844,285</u>	<u>\$ 167,774</u>	<u>\$ 251,061</u>	<u>\$ 56,804</u>	<u>\$ 1,319,924</u>	<u>\$ 969,244</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
DEBT SERVICE FUNDS**

**JUNE 30, 2001**

(With Comparative Totals for the Fiscal Year Ended June 30, 2000)

	Downtown	North Brentwood	ABAG	Capital	TOTALS	
	Redevelopment Project	Redevelopment Project	XXVI COP'S	Lease Purchases	2001	2000
<b>REVENUES</b>						
Taxes	\$ 1,316,639	\$ 539,743	\$ -	\$ -	\$ 1,856,382	\$ 1,522,881
Uses of money and property	55,451	1,518	12,876	-	69,845	54,202
Fees and Other revenues	-	-	-	-	-	272,679
Total Revenues	<u>1,372,090</u>	<u>541,261</u>	<u>12,876</u>	<u>-</u>	<u>1,926,227</u>	<u>1,849,762</u>
<b>EXPENDITURES</b>						
Current:						
General government	-	-	1,788	-	1,788	-
Planning and community development	3,468	532,467	-	-	535,935	3,468
Debt Service						
Principal	345,693	-	255,000	49,490	650,183	1,492,921
Interest	853,300	-	62,308	3,994	919,602	464,846
Total Expenditures	<u>1,202,461</u>	<u>532,467</u>	<u>319,096</u>	<u>53,484</u>	<u>2,107,508</u>	<u>1,961,235</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>169,629</u>	<u>8,794</u>	<u>(306,220)</u>	<u>(53,484)</u>	<u>(181,281)</u>	<u>(111,473)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Loan and bond proceeds	38,453	48,076	317,307	-	403,836	93,599
Operating Transfers In	-	-	-	54,000	54,000	157,396
Total other Financing Sources (Uses)	<u>38,453</u>	<u>48,076</u>	<u>317,307</u>	<u>54,000</u>	<u>457,836</u>	<u>250,995</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>208,082</u>	<u>56,870</u>	<u>11,087</u>	<u>516</u>	<u>276,555</u>	<u>139,522</u>
Fund Balance, Beginning of Year	<u>636,203</u>	<u>29,730</u>	<u>239,974</u>	<u>56,288</u>	<u>962,195</u>	<u>822,673</u>
Fund Balance, End of Year	<u>\$ 844,285</u>	<u>\$ 86,600</u>	<u>\$ 251,061</u>	<u>\$ 56,804</u>	<u>\$ 1,238,750</u>	<u>\$ 962,195</u>

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
DEBT SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

	Downtown Redevelopment Project			North Brentwood Redevelopment Project			ABAG XXVI COPs		
	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)
<b>REVENUES</b>									
Taxes	\$ 1,467,000	\$ 1,316,639	\$ (150,361)	\$ 496,000	\$ 539,743	\$ 43,743	\$ -	\$ -	\$ -
Uses of money and property	20,000	55,451	35,451	7,000	1,518	(5,482)	10,000	12,876	2,876
Total Revenues	1,487,000	1,372,090	(114,910)	503,000	541,261	38,261	10,000	12,876	2,876
<b>EXPENDITURES</b>									
Current:									
General government	-	-	-	-	-	-	-	1,788	(1,788)
Planning and community development	-	3,468	(3,468)	505,000	532,467	(27,467)	-	-	-
Principal	387,284	345,693	41,591	-	-	-	255,000	255,000	-
Interest	948,176	853,300	94,876	-	-	-	62,308	62,308	-
Total Expenditures	1,335,460	1,202,461	132,999	505,000	532,467	(27,467)	317,308	319,096	(1,788)
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	151,540	169,629	18,089	(2,000)	8,794	10,794	(307,308)	(306,220)	1,088
<b>OTHER FINANCING SOURCES (USES)</b>									
Loan and bond proceeds	-	38,453	38,453	-	48,076	48,076	317,307	317,307	-
Operating Transfers In	-	-	-	-	-	-	-	-	-
Total other Financing Sources (Uses)	-	38,453	38,453	-	48,076	48,076	317,307	317,307	-
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	151,540	208,082	56,542	(2,000)	56,870	58,870	9,999	11,087	1,088
Fund Balance, Beginning of Year	636,203	636,203	-	29,730	29,730	-	239,974	239,974	-
Fund Balance, End of Year	\$ 787,743	\$ 844,285	\$ 56,542	\$ 27,730	\$ 86,600	\$ 58,870	\$ 249,973	\$ 251,061	\$ 1,088

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
DEBT SERVICE FUNDS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

	Capital Lease Purchases			TOTAL		
	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ 1,963,000	\$ 1,856,382	\$ (106,618)
Uses of money and property	-	-	-	37,000	69,845	32,845
Total Revenues	-	-	-	2,000,000	1,926,227	(73,773)
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	-	1,788	(1,788)
Planning and community development	-	-	-	505,000	535,935	(30,935)
Principal	49,490	49,490	-	691,774	650,183	41,591
Interest	3,994	3,994	-	1,014,478	919,602	94,876
Total Expenditures	53,484	53,484	-	2,211,252	2,107,508	103,744
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(53,484)</b>	<b>(53,484)</b>	<b>-</b>	<b>(211,252)</b>	<b>(181,281)</b>	<b>29,971</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Loan and bond proceeds	-	-	-	317,307	403,836	86,529
Operating Transfers In	53,484	54,000	516	53,484	54,000	516
Total other Financing Sources (Uses)	53,484	54,000	516	370,791	457,836	87,045
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>-</b>	<b>516</b>	<b>516</b>	<b>159,539</b>	<b>276,555</b>	<b>117,016</b>
Fund Balance, Beginning of Year	56,288	56,288	-	962,195	962,195	-
Fund Balance, End of Year	\$ 56,288	\$ 56,804	\$ 516	\$ 1,121,734	\$ 1,238,750	\$ 117,016

# Capital Projects Funds

The Capital Project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Individual Capital Project funds are as follows:

- RDA Downtown Project Area – Downtown Redevelopment Projects.
- RDA North Brentwood Area – North Brentwood Redevelopment Projects.
- Capital Improvement Funding Program 98-1 – Funded by the City and Development Community to fund and construct major planned infrastructure.
- Capital Improvement Funding Program 99-1 – Funded by the City and Development Community to fund and construct major planned infrastructure.
- Capital Improvement Funding Program 2000-1 – Funded by the City and Development Community to fund and construct major planned infrastructure.
- Capital Improvements – Administration of all capital projects for City.
- Street Improvements Projects – All City projects paid with SLTPP funds.
- JPA Capital Projects – Infrastructure being built by developers.



**COMBINING BALANCE SHEET  
CAPITAL PROJECT FUNDS  
JUNE 30, 2001  
(With Comparative Totals for June 30, 2000)**

	<b>RDA Downtown Project Area</b>	<b>RDA North Brentwood Area</b>	<b>Capital Improvement Funding Program 98-1</b>	<b>Capital Improvement Funding Program 99-1</b>	<b>Capital Improvement Funding Program 2000-1</b>	<b>Capital Improvements</b>	<b>Street Improvements Projects</b>	<b>JPA Capital Projects</b>	<b>TOTALS</b>	
									<b>2001</b>	<b>2000</b>
<b>ASSETS</b>										
Cash and investments	\$ 166,835	\$ 12,545	\$ -	\$ -	\$ -	\$ 5,623,863	\$ 2,756,682	\$ -	\$ 8,559,925	\$ 5,442,596
Restricted cash and investments	-	-	99,563	1,914,137	3,332,594	-	14,533	8,508,055	13,868,882	16,293,386
Receivables	19,510	-	-	-	-	17,667	-	-	37,177	5,364
Land held for resale	227,698	248,113	-	-	-	-	-	-	475,811	227,698
<b>Total Assets</b>	<b>\$ 414,043</b>	<b>\$ 260,658</b>	<b>\$ 99,563</b>	<b>\$ 1,914,137</b>	<b>\$ 3,332,594</b>	<b>\$ 5,641,530</b>	<b>\$ 2,771,215</b>	<b>\$ 8,508,055</b>	<b>\$ 22,941,795</b>	<b>\$ 21,969,044</b>
<b>LIABILITIES</b>										
Accounts Payable	\$ 1,371	\$ 1,371	\$ -	\$ -	\$ -	\$ 1,342,423	\$ 757	\$ -	\$ 1,345,922	\$ 280,456
Other Liabilities	1,000	-	-	-	-	607,131	-	-	608,131	-
<b>Total liabilities</b>	<b>2,371</b>	<b>1,371</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,949,554</b>	<b>757</b>	<b>-</b>	<b>1,954,053</b>	<b>280,456</b>
<b>FUND EQUITY</b>										
Fund Balances										
Reserved										
Reserved - land held for resale	227,698	248,113	-	-	-	-	-	-	475,811	227,698
Unreserved										
Designated for Capital projects	-	-	99,563	1,914,137	3,332,594	-	2,770,458	8,508,055	16,624,807	21,441,054
Undesignated	183,974	11,174	-	-	-	3,691,976	-	-	3,887,124	19,836
<b>Total Fund Equity</b>	<b>411,672</b>	<b>259,287</b>	<b>99,563</b>	<b>1,914,137</b>	<b>3,332,594</b>	<b>3,691,976</b>	<b>2,770,458</b>	<b>8,508,055</b>	<b>20,987,742</b>	<b>21,688,588</b>
<b>Total liabilities and Fund Equity</b>	<b>\$ 414,043</b>	<b>\$ 260,658</b>	<b>\$ 99,563</b>	<b>\$ 1,914,137</b>	<b>\$ 3,332,594</b>	<b>\$ 5,641,530</b>	<b>\$ 2,771,215</b>	<b>\$ 8,508,055</b>	<b>\$ 22,941,795</b>	<b>\$ 21,969,044</b>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES**

**CAPITAL PROJECT FUNDS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

**(With Comparative Totals for the Fiscal Year Ended June 30, 2000)**

	<b>RDA Downtown Project Area</b>	<b>RDA North Brentwood Area</b>	<b>Capital Improvement Funding Program 98-1</b>	<b>Capital Improvement Funding Program 99-1</b>	<b>Capital Improvement Funding Program 2000-1</b>	<b>Capital Improvements Projects</b>	<b>Street Improvements Projects</b>	<b>JPA Capital Projects</b>	<b>TOTALS</b>	
									<b>2001</b>	<b>2000</b>
<b>REVENUES</b>										
Uses of money and property	\$ 37,643	\$ 652	\$ 17,266	\$ 164,193	\$ 89,189	\$ -	\$ 152,882	\$ 628,873	\$ 1,090,698	\$ 1,333,663
Fees and Other revenues	-	-	-	-	-	295,602	1,661,145	-	1,956,747	334,993
Total Revenues	37,643	652	17,266	164,193	89,189	295,602	1,814,027	628,873	3,047,445	1,668,656
<b>EXPENDITURES</b>										
Current:										
Planning and community development	614,751	114,771	-	-	561,316	1,690,239	-	-	2,981,077	5,170,533
Other	-	-	-	-	-	-	3,915	-	3,915	2,886
Capital Outlay	-	-	289,996	1,954,858	7,262,689	8,548,556	-	-	18,056,099	17,211,740
Total Expenditures	614,751	114,771	289,996	1,954,858	7,824,005	10,238,795	3,915	-	21,041,091	22,385,159
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(577,108)	(114,119)	(272,730)	(1,790,665)	(7,734,816)	(9,943,193)	1,810,112	628,873	(17,993,646)	(20,716,503)
<b>OTHER FINANCING SOURCES (USES)</b>										
Loan and bond proceeds	472,000	348,113	-	-	11,067,410	-	-	-	11,887,523	8,748,600
Operating Transfers In	-	5,457	-	-	-	10,815,800	-	-	10,821,257	8,549,169
Operating Transfers Out	(156,300)	-	-	(3,458)	-	(124,688)	(440,250)	(4,691,284)	(5,415,980)	(3,438,267)
Total other Financing Sources (Uses)	315,700	353,570	-	(3,458)	11,067,410	10,691,112	(440,250)	(4,691,284)	17,292,800	13,859,502
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	(261,408)	239,451	(272,730)	(1,794,123)	3,332,594	747,919	1,369,862	(4,062,411)	(700,846)	(6,857,001)
Fund Balance, Beginning of Year	673,080	19,836	372,293	3,708,260	-	2,944,057	1,400,596	12,570,466	21,688,588	28,545,589
Fund Balance, End of Year	\$ 411,672	\$ 259,287	\$ 99,563	\$ 1,914,137	\$ 3,332,594	\$ 3,691,976	\$ 2,770,458	\$ 8,508,055	\$ 20,987,742	\$ 21,688,588

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
CERTAIN CAPITAL PROJECT FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

	RDA Downtown Project Area			RDA North Brentwood Area			Capital Improvement Projects		
	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)
<b>REVENUES</b>									
Uses of money and property	\$ -	\$ 37,643	\$ 37,643	\$ -	\$ 652	\$ 652	\$ -	\$ -	\$ -
Fees and Other Services	-	-	-	-	-	-	-	295,602	295,602
Total Revenues	-	37,643	37,643	-	652	652	-	295,602	295,602
<b>EXPENDITURES</b>									
Current:									
Planning and community development	614,751	614,751	-	107,500	114,771	(7,271)	1,913,764	1,690,239	223,525
Other	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	8,552,814	8,548,556	4,258
Total Expenditures	614,751	614,751	-	107,500	114,771	(7,271)	10,466,578	10,238,795	227,783
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(614,751)	(577,108)	37,643	(107,500)	(114,119)	(6,619)	(10,466,578)	(9,943,193)	523,385
<b>OTHER FINANCING SOURCES (USES)</b>									
Loan and bond proceeds	150,000	472,000	322,000	100,000	348,113	248,113	-	-	-
Operating Transfers In	-	-	-	-	5,457	5,457	8,512,314	10,815,800	2,303,486
Operating Transfers Out	-	(156,300)	(156,300)	-	-	-	(103,294)	(124,688)	(21,394)
Total other Financing Sources (Uses)	150,000	315,700	165,700	100,000	353,570	253,570	8,409,020	10,691,112	2,282,092
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	(464,751)	(261,408)	203,343	(7,500)	239,451	246,951	(2,057,558)	747,919	2,805,477
Fund Balance, Beginning of Year	673,080	673,080	-	19,836	19,836	-	2,944,057	2,944,057	-
Fund Balance, End of Year	\$ 208,329	\$ 411,672	\$ 203,343	\$ 12,336	\$ 259,287	\$ 246,951	\$ 886,499	\$ 3,691,976	\$ 2,805,477



**COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
CERTAIN CAPITAL PROJECT FUNDS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

	Street Improvement Projects			TOTAL		
	Budget	Actual	Variance-Favorable (Unfavorable)	Budget	Actual	Variance-Favorable (Unfavorable)
<b>REVENUES</b>						
Uses of money and property	\$ -	\$ 152,882	\$ 152,882	\$ -	\$ 191,177	\$ 191,177
Fees and Other Services	-	1,661,145	1,661,145	-	1,956,747	1,956,747
Total Revenues	-	1,814,027	1,814,027	-	2,147,924	2,147,924
<b>EXPENDITURES</b>						
Current:						
Planning and community development	-	-	-	2,636,015	2,419,761	216,254
Other	-	3,915	(3,915)	-	3,915	(3,915)
Capital Outlay	-	-	-	8,552,814	8,548,556	4,258
Total Expenditures	-	3,915	(3,915)	11,188,829	10,972,232	216,597
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	1,810,112	1,810,112	(11,188,829)	(8,824,308)	2,364,521
<b>OTHER FINANCING SOURCES (USES)</b>						
Loan and bond proceeds	-	-	-	250,000	820,113	570,113
Operating Transfers In	-	-	-	8,512,314	10,821,257	2,308,943
Operating Transfers Out	(440,250)	(440,250)	-	(543,544)	(721,238)	(177,694)
Total other Financing Sources (Uses)	(440,250)	(440,250)	-	8,218,770	10,920,132	2,701,362
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	(440,250)	1,369,862	1,810,112	(2,970,059)	2,095,824	5,065,883
Fund Balance, Beginning of Year	1,400,596	1,400,596	-	5,037,569	5,037,569	-
Fund Balance, End of Year	\$ 960,346	\$ 2,770,458	\$ 1,810,112	\$ 2,067,510	\$ 7,133,393	\$ 5,065,883

# Enterprise Funds

The Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City Council is that the costs of providing goods or services to the general public, on a continuing basis, be financed or recovered primarily through user charges.

Individual Enterprise funds are as follows:



- Wastewater – To account for the operation and maintenance of the wastewater system which is funded by user charges and other fees.
- Solid Waste – To account for the operation and maintenance of the collection of solid waste generated within City limits.
- Water – To account for the City's water operations and maintenance which supplies water to the City.
- Park – To account for the maintenance and operation of the City-owned and maintained park and recreation facilities programs.
- City Rentals – Brentwood Center common area maintenance fees.



**COMBINING BALANCE SHEET****ENTERPRISE FUNDS****PROPRIETARY FUND TYPE****JUNE 30, 2001****(With Comparative Totals for June 30, 2000)**

	Wastewater	Solid Waste	Water	Park	City Rentals	TOTALS	
						2001	2000
<b>ASSETS</b>							
Cash and investments	\$ 9,634,891	\$ 797,543	\$ 3,876,737	\$ 3,595,684	\$ -	\$ 17,904,855	\$ 13,102,692
Restricted cash and investments	176,817	67	1,638,091	813	-	1,815,788	2,275,391
Receivables							
Interest	64,793	3,394	23,387	17,250	622	109,446	25,432
Accounts, net of allowance for bad debts	406,851	345,816	572,153	7,123	10,246	1,342,189	1,725,141
Advances	137,624	-	1,034,118	683,018	-	1,854,760	1,854,760
Notes receivable	1,646	-	3,023,098	-	-	3,024,744	1,475,599
Total Current Assets	<u>10,422,622</u>	<u>1,146,820</u>	<u>10,167,584</u>	<u>4,303,888</u>	<u>10,868</u>	<u>26,051,782</u>	<u>20,459,015</u>
Deferred charges	162,986	-	606,688	-	-	769,674	834,132
Long term portion of loans receivable	-	-	-	-	-	-	-
Fixed assets, net of accumulated depreciation	35,971,834	1,528,774	34,031,175	13,482,142	2,975,000	87,988,925	54,849,407
Total Assets	<u>\$ 46,557,442</u>	<u>\$ 2,675,594</u>	<u>\$ 44,805,447</u>	<u>\$ 17,786,030</u>	<u>\$ 2,985,868</u>	<u>\$ 114,810,381</u>	<u>\$ 76,142,554</u>
<b>LIABILITIES</b>							
Current Liabilities:							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ 33,201	\$ 33,201	\$ 29,139
Accounts Payable	2,006,945	174,169	847,311	387,315	7,163	3,422,903	1,563,829
Other Liabilities	196,194	33,198	68,839	87,995	-	386,226	-
Current Maturities on long term debt	95,570	106,368	246,942	-	-	448,880	1,036,446
Deposits held	-	2,000	428	2,775	-	5,203	3,128
Total current liabilities	<u>2,298,709</u>	<u>315,735</u>	<u>1,163,520</u>	<u>478,085</u>	<u>40,364</u>	<u>4,296,413</u>	<u>2,632,542</u>
Long term liabilities:							
Bonds Payable	2,317,873	-	10,019,150	-	-	12,337,023	12,463,851
Capital leases payable	-	189,343	-	-	-	189,343	1,039,832
Deferred Revenue	12,882	-	14,849	31,651	-	59,382	260,213
Long term notes payable	12,428,954	1,216,796	-	-	3,000,000	16,645,750	2,536,179
Total long term liabilities	<u>14,759,709</u>	<u>1,406,139</u>	<u>10,033,999</u>	<u>31,651</u>	<u>3,000,000</u>	<u>29,231,498</u>	<u>16,300,075</u>
Total liabilities	<u>17,058,418</u>	<u>1,721,874</u>	<u>11,197,519</u>	<u>509,736</u>	<u>3,040,364</u>	<u>33,527,911</u>	<u>18,932,617</u>
<b>EQUITY</b>							
Contributed Capital	15,020,534	114,903	24,361,371	10,247,702	-	49,744,510	39,145,833
Retained Earnings	14,478,490	838,817	9,246,557	7,028,592	(54,496)	31,537,960	18,064,104
Total Equity	<u>29,499,024</u>	<u>953,720</u>	<u>33,607,928</u>	<u>17,276,294</u>	<u>(54,496)</u>	<u>81,282,470</u>	<u>57,209,937</u>
Total Liabilities and Equity	<u>\$ 46,557,442</u>	<u>\$ 2,675,594</u>	<u>\$ 44,805,447</u>	<u>\$ 17,786,030</u>	<u>\$ 2,985,868</u>	<u>\$ 114,810,381</u>	<u>\$ 76,142,554</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS  
ENTERPRISE FUNDS - PROPRIETARY FUND TYPE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
(With Comparative Totals for the Fiscal Year Ended June 30, 2000)**

	Wastewater	Solid Waste	Water	Park	City Rentals	TOTALS	
						2001	2000
<b>Operating Revenues</b>							
Charges for Services	\$ 1,980,766	\$ 3,136,436	\$ 4,094,651	\$ 639,225	\$ 32,306	\$ 9,883,384	\$ 7,969,325
Property Tax	-	-	-	381,293	-	381,293	312,750
Other Income	97,070	233,447	261,778	315,008	-	907,303	522,026
Total operating revenues	2,077,836	3,369,883	4,356,429	1,335,526	32,306	11,171,980	8,804,101
<b>Operating Expenses</b>							
Personnel services	616,211	856,427	1,356,401	946,915	11,688	3,787,642	2,466,933
Repairs and maintenance	251,845	254,642	598,913	93,296	39,150	1,237,846	1,646,694
Materials, supplies, and services	906,800	1,254,507	4,198,392	1,196,833	-	7,556,532	5,112,046
Depreciation and amortization	808,340	111,057	918,180	150,838	25,000	2,013,415	894,648
Total operating expense	2,583,196	2,476,633	7,071,886	2,387,882	75,838	14,595,435	10,120,321
Operating Income (Loss)	(505,360)	893,250	(2,715,457)	(1,052,356)	(43,532)	(3,423,455)	(1,316,220)
<b>Nonoperating revenue (expense)</b>							
Interest Income	586,779	35,137	496,479	156,668	3,388	1,278,451	1,156,743
Developers fees and credits	4,827,851	-	4,868,511	7,563,974	-	17,260,336	-
Interest Expense	(145,431)	(106,018)	(586,680)	-	(1,370)	(839,499)	(933,059)
Total nonoperating revenues	5,269,199	(70,881)	4,778,310	7,720,642	2,018	17,699,288	223,684
Income (Loss) before operating transfers	4,763,839	822,369	2,062,853	6,668,286	(41,514)	14,275,833	(1,092,536)
Operating transfers - in	28,864,932	125,000	2,097,273	5,378,558	11,000	36,476,763	31,600,871
Operating transfers - out	(28,946,638)	(380,706)	(2,250,802)	(5,700,594)	-	(37,278,740)	(29,816,301)
Net Income (Loss)	4,682,133	566,663	1,909,324	6,346,250	(30,514)	13,473,856	692,034
Retained earnings (accumulated deficit), Beginning of Year	9,796,357	272,154	7,337,233	682,342	(23,982)	18,064,104	17,372,070
Retained earnings (accumulated deficit), End of Year	\$ 14,478,490	\$ 838,817	\$ 9,246,557	\$ 7,028,592	\$ (54,496)	\$ 31,537,960	\$ 18,064,104

**COMBINING STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUNDS - PROPRIETARY FUND TYPE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2001**  
**(With Comparative Totals for the Fiscal Year Ended June 30, 2000)**

	Wastewater	Solid Waste	Water	Park	City Rentals	TOTALS	
						2001	2000
<b>Cash flows from operating activities</b>							
Operating Income (Loss)	\$ (505,360)	\$ 893,250	\$ (2,715,457)	\$ (1,052,356)	\$ (43,532)	\$ (3,423,455)	\$ (1,316,220)
Adjustments to reconcile net income to net cash provided by operating activities							
Depreciation and amortization	808,340	111,057	918,180	150,838	25,000	2,013,415	894,648
(Increase) decrease in							
Interest receivable	(48,814)	(1,828)	(15,500)	(17,250)	(622)	(84,014)	41,800
Accounts receivable	(18,155)	(74,594)	(306,178)	(682,237)	(1,765)	(1,082,929)	(207,157)
Note receivable	998,354	-	(2,557,216)	-	-	(1,558,862)	(2,310,556)
Advances	-	-	751,801	723,798	-	1,475,599	-
Increase (decrease) in							
Other liabilities	189,172	33,198	68,839	87,995	-	379,204	(110,279)
Accounts payable	1,933,572	(56,791)	516,478	(535,949)	3,839	1,861,149	764,196
Net cash provided (used) by operating activities	3,357,109	904,292	(3,339,053)	(1,325,161)	(17,080)	(419,893)	(2,243,568)
<b>Cash flows from noncapital financing activities</b>							
Interest paid on long-term obligations	(145,431)	(106,018)	(586,680)	-	(1,370)	(839,499)	(933,059)
Operating transfers in	28,864,932	125,000	2,097,273	5,378,558	11,000	36,476,763	31,600,871
Operating transfers out	(28,946,638)	(380,706)	(2,250,802)	(5,700,594)	-	(37,278,740)	(29,816,301)
Equity Transfers and city contributions	-	-	-	-	-	-	7,672,034
Net cash provided (used) in noncapital financing activities	(227,137)	(361,724)	(740,209)	(322,036)	9,630	(1,641,476)	8,523,545
<b>Cash flows from Capital and Related financing activities</b>							
Deferred revenue	(69,390)	-	(105,266)	(26,175)	-	(200,831)	49,139
Deferred charges	(162,986)	-	(1,149)	228,593	-	64,458	(76,084)
Proceeds from issuance of debt	12,428,954	-	-	-	1,500,000	13,928,954	2,599,757
Principal payments on debt	(91,812)	(258,965)	(262,543)	(763,923)	-	(1,377,243)	(1,642,349)
Purchases of property and equipment	(17,995,442)	(205,430)	(249,337)	(4,604,049)	(1,500,000)	(24,554,258)	(15,155,517)
Developers fees collected (net of credits issued)	4,827,851	-	4,868,511	7,563,974	-	17,260,336	9,348,174
Net cash provided (used) in capital financing activities	(1,062,825)	(464,395)	4,250,216	2,398,420	-	5,121,416	(4,876,880)
<b>Cash flows from investing activities</b>							
Increase (decrease) on restricted cash and investments							
Interest on cash and investments	586,779	35,137	496,479	156,668	3,388	1,278,451	1,156,743
Net cash provided by investing activities	586,779	35,137	496,479	156,668	3,388	1,278,451	1,156,743
Net increase (decrease) in cash and cash equivalents	2,653,926	113,310	667,433	907,891	(4,062)	4,338,498	2,559,840
Cash, Beginning of Year	7,157,782	684,300	4,847,395	2,688,606	(29,139)	15,348,944	12,789,104
Cash, End of Year	\$ 9,811,708	\$ 797,610	\$ 5,514,828	\$ 3,596,497	\$ (33,201)	\$ 19,687,442	\$ 15,348,944
Non cash activity:							
Contributed assets	\$ -	\$ 114,903	\$ 10,483,772	\$ -	\$ -	\$ 10,598,675	\$ 5,630,167

## Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City, on a cost reimbursement basis.

Individual Internal Service Funds are as follows:

- Information Services – To develop and coordinate the City’s Information Systems’ needs.
- Information Systems Replacement – To provide for the on-going replacement of the information systems such as computers and the phone system.
- Vehicle Replacement – To provide a source of funding for vehicle and equipment replacement.
- Building Replacement – To provide a source of funding for future City facilities.



CONCORD AVENUE

**COMBINING BALANCE SHEET****INTERNAL SERVICE FUNDS****PROPRIETARY FUND TYPE**

JUNE 30, 2001

(With Comparative Totals for June 30, 2000)

	Information	Information	Vehicle	Building	TOTALS	
	Services	Systems Replacement	Replacement	Replacement	2001	2000
<b>ASSETS</b>						
Current Assets:						
Cash and investments	\$ 55,964	\$ 350,489	\$ 820,227	\$ 532,686	\$ 1,759,366	\$ 574,434
Receivables	267	33,075	4,133	3,913	41,388	41,471
Total Current Assets	56,231	383,564	824,360	536,599	1,800,754	615,905
Fixed assets, net of accumulated depreciation	-	303,007	-	-	303,007	982,687
Total Assets	\$ 56,231	\$ 686,571	\$ 824,360	\$ 536,599	\$ 2,103,761	\$ 1,598,592
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable	\$ 297	\$ 18,029	\$ 34,299	\$ 4,285	\$ 56,910	\$ 190,100
Other liabilities	8,076	-	-	108	8,184	-
Total Current Liabilities	8,373	18,029	34,299	4,393	65,094	190,100
Long Term Liabilities:						
Other accounts payable	-	-	251,447	3,490	254,937	-
Total Liabilities	8,373	18,029	285,746	7,883	320,031	190,100
<b>EQUITY</b>						
Retained Earnings	47,858	668,542	538,614	528,716	1,783,730	1,408,492
Total Equity	47,858	668,542	538,614	528,716	1,783,730	1,408,492
Total Liabilities and Equity	\$ 56,231	\$ 686,571	\$ 824,360	\$ 536,599	\$ 2,103,761	\$ 1,598,592

**COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS**

**INTERNAL SERVICE FUNDS - PROPRIETARY FUND TYPE**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

**(With Comparative Totals for the Fiscal Year Ended June 30, 2000)**

	Information Services	Information Systems Replacement	Vehicle Replacement	Building Replacement	TOTALS	
					2001	2000
<b>Operating Revenues</b>						
Charge for services	\$ 226,989	\$ 84,339	\$ 523,036	\$ 254,412	\$ 1,088,776	\$ 58,326
<b>Operating Expenses</b>						
Personnel services	262,072	-	-	87,076	349,148	208,146
Repairs and maintenance	1,617	-	-	26,270	27,887	1,229
Materials, supplies, and services	24,731	362	7,528	37,751	70,372	15,208
Depreciation expense	-	72,826	-	-	72,826	220,430
Total operating expense	288,420	73,188	7,528	151,097	520,233	445,013
Operating Income (Loss)	(61,431)	11,151	515,508	103,315	568,543	(386,687)
<b>Nonoperating revenue (expense)</b>						
Other nonoperating expense	(78,828)	-	(1,295,434)	(14,892)	(1,389,154)	-
Other nonoperating revenue	-	233,353	-	-	233,353	-
Interest Income	2,581	16,138	31,353	-	50,072	23,610
Interest Expense	-	-	(10,048)	-	(10,048)	-
Total nonoperating revenues (expenses)	(76,247)	249,491	(1,274,129)	(14,892)	(1,115,777)	23,610
Income (Loss) before operating transfers	(137,678)	260,642	(758,621)	88,423	(547,234)	(363,077)
Operating transfers - in	188,019	156,937	599,682	105,326	1,049,964	1,401,869
Operating transfers - out	(73,492)	-	(54,000)	-	(127,492)	(197,068)
Net Income	(23,151)	417,579	(212,939)	193,749	375,238	841,724
Retained earnings, Beginning of Year	71,009	250,963	751,553	334,967	1,408,492	566,768
Retained earnings, End of Year	\$ 47,858	\$ 668,542	\$ 538,614	\$ 528,716	\$ 1,783,730	\$ 1,408,492



**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS - PROPRIETARY FUND TYPE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2001**  
**(With Comparative Totals for the Fiscal Year Ended June 30, 2000)**

	Information Services	Information Systems Replacement	Vehicle Replacement	Maintenance Reserve	TOTALS	
					2001	2000
<b>Cash flows from operating activities</b>						
Operating Income (Loss)	\$ (61,431)	\$ 11,151	\$ 515,508	\$ 103,315	\$ 568,543	\$ (386,687)
Adjustments to reconcile net income to net cash provided by operating activities						
Depreciation and amortization	-	72,826	-	-	72,826	220,430
(Increase) decrease in						
Receivables	(219)	7,179	(3,814)	(3,063)	83	(40,549)
Increase (decrease) in						
Accounts payable and other liabilities	8,101	15,720	98,989	7,121	129,931	155,591
Net cash provided (used) by operating activities	(53,549)	106,876	610,683	107,373	771,383	(51,215)
<b>Cash flows from noncapital financing activities</b>						
Interest paid on long-term obligations	-	-	(10,048)	-	(10,048)	-
Operating transfers in	188,019	156,937	599,682	105,326	1,049,964	1,401,869
Operating transfers out	(73,492)	-	(54,000)	-	(127,492)	(197,068)
Net cash provided (used) in noncapital financing activities	114,527	156,937	535,634	105,326	912,424	1,204,801
<b>Cash flows from Capital and Related financing activities</b>						
Other nonoperating expenses	(24,080)	-	(465,736)	-	(489,816)	-
Other nonoperating revenues	-	160,527	-	-	160,527	-
Purchases of property and equipment	-	(219,658)	-	-	(219,658)	(701,487)
Net cash provided (used) in capital financing activities	(24,080)	(59,131)	(465,736)	-	(548,947)	(701,487)
<b>Cash flows from investing activities</b>						
Interest on cash and investments	2,581	16,138	31,353	-	50,072	23,610
Net increase (decrease) in cash and cash equivalents	39,479	220,820	711,934	212,699	1,184,932	475,709
Cash, Beginning of Year	16,485	129,669	108,293	319,987	574,434	98,725
Cash, End of Year	\$ 55,964	\$ 350,489	\$ 820,227	\$ 532,686	\$ 1,759,366	\$ 574,434

# Agency Funds

Agency Funds are used to account for assets held by the City in or as an agent for individuals, private organizations, other governments and/or their funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Agency Funds are as follows:

- Assessment Districts – Special obligations payable from and secured by specific revenue sources.
- Asset Seizure – Special funds to be used exclusively to support law enforcement and prosecutorial efforts of the agency.



**COMBINING BALANCE SHEET**  
**AGENCY FUNDS - FIDUCIARY FUND TYPE**  
**JUNE 30, 2001**  
 (With Comparative Totals for June 30, 2000)

	<u>Assessment Districts</u>	<u>Asset Seizure</u>	<u>TOTALS</u>	
			<u>2001</u>	<u>2000</u>
<b>Assets</b>				
Restricted cash and investments	\$ 14,290,863	\$ 23,267	\$ 14,314,130	\$ 12,724,912
Accrued Interest Receivable	162,149	122	162,271	55,034
	<u>\$ 14,453,012</u>	<u>\$ 23,389</u>	<u>\$ 14,476,401</u>	<u>\$ 12,779,946</u>
<b>Liabilities</b>				
Accounts payable	\$ 181,495	\$ -	\$ 181,495	\$ 63,005
Deposits	-	23,389	23,389	21,946
Due to bondholders	14,271,517	-	14,271,517	12,694,995
	<u>\$ 14,453,012</u>	<u>\$ 23,389</u>	<u>\$ 14,476,401</u>	<u>\$ 12,779,946</u>

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS - FIDUCIARY FUND TYPE**  
**JUNE 30, 2001**

	Balance June 30, 2000	Additions	Deletions	Balance June 30, 2001
<b><u>Assessment Districts</u></b>				
Assets				
Restricted cash and investments	\$ 12,703,029	\$ 1,587,834	\$ -	\$ 14,290,863
Accrued Interest Receivable	54,971	162,149	54,971	162,149
Total Assets	<u>\$ 12,758,000</u>	<u>\$ 1,749,983</u>	<u>\$ 54,971</u>	<u>\$ 14,453,012</u>
Liabilities				
Accounts payable	\$ 63,005	\$ 181,495	\$ 63,005	\$ 181,495
Due to bondholders	12,694,995	1,576,522	-	14,271,517
Total Liabilities	<u>\$ 12,758,000</u>	<u>\$ 1,758,017</u>	<u>\$ 63,005</u>	<u>\$ 14,453,012</u>
<b><u>Asset Seizure</u></b>				
Assets				
Restricted cash and investments	\$ 21,883	\$ 23,267	\$ 21,883	\$ 23,267
Accrued Interest Receivable	63	122	63	122
Total Assets	<u>\$ 21,946</u>	<u>\$ 23,389</u>	<u>\$ 21,946</u>	<u>\$ 23,389</u>
Liabilities				
Deposits	\$ 21,946	\$ 23,389	\$ 21,946	\$ 23,389
Total Liabilities	<u>\$ 21,946</u>	<u>\$ 23,389</u>	<u>\$ 21,946</u>	<u>\$ 23,389</u>
<b><u>Total</u></b>				
Assets				
Restricted cash and investments	\$ 12,724,912	\$ 1,611,101	\$ 21,883	\$ 14,314,130
Accrued Interest Receivable	55,034	162,271	55,034	162,271
Total Assets	<u>\$ 12,779,946</u>	<u>\$ 1,773,372</u>	<u>\$ 76,917</u>	<u>\$ 14,476,401</u>
Liabilities				
Accounts payable	\$ 63,005	\$ 181,495	\$ 63,005	\$ 181,495
Deposits	21,946	23,389	21,946	23,389
Amount due to bondholders	12,694,995	1,576,522	-	14,271,517
Total Liabilities	<u>\$ 12,779,946</u>	<u>\$ 1,781,406</u>	<u>\$ 84,951</u>	<u>\$ 14,476,401</u>

# General Fixed Assets Account Group

Governmental funds are funding-oriented in nature. Governmental funds are concerned with the near term budgetary needs of the government, and how those needs will be financed. Accordingly, governmental funds do not report a government's long-term obligations. Nor do governmental funds report a government's fixed assets (which are not available to meet a government's near-term budgetary needs). Account groups are not funds and do not report "operations." Account Groups are lists of a government's general fixed assets or general long-term obligations.

- General Fixed Asset Account Group – To account for all fixed assets used in governmental fund type.



**SCHEDULE OF GENERAL FIXED ASSETS**

June 30, 2001

(With Comparative Totals for June 30, 2000)

	<b>TOTALS</b>	
	<b>2001</b>	<b>2000</b>
<b>General Fixed Assets:</b>		
Capital Assets	\$ -	\$ 4,374,383
Land and improvements	17,163,109	4,723,267
Building and Structures	114,084,712	-
Equipment	529,750	1,033,066
Vehicles	1,737,750	-
	<hr/>	<hr/>
General Fixed Assets before depreciation	133,515,321	10,130,716
Accumulated Depreciation	(25,800,567)	(2,102,327)
	<hr/>	<hr/>
Net General Fixed Assets	<u>\$ 107,714,754</u>	<u>\$ 8,028,389</u>
<b>Investment in General Fixed Assets:</b>		
Combined funding prior to June 30, 2000	\$ 90,128,800	\$ -
General Fund	2,267,500	543,998
Special Revenue Funds	17,593,279	3,458,499
Capital Projects Funds	23,525,742	6,128,219
	<hr/>	<hr/>
Total Investment in General Fixed Assets before depreciation	133,515,321	10,130,716
Accumulated Depreciation	(25,800,567)	(2,102,327)
	<hr/>	<hr/>
Net General Fixed Assets	<u>\$ 107,714,754</u>	<u>\$ 8,028,389</u>

*Note:* Due to the current Asset Valuation Study, assets in FYE 2001 are more clearly defined by asset (Land, Land Improvements, Buildings, Infrastructure, and Equipment) and by department.

**SCHEDULE OF GENERAL FIXED ASSETS  
BY FUNCTION AND ACTIVITY  
June 30, 2001**

<u>Function and Activity</u>	<u>Land and Improvements</u>	<u>Buildings and Structures</u>	<u>Equipment</u>	<u>Vehicles</u>	<u>Total</u>
<b>General Government</b>					
City Council	\$ -	\$ -	\$ -	\$ -	\$ -
City Administration	17,163,109	114,084,712	214,990	337,739	131,800,550
Finance	-	-	67,347	36,500	103,847
Human Resources	-	-	5,532	-	5,532
<b>Total General Government</b>	<u>17,163,109</u>	<u>114,084,712</u>	<u>287,869</u>	<u>374,239</u>	<u>131,909,929</u>
<b>Public Safety</b>					
Police	-	-	63,892	908,231	972,123
<b>Total Public Safety</b>	<u>-</u>	<u>-</u>	<u>63,892</u>	<u>908,231</u>	<u>972,123</u>
<b>Streets &amp; Highways</b>					
Street Maintenance	-	-	177,154	419,280	596,434
<b>Total Streets &amp; Highways</b>	<u>-</u>	<u>-</u>	<u>177,154</u>	<u>419,280</u>	<u>596,434</u>
<b>Community Services</b>	<u>-</u>	<u>-</u>	<u>835</u>	<u>36,000.00</u>	<u>36,835</u>
General Fixed Assets before depreciation	17,163,109	114,084,712	529,750	1,737,750	133,515,321
Accumulated Depreciation	<u>(95,378)</u>	<u>(24,580,365)</u>	<u>(207,493)</u>	<u>(917,331)</u>	<u>(25,800,567)</u>
<b>Total General Fixed Assets</b>	<u>\$ 17,067,731</u>	<u>\$ 89,504,347</u>	<u>\$ 322,257</u>	<u>\$ 820,419</u>	<u>\$ 107,714,754</u>

Note: Due to the current Asset Valuation Study, assets in FYE 2001 are more clearly defined by asset (Land, Land Improvements, Buildings, Infrastructure, and Equipment) and by department.

**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS  
BY FUNCTION AND ACTIVITY**

June 30, 2001

<b>Function and Activity</b>	<b>Balance July 1, 2000</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2001</b>
<b>General Government</b>				
City Council	\$ -	\$ -	\$ -	\$ -
City Administration	9,516,902	122,283,648	-	131,800,550
Finance	131,333	-	27,486	103,847
Human Resources	10,788	-	5,256	5,532
Total General Government	<u>9,659,023</u>	<u>122,283,648</u>	<u>32,742</u>	<u>131,909,929</u>
<b>Public Safety</b>				
Police	<u>345,468</u>	<u>626,655</u>	<u>-</u>	<u>972,123</u>
Total Public Safety	<u>345,468</u>	<u>626,655</u>	<u>-</u>	<u>972,123</u>
<b>Streets &amp; Highways</b>				
Street Maintenance	<u>124,595</u>	<u>471,839</u>	<u>-</u>	<u>596,434</u>
Total Streets & Highways	<u>124,595</u>	<u>471,839</u>	<u>-</u>	<u>596,434</u>
<b>Community Services</b>	<u>1,630</u>	<u>35,205</u>	<u>-</u>	<u>36,835</u>
General Fixed Assets before depreciation	10,130,716	123,417,347	32,742	133,515,321
Accumulated Depreciation	<u>(2,102,327)</u>	<u>(23,698,240)</u>	<u>-</u>	<u>(25,800,567)</u>
<b>Total General Fixed Assets</b>	<u>\$ 8,028,389</u>	<u>\$ 99,719,107</u>	<u>\$ 32,742</u>	<u>\$ 107,714,754</u>



# General Long-Term Debt Account Group

The accounting and reporting treatment applied to the long-term liabilities associated with a fund are determined by its measurement focus. All Governmental Funds are accounted for on a spending or “financial flow measurement focus. This means that only current assets and liabilities are generally included in their balance sheets. Their reported fund balance (net of current assets) is considered a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spending resources” during a period.

- General Long Term Debt Account Group – To account for general obligations of the City with a long-term repayment schedule.



**SCHEDULE OF GENERAL LONG-TERM DEBT**

June 30, 2001

(With Comparative Totals for June 30, 2000)

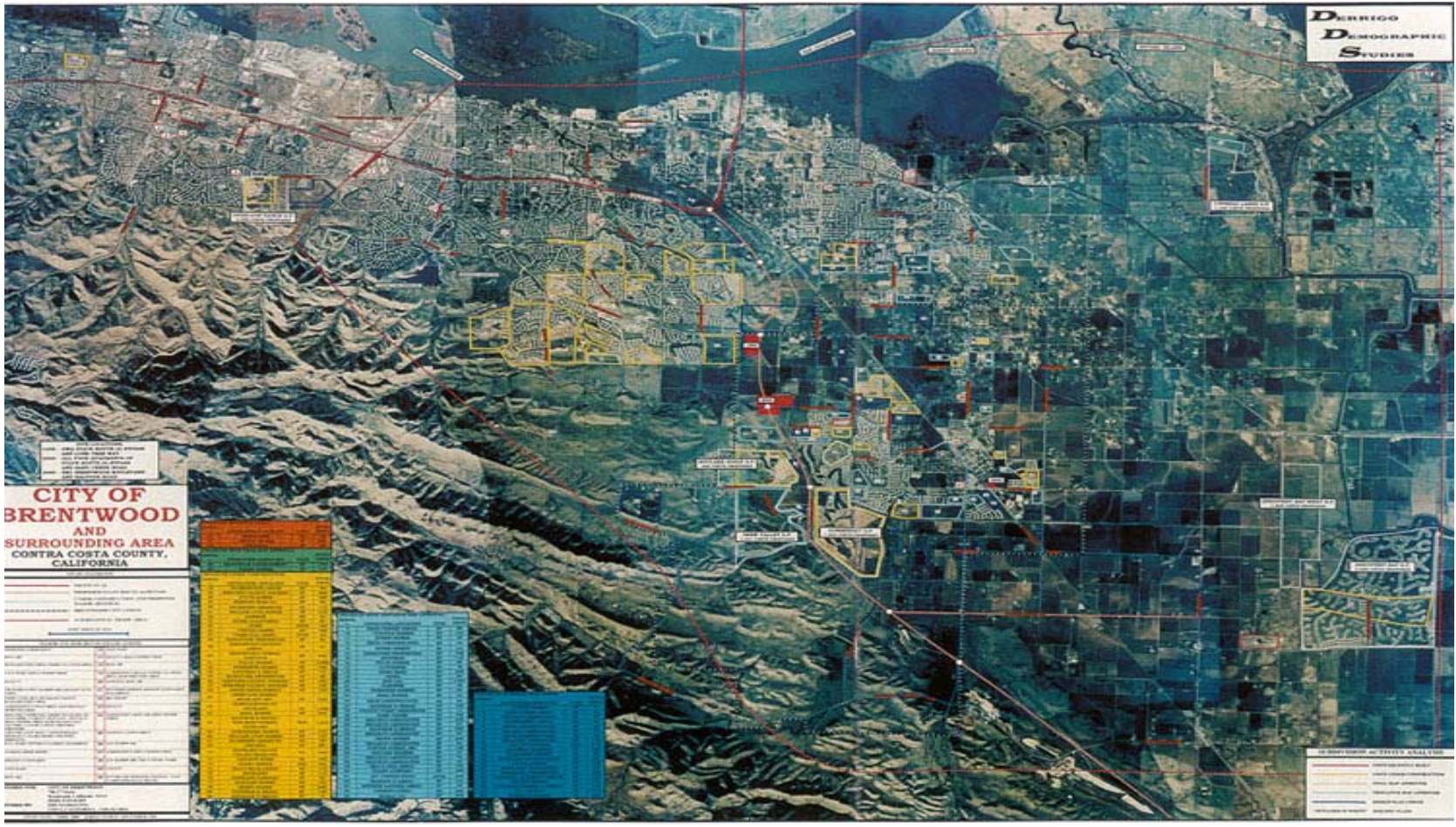
	<b>TOTALS</b>	
	<b>2001</b>	<b>2000</b>
<b>Amount Available and To Be Provided for Debt Retirement</b>		
Amount to be provided for Retirement of General Long Term Debt	\$ 11,392,088	\$ 12,185,929
Amount Available for Retirement of General Long Term Debt	1,238,750	962,194
Total	<u>\$ 12,630,838</u>	<u>\$ 13,148,123</u>
<b>General Long-Term Debt</b>		
<b>Bonds:</b>		
Tax Allocation Bonds	\$ 3,240,000	\$ 3,525,000
Certificates of Participation	865,000	1,120,000
Capital Improvements	<u>5,320,000</u>	<u>5,420,000</u>
Total Bonds	9,425,000	10,065,000
<b>Capital Leases:</b>		
Various equipment	<u>276,291</u>	<u>261,092</u>
Total Capital Leases	276,291	261,092
<b>Other:</b>		
Advances payable to City of Brentwood by RDA	2,334,194	2,334,194
Accumulated compensated absences	<u>595,353</u>	<u>487,837</u>
Total Other	<u>2,929,547</u>	<u>2,822,031</u>
<b>Total General Long-Term Debt</b>	<u>\$ 12,630,838</u>	<u>\$ 13,148,123</u>

**SCHEDULE OF BONDS PAYABLE**

June 30, 2001

	<u>Net Interest Rate</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Issued Previously</u>	<u>Retired Previously</u>	<u>Retired 2000-01</u>	<u>Outstanding</u>
<b>Tax Increment Bonds</b>							
1990 Tax Allocation Bonds, Series A	6.7%	2/13/1990	11/1/2008	\$ 5,330,000	\$ 1,805,000	\$ 285,000	\$ 3,240,000
1992 Certificates of Participation, Series B	4.5% - 6.4%	10/1/1992	10/1/2003	2,400,000	1,280,000	255,000	865,000
<b>Total Tax Increment Bonds</b>				<u>\$ 7,730,000</u>	<u>\$ 3,085,000</u>	<u>\$ 540,000</u>	<u>\$ 4,105,000</u>
<b>Revenue Bonds</b>							
1996 Capital Improvement Bonds	5.25%	6/7/1996	6/1/2026	\$ 5,780,000	\$ 360,000	\$ 100,000	\$ 5,320,000
<b>Total Revenue Bonds</b>				<u>\$ 5,780,000</u>	<u>\$ 360,000</u>	<u>\$ 100,000</u>	<u>\$ 5,320,000</u>
<b>Enterprise Fund Indebtedness</b>							
1994 Water Revenue Bond, Series A	4.5% - 7.5%	10/25/1994	8/1/2024	\$ 6,570,000	\$ 5,420,000	\$ 60,000	\$ 1,090,000
1996 Water / Wastewater Bonds, Series A	5.6% - 5.625%	12/11/1996	7/1/2026	12,195,000	430,000	230,000	11,535,000
<b>Total Enterprise Bonds</b>				<u>\$ 18,765,000</u>	<u>\$ 5,850,000</u>	<u>\$ 290,000</u>	<u>\$ 12,625,000</u>

# Statistical Section





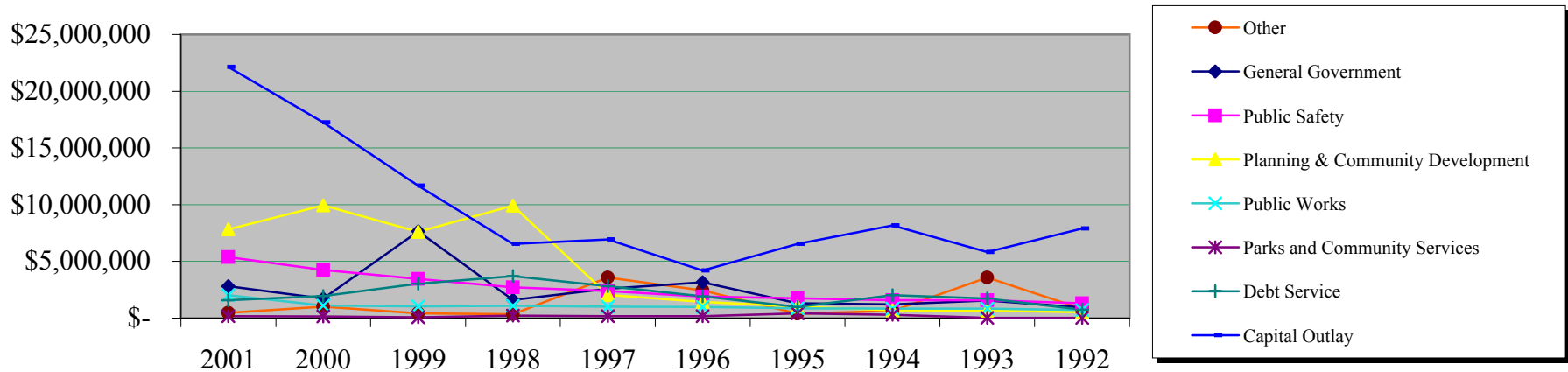
**GENERAL GOVERNMENT EXPENDITURES BY FUNCTION <sup>(1)</sup>**  
**LAST TEN FISCAL YEARS**  
 (Unaudited)

Fiscal Year	General Government	Public Safety	Planning & Community Development	Public Works	Parks and Community Services	Other	Capital Outlay	Debt Service	Total
2001	\$ 2,809,563	\$ 5,384,223	\$ 7,814,860	\$ 2,019,618	\$ 169,711	\$ 463,613	\$ 22,130,025	\$ 1,569,785	\$ 42,361,398
2000	1,715,348	4,250,440	9,943,042	1,110,390	153,090	1,019,390	17,238,684	1,957,767	37,388,151
1999	7,651,493	3,455,518	7,602,055	1,039,850	82,322	417,905	11,666,787	3,045,906	34,961,836
1998	1,592,167	2,710,923	9,921,603	1,086,997	210,008	350,792	6,538,801	3,713,434	26,124,725
1997	2,602,544	2,391,425	2,054,461	1,013,799	184,576	3,583,879	6,924,580	2,820,147	21,575,411
1996	3,150,459	1,904,121	1,429,697	988,637	163,853	2,434,621	4,187,735	1,932,268	16,191,391
1995	1,312,723	1,754,298	999,780	868,578	413,781	383,091	6,551,445	979,624	13,263,320
1994	1,199,913	1,574,685	695,249	838,012	301,869	646,677	8,159,652	2,011,603	15,427,660
1993	1,543,473	1,582,833	657,099	847,195	18,739	3,576,784	5,823,946	1,734,962	15,785,031
1992	938,363	1,313,468	529,644	705,730	19,412	812,354	7,891,847	750,106	12,960,924

(1) Includes General, Special Revenue, Capital Projects and Debt Service funds.

Source: City of Brentwood Finance Department

**General Government Expenditures by Function**

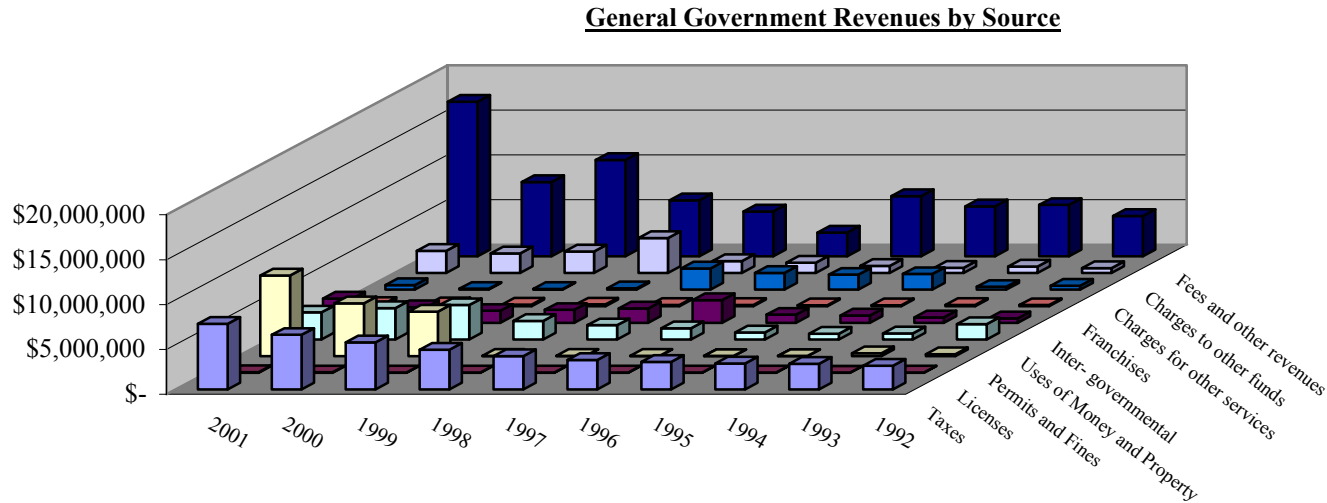


**GENERAL GOVERNMENT REVENUES BY SOURCE <sup>(1)</sup>**  
**LAST TEN FISCAL YEARS**  
 (Unaudited)

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Licenses</u>	<u>Permits and Fines</u>	<u>Uses of Money and Property</u>	<u>Inter-governmental</u>	<u>Franchises</u>	<u>Charges for other services</u>	<u>Charges to other funds</u>	<u>Fees and other revenues</u>	<u>Total</u>
2001	\$ 7,311,476	\$ 61,554	\$ 8,987,674	\$ 3,011,813	\$ 2,710,186	\$ 264,651	\$ 513,923	\$ 2,478,056	\$ 17,229,787	\$ 42,569,120
2000	6,072,785	52,690	5,876,423	3,509,121	1,738,177	225,795	95,239	2,186,433	8,267,534	28,024,197
1999	5,225,146	44,838	4,947,769	3,835,052	1,343,531	197,030	67,158	2,400,849	10,729,832	28,791,205
1998	4,427,103	39,555	46,286	2,079,074	1,446,225	203,500	138,200	3,890,184	6,256,575	18,526,702
1997	3,692,659	36,629	44,688	1,589,298	1,617,960	161,991	2,357,729	1,332,145	5,001,231	15,834,330
1996	3,284,481	27,457	27,260	1,246,655	2,540,237	140,159	1,873,585	1,152,484	2,641,251	12,933,569
1995	3,073,680	28,697	20,679	797,793	913,885	128,170	1,665,827	792,311	6,700,140	14,121,182
1994	2,893,319	24,858	18,613	635,588	837,685	111,331	1,739,337	574,026	5,567,678	12,402,435
1993	2,842,181	22,653	315,664	686,381	606,480	147,319	314,142	723,575	5,728,588	11,386,983
1992	2,632,520	30,569	225,835	1,728,022	508,750	132,589	424,005	547,933	4,501,930	10,732,153

(1) Includes General, Special Revenue, Capital Projects and Debt Service funds.

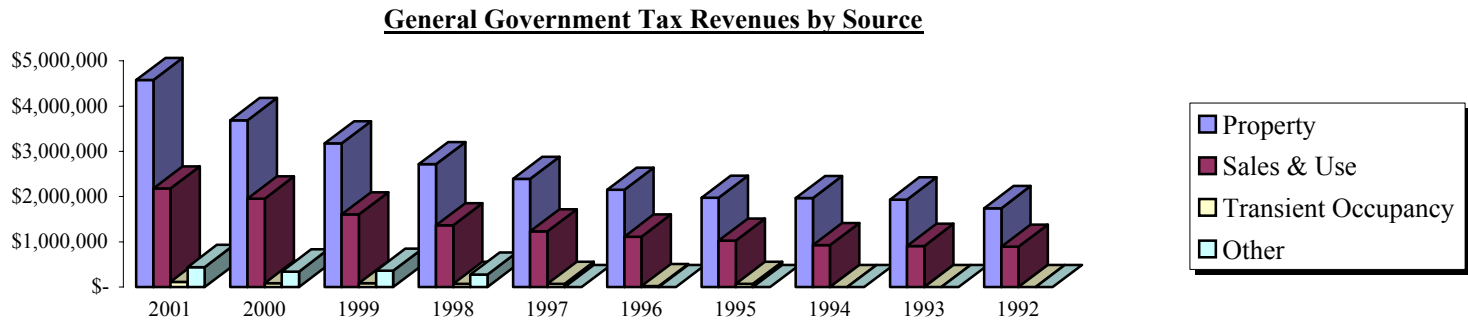
Source: City of Brentwood Finance Department



**GENERAL GOVERNMENT TAX REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
 (Unaudited)

<b>Fiscal Year</b>	<b>Property</b>	<b>Sales &amp; Use</b>	<b>Transient Occupancy</b>	<b>Other</b>	<b>Total</b>
2001	\$ 4,576,990	\$ 2,178,366	\$ 115,367	\$ 440,753	\$ 7,311,476
2000	3,687,940	1,954,804	88,147	341,894	6,072,785
1999	3,174,930	1,607,208	81,662	361,346	5,225,146
1998	2,715,841	1,363,371	71,046	276,845	4,427,103
1997	2,392,738	1,227,802	72,119	-	3,692,659
1996	2,151,909	1,113,446	19,126	-	3,284,481
1995	1,974,313	1,027,138	72,229	-	3,073,680
1994	1,966,379	926,940	-	-	2,893,319
1993	1,933,780	908,401	-	-	2,842,181
1992	1,742,287	890,233	-	-	2,632,520

Source: City of Brentwood Finance Department



**GENERAL PROPERTY TAX LEVIES & COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

<b>Fiscal Year</b>	<b>Current Tax Levy (1)</b>	<b>Current Tax Collections (2)</b>
2001	\$ 16,953,226	\$ 16,953,226
2000	13,689,947	13,689,947
1999	10,848,576	10,848,576
1998	9,347,401	9,347,401
1997	8,233,970	8,233,970
1996	7,266,646	7,266,646
1995	6,311,856	6,311,856
1994	5,638,090	5,638,090
1993	4,936,430	4,936,430
1992	4,292,982	4,292,982

(1) General taxes are calculated at 1 percent of total assessed value less local exemptions.

(2) Special assessments collected are the same as the amount levied, because Contra Costa County follows California's alternate method of apportionment (the Teeter Plan). Under the Teeter Plan, all amounts levied are apportioned to agencies regardless of whether they are collected in the current year or not. A tax losses reserve fund insures losses resulting when a property is sold for taxes, and the proceeds are insufficient to pay the outstanding amounts due.

Source: Contra Costa County Auditor/Controller



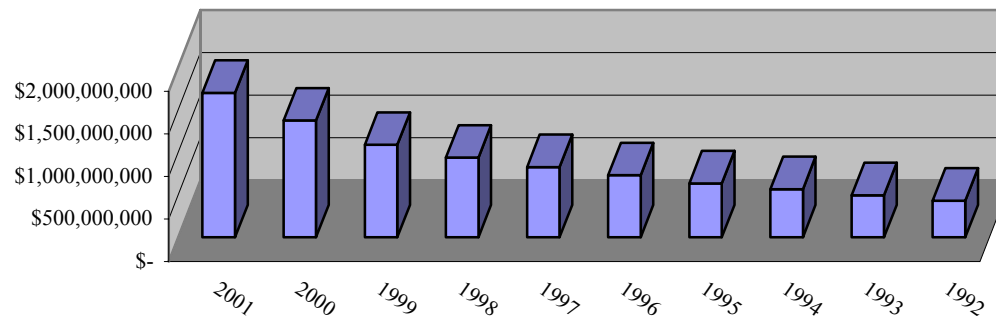
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS  
(Unaudited)**

<b>Fiscal Year</b>	<b>Secured Property</b>	<b>Secured Utility (1)</b>	<b>Unsecured Property</b>	<b>Total Assessed Valuation</b>	<b>Percentage Increase</b>
2001	\$ 1,661,627,361	\$ 27,185	\$ 33,668,004	\$ 1,695,322,550	23.84%
2000	1,343,423,659	29,407	25,541,617	1,368,994,683	26.19%
1999	1,061,957,024	229,085	22,671,455	1,084,857,564	16.06%
1998	910,287,285	57,618	24,395,197	934,740,100	13.52%
1997	801,247,248	47,486	22,102,286	823,397,020	13.31%
1996	708,447,455	465,557	17,751,558	726,664,570	15.13%
1995	614,528,519	444,008	16,213,092	631,185,619	11.95%
1994	539,121,307	204,350	24,483,307	563,808,964	14.21%
1993	469,914,138	63,989	23,664,896	493,643,023	14.99%
1992	408,335,619	114,317	20,848,295	429,298,231	n/a

(1) Beginning with Fiscal Year 1989 and pursuant to AB 454, Unitary Utilities are excluded from regular tax rate areas.

Source: Contra Costa County Auditor/Controller

**Total Assessed Valuation**



**PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

<b>Fiscal Year</b>	<b>General Tax Levy</b>	<b>BART</b>	<b>East Bay Regional Park</b>	<b>Liberty High</b>	<b>Brentwood Elementary</b>	<b>Total</b>
2001	1.0000%	0.0000%	0.0065%	0.0575%	0.0522%	1.1162%
2000	1.0000%	0.0000%	0.0088%	0.0621%	0.0415%	1.1124%
1999	1.0000%	0.0167%	0.0092%	0.0656%	0.0478%	1.1393%
1998	1.0000%	0.0220%	0.0081%	0.0726%	0.0500%	1.1527%
1997	1.0000%	0.0225%	0.0080%	0.0719%	0.0560%	1.1584%
1996	1.0000%	0.0230%	0.0094%	0.0789%	0.0663%	1.1776%
1995	1.0000%	0.0235%	0.0066%	0.0603%	0.0600%	1.1504%
1994	1.0000%	0.0240%	0.0069%	0.0296%	0.0611%	1.1216%
1993	1.0000%	0.0258%	0.0074%	0.0321%	0.0544%	1.1197%
1992	1.0000%	0.0251%	0.0028%	0.0312%	0.0559%	1.1150%

Source: Contra Costa County Auditor/Controller

**SPECIAL ASSESSMENT TAX REVENUE**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

<b>Fiscal Year</b>	<b>Brentwood Assessment District 93R</b>	<b>Brentwood Lights and Landscaping Districts</b>	<b>Brentwood Assessment District 94-1</b>	<b>Brentwood Assessment District 96R</b>	<b>Brentwood Assessment District 98-2</b>	<b>Brentwood Assessment 99-1 Bond</b>	<b>Brentwood Assessment 2000-1 Bond</b>	<b>Total</b>
2001	\$ 609,519	\$ 773,452	\$ 3,233,166	\$ 1,623,802	\$ 717,139	\$ 660,384	\$ 378,111	\$ 7,995,573
2000	646,685	632,933	2,542,807	1,631,345	713,574	721,697	-	6,889,040
1999	659,063	341,328	2,099,465	1,635,060	778,486	-	-	5,513,402
1998	658,966	254,909	1,658,301	1,633,847	-	-	-	4,206,022
1997	781,866	206,366	996,565	8,449	-	-	-	1,993,246
1996	779,828	150,602	-	-	-	-	-	930,430
1995	783,225	72,240	-	-	-	-	-	855,465
1994	753,783	-	-	-	-	-	-	753,783
1993	-	-	-	-	-	-	-	-
1992	-	-	-	-	-	-	-	-

**SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

<b>Fiscal Year</b>	<b>Special Assessment Billings (1)</b>	<b>Special Assessment Collections (2)</b>
2001	\$ 7,995,573	\$ 7,995,573
2000	6,889,040	6,889,040
1999	5,513,402	5,513,402
1998	4,206,022	4,206,022
1997	1,993,246	1,993,246
1996	930,430	930,430
1995	855,465	855,465
1994	753,783	753,783
1993	-	-
1992	-	-

(1) Special assessments are amounts levied to pay special assessment debt with government commitment.

(2) Special assessments collected are the same as the amount levied, because Contra Costa County follows California's alternate method of apportionment (the Teeter Plan). Under the Teeter Plan, all amounts levied are apportioned to agencies regardless of whether they are collected in the current year or not. A tax losses reserve fund insures losses resulting when a property is sold for taxes, and the proceeds are insufficient to pay the outstanding amounts due.

Source: Muni Financial

**COMPUTATION OF LEGAL DEBT MARGIN**  
**JUNE 30, 2001**  
(Unaudited)

Total assessed value of all real and personal property (1)	\$ 1,695,322,550
Debt limit percentage (2)	<u>3.75%</u>
Total debt limit	63,574,596
Amount of debt applicable to debt limit (3)	<u>-</u>
Legal debt margin	<u><u>\$ 63,574,596</u></u>

Source: (1) Contra Costa County Auditor/Controller  
(2) State of California Government Code 25 and 43605  
(3) Sutro and Company

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED  
VALUE AND NET BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS**  
(Unaudited)

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Total Assessed Value</b>	<b>Net General Bonded Debt</b>	<b>Ratio of Net Bonded Debt To Assessed Value</b>	<b>Net Bonded Debt per Capita</b>
2001	25,325	\$ 1,695,322,550	\$ 14,185,913	0.0084	\$ 560
2000	23,090	1,368,994,683	13,456,381	0.0084	583
1999	20,235	1,084,857,564	14,642,659	0.0098	724
1998	17,108	934,740,100	15,835,427	0.0135	926
1997	14,623	823,397,020	16,485,220	0.0169	1,127
1996	13,218	726,664,570	10,118,200	0.0200	765
1995	11,563	631,185,619	8,739,379	0.0139	756
1994	10,468	563,808,964	9,437,403	0.0138	902
1993	9,669	493,643,023	9,730,164	0.0167	1,006
1992	8,796	429,298,231	30,799,033	0.0197	3,501

(1) Population as of January of each year

Source: City of Brentwood Finance Department

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENT EXPENDITURES LAST TEN FISCAL YEARS**

(Unaudited)

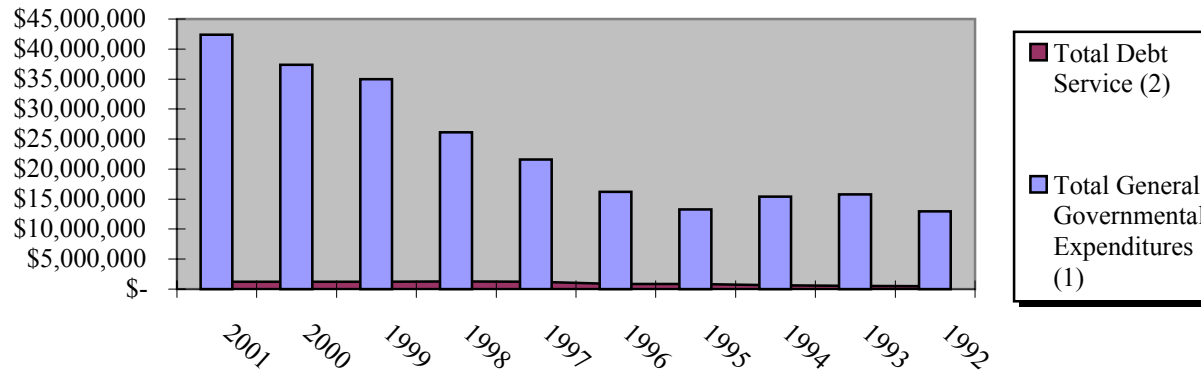
Fiscal Year	Principal	Interest	Total Debt Service (2)	Total General Governmental Expenditures (1)	Ratio of Debt Service to General Governmental Expenditures (1)
2001	\$ 640,000	\$ 603,395	\$ 1,243,395	\$ 42,361,398	2.94%
2000	600,000	643,112	1,243,112	37,388,151	3.32%
1999	570,000	679,800	1,249,800	34,961,836	3.57%
1998	540,000	713,737	1,253,737	26,124,725	4.80%
1997	505,000	730,280	1,235,280	21,575,411	5.73%
1996	405,000	465,521	870,521	16,191,391	5.38%
1995	380,000	487,885	867,885	13,263,320	6.54%
1994	180,000	435,655	615,655	15,427,660	3.99%
1993	170,000	378,193	548,193	15,785,031	3.47%
1992	70,000	385,641	455,641	12,960,924	3.52%

(1) Includes General, Special Revenue, Capital Projects and Debt Service funds.

(2) Does not include any General Obligations for Enterprise funds.

Source: City of Brentwood Finance Department

**Ratio of Annual Debt Service Expenditures**



**COMPUTATION OF DIRECT AND OVERLAPPING DEBT**

**JUNE 30, 2001**

(Unaudited)

	<u>Percentage Applicable</u>	<u>Net Bonded Debt 6/30/01</u>
<b>OVERLAPPING TAX AND ASSESSMENT DEBT:</b>		
Liberty Union High School District	34.341 %	\$ 10,913,570
Brentwood Union School District	89.997	18,070,245
Oakley Union School District	0.004	392
City of Brentwood 1915 Act Bonds	100.000	90,810,000
East Bay Regional Park District	0.880	<u>1,531,596</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		\$ 121,325,803
 <b>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:</b>		
Contra Costa County General Fund Obligations	1.981 %	\$ 6,570,185
Contra Costa County Pension Obligations	1.981	5,890,305
Contra Costa County Board of Education Certificates of Participation	1.981	59,826
Contra Costa County Mosquito Abatement District Certificates of Participation	1.981	25,357
Contra Costa Community College District Certificates of Participation	1.983	28,456
Liberty Union High School District Certificates of Participation	34.341	1,124,668
Brentwood Union School District Certificates of Participation	89.997	6,592,280
City of Brentwood General Fund Obligations	100.000	<u>6,185,000</u>
TOTAL DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT		\$ 26,476,077
 <b>COMBINED TOTAL DEBT</b>		 \$ 147,801,880 (1)

(1) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratios to 2000-01 Assessed Valuation:

Total Overlapping Tax and Assessment Debt 7.16%

Ratios to Adjusted Assessed Valuation:

Combined Direct Debt (\$6,185,000) 0.42%

Combined Total Debt 9.94%

**STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/01:** \$ 0

Source: California Municipal Statistics, Inc.

**REVENUE BOND COVERAGE**  
**WATER AND WASTEWATER FUND**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service (3)	Revenue Bond Debt Service Requirements			Ratio of Debt Service Requirements to Net Revenue Available
				Principal	Interest	Total	
2001	\$ 16,481,774	\$ 7,928,562	\$ 8,553,212	\$ 290,000	\$ 714,142	\$ 1,004,142	12%
2000	11,359,259	5,775,804	5,583,455	275,000	726,705	1,001,705	18%
1999	8,024,591	3,449,889	4,574,702	260,000	738,236	998,236	22%
1998	6,315,493	2,736,368	3,579,125	50,000	741,100	791,100	22%
1997	4,621,484	2,431,478	2,190,006	45,000	472,186	517,186	24%
1996	3,316,558	1,969,127	1,347,431	45,000	94,394	139,394	10%
1995	3,187,883	2,907,276	280,607	30,000	128,459	158,459	56%
1994	1,963,995	1,264,907	699,088	-	-	-	100%
1993	3,280,945	1,296,816	1,984,129	-	-	-	100%
1992	2,268,853	1,331,153	937,700	-	-	-	100%

(1) Total revenues (including interest)

(2) Total operating expenses exclusive of depreciation

(3) Required by Bond Covenances

Source: City of Brentwood Finance Department

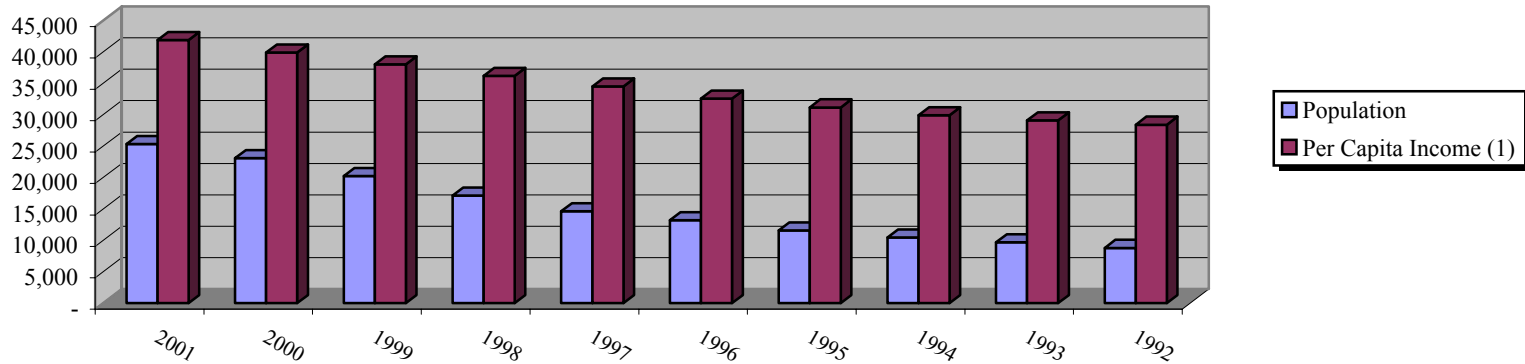


**DEMOGRAPHIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
 (Unaudited)

<b>Fiscal Year</b>	<b>Population</b>	<b>Per Capita Income (1)</b>	<b>Median Age (2)</b>	<b>School Enrollment (3)</b>	<b>Unemployment Rate (4)</b>
2001	25,325	\$ 41,889	36.4	4,390	5.5%
2000	23,090	39,894	36.8	3,886	2.7%
1999	20,235	37,994	36.4	3,549	3.0%
1998	17,108	36,178	36.0	3,211	3.6%
1997	14,623	34,507	35.3	2,954	4.1%
1996	13,218	32,558	35.3	2,745	4.9%
1995	11,563	31,159	35.0	2,442	5.7%
1994	10,468	29,924	35.3	2,144	6.1%
1993	9,669	29,090	35.3	1,988	6.4%
1992	8,796	28,409	35.0	1,850	6.4%

Source: (1) Department of Finance Economic Research Unit  
 (2) US Census Bureau  
 (3) Brentwood Union School District  
 (4) Employment Development Department

**Demographic Statistics**



**PROPERTY VALUE AND CONSTRUCTION ACTIVITY**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

<b>Fiscal Year</b>	<b>Commercial Industrial Construction</b>		<b>Residential Construction</b>		<b>Total Construction</b>	
	<b>Number of Units</b>	<b>Valuation</b>	<b>Number of Units</b>	<b>Valuation</b>	<b>Number of Units</b>	<b>Valuation</b>
2001	9	\$ 4,394,473	1,483	\$ 285,026,900	1,492	\$ 289,421,373
2000	6	5,966,094	882	155,465,300	888	161,431,394
1999	8	9,216,760	979	79,325,100	987	88,541,860
1998	11	4,468,999	685	103,799,600	696	108,268,599
1997	21	8,374,236	843	95,625,800	864	104,000,036
1996	4	2,185,237	497	75,231,900	501	77,417,137
1995	6	7,530,189	557	79,898,500	563	87,428,689
1994	4	2,167,428	386	54,776,900	390	56,944,328
1993	3	948,808	351	48,503,100	354	49,451,908
1992	3	1,333,093	152	23,508,900	155	24,841,993

Source: City of Brentwood Community Development Department

**LARGEST PROPERTY TAXPAYERS  
WITHIN THE CITY LIMITS  
JUNE 30, 2001  
(Unaudited)**

<u>Property Owners Name</u>	<u>Primary Use</u>	<u>Total Assessed Value</u>	<u>Percentage of Secured Assessed Value</u>
Brookfield Brentwood Lakes, Inc.	Dry Farm	\$ 39,348,223	2.32%
Blackhawk Nunn Active Adult	Residential	28,023,550	2.05%
California Sun Properties	Dry Farm	24,046,437	2.22%
US Print Inc.	Industrial	18,346,145	1.96%
Brentwood Union School District	Institutional	18,241,919	2.22%
HPH Properties LP	Residential	16,010,842	2.20%
Morrison Homes Inc.	Residential	14,058,420	2.23%
Liberty Union High School District	Institutional	13,331,198	2.36%
Ronald E. & Shirely A. Nunn	Dry Farm	12,503,955	2.53%
Pulte Home Corporation	Residential	12,163,158	2.83%
		<u>\$ 196,073,847</u>	<u>22.92%</u>

Source: HdL, Coren & Cone

**MISCELLANEOUS STATISTICAL INFORMATION**  
**June 30, 2001**  
(Unaudited)

<b>Date of Incorporation:</b>	January 19, 1948
<b>Forms of Government:</b>	General Law Council-Manager
<b>Fiscal Year Begins:</b>	July 1
<b>Area of City:</b>	13.73 Sq Miles
<b>Population as of January 2001:</b>	25,325

<b>Number of Full-time Equivalent Positions</b>	<b>Year End</b>
188.45	2001
154.50	2000
130.20	1999
106.85	1998
95.95	1997
87.75	1996
77.88	1995
61.20	1994
58.75	1993
54.90	1992

<b><u>Public Schools</u></b>	
Elementary	4
Intermediate	2
High School	1

<b><u>Miles of Streets</u></b>	
Arterial Miles	27.55
Local Miles	91.03
Miles of Sanitary Sewers	67
Miles of Watermains	92
Number of Street Lights	2,500

<b><u>Municipal Wastewater System</u></b>	
Number of lift stations	4
Sanitary	3
Storm	1
Number of connections	8,000
Average daily flow	2.0 million gallons

<b><u>Municipal Water System</u></b>	
Number of wells	7
Number of towers	1
Storage capacity (gallons)	10.8 million gallons
Average daily consumption	14.7 ac.ft
Peak daily consumption	10 MGD
Number of fire hydrants	987
Number of connections	8,000

<b><u>Municipal Solid Waste</u></b>	
Number of Residential Services	7,899
Number of Commercial Services	378

<b><u>Parks and Recreation</u></b>	
Playlots	1.65 Acres
Neighborhood Parks	55.50 Acres
Aquatic Complex	7.5 Acres
Community Playfields	10 Acres

<b><u>Parks Facilities</u></b>	
Tennis Courts	1
Multi-use ballfields	4
Baseball fields	5
Football/soccer fields	7
Basketball/surfaced courts	8
Permanent park buildings	6
Playgrounds	18
Picnic grounds	19

<b><u>Police Protection</u></b>	
Sworn Officers	36
Non-Sworn	11
Reserves	4
Vehicles	35
K-9 Vehicle	1
Motorcycles	2

<b><u>East Diablo Fire District</u></b>	
Stations located in Brentwood	1
Firefighters	30